

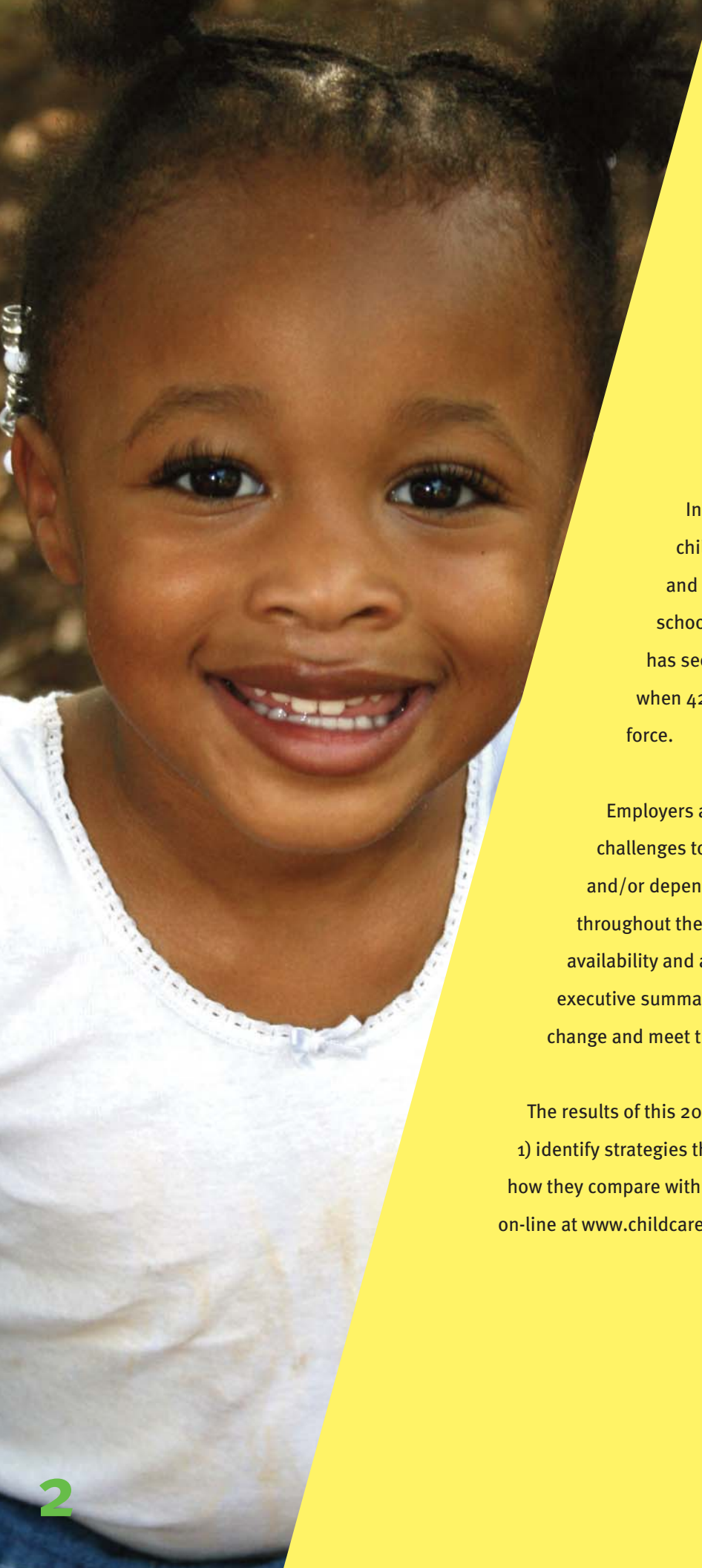
Summary of Results from
2007 Upstate SC Employer Family-Friendly Benefit Survey

EMPLOYER

Child Care

OPTIONS





INTRODUCTION:

Parents depend on reliable, affordable child care so that they can work to support their families. Nationwide nearly 12 million children under age 6 are in some kind of child care setting; two-thirds of them are in formal care every week.

