Employer Childcare Toolkit

Data, Tools, and Resources for Increasing Childcare Capacity for the Jefferson County Workforce







arvadachamber.org/childcare (303) 424-0313 The primary purpose of this toolkit is to equip employers with practical strategies, resources, and insights to understand the direct impact of childcare on business performance and employee retention, and to identify tailored childcare solutions based on organization needs and culture. By leveraging the tools and resources provided in this toolkit, regional employers can take proactive steps toward addressing the childcare challenges faced by their workforce.

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INTRODUCTION

Understanding the integral role of childcare in workforce dynamics is key to fostering a supportive workplace that attracts and retains top talent. The availability and quality of childcare directly impact workforce participation, productivity, and overall economic growth.

According to the U.S. Chamber of Commerce (2024), 53% of those working in the U.S. are parents, and 37% of those parents have young children. The lack of accessible and affordable childcare negatively impacts businesses and employers in several significant ways:



Reduced Productivity and Increased Absenteeism

- 45% of parents report being absent from work due to childcare issues, missing an average of 4.3 days every six months
- Employee absence due to a lack of childcare costs U.S. businesses an estimated \$4.4 billion annually
- 1 in 3 businesses nationally felt that childcare issues factored "a great deal" into loss of productivity for employees



Difficulty Hiring and Retaining Talent

- 56% of parents say childcare responsibilities have been a factor in accepting a job, potentially limiting the talent pool
- Childcare issues can lead to increased employee turnover, as parents may need to leave jobs due to lack of care options
- Companies that offer childcare assistance report reduced turnover by as much as 60%



Lost Economic Output

• The national economy loses billions due to parents missing work or reducing hours because of childcare issues, estimating that states lose an average of \$1 billion in economic activity annually.



Increased Costs for Businesses

- Some businesses may be unable to fully staff their operations or may have to reduce hours of operation due to employees being unable to access or afford childcare
- Losing an employee due to childcare challenges resulted in employer turnover costs, which can include 33% of a worker's total compensation to replace them

Increasingly, employers are noticing how employees' lack of accessible and affordable childcare options is impacting their business. According to a U.S. Chamber of Commerce 2020 report, 76% of businesses said that they have seen employees leave, and 43% of businesses said that 75-100% of employees they lost were women.

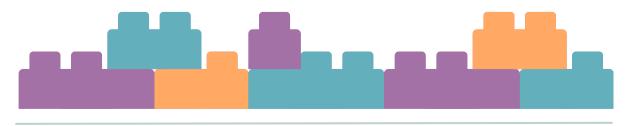
PART 1: BUILDING CONTEXT & AWARENESS

Jefferson County, like many communities across Colorado, faces significant challenges in providing accessible, affordable, and high-quality childcare for working families. To effectively address these issues, it's crucial to understand the unique context and factors influencing the childcare landscape in our county.

This table shows the current licensed childcare slots available for children ages 0-5 in Arvada (as of August 2024):

Age group	Licensed capacity estimate	Population estimate	% children served in licensed setting	% children statewide served in a licensed setting
Infants (0-18 mo)	1,432	8,379	17.1%	11.5%
Toddlers (18-36 mo)	3,058	8,702	35.1%	24.5%
Preschoolers (36-60 mo)	13,686	11,810	115.9%	94.1%

As this table demonstrates, licensed childcare capacity varies, with the most limited capacity being for infants and toddlers, and the most accessible childcare being available for preschoolers. The Colorado Universal Preschool Program, established in 2022, offers 10-15 hours of free preschool to eligible 4-year-olds in the year prior to being eligible to enroll in kindergarten, served over 39,000 children last school year, significantly increasing access for this age group. In contrast, licensed childcare for infants and toddlers faces higher costs and limited availability due to stricter staffing and room requirements. Additionally, due to childcare capacity challenges, only a limited number of children are able to receive care through licensed childcare.





More than half (51%) of Coloradoans live in a childcare desert, meaning that there is no licensed childcare available or only one licensed spot for every three spots needed. In Colorado, 7,000+ licensed infant childcare slots have been lost since 2011 - nearly 30% of the supply. Colorado only has 62% of the childcare spots needed, and requires nearly 200,000 more childcare spots to serve the need. Childcare providers are challenged with staffing and retention issues, rising operational costs, and regulatory compliance which make it difficult to meet the demand for childcare.

