

Milwaukie
Design Lab

Clackamas Prosperity
Collaborative

Solving Our Childcare Crisis - Together!

A roadmap for employer-supported childcare in the City of Milwaukie



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Introduction: This document was developed by the [Milwaukie Design Lab](#) (MDL), a subset of the [Clackamas County Prosperity Collaborative](#), a county-supported effort to engage community members in high-need areas in identifying and developing solutions to their community's most pressing challenges. Both Clackamas County and the City of Milwaukie are committed to enhancing people's lives by addressing the social and economic barriers that prevent individuals, families, and communities from achieving their goals and living happy, health lives. The Prosperity Collaborative and Milwaukie Design Lab strive to support their efforts. In the City of Milwaukie, affordable, accessible childcare is a major challenge to both working families and local employers interested in attracting and retaining talent. This document provides helpful information for local employers interested in addressing this issue head-on through employer-supported childcare opportunities.

The local business community can be a valuable ally in addressing this issue. By providing more affordable, accessible childcare options, local employers can not only address issues with employee retention, but become central to the City of Milwaukie's goals for equitable growth, development, and economic prosperity, as outlined in [All Aboard Milwaukie](#).

Employer-supported childcare can help meet many of these goals by creating innovative, community-minded businesses which provide residents secure, meaningful work; access to the education and training needed to meet local labor demands; and eliminate disparities to allow all residents to reach their potential in areas of education, commerce, and culture. Read more about how local businesses fit into the Milwaukie's plans for long-term growth by [clicking here](#).

Using This Document: This document was created to give local employers a summary overview of the childcare issue and outline actions employers can take to help reduce the burden of childcare on their employees and the broader community. Each section briefly describes considerations, need-to-knows, and resources for employers interested in exploring a childcare initiative for their business. Imbedded throughout the roadmap are links and contact information for relevant agencies and organizations who can answer questions and assist employers in this process, along with case studies and examples of successful employer-supported childcare models. The roadmap has active links imbedded throughout, and provides additional information for those interested in learning more about the childcare crisis and opportunities to address it.

Section 1 – Overview & Impact of the Childcare Crisis

The information below is a snapshot that includes local, state, and national information. For more details on the local, state, and [national impact of the childcare crisis](#), please explore the links imbedded throughout this section, or see the resources page.

Demand vs. Availability

Nationwide, the demand for childcare program slots exceeds the number of available slots. This is true both in the State of Oregon (which ranks in the [top 10 worst states for affordable childcare](#)) and Clackamas County, including the City of Milwaukie. This lack of availability reduces a parent's ability to consistently work or work fulltime.



In Oregon, for every available slot, there are 8 infants/toddler in need of care. **A ratio of 8:1.**



For children ages three - five (3-5) there are three (3) children for each available slot. **A ratio of 3:1.**



In Clackamas County, **only 13% of children ages 0 - 2** receive access to care.

Impacts and Costs to Families:

In Oregon, the median annual costs of childcare in a licensed center is \$14,400. For context, this is twice the median annual cost of tuition at a public university in Oregon (\$7,680). Center care in Clackamas County averages \$1,200 per month, among the highest in the state. **That is 60% of annual income for a minimum wage worker in Clackamas County.**

"According to a [2019 Oregon State University](#) study...families with children under the age of 3 in every county in Oregon live in a child care desert. Less than 25% of Oregon's children 5 and under have access to a regulated childcare—12% of infants and toddlers and 29% of preschool-age children."

In Milwaukie, the median household income is \$63,421 (lower than the averages in the Metro region and Clackamas County, overall). **This means the annual cost of childcare for one child in an average Milwaukie household is nearly 25% of household income.** The financial burden can hinder a family's ability to cover costs of basic needs, like housing, and reduces extraneous spending on goods and services, harming economic growth and stability. For many, it is more economical for one parent to remain at home rather than pay for care.

Some families rely on multiple sources of care to meet their needs, but this lack of stable, consistent care in a [child's formative years \(0 - 5\)](#) can be detrimental to their cognitive, psychological, and social development. Children without consistent, quality care in their formative years are at [increased risk of adverse long-term impacts](#), like slowed skills development, academic failure, juvenile and adult crime, chronic unemployment, dependence on public assistance, homelessness, and chronic health conditions.

This is true for all children, but those already at-risk (children from low-income families and children of color) face increased barriers to successful development.

An Issue of Equity: Childcare's Impact on Women and Minority Communities

Women and communities of color, two populations which already face increased social and economic barriers to employment, are hardest hit by inaccessible childcare – particularly women of color. This is true for workers in all industries, including the childcare industry itself. Below are some key facts about the childcare crisis and its impact on these groups.

