



Employers and Child Care Subsidies

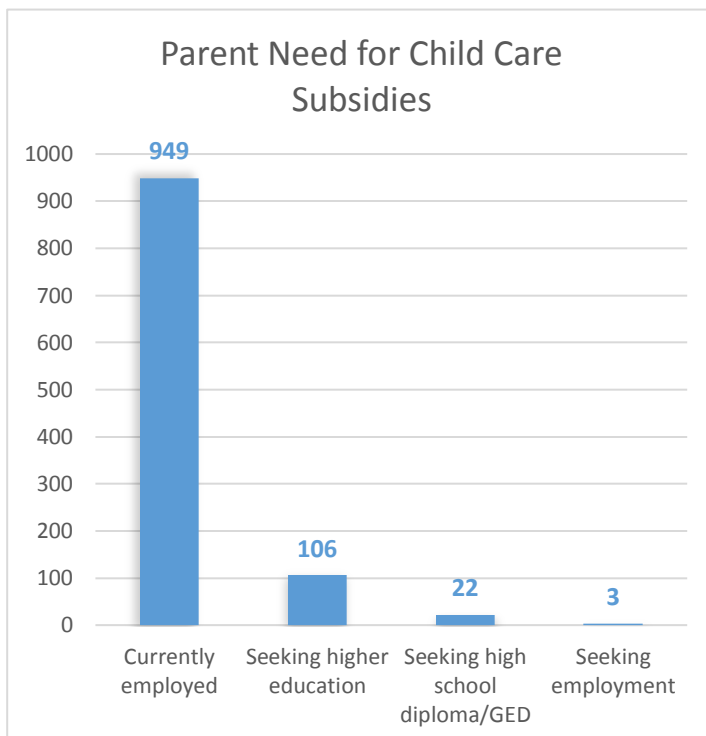
January 2017 Report

Introduction

Child care subsidies offer many benefits. In addition to providing access to quality early childhood educational experiences, the subsidies directly benefit many employers in Buncombe County by serving employees who otherwise may not be able to participate in the workforce.

In November 2016, the Buncombe Partnership for Children analyzed child care subsidy data provided by Southwestern Child Development Commission to determine where parents who receive child care subsidies are employed and assess the impact on employers.

Child care subsidy data is organized by the eligible child, not by his/her parent/caregiver. For the purposes of this report, we refer to all parents/caregivers as parents. The data below is derived from the number of children 0-5 years old who were receiving subsidies, and then analyzes where their parents were employed. Additional child care subsidies are available for afterschool and summer care for children ages 5-12. This report only focuses on child care subsidies for children ages birth through five, before children enter kindergarten.