In the Greenville Spartanburg Community, 64% of all children under age 6 are in a formal child care setting and 73% of children 6 –12 years old are in a formal after-school setting enabling parents to work. Our community has seen substantial change in the workforce since 1960 when 42% of mothers with children under 6 were in the labor force.

Employers and economic developers are faced with new challenges to obtain and retain a quality work force. Child care and/or dependent care benefits are becoming more common throughout the nation. Alleviating the stress related to the availability and affordability of quality child care is the focus of this executive summary as our community strives to be a community of change and meet the needs of a global workforce.

The results of this 2007 Upstate Survey will help employers:

1) identify strategies that they could employ; and 2) to better understand how they compare with other local employers. The full survey can be found on-line at www.childcarehelpline.org.

METHODOLOGY:

The Upstate SC Employer Family Friendly Benefits Survey was designed and conducted by United Way of Greenville County's Future Investments for Children ("FIC") Taskforce, whose members include: Bank of America, Carolina First Bank, Center for Community Services, Child Care Resource & Referral of the Upstate, City of Greenville, City of Mauldin, City of Spartanburg, Clemson ICAR, County of Greenville, Greater Greenville Chamber of Commerce, Greenville Area Development Corporation, Greer Development Corporation, Mary Black Foundation, Spartanburg County First Steps, Spartanburg Regional Hospital System Child Development Program, United Way of Greenville County Success By 6®, United Way of the Piedmont, and Verizon Wireless.

The objective of this survey was to help employers better understand the role child care has within the workforce; and, whether or not investing in dependent care and/or child care options for the employee would help the individual business bottom line.

To better understand this world, one needed to work in a human resources framework and examine best practices both locally and nationwide. Therefore, this survey gathered comprehensive data relative to local employer family friendly practices (a.k.a. work-life balance practices.) 145 usable surveys were completed by Greenville and Spartanburg county employers, comprising:

- 46% small employers (1 – 99 employees)
- 30% medium employers (100 – 499 employees)
- 24% large employers (500+ employees)

The data was analyzed from an overall standpoint as well as by business category and by size of organization. Additionally, to allow employers to see how local family friendly benefit practices compare and contrast with national practices, we have included select data from SHRM's (Society for Human Resource Management) 2007 Annual Benefits Survey as well.





SO HOW DO DEPENDENT CARE SERVICES STACK UP?

PRE-TAX FLEXIBLE SPENDING:

The most popular benefit related to dependent care services are pre-tax flexible spending arrangements, a form of cafeteria plan benefit for dependent care assistance (Section 125 plan). Sixty-nine percent of responding employers offer this benefit which allows employees to set aside pre-tax dollar amounts from their salary or earnings which are later reimbursed to the employee for the amount of dependent care costs paid.

They are popular with employees due to the fact that, in essence, they can pay for child care with pre-tax dollars, thereby saving income which otherwise would have been taxable. These accounts are popular with employers because this benefit costs the employer very little and the plans can be implemented with a fair amount of ease.

	Upstate SC Survey Employers Offering Benefit (n = 145)	National/SHRM Survey Employers Offering Benefit (n = 590)
Pre-tax flexible spending accounts – medical and dependent care (Section 125)	69%	Med. = 70% Dep. = 76%
Child care resource and referral information available for employees	24%	21%
Sick/emergency child care	17%	4%
Employee training or information on choosing quality child care	15%	N/A
Organization sponsored or operated on- or near-site child care center	7%	Onsite = 6%
Reserve slots and/or discounts with local child care provider	6%	N/A
Subsidize all or a portion of employees' child care costs	3%	N/A

N/A = Not Available

PROVIDING CHILD CARE INFORMATION:

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Providing child care resource and referral (CCR&R) information to employees was the next most commonly offered benefit, with nearly one in four employers (24%) offering this benefit to their employees. Fifteen percent of employers take the important proactive action to provide employee training or information on choosing quality child care.