- **In December 2020, women accounted for 100% of US job losses due to childcare-related issues**
- In Oregon, women are 94% of workers involuntarily working part-time due to childcare
- In Oregon, 95% of childcare workers are women, an industry with low-pay, lack of benefits, few opportunities for advancement, and costly education requirements.
- In Oregon, the average annual salary for a childcare worker is \$26,740, with 53% of these workers on public assistance; this contributes to the industry's 27.5% annual turnover rate and leaves providers unable to accommodate more families
- **In Oregon, childcare costs would exceed the federal affordability benchmark for many parents who work full time, year-round. By race, childcare is unaffordable to: 72% of Latinx families, 69% of Black families, 60% of white families, and 53% Asian/Pacific Island families in Oregon.**
- Low-income families and communities of color are less likely to be able to cover the costs of care and are less likely to have work-related childcare options

To learn more about the impacts of the childcare crisis on women, people of color, and low-income families, explore the list of articles in the **"Further Reading"** section.

Impact on Employers, Workforce, and Economy

The childcare crisis impacts more than just those with children, including employers and business owners in need of skilled, reliable talent. This creates a ripple effect that touches people, communities, the workforce, and the broader economy. Some of these impacts include:

Impacts	Economic Indicator
Revenue Loss	According to the US Chamber of Commerce Foundation*, US businesses lose a collective \$3 billion annually to due childcare related employee turnover
Turnover and Absenteeism	According to the US Chamber of Commerce Foundation*, turnover due to childcare-related issues cost businesses roughly 20% of an hourly employee's salary and up to 150% of a manager's salary
Decreased Productivity	Decreased worker productivity & motivation due to childcare-related absences and stressors
Labor Shortages	Lack of affordable childcare keeps people out of the workforce and creates increased labor shortages** and lack of available talent for employers
Reduced consumer spending power***	leading to a weaker, stagnant economy that harms people, communities, and businesses
Other	Lack of care disrupts key stages of development in children, and is undercutting the future workforce's ability to compete in a global 21st Century economy

* [US Chamber of Commerce Foundation](#)
 ** [Labor Shortages](#)
 *** [Reduced consumer spending power](#)

Benefits of Employer-Supported Childcare

Employer-supported care can reduce the negative impacts experienced by both workers and employers. Offering some form of childcare support to employees can benefit employers by:

ACCESS TO STATE AND FEDERAL INCENTIVES FOR CHILDCARE PROGRAMS AND SUPPORTS:

According to the [Society for Human Resource Management](#), employers that supply child care subsidies can take advantage of an annual tax credit of up to \$150,000 if they use it for qualified child care facilities and services. Tax incentives vary by year, and individual states may have additional opportunities for employers providing childcare supports. More information these opportunities can be found on the [IRS website](#) and the [State of Oregon Department of Revenue website](#).

IMPROVING CORPORATE IMAGE OR SOCIAL STANDING:

According to the [US Chamber of Commerce Foundation](#), every \$1 invested in childcare and education can lead to \$16 back to the community. When businesses invest in their local community, it reflects well on them and can help expand a loyal customer base.

MAKING EMPLOYERS MORE APPEALING THAN THEIR COMPETITION:

A study conducted by Simmons College Graduate School of Management found that 93% percent of parents consider work-site child care as an important factor in job change, and that 42% of all employees surveyed said that the availability of on-site child care was a significant factor in choosing their current employer. [The Santa Rosa Chamber of Commerce](#) gathered data that showed 80% of working parents would leave their current job for a similar role at a competitor that offered childcare.

ATTRACTING AND RETAINING SKILLED TALENT:

A U.S. General Services Administration study determined that 55% of workers who were offered a childcare subsidy expressed that they were better able to concentrate at work and 48% were more likely to stay, while 75% believed that the subsidy has improved their job performance.



Benefits of Employer-Supported Childcare (Continued)

Employer-supported care can reduce the negative impacts experienced by both workers and employers. Offering some form of childcare support to employees can benefit employers by:

DECREASING ABSENTEEISM AND EMPLOYEE TURNOVER:

According to the [US Chamber of Commerce Foundation](#), when companies provide childcare assistance, they can decrease absences by up to 30% and reduce turnover by up to 60%.

INCREASING PRODUCTIVITY AND EMPLOYER/EMPLOYEE RELATIONS:

A survey of Bristol Meyers Squibb employees found that employees who used the on-site childcare centers had a deeper commitment to the company and felt better able to balance work and life responsibilities. As a result, the workers felt more positive about their relationship with their supervisor and were much more positive in general than non-users.