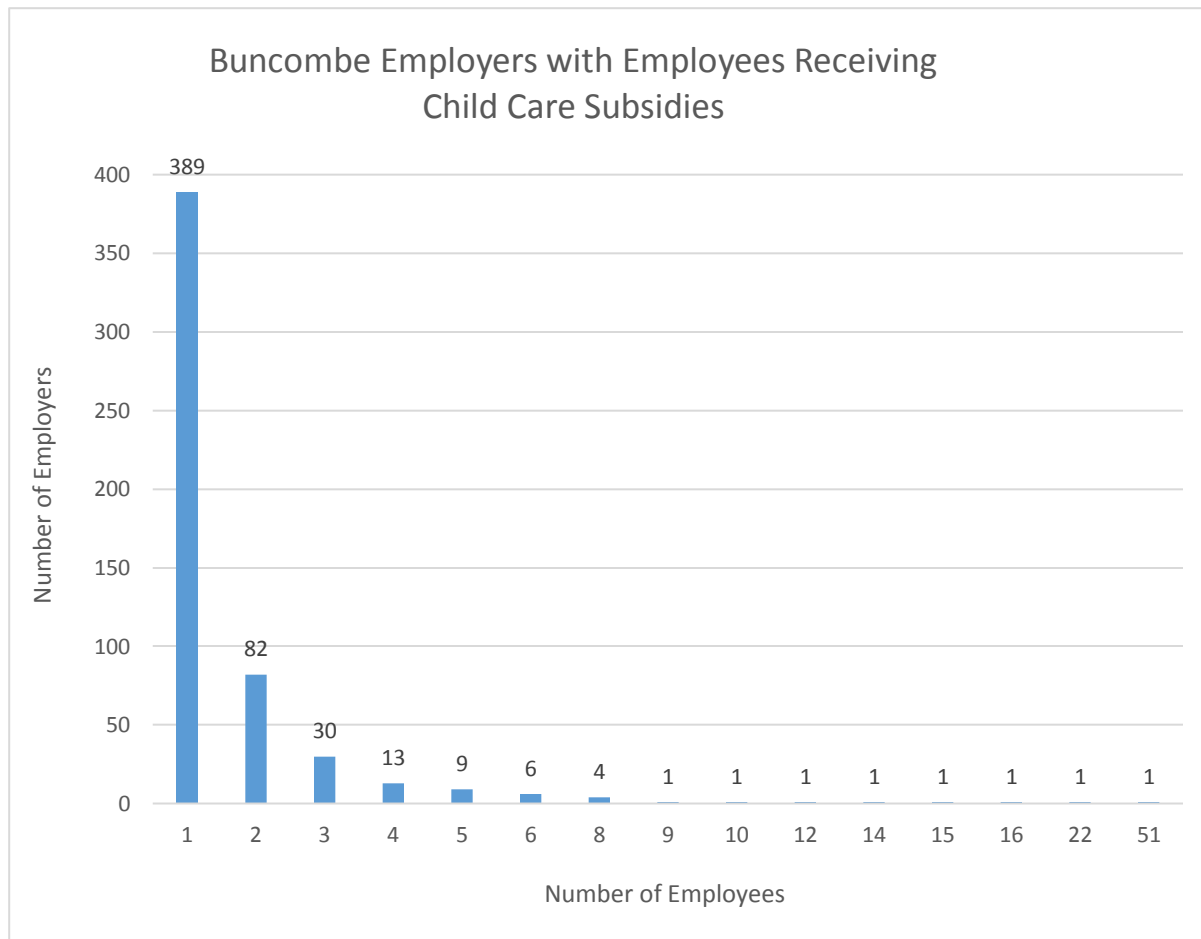
Parents in Buncombe County receive child care subsidies for their children based on income eligibility and other criteria. In general, parents receive subsidies to keep current employment and or to continue their education. This data is collected and reported on a quarterly, ongoing basis and does not match the data for the November 8, 2016 one-point-in-time data set for employers. In the fiscal year 2015-16 (July-June), 949 or 88% of parents were employed, 106 or 10% of parents were seeking higher education, 22 or 2% of parents were seeking a high school diploma/GED, and 3 parents (less than 1%) were seeking employment.

Total Number of Children Receiving Child Care Subsidies with Employed Parents

As of November 8, 2016, there were 1,039 parents who are Buncombe County residents with children (ages 0-5) receiving child care subsidies.

