

In-Home Child Care: Exploring the Possibilities



...for Children

the region's leading resource
in early education and care

About 4C for Children

4C for Children, the pioneering leader, advocate and resource for early childhood education and care in this region since 1972, serves 23 counties from offices in Cincinnati, Dayton (Ohio) and Newport (Kentucky).

Each year this not-for-profit agency...

- assists over 8,000 families of all income levels in finding and choosing quality child care;
- enrolls over 20,000 child care providers in its workshops and trainings;
- works to increase the supply of high-quality early education and care in the region; and
- advocates for children and families at the local, state and federal levels.

For more information visit www.4cforchildren.org or call 513-221-0033 or 800-256-1296.

Copyright © 2009, 4C for Children. All rights reserved.
Permission is granted to copy this booklet for personal or education use.
For other uses, contact 4C at 800-256-1296 or agency@4cforchildren.org

4C Central Office, 1924 Dana Ave., Cincinnati, OH, 45207

Acknowledgements

4C wants to acknowledge the assistance of the Cincinnati Bar Association in the preparation of this publication. Some of the information is adapted from the “Child Care Booklet”, written by the Cleveland Bar Association. The Child Care Committee of the Cincinnati Bar Association was instrumental in securing permission to use parts of the Cleveland publication.

Additionally, 4C acknowledges the continued assistance of J.D. Cloud & Company in the revisions of “Becoming an Employer.” The revisions they have provided for this section enables 4C to offer current financial information related to this important aspect of in-home care.

The purpose of this booklet is to help parents consider in-home child care as one possible type of care. It is intended to offer general information only, and should not be construed as endorsement of a particular form of child care.

4C believes that parents are best able to choose and evaluate child care for their children, because they know their children’s needs best. Responsibility for selecting child care rests with each parent.

No representation is made as to the legal validity or the accuracy of the information contained in this booklet. Parents should consider legal counsel before entering into employer contracts.

Table of Contents

Introduction

In-Home Child Care: Preliminary Considerations	1
Know Your Family's Needs	1
Factors to Consider	2
Shared Care: Families Working Together.....	2
Two Different Approaches	3
Finding Someone On Your Own	3
Using a Placement Agency	4
Choosing A Caregiver.....	6
Pre-screening by Telephone.....	6
The Interviewing Process.....	7
Becoming an Employer.....	8
Negotiating the Arrangements/Contract for Child Care	8
Taxes and Benefits: The Cost and Responsibility of In-Home Care	9
Federal Requirements	10
State Requirements.....	12
Getting Started	15
Introduce Your Children	15
Introduce Your Home	15
Introduce Your Neighborhood.....	15
Create a Daily Schedule.....	15
Establish Periodic Meetings and Monitoring.....	15
Appendix	
1: Types of Child Care	16
2: Types of In-Home Care.....	17
3: Physician's Statement	18
4: In-Home Candidate Application	19
5: Telephone Screening Form	21
6: Contract For In-Home Caregiver	23
7: Emergency Information.....	24
Bibliography	Error! Bookmark not defined.

Introduction

For many working parents, the Mary Poppins mystique is difficult to dispel. When some parents need child care, in-home care is their first and most obvious choice. But in-home child care is only one type of available care and not always the best choice for some families.

The goal of this publication, produced by 4C, is to assist you in deciding if in-home child care is best for your family. It will carefully examine all aspects of locating and evaluating an in-home caregiver. We have also included sample forms that may be helpful to you.

A basic approach when considering in-home care should include a comparison to other types of child care. For that reason, Appendix 1 will look briefly at the three basic types of child care and the advantages and disadvantages of each. Appendix 2 describes in detail the different types of in-home care that are available.

In-Home Child Care: Preliminary Considerations

Many families search for in-home child care to meet specific needs. These can include extended or non-traditional work hours, work-related travel, short maternity leaves or lack of proximity to extended family.

There are a variety of in-home child care options ranging from a teenage babysitter to a professional nanny. In each situation, a positive experience depends on knowing your family's specific needs, considering the different options, conducting a thorough hiring process, and developing an on-going monitoring system.