REDUCE OVERALL COSTS RELATED TO HIRING AND TRAINING:

In 2016, the Patagonia clothing company CEO [discussed the success of their childcare supports](#) in reducing the costs associated with employee turnover, stating, "...on-site childcare helps limit employee attrition, especially by women, and said that after having the service in place for the past five years, 100% of mothers who took maternity leave returned to work. The turnover rate for parents who have taken advantage of the program has been 25% lower than for the general employee population. She stated that **the company recoups 91% of its costs per year on benefits offers when taking into account the cost of turnover and other expenses.**"

SECURING A SKILLED FUTURE WORKFORCE FOR A GLOBAL 21st CENTURY ECONOMY:

Countless studies demonstrate the positive impact of early care and education during children's first five years. Children who receive high-quality care are more likely to mature into adults who are reliable, lifelong learners, have well-developed social skills, and more easily learn tasks. These qualities are fundamental to the strength of a thriving 21st Century workforce competing in a global, heavily technological economy.



According to one [US Department of Health and Human services report](#), "The benefits of high-quality child care accrue not only to the family and the child, but also to other members of society, including...taxpayers who are likely to save in the costs of future schooling, especially through reductions in special education and grade retention; and...citizens who gain through reduced crime and public assistance costs."

What Employers are Saying:

In 2016 the Oregon Bureau of Labor and Industry issued a brief report on the business case for employer-supported childcare. Below are testimonials from some of the Oregon employers BOLI spoke with while conducting research.

Adam Sorensen
Global Work/Life Manager
Intel Corp

"At Intel, we believe that employer-sponsored childcare is a win-win-win. It's good for our employees and their children, who benefit from easily accessible, high-quality care. It's good for our bottom line, since every dollar we spend on childcare saves us at least three dollars in reduced absenteeism, turnover, and work disruption caused by child-care problems. And it's good for our communities, since our programs are designed to benefit both Intel employees and members of the communities where we operate. Providing childcare is one way to make Intel a great place to work for our employees while giving something back to our communities."

Portland area accounting firm of Pittman & Brooks, PC provides an on-site childcare program. The program is a crucial benefit to employees who work the long hours of tax season.

Tuality Hospital in Hillsboro offers several childcare benefits to employees. Through a partnership with Learning Tree Day School, the hospital offers near-site childcare for all employees at reduced rates. In addition, Tuality Hospital offers childcare grants to give employees who work at least seventy-two hours per pay period and earn less than \$30,000 (for an employee with one child) or \$45,000 (for two wage earners with two or more dependent children) twelve calendar months of childcare at fifty percent off regular rates at Learning Tree Day School.

Bonneville Power Administration offers both on-site childcare and subsidies to its employees and recognizes that, *"the convenience and security of on-site childcare is an important employment benefit."* BPA's childcare option is located in a building adjacent to the BPA headquarters building and is operated by Joyful Noise Child Care Centers, Inc., with the ability to provide child care to up to seventy-two children from the age of six weeks to five years old. The Bonneville Power Administration also offers subsidies to employees through the childcare center for employees who may not be able to afford such care.

**Bonneville Power
Administration**

Both Fred Meyer and Oregon Health Sciences University have created partnerships with Children's Creative Learning Centers to provide on or near-site child care for its employees' children. The centers offer an open-door possibility that allows family members to visit their children throughout the day in the interest of promoting a healthy work/life balance

Read more about the positive impacts experienced by employers who have implemented childcare supports for their employees, and other calls to action for employers interested in benefitting from this opportunity in the "Further Reading" section.

Section 2 – Types of Employer-Supported Childcare Models

There are multiple options for employer-supported childcare; some are more complex and involve direct management of childcare program logistics and operations. Other options have less direct employer involvement and rely on coordination with existing childcare centers and other community stakeholders. Outlined below are examples of different options that employers can explore and include links to case studies or examples. Please note that many of these options overlap, and that some opportunities may be offered/operated simultaneously.



The order they are listed in begins with options that are the least time intensive and require the lowest amount of investment from employers. Many employers may be unable to invest in larger scale initiatives but can still support employees through benefits and policies. Some examples of these are outlined below, [each with financial or tax incentives](#) many employers find beneficial and attractive.