Colorado has the 9th highest cost of childcare in the U.S. The U.S. Department of Health and Human Services considers childcare affordable when it accounts for no more than 7% of a household's income. According to <u>Care.com</u>, the national average cost of childcare is \$1,063.36 per month, or \$13,823.43 annually. In the Denver-metro region, the average monthly cost for a full-time, full-day childcare program is \$1,575, with costs raining from \$458 to \$2,371 per month as reported by <u>Brightwheel</u>. According to the <u>Bell Policy Center</u>, the average Jefferson County household spends 18% - 23% of their annual income on childcare.

Key signs that indicate an employee is struggling with childcare:

- Sudden changes in behavior or performance
- Increased absenteeism or tardiness
- Visible stress or fatigue
- Difficulty focusing during work meetings or calls
- Requesting more flexibility
- Decline in work-life balance
- Emotional changes
- Decreased engagement
- Expressed concerns around childcare

By being attentive to these signs, employers can identify employees who may need additional support or flexibility to manage their childcare responsibilities effectively.

Additional regional resources available for employees who are looking for childcare options:

- Jefferson County Child Care Association for Family Child Care Homes
- Qualify for the Child Care Assistance Program
- <u>Qualify for Head Start</u>
- <u>Universal Preschool Program</u>
- <u>Colorado Shines</u>

PART 2: POLICIES & PRACTICES

Family-friendly policies and practices have become increasingly vital in today's workforce, reflecting a growing recognition of the need to support employees in balancing their professional and personal lives. Research indicates that businesses that adopt family-friendly policies experience increased employee engagement, higher retention rates, and supported productivity. Family-friendly practices contribute to the overall well-being of employees, reducing stress and enabling them to focus more effectively on their work. Adopting family-friendly policies and practices is a strategic business decision that benefits both employees and employers alike.

Family-friendly policies can include benefits and benefit programs, such as:

1. Parental Leave

Providing paid leave for new mothers and fathers allows parents to bond with their newborns, supports the mother's recovery from childbirth, and is crucial for child health and development. Offering parental leave to all caregivers also promotes equality and career protection by ensuring that parents can care for their children without fear of losing their positions. Additionally, for parents who are fostering or adopting, paid leave provides essential bonding time, supports the adjustment of both parents and children, and allows parents to address any unique needs their children may have.

Disclosure of paid parental leave policy is increasing. In September 2022, 60% of America's largest companies disclosed a paid parental leave policy, compared to 47% in 2021.

If you are a member, <u>SHRM has example paid</u> <u>parental leave policies</u>, or a free Parental Leave Policy can be found through <u>womenemployed.org</u>.



Of the 24% of women who try to return to work full-time after having children, 79% end up leaving because they cannot maintain a full-time job alongside having a baby.

Benefits of Family-Friendly Policies

Attracts and retains talent

Companies with family-friendly policies are more attractive to potential employees and have higher retention rates.

Increases productivity

Employees with flexible work arrangements and childcare support are often more focused and productive.

Reduces absenteeism

Paid family leave and flexible scheduling options can reduce the number of days employees miss work due to family-related issues.

Enhances reputation

Companies known for their familyfriendly policies are viewed more positively by customers, investors, and the community.

Improves morale and job satisfaction

Employees who feel their employer cares about their well-being and family needs tend to have higher job satisfaction and morale, leading to a more positive workplace culture.



2. Flexible Working Arrangements

Allowing working parents flexibility can support effective balance of their professional responsibilities with the demand of family life, leading to greater well-being and productivity.

Flexible working hours allow employees to adjust their work schedules to better fit family responsibilities, reducing stress and improving work-life balance. This can include flextime, compressed workweeks, and telecommuting. Remote work offers the ability to work from home, which can help parents manage childcare needs more effectively and reduce commuting time.

If you are a member, <u>SHRM has example flex work schedule policies</u>, or a free Flex Work Schedule policy example is available through <u>workforce.com</u>.

3. Lactation Support

Providing dedicated breaks and facilities for breastfeeding or expressing milk supports new mothers in continuing to breastfeed after returning to work. There are specific resources for employers to provide support for breastfeeding parents.