Know Your Family's Needs

- Have you assessed the real cost of in-home child care with consideration to caregiver's salary and additional expenses such as: social security tax, unemployment compensation, Workers' compensation, health insurance, meals, paid vacations, and regular raises?
- Do you need full-time or part-time help?
- Are you looking solely for child care? What about light housekeeping, laundry or shopping responsibilities?
- What are your children's specific needs? Are there different ages of children, each needing different types of attention? Are there special dietary or medical needs?
- Does the age of the caregiver matter? Older, perhaps raised a family, or younger, perhaps more energetic?
- Do you require specific skills such as first aid, CPR, ability to drive, cook, swim, and help with homework?
- What kind of scheduling flexibility is needed? Early in the morning or late in the day? Is evening or overnight care needed?
- Will there be a need for the caregiver to travel with the family?
- Do you have a primary language preference? Bi-lingual?
- Do you have a religious preference?
- Do you require a non-smoking individual?
- Do you have family/friends who can provide back-up care?
- Are there other household staff that need to be considered in your choice of a caregiver?

Factors to Consider

In-home child care is provided either by a caregiver who lives with you in your home or one who comes on a daily basis but resides in her own home.

Live-in Caregiver:

- Can you provide separate living accommodations? This includes a separate bedroom, separate bath/shower.
- Are you willing to have a visitation policy for your live-in caregiver's friends/relatives? During or after work hours? Does it include overnight guests?
- Would you have a curfew for your live-in caregiver?
- What is an acceptable work schedule? Do you expect your live-in caregiver to be on 24-hour call? Will you pay overtime?
- Are you willing for the live-in caregiver to receive personal telephone calls? Do you want to limit calls to when the children are napping or after hours?
- Will you provide a television, laundry facilities?
- Will family meals include the live-in caregiver?

Live-Out Caregiver

- Will a live-out arrangement provide sufficient flexibility to meet your family's schedules?
- Does your live-out caregiver have reliable transportation to and from your home?
- Will your live-out caregiver transport your children? Will you furnish an automobile for use during the day? What arrangements are there for insurance coverage?
- What limits will be placed on distance, purpose, and amount of travel?
- What rules will there be for visitation during work hours?
- Will you limit personal telephone calls, television programs and amount of viewing time?

Shared Care: Families Working Together

A relatively new addition to the realm of in-home child care is shared care. In this type of arrangement, two families have a caregiver to care for both sets of children. Care is provided in one selected home, or can alternate on a weekly or monthly basis between the two homes.

The process of locating, interviewing, and selecting the caregiver remains relatively the same. However, it is important that the two families discuss their particular needs and expectations thoroughly before beginning the process.

The greatest advantage in a shared care arrangement is the cost savings in sharing the caregiver's salary and related expenses. Families can offer more competitive salaries to qualified candidates, or provide greater salary increases, when sharing the costs of care. A second advantage is the addition of playmates in the care arrangement, often children very close in age.

Although shared care can work well for families, it should be considered carefully. Preliminary discussion between the two families should include parenting styles, discipline techniques, values, meals, child care supplies, and business responsibilities. Because the caregiver will actually have two employers, it is important to give preliminary consideration to this challenging relationship.

Two Different Approaches

Once you have decided that in-home child care is the best choice for your family, there are two ways of proceeding. The first is to find the person on your own, by advertising, networking, or posting notices, followed by preliminary screening. The second method is to hire a placement agency to find the caregiver for you. The first option will be less costly, but more time consuming for you. Using a placement agency does not necessarily mean that candidates will be better qualified than those you might find on your own. Your choice should be based on the amount of time and money you have to spend on a caregiver search.

Finding Someone on Your Own

Experience has demonstrated that advertising close to your home helps in finding appropriate candidates. Local community papers or magazines seem to work best. Before drafting an ad, you may want to consider these ideas:

- Browse through the current classified ads in the “Child Care Wanted” sections of your paper. You may find examples to use in your ad.
- Generate a list of things that are very important to you, such as, non-smoking, must have reliable transportation, or scheduling needs.
- List any benefits that may attract candidates.
- Remember that newspapers usually charge by the word or column inch, so try to be succinct, yet creative.
- Consider how you want applicants to respond. Only serious applicants will respond in writing to a mailing address rather than a phone number. If using this method, you may want to rent a temporary P.O. Box, so that applicants do not know your address.