Employment in and Around Buncombe County

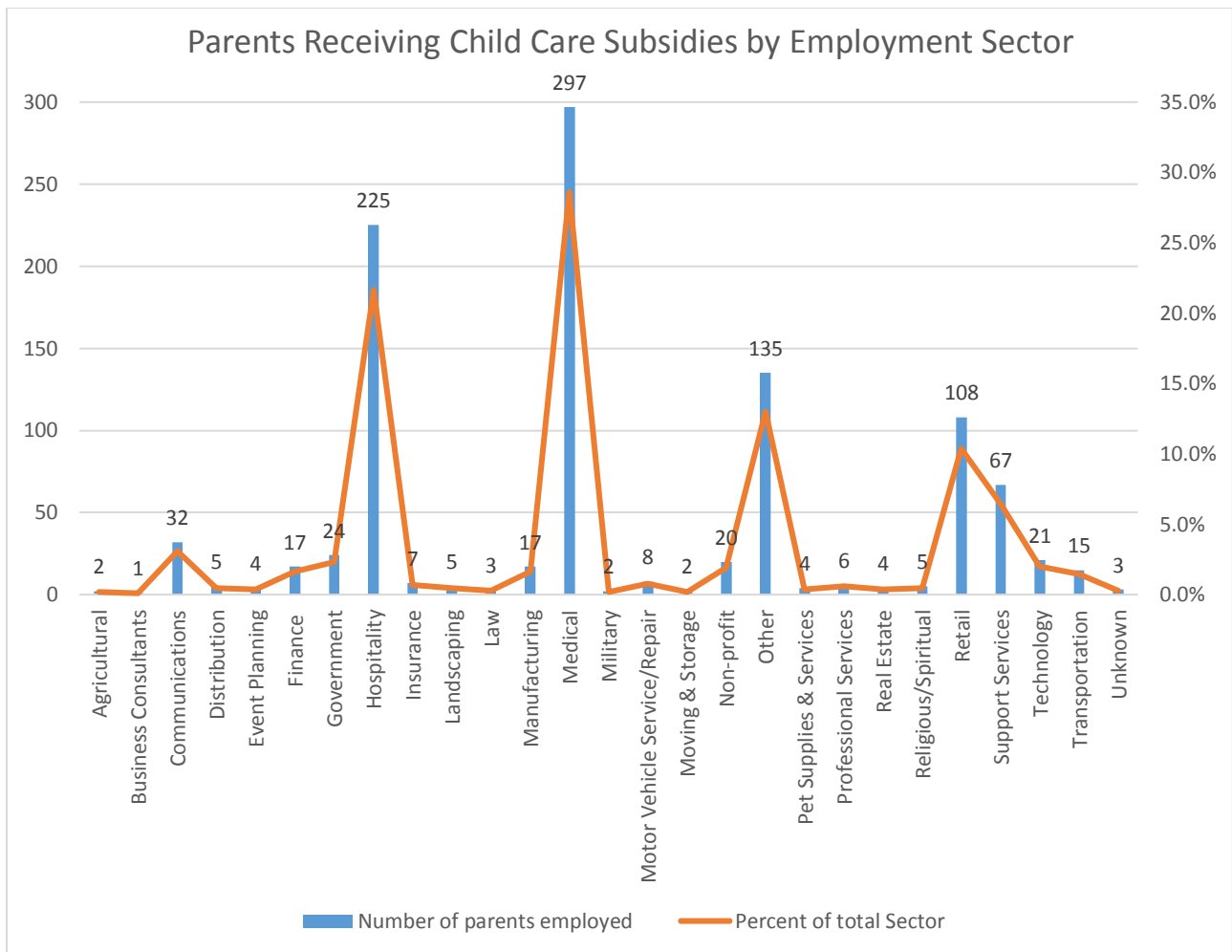
The 1039 parents/guardians receiving child care subsidies for their children were employed by 557 employers in the Buncombe County area. The majority of parents (98% or 986) were employed in businesses located in Buncombe County, and 2% were employed in surrounding counties, including Haywood, Henderson, Jackson, Mecklenburg, Rutherford and Transylvania. As can be seen in the table below, of the 541 employers in the Buncombe County area, 95% had four or fewer subsidized employees and these tended to be small business employers. However, 8 employers each had 10 or more subsidized employees and accounted for 26% of the total number of subsidized parents. Of the 1039 Buncombe parents, 29 were self-employed and are included as individual businesses employing one individual receiving child care subsidies.



BPFC, November 2016

For purposes of this report, employers were classified into business sectors using the Asheville Area Chamber of Commerce business taxonomy. Parents receiving child care subsidies are engaged in twenty-six different business sectors. The following sectors were represented most frequently in this dataset: Medical (28.6% or 297 parents), Hospitality (21.7% or 225 parents), Other (13% or 135 parents), Retail (10.4% or 108 parents) and Support Services (6.4% or 67 parents). The Other category includes such employers as education and schools, self-employed individuals, and personal services, such as hair, nails and other body care services. Support Services includes businesses such as cleaning and janitorial services and employment staffing services.