SICK AND EMERGENCY CARE:

Sick and emergency care was the third most important benefit to employers (17%). Local Upstate employers were four times more likely to offer this benefit to their employees (17%) compared to the National/SHRM survey (4%). While no definition of sick and emergency care was provided, examples of this benefit may include paid time off to care for child, subsidized payments to help pay provider/program that cares for sick or mildly ill children or ability to bring child to work in emergency.

SUBSIDIZING COSTS:

While subsidizing all or a portion of employees' child care costs actually was the least common benefit in this category (and one of the least common in the overall survey), it is nonetheless one of the best strategies that could help to offset the struggle for working families to pay for quality child care.

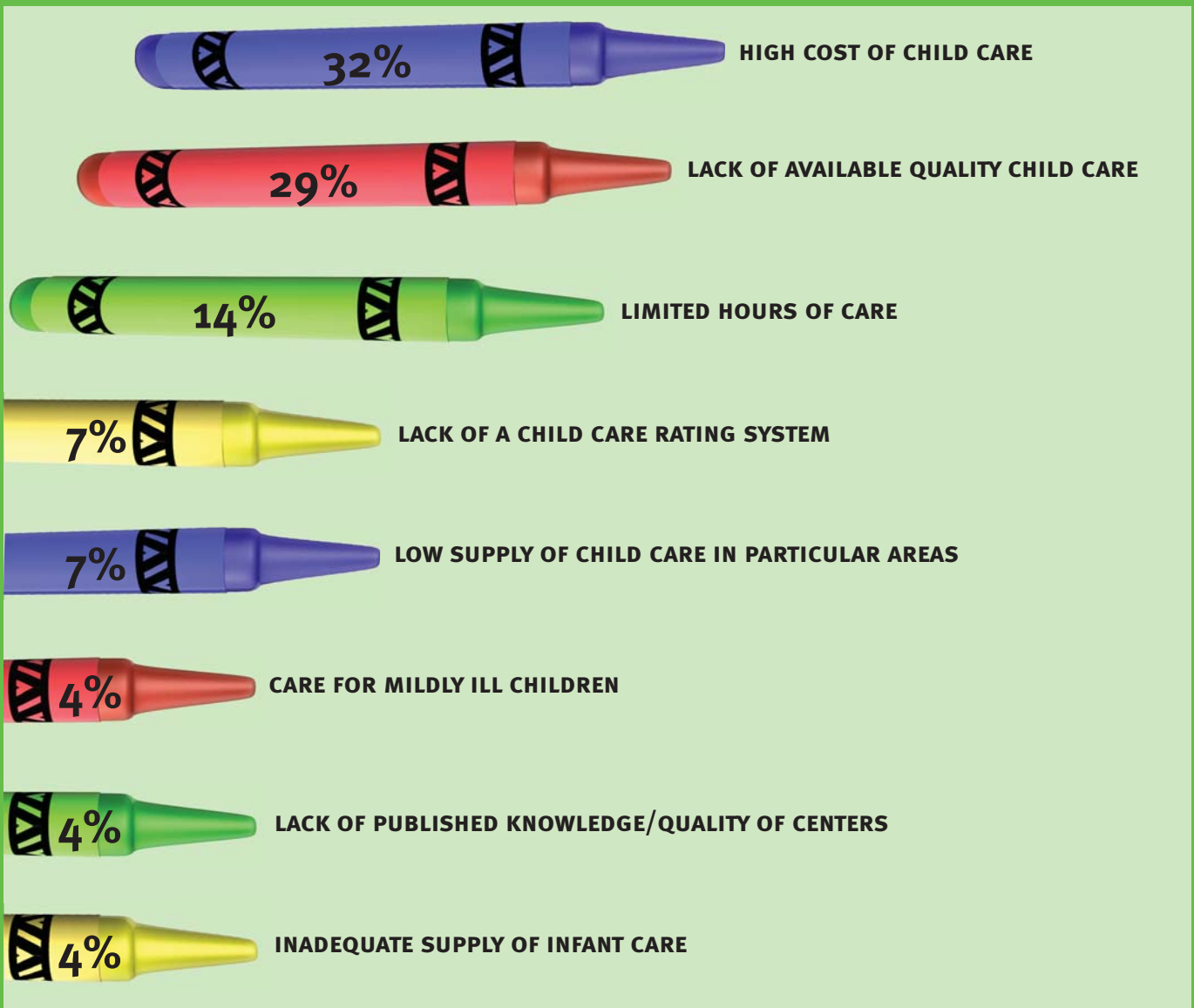
LARGER ORGANIZATIONS, WERE MORE LIKELY TO OFFER EVERY BENEFIT IN THIS CATEGORY

Upstate SC Survey Employers by size n = 136 National/SHRM Survey Employers by size n = 525	Small (1 – 99 Employees)		Medium (100 - 499 Employees)		Large (500+ Employees)	
	Upstate	National	Upstate	National	Upstate	National
Pre-tax flexible spending accounts – medical and dependent care (Sec. 125)	52%	Med=57% Dep=53%	80%	Med=75% Dep=82%	94%	Med=73% Dep=92%
Child care resource and referral information available for employees	19%	7%	20%	13%	44%	42%
Employee training or information on choosing quality child care	11%	N/A	10%	N/A	31%	N/A
Reserve slots and/or discounts with local child care provider	2%	N/A	2%	N/A	19%	N/A
Subsidize all or a portion of employees' child care costs	0%	N/A	2%	N/A	9%	N/A
Organization sponsored or operated on- or near-site child care center	3%	On-Site = 1%	5%	On-Site = 2%	19%	On-Site = 12%
Sick/emergency child care	17%	2%	15%	4%	19%	9%

ACCORDING TO THE UPSTATE SURVEY RESULTS, THE FOLLOWING DEPENDENT CARE BENEFITS HAD THE GREATEST DISCREPANCIES BETWEEN LARGE AND SMALL ORGANIZATIONS:

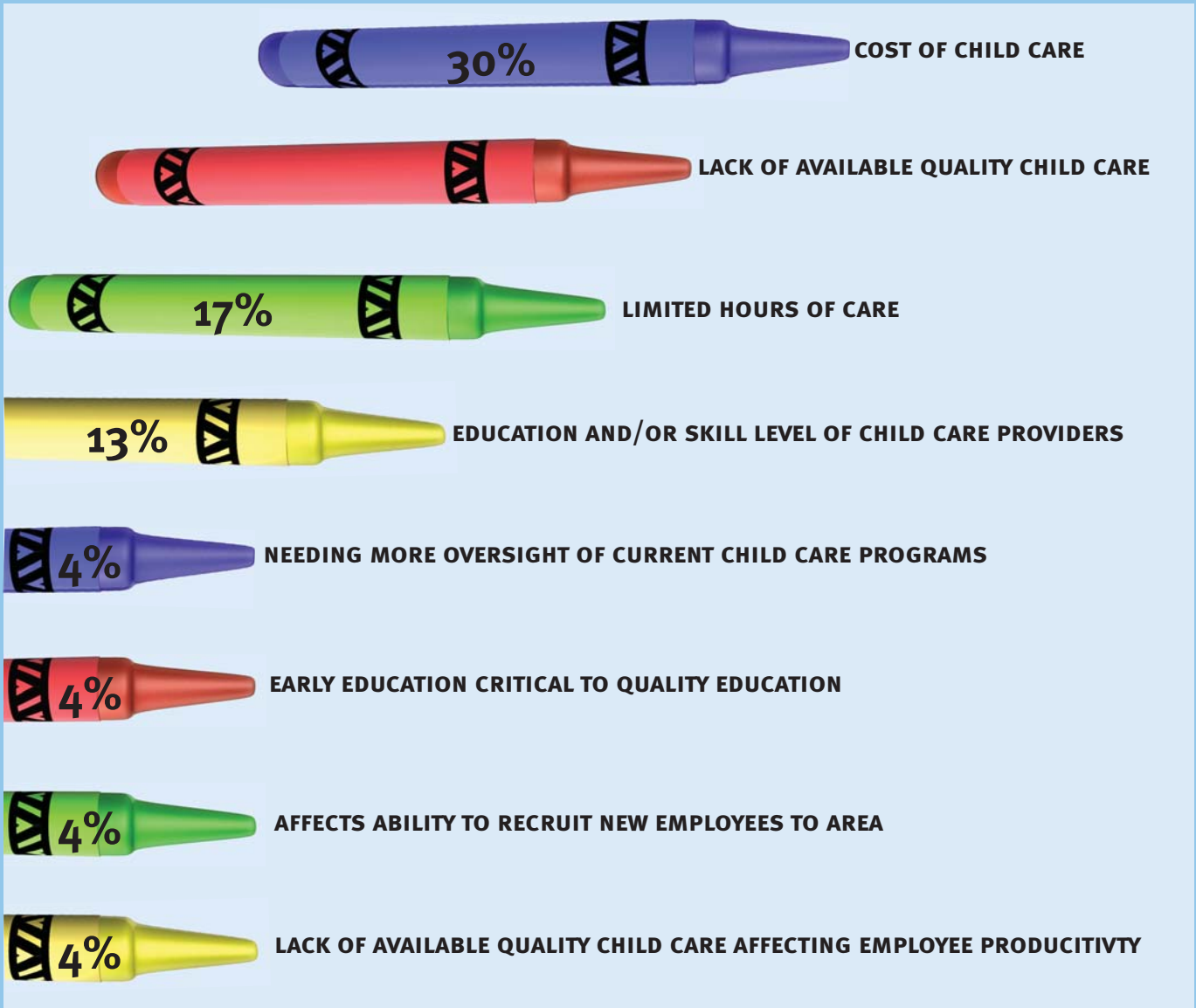
- Pre-tax flexible spending accounts (large = 94%; small = 52%)
- Child care resource and referral information available for employees (44% to 19%)
- Employee training or information on choosing quality child care (31% to 11%)
- Reserve slots and/or discounts with local child care provider (19% to 2%)
- Subsidize all or a portion of employees' child care costs (9% to 0%)
- Organization sponsored or operated on- or near-site child care center (19% to 3%)

APPROXIMATELY 1 IN 4 OF RESPONDING EMPLOYERS (26%) INDICATED THAT THEY ARE AWARE OF EMPLOYEE CONCERNS REGARDING QUALITY CHILD CARE AND/OR EARLY CARE AND EDUCATION IN OUR AREA, OF THOSE:



CHILD CARE IS A RISING CONCERN FOR EMPLOYERS IN UPSTATE SOUTH CAROLINA

APPROXIMATELY 1 IN 4 OF RESPONDING EMPLOYERS (24%) INDICATED THAT THEY THEMSELVES HAVE WORKFORCE-RELATED CONCERNS REGARDING EARLY CARE & EDUCATION IN OUR REGION, OF THOSE:



EMPLOYERS REPEATEDLY RECOGNIZED THE IMPORTANCE OF QUALITY CHILD CARE TO THEIR WORKFORCE. EMPLOYER COMMENTS REFLECTED A TREND ACROSS THE NATION, A LACK OF QUALITY CHILD CARE

CHILD CARE OPTIONS FOR EMPLOYERS:

While considering the best dependent care option for your business, remember there are varying levels of support that your company may consider.