The following are examples of ads that you may want to adapt to your own situation:

Caregiver Needed: *In my West Chester home, M-F, 7:00 AM-6:00 PM, for six month old twins. Benefits include two weeks paid vacation annually. Candidate must be non-smoker with one-year child care experience. Call 555-5555 after 6:00 PM.*

Live In Opportunity: *Looking for live-in nanny in Hyde Park home for three children, ages 1, 4 and 8. Parents have work-related travel, so individual must be mature and responsible yet nurturing and playful with children. Spacious quarters, private phone, exceptional benefits. Send letter of application with references to P.O. Box 31.*

Teacher Wanted: *Former teacher to provide after-school care in my home for boys, ages 6 and 10, M-F, 2:30 PM-7:30 PM. Full-time summer care a possibility for right person. Competitive salary and benefits. Call 555-5555, 6 PM-9 PM only.*

Care for a Special Infant: *Nurse or nurse’s aide for in-home care for our 3 month old son, requiring special feeding. Part-time schedule M-W-F, 10:00 AM-4:00 PM. Must be non-smoker, and have reliable transportation. Send resume and three references to P.O. Box 56, Cincinnati, Ohio.*

Spend Your Summer Poolside: *Responsible college student needed for summer in-home care for three school-age children. Must be responsible driver and qualified swimmer because of in-ground pool. Child care classes/training a plus. Competitive salary/benefits for the right individual. Call 555-5555 after 5:00 PM.*

Although classified ads are an excellent beginning, there are other ways of advertising your need. Let neighbors, co-workers, friends, and relatives know about your child care need. This can be an effective method - at no cost to you.

Creating your own flyer is also an inexpensive way of advertising. Try to make it attention getting and reproduce on colored paper. There are many places you can post your flyers including:

- placement offices at colleges and universities
- places of worship
- employment offices and job programs
- women's centers
- internet employment postings
- libraries
- school district personnel office
- public bulletin boards

Advertising and responding to inquiries is a preliminary part of finding your own caregiver. Telephone screening and subsequent interviewing will be explored in the next section.

Using a Placement Agency

Placement agencies are businesses that specialize in finding in-home caregivers. Some limit themselves only to child care, while others offer a range of services including elder care, sick care, and domestic services. A comprehensive overview of those in Greater Cincinnati and Northern Kentucky is listed in "Child Care Alternatives," available from 4C. The International Nanny Association (INA) also publishes a directory of placement agencies and nanny training programs, visit their website at www.nanny.org

The goal of the agency should be to match families and their specific needs with appropriate caregivers. A good agency should guide you through all phases of your search and maintain contact with you after placement to assure satisfaction.

Advantages:

- Can help you look at your needs and what is realistic to expect from the care situation
- Can relieve you of burden of advertising and responding to inquiries
- Can eliminate a great deal of time and effort on your part, doing preliminary interviewing and checking references (We recommend however that you also personally check references)

Disadvantages:

- May be very expensive, charging between \$400 - \$1000 or more for placement and also requiring non-refundable deposits at the time of application
- May not be reliable in matching family needs to caregiver qualifications, although most reputable agencies seek to do this
- May provide inadequate follow-up service in those situations where caregiver does not work out

There is a great deal of variability in the services and quality of those services in local placement agencies. We suggest you contact several before signing any contracts, and also consider the following:

- How are cases handled? Will you be working with the same person from start to finish?
- What are the agency's standards for applicants?
- How does the agency screen applicants?
- What about background or police checks?
- How are caregivers found?
- What is agency's track record of successful placements?
- How long has agency been in operation?
- Can the agency provide references from individuals who have used the service?