Option 1: Dependent Care or Flex Spending Accounts:

These are [pre-tax accounts](#) available to workers through their employers. Employees can contribute up to \$5,000 annually and can use the funds to pay for eligible expenses, including childcare. These accounts have low operational costs for employers, who need only develop the organizational systems and processes to operate a dependent care/flex spending program. Funds that employees contribute to their accounts in turn reduce employers' FICA liabilities. Employers contributing to dependent care accounts may also be eligible for tax deductions or other tax incentives, per [ORS 315.204](#). Please note that this information is subject to change and employers should always check current state and federal policies. Additionally, employer may wish to offer flexible work and leave policies, to allow employees to better meet the changing demands of their childcare arrangements.

Below is an example of estimated savings for Dependent Care Account contributions, based on a 2016 study conducted by the Philadelphia-based Employer-Supported Childcare Project, with support from the [Philadelphia Chamber of Commerce](#).



Federal Income
Tax Bracket



Social Security
Tax



Employee
Savings



Employer
Savings

15%	7.65%	\$1132.50	\$382.50
25%	7.65%	1632.50	\$382.50
28%	7.65%	\$1782.50	\$382.50
33%	7.65%	\$2032.50	\$382.50
35%	8.55%	\$2177.50	\$427.50
39.6%	8.55%	\$2407.50	\$427.50

Option 2: Employee Resource Referral and Education Programs

A resource and referral program can help employees in locating childcare services. It can be as simple as a website run by an employer that documents and rates local childcare providers. More extensive services can include employee education programs to help parents match their criteria—such as price, location, educational quality, and hours of operation—with available options. These services might also educate parents on technical aspects of the childcare process, such as application, financial planning, and tax benefit utilization, such as [Dependent Care Tax Credits](#) and [Earned Income Tax Credits](#). If they have qualifying employees, employers may wish to explore [Employment Related Day Care](#) (ERDC) programs, which use state funds to subsidize the cost of care for working families in certain income brackets. There may be options for employers to pay the remaining cost of care not covered by the ERDC program.

[Clackamas County Childcare Resource and Referral](#), operated by the Clackamas Education Service District runs a Childcare Resource & Referral program, which provides free information and assistance to parents, childcare providers, and employers. Local employers can establish a relationship with the CCRR to take advantage of supports for them and their employees without the hassle of developing internal resources. The local CCRR may also be helpful in exploring other options for employers interested in assisting their employees with childcare coverage and costs - more information is available on the [CCRR website](#).

Option 3: Contract with Existing Childcare Providers Slot Reservations, Vouchers, Employee Discounts, and Subsidies/Reimbursement

Another accessible option for employers is to establish relationships with existing childcare providers to reserve program slots or receive discounts for their employees. This can take many forms, including partnering with local, independently owned providers to develop a contracted relationship or some other mutual benefit. This may include pre-paid slots for employees' children (with a percentage of unused slots kicked back to the employer), discounts for employees, an annual donation/contribution to the provider, and more. Employers may also provide full or partial childcare tuition coverage or reimbursement based on the cost of care in their area. This can take multiple forms, including contributing to employees' dependent care/flexible spending accounts, covering the cost of care directly, reimbursement, or covering the cost of membership fees for an emergency care provider.

Partnering with local, independent providers may give employers more flexible options and help support the local economy, however, they may lack the capacity and structure associated with larger-scale corporate childcare providers. Employers can contract with franchise models already operating in the area to take advantage of existing services, like slot reservations, tuition discounts, and emergency care services.



Examples of Slots Reservations, Employee Discounts and Subsidies

Kindercare, a nationally operating childcare provider, contracts with employers to offer an array of service options. On examples if their Tuition Benefit Discount, which provides employers discounts at any of their facilities.

Employers pay to subsidize 10% or more of the cost of tuition,

while their employees pay the remainder - making the cost of care lower than local market price and more affordable for families.

Kindercare also offers a Priority Access Program, where employers pay an annual fee to hold spots for their employees, give employees priority access to available program slots, or place employees at the top of wait lists if a program is full. Another program is the Backup Care Agreement (for emergency care). As an employee benefit, employers can pay to offer (as an example) 5 days free childcare at a Kindercare facility annually, for those occasions when their regular childcare arrangements fall through.

The Learning Care Group operates childcare centers nationwide, including centers in Sherwood, Tualatin, Fairview, and Portland, Oregon. They provide a range of options for employers of various sizes, including opportunities for tuition subsidies, tuition discounts, slot reservations, and emergency care services.

Option 4: Contract with Existing Childcare Providers for On or Near-Site Care

In this model, an employer sponsors or pays for on-site or near-site childcare that is operated by an independent childcare provider. This option is ideal for large employers with workers in one or more centralized locations in need of care. They can be on-site, near the workplace, or along commuter routes, making it convenient for employees to access and use. These can be developed through [contracted partnerships with existing childcare providers](#).