- <u>Colorado Employer Toolkit Supporting Breastfeeding at Work</u>
- <u>Certified Breastfeeding Friendly Locations in Jefferson County</u>
- <u>Colorado Breastfeeding Coalition</u>
- Office on Women's Health <u>Supporting Nursing Moms at Work: Employer Solutions</u>

There are also additional leave options employers can implement to support working parents:

- <u>Colorado Paid Family Leave</u>: Colorado's Family and Medical Leave Insurance (FAMLI) program provides eligible employees with up to 12 weeks of paid leave per year to care for themselves or family members during qualifying events such as bonding with a new child, caring for a seriously ill loved one, or recovering from their own serious health condition.
- <u>Emergency Leave</u>: Offering leave options for family emergencies can help employees manage unexpected caregiving needs without fear of losing their job.
- <u>Care Leave</u>: Providing leave for employees to care for sick family members supports their ability to balance work and family life.

Want to Make a Work Event Family-Friendly?

Want to host a family-friendly conference, retreat, or workplace event? Several services specialize in providing childcare specifically for business and event needs. Jovie, a local business, offers reliable and professional childcare solutions for organizations and event planners, enabling caregiving attendees to participate fully. Learn more at jovie.com/childcare-for-business-events

Family-Friendly Workplace Certification Program

The <u>Arvada Chamber's Family-Friendly Workplace Certification Program</u> is an opportunity for regional businesses to attract and retain talent, foster diversity, and create a workplace that supports both employee well-being and business success. The program is open to any regional employer, and includes three phases.

Phase 1 - Assessment

Complete an organizational survey on the family-friendly policies and practices at your business and receive a customized evaluation and score highlighting your areas of success and improvement.

Phase 2 - Consultation

Receive 1:1 consultation and resources, including employer toolkits and trainings, to support and strengthen your business's family-friendly policies and practices.

Phase 3 - Business Peer Cohort

Engage in a cohort of businesses of varying sizes and diverse sectors to connect quarterly, hear from subject matter experts, learn about best practices, and receive resources to support your business, workforce, and company culture.

The program also includes a Family-Friendly Workplace Badge that employers can use in talent recruitment and retention materials, host on their website, and be recognized as a Family-Friendly Workplace by the Arvada Chamber. Learn more at <u>arvadachamber.org/FFWP</u>.

"Getting recognized for being a family-friendly workplace shows our commitment to caring for employees inside and outside of work. Everyone has their responsibilities and lives outside the Barber-Nichols building and it's important for us to not only recognize this but support it. Ultimately when you can spend time to recharge with your family and care for them then it makes showing up to work each day that much easier."



PART 3: DEVELOP PROGRAMS TO SUPPORT PARENTING AND CAREGIVING EMPLOYEES

Addressing the childcare needs of employees has become a critical factor in attracting and retaining top talent. This section explores the various childcare benefits and resources available to employers, as well as innovative public/private partnerships that can help businesses support their workforce more effectively.

One option for employers to support childcare capacity is to offer financial assistance or subsidies for childcare costs to make it more affordable for employees, helping them remain in the workforce. This can be through childcare stipends, which provide employees with direct financial support from their employer for childcare.

Several organizations offer support for businesses looking to offer childcare stipends:

- <u>Bright Horizons</u>: A leading U.S.-based provider of employer-sponsored childcare, operating over 1,000 centers worldwide, including more than 700 in the United States. Bright Horizons offers a range of services including childcare, elder care, education advising, and tuition management. In addition, Bright Horizons also provides specific childcare supports and services including back-up childcare coverage for one or multiple days, as needed.
- <u>KinderCare</u>: KinderCare, one of the largest providers of childcare, offers several childcare benefits and tuition support options for families, including tuition benefit, child care subsidy programs, and employer-sponsored benefits.
- <u>Vivvi</u>: Vivvi offers childcare stipends as part of their partnership with employers to support working families. By collaborating with companies, Vivvi helps to reduce the cost of childcare through government subsidies, which can lower the expense by up to 75% for employers. These stipends are designed to provide flexible, high-quality childcare solutions that align with the needs of modern families.

Another option is to offer <u>Dependent Care Flexible Spending Accounts (DCFSA)</u>, a pre-tax benefit account used to pay for eligible care services, like childcare.