Choosing a Caregiver

Whether you decide to use the services of a placement agency or to search independently for a caregiver, you soon arrive at having one or more candidates for the job. The process of screening and interviewing is basically the same, although agencies may have done some initial prescreening for you. In most cases, your first introduction to applicants is by phone, followed by in-person interviews with those who seem like the best candidates.

Pre-screening by Telephone

Many people responding to your requests for an in-home caregiver will not be qualified or appropriate. Careful telephone screening can eliminate these respondents.

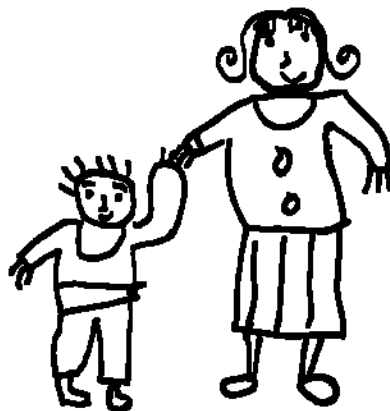
It's important to have uninterrupted time to screen by telephone. If people respond at inconvenient times, ask for their name and phone number and a convenient time to call back. If you have an answering machine, you may want to use a message that asks respondents to leave name, phone and the best time to call them.

A few initial questions in the telephone screening will help to quickly eliminate unsuitable applicants:

- Ask if the person is available to work the schedule needed for care.
- State the basic responsibilities of the position and ask if the person is willing to perform those duties.
- Discuss the basic salary, unless negotiable, and ask if the person is agreeable to that rate.
- Find out if the person meets your basic requirements by asking about background, experience, reasons for wanting to be an in-home caregiver, long-term plans, etc.

You will quickly get a feel for which applicants seem appropriate. **Trust your instincts.** If there is any question about the applicant's capabilities for the job, you may not want to take additional time for an in-person interview.

It may be helpful to have photocopies of a telephone screening form available near your phone. A sample of this form is included as Appendix 5.



The Interviewing Process

Some parents choose to screen applicants with a questionnaire requesting information on past employment and personal characteristics. You can mail this to those candidates you have decided to interview and have it returned to you in a self-addressed envelope before the interview appointment. A sample application is included as Appendix 4.

A personal interview including both parents (if applicable) is recommended after the questionnaire is complete and submitted for review. Including your children in a portion of the interview may be beneficial in making your decision. Below is a list of questions and information you may want to obtain during the interview.

Information

- name and addresses for the past ten years
- educational background - kind of training for child care — raising own children, nursing, teaching, CPR, first aid
- prior employment for past ten years and reasons for changing employment
- general health - smoker, alcohol use, any medications, allergies - will applicant provide a physician's statement of good health?
- hobbies and relaxation activities, pets at home - important if your children have allergies.
- recent references - be sure to personally check them — local references of prior employers are the most useful
- other commitments that might interfere with a particular hour/day schedule

Sample Questions

- “Why do you like to work with children?”
- “What would you do in the case of a serious accident?”
- “How do you believe a child is taught to listen to and respect other people?”
- “How do you handle a child who's crying? Misbehaving?”
- “How do you believe a child is taught to appropriately interact with siblings and/or peers and what do you believe is your role?”
- “What do you believe is the healthiest way for my children to view their relationship with you? Should they view you as a friend? As a parent? As a babysitter?”
- “How do you view your relationship with us?”

Before the applicant leaves, show the candidate around your home. Discuss any rules you may have in regard to smoking, television, using the phone, food and visitors. If any household tasks such as cooking, laundry or cleaning will be his/her responsibility, clarify this with the applicant during this time.

Following the interview, if you have any uncomfortable feelings about the applicant, **do not hire the person**. Your gut feeling can be an important signal. You may have to interview several applicants before finding the right one. This can be time consuming, but try not to become discouraged. Proceeding slowly and cautiously in the beginning will probably enable you to feel more confident in your final choice. Careful screening, interviewing and reference checks can help you feel better about your selection and prevent having to repeat the hiring process.

When you have found the caregiver you want to hire, the conditions of employment need to be discussed. The following section will address these issues.