[Partnering with existing providers](#) may reduce the burdens associated with the upstart and management of childcare programs and services, with the sponsoring employer paying an annual fee, providing capital, facility space, or other supports while childcare providers manage program logistics, operations, finances, and legal considerations. In this model, childcare may be free to employees, offered at a reduced rate or below market costs, or employers may reserve a specific number of childcare slots for employees.

Employers can work with childcare providers to develop new programs/facilities on-site or near the workplace specifically for their employees, or can contract with providers to access services at existing locations that serve the broader public, as described in the previous section. It should be noted that new programs or facilities require additional considerations which may be more time intensive and costly to employers. Depending on contractual agreements, these considerations may be fully managed by an independent childcare provider; however, they are outlined in a later example, titled *Employer-Managed Childcare*, for employers interested in the direct ownership and/or management of their own childcare services.

Employers have numerous options for **corporate franchise models**, such as [KinderCare](#), which operate nationally or regionally and have well-established processes for working with employers of varying sizes and needs. Corporate childcare providers may have more options, more flexible services, and may be able to assume more risk. They are more likely to have existing resources for employers to tap into while also having the capacity to work with employers to develop new services or new locations.

Employers can also establish relationships with local or independently owned providers to meet their needs through newly created programs or participation in existing services (like tuition discounts or other services outlined in previous sections). Independent providers may require additional employer support for new services or new locations. One example of this is the [Shared Service Model](#), where a sponsoring employer covers the costs of utilities, processing payroll, or other business logistics, while the childcare provider manages program operations, licensing, staffing, and other specifics.



Examples of Contracted Childcare Services:

[KinderCare Learning Center at Kroger Fred Meyer](#) in SE Portland is a local example of a national childcare provider that contracts with employers to provide care to their employees. In this model, Kroger Fred Meyer contracted with KinderCare to provide land on company headquarters for a childcare center. The company charges a significantly reduced rent to KinderCare and has its name featured on the facility. Fred Meyer employees receive priority childcare enrollment and reduced tuition rates, while remaining childcare slots are available to the broader community. KinderCare takes on all monetary risk and management of center operations, so Fred Meyer is not impacted by legal issues or profit losses, while still enjoying the benefits of childcare for employees. KinderCare has a similar relationship with [Daimler Truck North America at Swam Island](#).

The [Learning Care Group](#) operates childcare centers nationwide, including centers in Sherwood, Tualatin, Fairview, and Portland, Oregon. It is another franchise model that manages [on-site or near-site center operations](#) independent of employers while providing contracted [childcare services customized to employer needs](#).

[Mari's Little Lambs](#) in Beaverton, Oregon is an independent center which receives capital investment from local employer partners. This provides some financial relief for the childcare provider, who can focus on the quality of staffing and services, while the investing employer enjoys the benefits of accessible childcare for their employees.

Option 5: Multi-Employer Childcare Consortium Model

This option reduces the financial or managerial burdens of childcare services through participation of two or more co-sponsoring employers. It is ideal for multiple employers in proximity, such as the [Milwaukie Industrial Park](#). This option allows employers with a large, medium, or small workforce to co-invest in a shared option that meets employee needs. Similar to single-employer options, the Consortium Model includes childcare services that are owned and operated by the sponsoring employers, or developed through [contracted partnerships with existing childcare providers](#).



Little Apron Academy is an on-site child care center for employees of The Home Depot.

The 60,000-square-foot facility is located at the company's headquarters in Atlanta.

Employer-owned options may involve additional considerations related to facility construction or modifications and upkeep, legal processes, licensing, staffing, and finances, etc. that make it unrealistic for many businesses; these considerations may be further complicated in a consortium model. It should be noted that new programs or facilities require additional considerations which may be more time intensive and costly to employers. Depending on contractual agreements, these considerations may be fully managed by an independent childcare provider; however, they are outlined in a later example, titled ***Employer-Managed Childcare***, for employers interested in the direct ownership and/or management of their own childcare services.

Partnering with existing providers may reduce the burdens associated with the upstart and management of childcare programs and services, with the sponsoring employers providing capital, facility space, or other supports while childcare providers manage program logistics and operations. Employers have numerous options for franchise models, which operate nationally or regionally, or can establish relationships with local or independently owned providers to meet their needs through newly created programs or participation in existing services. In this model, childcare may be free to employees, offered at a reduced rate or below market costs, or employers may reserve a specific number of childcare slots for employees. **Learn more about [employer-supported childcare consortiums](#) here or check out the multi-employer options available through companies like [KinderCare](#) and [The Learning Care Group](#).**

Option 6: Public/Private Sector Childcare Partnerships

Employers increasingly recognize that affordable childcare is pivotal in their success but may lack the means to address it on their own. They may opt to participate in Public/Private Partnerships (PPPs), which are collaborations that allow the government to leverage private sector resources to help foster market-based solutions to social and economic problems. There are a variety of ways PPPs can influence childcare services, including private sector management/delivery of publicly funded services, public subsidies for privately funded services, and publicly funded vouchers for private sector services.

