

For more information about child care subsidies contact

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McDowell County Partnership for Children and Families, Inc.
EMPLOYERS AND CHILD CARE SUBSIDIES
2008 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 McDowell County by serving employees who otherwise may not be able to participate in the workforce.

In April 2008, the McDowell County Partnership for Children and Families staff analyzed the child care subsidy data through the Department of Social Services to determine where parents who receive child care subsidies are employed and assess the impact on employers. For the purposes of this report, it is assumed that every child has one parent in the work force. However, the child care subsidy data is organized by the eligible child, not by his/her parent. The data below is derived from the number of children 0-5 years old who are receiving subsidies, and then analyzes where their parents were employed.

Total Number of Children Receiving Child Care Subsidies

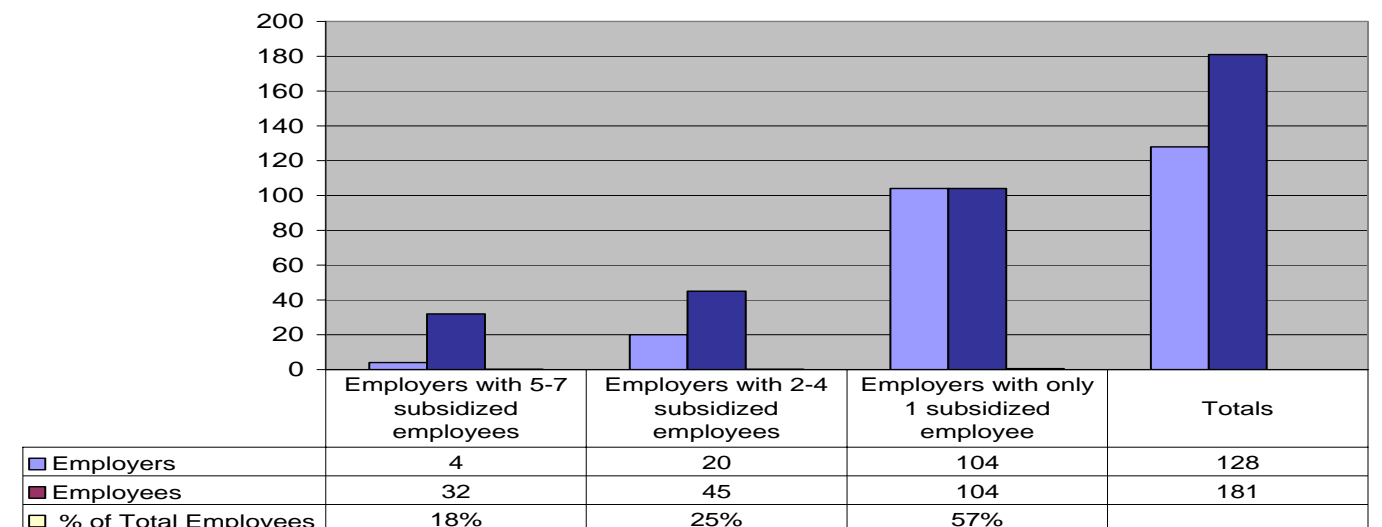
As of April 30, 2008, there were 357 children with employed parents who are McDowell County residents either receiving or waiting for child care subsidies. Two hundred and forty-two children (68%) were enrolled and receiving child care subsidies, and another 115 (32%) were deemed eligible and waiting for child care financial assistance.

Employment within the County

The 181 parents receiving child care subsidies for their children were employed by 128 employers in the McDowell County area. The majority of parents (75%) were employed in businesses located in McDowell County, and 25% were employed in surrounding counties, primarily Buncombe, Rutherford, and Burke.

As can be seen in the table below, of the 128 employers in the McDowell County area, 82% had four or fewer subsidized employees, and these tended to be small business employers. However, four employers each had five or more subsidized employees, and accounted for 18% of the total number of subsidized parents.