As seen in the table below, parents receiving child care subsidies that work in the medical, hospitality, other, retail and support services account for a total of 80% of the total number of employees with children ages 0-5 who receive child care subsidies.



Businesses with Employees Receiving Child Care Subsidies

Buncombe County has 541 different employers who together rely on 957 employees who are receiving child care subsidies. Eight large employers each have 10 or more subsidized employees, accounting for 26% of the total number of subsidized employees in the county. These employers are: Memorial Mission Hospital, Ingles Market, Child Care Network, McDonalds, Irene Wortham Early Learning Center, The Laurels, VA Medical Center, and Givens Estates. Together, these employers account for more than 26% of all employed parents who are receiving child care subsidies. However, small businesses are most dependent on these subsidized employees. The great majority (95%) of the total number of businesses has small staff and relies on fewer than 4 subsidized employees.

As a group, self-employed individuals are one of the top consumers of child care subsidies, and represent 29 parents. Another large consumer of child care subsidies are parents who are employed by various licensed child care facilities in Buncombe County. If all employees of child care facilities who receive subsidies for their children were combined, this would include 86 parents (or 8%) at 26 child care facilities. This calculation is based on federal tax ID number, not individual facility location.

Subsidy Funding and How to Apply

Child Care subsidies are primarily funded by the North Carolina Division of Child Development and Early Education through County Departments of Social Services or Health and Human Services. Match funding is also provided through Smart Start and the North Carolina Partnership for Children. Local Smart Start funds are administered by the Buncombe Partnership for Children through the Buncombe County Department of Health and Human Services under a contract with Southwestern Child Development Commission.

Subsidy funding allows parents to continue working or going to school by providing a portion of their child care expenses based on income eligibility and other guidelines. For families with children ages 0-5, household income must be at or below 200% of the federal poverty level. Payments are currently made directly to the licensed child care facility selected by the parent. Child care providers are reimbursed per child at a rate set by the state. Parents receiving subsidy assistance must pay a fee of 10% of gross monthly income directly to the child care center. Subsidy assistance is available for full-time, part-time, or wrap-around care for Early Head Start and NC Pre-K. Child care subsidy assistance is available through NC FAST, North Carolina Families Accessing Services through Technology, which allows parents to apply online.

Since January 2016, there has been no waiting list for children deemed eligible and waiting for child care financial assistance in Buncombe County. However, this has not always been the case and wait list numbers for child care subsidies were as high as 840 for children 0-5 in September 2015, with an average wait time of 7.4 months.

To apply for child care subsidy assistance, contact the Child Care Subsidy Unit at Buncombe County Health and Human Services by phone at 828-250-5500 to schedule an appointment and learn about the documentation required.

Finding Child Care

Mountain Child Care Connections (MCCC) is a regional call center providing families with free, confidential information about quality child care to meet their individual needs. Information provided includes:

- Provider contact information
- Types of care available
- Quality indicators and star licenses
- Cost of care
- Referrals to other agencies

The call center, managed by Southwestern Child Development Commission (SWCDC), serves Buncombe County and its 10 surrounding counties. Call toll free at 1-877-752-5955 or email childcareinfo@swcdcinc.org.

The Division of Child Development & Early Education (DCDEE) provides a guide on choosing quality child care and a search feature that allows parents to find centers based on name, location, and other criteria (<http://ncchildcare.nc.gov/>). More information about subsidized child care options in Buncombe County can be found on the Partnership's web site (<http://buncombepfc.org/for-families/finding-child-care/>).

Acknowledgements

Data about child care subsidies was provided by Southwestern Child Development Commission in November 2016. The format for this report was created by the Orange County Partnership for Young Children.

For information about subsidies, contact:

Southwestern Child Development -
Buncombe County DHHS Contractor for
Child Care Subsidies
1078 N. Main Street, Waynesville, NC 28786
(828) 586-5561
www.swcdcinc.org

For information about this report, contact:

Buncombe Partnership for Children
2229 Riverside Drive, Asheville, NC 28804
(828) 285-9555
www.buncombepfc.org