The top ten options include:

1. Parent Seminars
2. Child Care Resource & Referral Services
3. Alternative Work Schedules
4. Parental Leave Policies
5. Dependent Care Assistance Plan
6. Subsidized Child Care
7. Purchase of Space/Discount Program
8. Sick Child Care
9. Consortium Child Care Center
10. Employer Sponsored Child Care Center



IT IS OUR HOPE THAT THE RESULTS OF THIS SURVEY WILL SERVE AS A CATALYST TO EMPLOYERS TO RETHINK POLICIES AND PRACTICES THAT MAY AID WORKING PARENTS

United Way Child Care Resource and Referral (CCR&R) of Upstate SC is available to help employers select one or more of the above options that will best meet your company needs.

CCR&R OF UPSTATE SOUTH CAROLINA:

864.467.4800

www.childcarehelpline.org

877.467.4800 – toll-free

childcare@unitedwaygc.org

SOUTH CAROLINA COUNTIES SERVED:

Abbeville, Anderson, Cherokee, Chester, Greenville, Greenwood, Lancaster,

Laurens, McCormick, Oconee, Pickens, Spartanburg, Union and York

All other counties contact: www.childcaresc.org

CHILD CARE OPTIONS FOR EMPLOYERS — DEFINED

PARENT SEMINARS – Workshops, lunch-n-learn sessions or presentations geared toward parents or caregivers that cover such topics as how to choose child care, parenting and child development and work/family topics.

CHILD CARE RESOURCE & REFERRAL SERVICES (CCR&R) – A service available to parents and caregivers to provide child care information and referrals. Most CCR&R services assist parents in locating and selecting child care, work with child care providers to improve the quality and accessibility of their programs and provide the community with information on the supply and demand of child care services in the area.

ALTERNATIVE WORK SCHEDULES - These schedules allow employees to adjust their arrival time, departure time or days of the week to fit their individual needs to accommodate school and child care schedules.

PARENTAL LEAVE POLICIES – These policies are designed to allow employees to balance the needs of work and family without having to choose between the two. These policies may include maternity leave time (paid or unpaid) or depending on the number of employees unpaid leave as defined by the Family Medical Leave Act (FMLA).

DEPENDENT CARE ASSISTANCE PLAN – A plan in which the employer and employee agree to reduce the employee’s income by a certain amount, which will be placed in a dependent care assistance fund for the employee to use towards their dependent care costs. The employee is not taxed on the amount set aside and the employer is subject to either federal or state taxes.

SUBSIDIZED CHILD CARE – After an employee chooses a child care program that fits their need, the employer will reimburse the employee for a designated portion of the cost.

PURCHASE OF SPACE/DISCOUNT PROGRAM – A purchase of space program is one in which the employer arranges to “own” a determined number of slots at a child care program. In a discount program, the employer arranges for employees to have a fee lower than that typically charged to parents. The employer makes up the difference in fees with the designated child care program(s).

SICK CHILD CARE – Employers may offer sick time benefits to employees to take time off that was not planned in advance to care for ill children/family members. Sick Care programs do exist in some areas and are offered to employees by their employers. These may include a center that only cares for sick children, a program within a hospital or in-home caregiver or visiting nurse. Some employers may allow their employees to bring their mildly ill child into the workplace in emergency situations.

CONSORTIUM CENTER – These child care centers are developed through the coordination between a real estate developer, companies within a certain area or business park and a child care organization. Consortium centers work well for employers in large office buildings housing several companies, in industrial complexes or in downtown areas.

EMPLOYER SPONSORED CHILD CARE CENTER – An on or off-site child care program sponsored by the employer for the use of the employees. The center can be operated by the employer or by an outside for-profit or non-profit organization. Parent fees cover a portion of the operating costs but the employer pays the start-up costs, on-going operational costs and any operating losses that may occur during early stages of opening the program.