Examples of a PPP in the State of Oregon:

An example of a PPP in the State of Oregon is the [Boardman Industry Learning Center](#) in the Port of Morrow. This is a collaboration between local government, Head Start, and industry partners to provide care for employees at participating businesses, which were guaranteed a certain number of program slots for their employees.

One stipulation was that monetary investments from private sector partners would off-set the costs of care for children from lower-income families from the broader community. Read about childcare PPPs in reports from the [Brooking Institute](#) or [Dept. of Health & Human Services](#).

Option 7: Employer-Managed Childcare (On or Near Site)

Employer-owned and managed options may involve additional considerations related to facility construction or modifications and upkeep, legal processes, licensing, staffing, and finances, etc. that make it unrealistic for many businesses. Larger employers or multiple co-investing employers, however, may find this option feasible, like **Mitchell Gold, who started an on-site care facility for their employees in 1989** – [learn more here](#).

Employers interested in the ownership/management of their own program will need to have a suitable facility that meets federal and state requirements, appropriate insurance, appropriate program materials, staff who meet education and training requirements, and meet other childcare licensing requirements. Some of these considerations are outlined below, with information and links to regulatory bodies and oversight agencies that can provide more information for interested employers. The [State of Oregon Early Learning Division \(ELD\)](#) is the primary agency overseeing childcare regulations.

Facility Considerations – Employers interested in the development and management of their own on or near-site childcare programs must consider legal requirements for facilities used as licensed childcare centers. This includes structural requirements, building compliance and upkeep considerations, parking and traffic considerations, safety monitoring, and more. These requirements vary based on the age of children served.

More information on facility requirements can be found at the [ELD website](#).



Staffing/Managing a Childcare Program – Childcare providers and frontline childcare workers have specific legal and licensure requirements, including enrollment in a state database and on-going training requirements.

- **Oregon Registry Online (ORO)** – ORO is the online database that tracks childcare workers in the State of Oregon. The ORO ensures that childcare workers have appropriate training and credentials, provides professional development opportunities, and monitors a childcare worker’s experience level. [More information on the ORO can be found here.](#)
- **Education and Training** – Childcare workers require specific education and training credentials to work in [licensed childcare centers](#). Aside from formal education, childcare workers must participate in continuous professional development opportunities. Formal education, number of years worked, and professional development hours determine a childcare worker’s level of experience and whether they can operate with or without supervision. Childcare workers who can serve in supervisory roles are designated as “teachers” and those who do not have adequate training are “aides”. [More information on education and training for childcare workers can be found here.](#)

Option 7: Employer-Managed Childcare (On or Near Site) - cont.

Staff to Child Ratio – The State of Oregon requires childcare providers to maintain a specific ratio of adults to children. This number varies based on program capacity, staff credentialing and certification, age of children, and other circumstances. [More information on childcare rules and regulations can be found here.](#)

Program Licensure and Liability Insurance – Childcare providers serving children age five and under must be licensed by the State of Oregon. Licensure is based on the age of children served, program facilities, and staff education, training, and credentials. Childcare programs must also provide liability insurance to operate safely.

[More information on licensure and insurance requirements can be found here.](#)








Again, [the State of Oregon Early Learning Division](#) is the primary agency overseeing childcare regulations and can provide additional information and answer questions for employers interested in exploring this or other options. Additional support may be found through the [Clackamas Early Learning Hub](#) and the [Clackamas ESD Childcare Resource and Referral](#).

The table on **page 19** provides a brief comparison of the model described above. The benefits and drawbacks of each model may vary with the size of individual employers, workforce, their revenue streams, and their industry type. Some options may seem low-maintenance and easily managed, but may provide minimal benefit to employers or their employees, while large-scale or more costly options require more investment but have the potential for greater impact in the long term. Employers should explore how realistic each option is in the short and long term, their capacity to implement, and available resources for higher-cost opportunities.