For employers that currently offer or are looking to offer an Employee Assistance Program (EAP) can add benefits around childcare. The <u>Mines and Associates' New Mother Program</u> provides a comprehensive support system for new parents, including new mothers, as part of their EAP services. This program includes parental coaching, lactation support, virtual mini-consults to address needs around breastfeeding, childcare referrals, and work-life balance support.

Providing Near-Site and Onsite Childcare

Employers can look to provide on-site or near site childcare for their employees. <u>Executives</u> <u>Partnering to Invest in Children</u> (EPIC) offers an Employer-Based Child Care Design Lab, an innovative program designed to support employers in developing onsite or near-site childcare facilitates. <u>The Design Lab</u> helps employers gain the knowledge and resources necessary to plan and implement childcare facilities for their workforce. The Design Lab process is similar to developing a business plan for childcare projects or programs, but offers direct support and facilitated community partnerships to help employers create viable childcare solutions. Participants can develop competitive grant applications for up to \$800,000 in state funding for their childcare projects. The <u>EPIC Design Lab</u> serves as a crucial tool in Colorado's efforts to expand childcare capacity and support both employers and working families.

If an employer is looking to offer childcare through onsite care, stipends, partnerships, etc., they can be eligible for the <u>Employer-Provided Child Care Credit</u>. The Employer-Provided Child Care Credit is a federal tax incentive designed to encourage employers to provide childcare benefits to their employees. Employers can claim 25% of qualifying expenses related to developing or expanding an onsite childcare facility, operating costs of a childcare facility, or contracting with a licensed childcare program, including home-based providers.

Family Affordability Tax Credit

In 2024, Colorado passed legislation introducing the <u>Family Affordability Tax Credit</u> (<u>FATC</u>) to support working families. Beginning in 2024, this refundable tax credit will be available to parents with children 16 and younger. The FATC offers up to \$3,200 per child under 6 years old and \$2,400 for children ages 6 to 16. Eligibility extends to individuals earning up to \$85,000 and joint filers earning up to \$95,000 annually, with an estimated 370,000 Colorado households qualifying for this benefit. By providing financial support and potentially reducing childcare costs, this tax credit aims to improve access to childcare for thousands of working families across the state.



PART 4: REGIONAL COLLABORATION PARTICIPATION

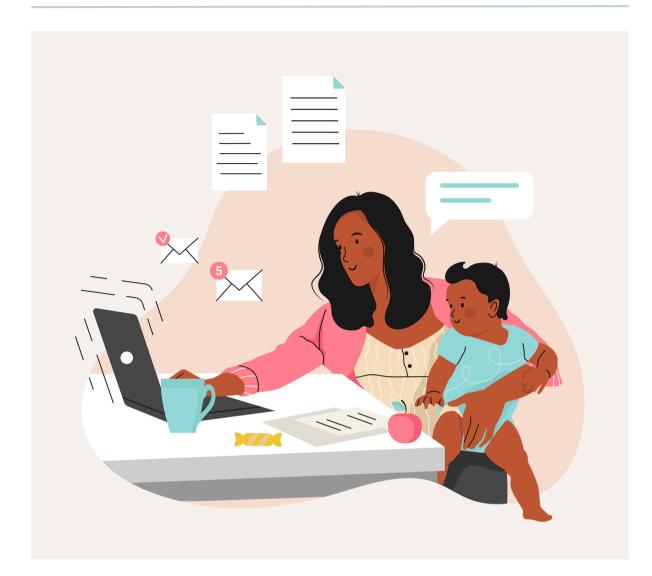
Recently, there has been a growing partnership between businesses and childcare collaboratives across Colorado. Collaborative efforts in childcare not only benefit individual companies but also create a ripple effect that positively impacts the entire business ecosystem. From partnering with local childcare providers to participating in public/private initiatives, there are numerous ways for businesses to engage in this crucial area. As advocates, businesses can help provide a crucial perspective and voice in several areas:

- Businesses understand how inadequate childcare options affect workforce participation, productivity, and overall economic growth.
- Businesses often have significant influence with policymakers. Their support can drive legislative changes that improve childcare access, quality, and affordability.
- By partnering in efforts for childcare solutions, businesses can help ensure a stable and reliable workforce, reducing absenteeism and turnover rates due to childcare challenges.
- Businesses are often seen as community leaders. Their involvement in childcare collaboratives can mobilize other stakeholders to prioritize and invest in childcare.
- A business voice in childcare collaboratives underscores a commitment to corporate social responsibility, demonstrating that the company values the well-being of its employees and the communities in which it operates.