THANK YOU TO THE FOLLOWING UPSTATE SC EMPLOYERS WHO RESPONDED AND GAVE PERMISSION TO USE THEIR COMPANY NAME WHEN SHARING RESULTS OF THE UPSTATE SC EMPLOYER FAMILY FRIENDLY BENEFIT SURVEY (2007)

A Child's Haven	Greenville Housing Authority	Simpsonville Area Chamber of Commerce
Abiada Massage, Bodywork, & Spa Therapy	Greenville Hospital System/University Medical Center	Smith Barney
Alfmeier Corporation	Greenville Technical College	South Carolina Business Coalition on Health
AlphaGraphics	Greenville Transit Authority	Spartanburg Area Chamber of Commerce
Bank of America	Greenville-Spartanburg Airport	Spartanburg Community College
Bausch & Lomb	GTF McAlister LLC	Spartanburg County Public Library
BB&T Corporation	Hovis Precision Products, Inc.	Spartanburg Marriott at Renaissance Park
Big Brothers Big Sisters of the Upstate	IBM Corporation	Spartanburg Regional Healthcare System
Bon Secours St. Francis Health System	J. Freeman & Associates, Inc.	Spartanburg School District Two State Auto Insurance Co.
Carolina Alliance Bank	JPS Industries, Inc.	Sullivan Company, LLC
Carolina First Bank	KDS Technology Services, Inc.	SynTerra
Carolinas Recycling Group, LLC	Kohler Company	TetraData Software Corporation
Cherry, Bekaert & Holland, LLP	Kyocera Mita South Carolina	The Carolina Center for Behavioral Health
City of Greenville	Leatherwood Walker Todd & Mann, P.C.	The Cate Law Firm
City of Greer	Loaves & Fishes	The Greenville News
City of Spartanburg	Lockheed Martin Logistics Services	The Home Depot
Compu-Counting LLC	McMillan Smith & Partners	The Salvation Army
CompX Security Products	Maddox Engineering, Inc.	The South Financial Group
Converse College	Mary Black Foundation, Inc.	The Speech, Hearing & Learning Center
County of Greenville	Mary Black Health System	The Spinx Company, Inc.
Corporate Benefits, Inc.	Merrill Lynch	Timken Company
Dispozio Products, Inc.	Michelin North America	TNT Mortgage, LLC
Duke Energy	National Starch and Chemical Co.	United Ministries
Elliot Davis, LLC	New Horizon Family Health Services, Inc.	United Way of Greenville County
Erwin-Penland	NuVox Communications	United Way of the Piedmont
Eurokera North America	O'Neal, Inc.	University Center of Greenville
Fabri-Kal Corporation	PM&C	Upstate Career Source
First Citizens Bank	Perfect Delivery	Upstate Workforce Investment Board
First Palmetto Mortgage	Piedmont Care, Inc.	USC Upstate
Foothills Family Resources	Pierburg Inc.	Wachovia Bank, N.A.
Furman University	Pinnacle Bank of SC	William Barnet & Son, LLC
G.F. League Mfg. Co., Inc.	Poinsett Homes	Woodward
Gallivan, White & Boyd, PA	Preservation Trust of Spartanburg	Wyche, Burgess, Freeman & Parham
Girl Scouts of South Carolina— From Mountains to Midlands	Prettl Electric Corporation	WYFF 4
Godshall and Godshall	Pulliam Investment Co.	Yates Johnson & Co.
Goodwill Industries	Quality Business Solutions, Inc.	York Constructors, Inc.
Greater Greenville Assoc. of Realtors	RBC Insurance	Young Office Supply
Greater Greenville Chamber of Commerce	Rescom Construction	
Greater Greer Chamber of Commerce	Rosenfeld Einstein	
Greenville County Library System	Safety Components International, Inc.	
Greenville County	SC School for the Deaf and the Blind	
Redevelopment Authority	SDI Networks	
Greenville County Schools	Shriners Hospitals for Children	



**United Way of Greenville County
Future Investments in Children Taskforce**

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