Becoming an Employer

Negotiating the Arrangements/Contract for Child Care

No matter how informal and personal your relationship might become, if you are paying someone to care for your child you have created an employer/employee arrangement.

The terms and conditions under which you hire an in-home caregiver can vary depending on individual circumstances. A written contract clarifying responsibilities, terms and conditions of employment is recommended. Whether or not you use a written contract, you may want to consider the following employment issues:

- **Salary Considerations:** A caregiver's rate of pay generally may depend upon training and previous experience. It can also be affected by affiliation with a placement agency or competitive salary ranges in your area.

There are also other salary issues to consider. What will be the base number of hours per week? What about overtime? Is there a difference between overtime during the week and the weekend? How will overtime be compensated? When is payday (weekly, bi-weekly, monthly)? Will you pay in cash or by check? Is compensation for domestic duties included in the hourly rate or is it extra? Who will maintain records of hours worked?

- **Raises:** A salary increase given on a regular basis indicates to the caregiver that the services are valued and it enables the person to keep up with the cost of living. Generally, raises are given once a year. Holiday bonuses can also be considered.
- **Reimbursed Expenses:** Will your caregiver be reimbursed for mileage expenses incurred when using his/her car while performing an expected duty or for expenses incurred for your children?
- **Sick Days/Personal Days:** According to the code drafted by the National Committee on Household Employment, a full-time caregiver should be paid for a minimum of six sick days and two personal days annually. Can the caregiver use sick days for dependents?
- **Vacation:** The average paid vacation time for a full-time in-home caregiver is two weeks after the first year. Extra days can be added for each year following, if desired. It is convenient if the caregiver takes a vacation the same time you take yours. If traveling with your family, what are the arrangements for work schedule, personal time and payment of expenses? For a live-in caregiver, what about the use of your home while you are on vacation without the caregiver?
- **Holidays:** Determine with the caregiver in advance which holidays can be taken and if they will be paid holidays. The paid holidays that you receive as a benefit from your workplace may be a useful guide in this matter.
- **Automobile Insurance:** If the caregiver will use his/her own car, require that the person provide proof of insurance. Will the insurance provide coverage if his/her car is used during employment? If the caregiver will be using your car, consider the effect on your insurance coverage. If there is an accident, who pays the insurance deductible?
- **House Rules:** Be sure your caregiver agrees to comply with all house rules. These might include a visitor's policy, use of your car, telephone use, television, appropriate dress, privacy, and meals.

- **Medical Insurance:** Will you pay for medical insurance for the caregiver? If so, will payment be made directly to the caregiver or to the insurance company? Household employees usually do not have access to medical coverage through a group plan, and private plans can be very expensive. This should be taken into consideration when determining the caregiver's salary. However, if the employer does directly pay medical insurance premiums for the caregiver, it is not considered taxable compensation to the caregiver. This means that the caregiver can receive a tax-free fringe benefit from the employer. Such benefit is not subject to any payroll tax obligation to the employer either.
- **Work Responsibilities:** Is your caregiver expected to provide only child care, or to perform other domestic duties such as housekeeping, laundry, shopping, cooking, or driving?
- **Termination:** How much advance notice must you or your caregiver give of termination or voluntary ending of the employment arrangement? Is your caregiver willing to assist you in training the new caregiver? Consider requiring this in an employment contract to ease the transition to a new caregiver.

Taxes and Benefits: The Cost and Responsibility of In-Home Care

The higher cost of in-home child care is a result of the additional financial responsibilities involved. In particular, as an "employer" you have the responsibility for direct payment of certain employee taxes and benefits, including social security (FICA) and federal unemployment tax (FUTA), as well as state unemployment compensation and state worker's compensation.

Employee or Independent Contractor?

Whether you pay the foregoing benefits and/or taxes will depend on whether your caregiver is an "employee" or an "independent contractor," as those terms are defined legally. Generally, an employee is a person who is under your control and direction as to the mode, manner and method used to perform the job. An independent contractor is a person who is self-employed, and who calls upon his own personal skills and experience to do the job, even though the job must be completed to your overall satisfaction. [Department of the Treasury-Internal Revenue Service Publication No. 926 (Rev. Nov. 91).]