Cost & Benefit Comparison of Options for Employer-Supported Childcare

Option Type	Cost to Employer	Benefit to Employer	Benefit to Employee	Notes
Dependent Care of Flex Expense Account		Moderate to High	Moderate to High	Minimal operations cost; may provide employer longer-term savings
Childcare Resource/Referral and Education Program		Minimal	Minimal	Minimal operations cost; may be redundant with existing services in county; no direct financial benefit but decreased absenteeism
Slot Reservations, Tuition Assistance & Discounts		Moderate	Moderate to High	Benefits & costs vary; may be tax deductible; may have limitations; provides reliable options
Contracted On-Site Childcare		Moderate to High	High	Can be costly; may be tax deductible; positive for PR & HR; requires larger or centralized workforce; may require legal guidance; reliable childcare
Employer Consortium		Moderate to High	High	Can be costly; may be tax deductible; may require legal guidance; positive for PR & HR; reliable childcare
Public/Private Partnerships		Minimal to High	Minimal to High	Dependent on program & participating entities; may be tax deductible
Employer-Managed On-Site Care		Moderate to High	High	Can be costly; positive for PR & HR; requires larger or centralized workforce; requires legal guidance; may be tax deductible; reliable childcare

Option 7: Employer-Managed Childcare (On or Near Site) - cont.

For More Information

The options available to employers interested in supporting a childcare initiative or providing childcare support to employees can be overwhelming; fortunately, there are local resources to assist employers with questions about these models and other methods of support.

Clackamas Early Learning Hub (ELH) – The ELH is a state-supported consortium of local stakeholders who coordinate resources and service-delivery systems to ensure every Clackamas County child is ready for kindergarten. The ELH can help answer basic childcare questions and direct employers to local, state, and federal resources.

Clackamas Education Service District Childcare Resource & Referral (CCRR) – As previously outlined, the CCRR can assist employers in connecting their employees to high-quality childcare, explore financial assistance options, offer training for childcare providers, and help employers and childcare providers navigate legal, finance, and licensing processes. The CCRR may also assist employers interested in developing formal relationships with existing providers or developing their own childcare services or employee supports. The CCRR may also help direct employers to appropriate local, state, and federal resources.

State of Oregon Early Learning Division (ELD) – As previously stated, the ELD is the state agency that oversees childcare service provision, licensing, monitoring, and regulations. The ELD can offer guidance to employers interested in exploring more directly managed childcare services or in the development of relationships with existing providers. The ELD may also offer resources for employers interested in other childcare supports, information on tax incentives for employers, or information on other local, state, and federal resources.



Section 3 – Public Sector Resources and Support

Local employers interested in providing a form of employer-supported day care may have many public sector resources on the local, county, and state level. These may include participating in PPPs, access to funds for childcare programs and initiatives, low-or-no-cost use of facilities and other non-monetary resources, tax incentives and tax breaks, waivers or exemptions from permitting fees or other costs and regulations, and more. Below are examples of public sector resources employers can contact for more information on opportunities and resources.



CITY OF MILWAUKIE

City of Milwaukie – The City of Milwaukie’s vision for growth includes a dynamic business community with services and resources that enhance the community. There may be financial incentives and supports for employers looking to expand childcare services in the city, and opportunities for permit fees, code compliances, and other local policies. **To speak with a City of Milwaukie representative, email: EconDev@milwaukieoregon.gov or call: 503.786.7600.**

1. [Business & Employer Supports](#)
2. [Community & Economic Development](#)
3. [Building Permits & Code Compliance](#)
4. [Incentives, Financing, & Tools for Businesses](#)
5. [Urban Renewal Funds & Enterprise Zones](#)

Clackamas County – Clackamas County is experiencing a childcare desert and may have resources for employers interested in helping alleviate this strain. The county also has access to state and federal funds for childcare supports that may be available to employers undertaking a childcare initiative. There may be additional opportunities for tax and financial incentives and changes or waivers to code or policy.

1. [Business Incentives: Tax Exemptions, Grants, & Loans](#)
2. [Opportunity Zones](#)
3. [Emerging Small Business & Women/Minority-Owned Businesses](#)
4. [Permits & Building Codes](#)
5. [County Grants](#)



Regional and State Supports - There are multiple regional entities that may have opportunities or resources to support employers interested in exploring a childcare initiative, including funding opportunities, partnership development, and service expansion.

- [Clackamas Education Service District Childcare Resource & Referral](#)
- [Clackamas Early Learning Hub](#)
- [Clackamas County Children's Commission](#)
- [North Clackamas School District](#)
- [Metro](#)
- [Business Oregon](#)
- [Oregon Early Learning Division](#)
- [Early Learning Division Grant Opportunities](#)
- [Childcare Contribution Tax Credit](#)
- [Oregon Department of Human Resources Employment Related Day Care](#)



Federal Supports and Resources - Federal entities may provide funding or offer tax incentives for private employers investing in childcare solutions, especially those with broader community impact. The list of sites below has information on taxes, grants, and other resources for employers interested in exploring childcare initiatives.