At the regional level in Jefferson County, the <u>Triad Early Childhood Council</u> (ECC) and <u>Child Care</u> <u>Innovations at Red Rocks Community College</u> seek to enhance the quality of life for young children and their families by leveraging community resources to influence policy, finance, and service delivery. Triad ECC is dedicated to advancing early childhood education and care across the region through a range of regional and statewide initiatives aimed at driving systemic improvements. The Council and Child Care Innovations program are great partnership opportunities for businesses to support the financing of childcare through stipends, grants, and partnerships to support parenting and caregiving employees. If interested in learning more, email <u>info@triadecc.org</u> or visit their website at <u>triadecc.org</u>.

<u>Triad Bright Futures</u> hosts the <u>Bright Futures Roadmap</u>. The Roadmap is a community-wide strategy to support the health and well-being of the youngest children and families in Jefferson County. The Roadmap hosts four strategies to address early learning and care in the county: Quality Early Care & Education, Family Support & Home Visiting Programs, Access to Mental Health Consultation & Support, and Screening, Assessment & Referral.. Learn how you can help these Roadmap strategies by visiting the <u>About</u> page of the Triad Bright Futures website.

Additional key partners to contact about collaboratives and advocacy at the state level include <u>Executives Partnering to Invest in Children</u>, <u>Early Childhood Leadership Commission</u>, <u>Colorado</u> <u>Children's Campaign</u>, and <u>Healthier Colorado</u>.



CONCLUSION

It is clear that addressing childcare challenges is not just a family issue, but a critical economic and community concern. The Arvada Chamber recognizes the pivotal role that accessible and affordable, high-quality childcare plays in supporting our workforce, driving business growth, and fostering a thriving community. This toolkit explored various strategies, resources, and partnerships that can help businesses of all sizes support their employees' childcare needs. From understanding tax credits to implementing family-friendly policies, every step towards improving childcare accessibility contributes to a stronger and more resilient regional community.

Learn more at <u>arvadachamber.org/childcare</u> and sign up to join the <u>B.O.L.D. 2026 Childcare</u> <u>Network</u> today!

RESOURCES

U.S. Chamber of Commerce Employer Roadmap: Childcare Solutions for Working Parents This roadmap is intended to help senior leaders and business owners learn their options for supporting working parents with their childcare needs. It is also intended to help leaders understand what to expect when embarking on this journey and how to take action.

Toward a Working Future: A Childcare Toolkit for New York City Employers

This toolkit for New York City employers examines strategies for employers to support their caregiving employees through HR strategies, programs, partnerships, and leveraging incentives. This resource can give additional ideas for employer childcare solutions.

UNICEF Family-Friendly Policies: Redesigning the Workplace of the Future

This policy brief highlights the importance of implementing family-friendly workplace policies to support working parents and caregivers. These policies are designed to balance work and family life by providing essential resources such as time, finances, and services.

Health Links Family-Friendly Workplace Toolkit

This toolkit (which is currently in the process of being updated) was developed by the Colorado Center for Health, Work & Environment to help employers assess and improve work-related family support practices. This toolkit aims to help businesses create familyfriendly workplace cultures that support work-life balance and address work-family conflict.

Employer-Based Child Care Feasibility & Assessment Guide

This resource, developed in partnership with the Colorado Department of Early Childhood and Executives Partnering to Invest in Children, provides resources and strategies to incentivize employers to establish childcare facilities on or near their business sites.

Moms F1srt Report

This report from Boston Consulting Group shares research documenting the positive return on investment (ROI) from a variety of employer child care investments and programs. Some of the resources include a Benefits Measurement Plan, ROI Calculator, Childcare Benefits Survey, and more.

Jefferson County Bright Futures Child Care Survey Project

This report surveyed 423 Jefferson County parents and their experiences with childcare. The report reveals that families are struggling to pay for childcare and are making significant financial and employment sacrifices to mitigate this burden.

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