According to the Internal Revenue Service (IRS), baby-sitters, caretakers, housekeepers, maids and nurses are considered "employees" regardless of whether you call them "employees" or "independent contractors". [Department of the Treasury-Internal Revenue Service Publication 926 (Rev. Nov. 91).] However, some examples in case law support opinions contrary to IRS publications. Case law extends an exemption from "employee" status for an individual who provides child care in his/her own home or to a child care provider who works for persons on a casual or infrequent basis. Evidence of independent contractor can also be demonstrated by a child care provider who holds himself/herself out to the public as a provider of child care services. Such a person would ordinarily work for more than one person in providing child care.

Salary Consideration

According to the Fair Labor Standards Act, caregivers employed on other than a casual basis are considered domestic service employees. They must be paid minimum wage so long as they are employed in one or more homes for an aggregate total of eight hours or more in a work week or if they earn wages of at least \$1,000 in any calendar year. Current minimum wage is \$5.15 per hour. Contact the U.S. Department of Labor, Wage and Hour Division at (513) 684-2942 for questions about changes in the rate. Or check the website at www.dol.gov

Federal Requirements as of 2002

Contributions to Social Security (FICA)

As an employer, if you pay a caregiver \$1,300 or more during a calendar year, you are responsible for both withholding the caregiver (employee's) share, and paying your employer's share of social security taxes. Non-cash payments such as food, use of a car or lodging are not subject to social security taxes. Both you and your employee share responsibility for the payment of social security taxes, although you, as the employer, will have all of the paperwork responsibilities.

FICA is comprised of two portions, the social security component and the Medicare component. The 2002 wage base is \$84,900 for social security (old age, survivors, and disability insurance). There is no longer a wage base ceiling for the Medicare component. For social security, the tax rate is 6.2% each for employers and employees. For Medicare, the rate is 1.45% each for employers and employees

The combined tax rate in 2002 is 7.65% of your caregiver's wages. Thus, if you pay a caregiver more than \$1,300 for the calendar year in 2002, you must deduct 7.65% from you caregiver's wages (employee's share) and contribute an additional 7.65% of the wages yourself (employer's share) to the IRS on your caregiver's behalf.

Social security taxes must be reported and paid to the IRS on the employer's personal income tax return using Schedule H (Form 1040) Household Employment Taxes. Payment is due by April 15 of the year following the year in which wages were paid. Every employer must request a federal employer identification number by completing Form SS-4 (Request For Employer Identification Number, EIN). This form is sent to IRS, Cincinnati, Ohio 45999. You may also receive the EIN by calling the IRS at the phone number provided on the SS-4 application. Request forms from the IRS by calling 1-800-829-3676 or by downloading forms and information at www.irs.gov

Federal Income Tax Withholding

Your caregiver may ask you to withhold federal income taxes. If so, she/he must provide you with a completed Form W-4 (Employee's Withholding Allowance Certificate). The value of meals and lodging do not need to be included if these are provided for your convenience and as a requirement of the job.

Wages are reported to the IRS annually for each caregiver/employee on Form W-2 (Wage and Tax Statement). Copies of forms W-2 and W-3 are due by February 28 of the following year and are sent to the Social Security Administration. Instructions for mailing along with the appropriate address are found on the W-3. You must also give a copy of form W-2 to each caregiver/employee on or before January 31 of the year following the one in which wages were paid. Tables to help you figure taxes are given in IRS publications circular E. Employer Tax Guide pages 34 - 55.

Advance Payment of Earned Income Credit

An earned income credit is available to any individual who has earned income below certain thresholds, depending upon the number of dependent children. Certain employees can request that their employers provide them with an advance on the earned income credit. The caregiver/employee can request an advance earned income credit by completing and providing the employer with Form W-5, Earned Income Credit Advance Payment Certificate. The advance credit serves to reduce the otherwise available credit that the caregiver/employee is entitled to when he/she files a federal income tax return. Any advance payment of the EIC is reported on the employee's Form W-2. The earned income credit is available to qualifying individuals who have no children. However, the advance payment of the earned income credit is not available to a person who does not have dependent children.