- [Internal Revenue Service – Employer Provided Childcare Tax Credit](#)
- [Opportunity Zones](#)
- [Department of Health & Human Services \(HHS\)](#)
- [HHS Grants](#)
- [Office of Childcare](#)
- [Childcare.gov](#)
- [Federal Grants Database](#)
- [US Department of Agriculture Food Program Resources](#)



Section 4 – Summary and Further Reading

In summary, employers of all sizes have multiple options for childcare supports for their employees. These options range in cost, complexity, and benefit, but each one provides a positive impact for employers and working families. Low-cost, low-effort options may yield minimal impacts for both employers and employees, while more high-cost, time-intensive options may yield greater results over time. Whichever model interest employers, local and state resources exist to provide information and guidance.

ACCESSIBLE, AFFORDABLE CHILDCARE WILL BE PIVOTAL TO OUR LOCAL, STATE, AND NATIONAL ECONOMIES AS WE RECOVER FROM THE PANDEMIC AND GET PEOPLE BACK TO WORK

Other Ways to Help

Childcare is a complex issue, both locally and nationally. There is no quick-fix solution; while employers may be able to offer some solutions, they may not be feasible for all employers. Those who have limited resources to invest in childcare solutions for their employees can still help address this issue through changes to workplace policy and public advocacy.

TALK ABOUT THE ISSUE



Make sure childcare is discussed during any trade group or association meetings you belong to – and your own internal development team! You can invite experts or host a panel discussion at these meetings

ADVOCATE FOR PUBLIC POLICY SOLUTIONS



Advocate for changes to public policy on the local, state, and federal level that expansion childcare accessibility and affordability; work with local advocacy groups to ensure accountability in the childcare system

JOIN SUPPORT CAMPAIGNS



Join advocacy and advisory groups; add your name or business to petitions or pledges; donate to organizations and issues that advocate for or offer childcare;

INFORM & INFLUENCE CUSTOMERS



Use your social media, company newsletter, and other customer-facing platforms to highlight the issue; provide discounts or donations to childcare providers

SPEAK PUBLICLY



Write an op-ed or blog post about the issue; tap into existing social media and awareness campaigns to share your perspective or provide support; make appearances or speak publicly about the need for childcare solutions

Further Reading

Below are links to articles and reports highlighting the importance of childcare, the impact of childcare on the economy and COVID recovery, and the important role employers can play.

Importance and Impact of Childcare and Early Childhood Education

- **Family Forward Oregon Report:** [Oregon's Unmet Childcare Needs](#)
- **National Education Association report:** [Early Education and Childcare](#)
- **The Economist article:** [The Early Years are Getting Attention](#)
- **No Small Matter** – **Documentary on the social and economic value of childcare in the US**

The Case for Employer-Supported Childcare

- **US Chamber of Commerce Foundation report:** [Workforce of Today, Workforce of Tomorrow](#)
- **The Brookings Institute report:** [Working Parents are Key to COVID-19 Recovery](#)
- **The International Finance Corporation report:** [Guide for Employer-Supported Childcare](#)
- **The World Bank blog post:** [Tackling Employer-Supported Childcare](#)
- **Government of Canada report:** [Tackling Childcare, a Guide for Employer-Supported Childcare](#)
- **Bright Horizons report:** [Guide for Employer-Supported Childcare](#)

The Impact of Childcare on the Economy, Workforce, Women, and People of Color

- **First Five Years Fund article:** [Economic Impact \(of childcare\)](#)
- **Business Insider:** [US Economy needs a childcare solution & Childcare needed for Recovery](#)
- **Forbes:** [US Childcare Crisis; Childcare Benefits and Employee Retention; American women lost more than 5 million jobs in 2020](#)
- **The New York Times:** [Women are 100% of recent job losses; Minority women erased from workforce; Recession: Women face additional burden; Working women face 10-year setback](#)
- **The Washington Post:** [Childcare holding back US economic recovery; Virtual schooling forces moms to quit work; Pandemic altering US women's careers; Pandemic devastating for women](#)
- **NPR:** [Half of childcare centers could close due to pandemic; Childcare workers – 1 in 5 jobs lost due to pandemic; Pandemic price tag: 140,000 jobs lost in December \(all women\)](#)
- **Oregon Public Broadcasting:** [Pandemic reveals Oregon's fragile childcare system; Oregon childcare faces uncertain future; Balancing business and health priorities with childcare](#)

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