Employers with Subsidized Employees



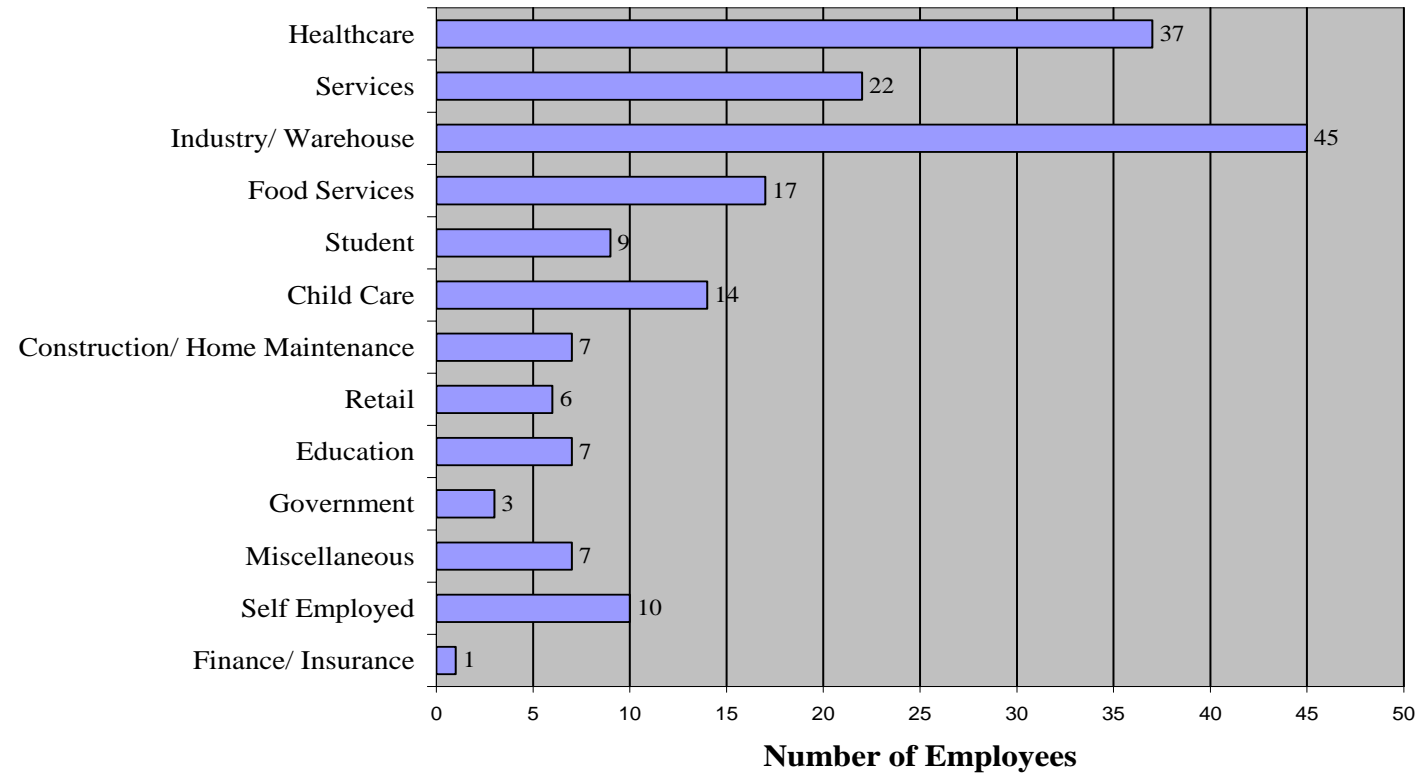
Acknowledgements

Statistics on child care subsidies were provided by the McDowell County Department of Social Services in April 2008.

The format for this report was created by the Orange County Partnership for Young Children.

Parents receiving child care subsidies tend to be employed in Healthcare, the Services Sector (which includes personal care services, hair salons, and personnel service companies), Industry/ Warehouse, Food Services, Child Care, Self-Employed, Education, and Miscellaneous. The Industry/Warehouse sector leads with 45 (24%) of the total number of subsidized employees, followed by Healthcare (20%), Services (12%), and Food Services (9%).

Business Sector with Number of Subsidized Employees



As seen in the table below, of the different Business Sectors, the Healthcare sector has the greatest benefit with 19 employers that rely on subsidized employees, followed by the Industry/Warehouse sector (17), Service (11), Food Service (10), Child Care (8), Retail (6), and Miscellaneous (6). Together, these sectors account for ninety-four percent of the total number of employers that have employees with children ages 0-5 who receive child care subsidies.

Employment Sector	# of employers with at least one parent receiving child care subsidies	% of total employers
Healthcare	19	23%
Industry/Warehouse	17	21%
Service	11	13%
Food Service	10	12%
Child Care	8	10%
Retail	6	7%
Miscellaneous	6	7%
Construction/Home Maintenance	2	2%
Government	1	1%
Self-Employed	1	1%
Finance/Insurance	1	1%

In McDowell County

McDowell County has 128 different employers who together rely on 181 employees who are receiving child care subsidies. As can be seen in the chart below, four large employers each have four or more subsidized employees, accounting for 11% of the total number of subsidized employees in the county. These employers are: McDowell County School System, Perfect Air, McDowell County Head Start, and IAC.

However, small businesses are most dependent on these subsidized employees. The great majority (89%) of the total number of businesses has small staff and relies on fewer than four subsidized employees. The table below shows 9 employers in McDowell County that have 3 or more employees that receive child care subsidies. Together, these employers account for more than 19% of all parents who are receiving child care subsidies.

McDowell County Sector	McDowell County Employer	# of Employees
Industry/Warehouse	IAC	7
Education	McDowell County School System	6
Industry/Warehouse	Perfect Air	6
Child Care	McDowell County Head Start	4
Healthcare	Black Mountain Center	3
Child Care	Private Child Care Center	3
Industry/Warehouse	Ethan Allen	3
Healthcare	Rose Hill Retirement Community	3

Parents Receiving Child Care Subsidies

As of April 30, 2008, there were 190 parents in McDowell County receiving child care subsidies for their children in order to maintain employment or attend school to further their education. Fifty-three percent of these parents have a High School Diploma or GED, 26% have less than a High School Diploma, and 21% have some level of college education (percentages are rounded up). Nineteen parents (6%) were currently enrolled in college level courses, and thirteen parents (4%) were participating in the Work First program and seeking gainful employment.

Household Demographics

As of April 30, 2008, there were 357 children enrolled and receiving child care subsidies, representing 181 families. Two hundred thirty-two or 65% of these children lived in single parent households, and 63 or 18% lived in two parent households. Sixty-one children (17%) resided with caregivers other than their parents, and of those children, nine were foster children.

Subsidy Funding

Child Care subsidies are primarily funded by the North Carolina Division of Child Development. Partial funding is also provided through Smart Start and the North Carolina Partnership for Children, Temporary Assistance for Needy Families (TANF), and Federal Emergency Management Agency (FEMA). Local Smart Start funds are administered by the McDowell County Partnership for Children & Families, Inc. through the McDowell County Department of Social Services. Subsidy funding allows parents to continue working by providing a portion of their child care expenses based on income eligibility guidelines.