Whenever a caregiver/employee does not have any federal income tax withheld and/or does not claim exemption on Form W-4, you must provide the employee with a copy of IRS Notice 797. A copy of IRS Notice 797 is contained on the reverse side of IRS Form W-2. Providing the employee with a W-2 will fulfill the employer's obligation to notify the caregiver/employee of his/her right to the advance payment of the earned income credit.

The advance payment of the earned income credit is limited to \$1,503 in 2002. Tables to help you calculate the advance earned income credit are given in IRS Publications circular E, Employer Tax Guide, pages 56-61.

Federal Unemployment Tax (FUTA)

If you paid wages of \$1,000 or more to household employees, including a caregiver, in any calendar quarter of the current or preceding calendar year, you must pay federal unemployment tax (FUTA). For the year 2002 the tax was 6.2% of the first \$7,000 of cash wages paid to each employee. The amounts contributed to FUTA cannot be deducted from the employee's salary. Federal unemployment taxes are reported on the employer's personal income tax return using Schedule H (Form 1040) Household Employment Taxes. Payment is due for the preceding quarter by April 30th, July 31st, October 31st and January 31st if more than \$100 for the quarter; if the amount due for the quarter is \$100 or less, you do not have to pay it at the deadline, but you must add it to the amount subject to payment for the next quarter. For most states, a credit is offered on FUTA for taxes paid timely into a state unemployment program. The maximum credit is 5.4%, thus making the effective FUTA rate .8%.

Federal Tax Forms and Information

Because the IRS offices in Cincinnati are regional, the address and phone number applies to Ohio, Kentucky, and Indiana residents. You can order copies of all federal tax forms referred to above by calling the IRS at 1-800-829-3676 or at www.irs.gov to download forms and publications. To have the IRS answer any question you have concerning these forms or any federal tax matters involving child care, call 1-800-829-1040.

Immigration and Naturalization

If you are considering an in-home caregiver who may have moved to the U.S. from another country, there are some important considerations. It is imperative that all U.S. employers secure a Form I-9 from an employee before that employee begins to provide services to the employer. Form I-9 is an employment eligibility verification form.

For current, accurate information on the employment of individuals from other countries, you may want to contact the U.S. Bureau of Citizenship and Immigration Services. A BCIS handbook for employers may be obtained by writing to the following locations:

Ohio residents	BCIS 550 Main Street Room 4001 Cincinnati, Ohio 45202 (513) 287-6080
Kentucky residents	BCIS 601 West Broadway Room 390 Louisville, Kentucky 40202
Indiana residents	BCIS 950 N. Meridian Suite 400 Indianapolis, Indiana 46204

State Requirements as of 2002

State Income Tax

Ohio: Like federal income tax withholding, state income tax withholding is optional for caregivers. If your caregiver requests that you withhold state income taxes, she/he must provide you with Form IT-4 (Employee's Withholding Exemption Certificate). You can obtain an employer's identification number for state tax purposes by completing Form IT-1 and sending it to the Ohio Department of Taxation, 30 East Broad Street, 22nd Floor, Columbus, Ohio 43266-0420. You cannot use form SS-4, the federal form for requesting an employer identification number, for the state; you must use Ohio Form IT-1.

Ohio state withholding methods have been simplified by the use of Form IT-501 (Employer's Payment of Income Tax Withheld) coupon booklets. Depending on the amounts you anticipate withholding during any calendar quarter, you will report wages subject to withholding and remit any payments to the Ohio Department of Taxation on a monthly or quarterly basis. Each month or quarter for which you maintain a caregiver, regardless of whether wages are paid, you must complete and file Form IT-501 stating your gross payroll, the income tax withheld and any adjustment for previous periods. The total amount of taxes being withheld is then remitted to the Ohio Department of Taxation along with Form IT-501.

At the end of each calendar year, you must provide each caregiver-employee with copies of Form IT-2 (Wage and Tax Statement), unless you are also withholding federal income taxes, in which case the caregiver-employee's W-2 will suffice. Additionally, you must file Form IT-941 (Ohio Employer's Annual Reconciliation of Ohio Income Tax Withheld). Form IT-941 must be received by the Ohio

Department of Taxation on or before February 1 of the succeeding calendar year or no later than 30 days after discontinuation of business (after you stop using any caregiver-employee).

Form IT-3 is used to transmit your wage and tax statements to the Ohio Department of Taxation along with your copies of your employer's Form IT-2 (or W-2's) no later than February 28 of the succeeding year.

Certain school districts within the State of Ohio impose an income tax on persons who reside in such school districts, irrespective of whether they are working in a school district that imposes an income tax. Accordingly, the employer has a responsibility to withhold the school district income tax for its employees if the employer is subject to the obligation to withhold state income tax. In the case of a domestic employer, because the state income tax withholding is optional, the school district income tax withholding is optional. The registration as a withholding agent for the Ohio School District income tax is made on Form IT-1, and the information on the employee side is requested on Form IT-4.

You can get copies of all the Ohio tax forms referred to above by contacting the Ohio Department of Taxation at 1-888-405-4039 or www.tax.ohio.gov. The Ohio Department of Taxation can also answer any question you have concerning these forms or Ohio tax matters involving child care.

Kentucky: If your caregiver requests that you withhold state income tax in Kentucky, you must request a Form 10A100 (Kentucky Tax Registration Application) by calling (502) 564-3658. This application should be completed and sent to the State of Kentucky Revenue Cabinet, Station 55, Frankfort, Kentucky 40620. The state will then assign you a Kentucky withholding account number, and will provide you with tables to use in computing your caregiver's tax. The taxes are submitted for the first three quarters with a K1 form, in quarter four a K3 form is used, summarizing the year's payments.

For additional information, or necessary forms, call (502) 564-3306 or (859) 371-9049 for the Northern Kentucky office or download information at www.revenue.ky.gov.

Indiana: If your caregiver requests that you withhold state income taxes, you should contact the State of Indiana Taxpayer Services Department (317-233-4016) to obtain a tax packet. The tax packet includes an application for establishing an account, which needs to be completed by the employer and returned to the Taxpayer Services office. This office will then assign a state ID number, which is used for reporting the state tax withheld. The State of Indiana tax is 3.4% of the employee's gross income, as well as various counties in Indiana have tax rates for withholding. Check www.in.gov/dor for more information.

Unemployment Taxes

Ohio: The Ohio Department of Job and Family Services requires that anyone paying a caregiver wages of \$1000 or more in a calendar quarter in the current or preceding calendar year must contribute to the state unemployment compensation fund. The beginning rate is 2.7% up to \$9,000 in wages for 2002; wages over this amount are not subject to unemployment taxes. To receive information on obtaining a state ID number, or to request necessary forms, call (513) 852-3126 or visit www.jfs.ohio.gov.

Kentucky: The requirements of the Kentucky Department of Employment Services are very similar. If your caregiver receives more than \$1000 in wages in a calendar quarter in the current or preceding calendar year, you are subject to a 2.7% rate, payable to the state unemployment compensation fund. However, once the wages paid to your caregiver reach \$8000 within a calendar year, there is no additional tax. To request forms or information call the Kentucky Unemployment Insurance, Auditor's office at (502) 564-2900 or visit www.oet.ky.gov.

Indiana: The Indiana Department of Employment Services requires that anyone paying a caregiver wages of \$1,000 or more in a calendar quarter in the current or preceding calendar year, must contribute to the state unemployment compensation fund. The rate is 2.7% up to \$7,000 in wages; earned wages per year that exceed this amount are not subject to unemployment taxes. To receive additional information or request an unemployment tax packet call the Employee Account Maintenance Department at 1-800-891-6499 or visit www.in.gov/dwd.

Workers' Compensation

Ohio: State law requires that an employer provide workers' compensation for employees, including child caregivers, who earn \$160 or more in 3 months. You can apply for coverage by completing Form U-3-B and remitting an application fee of \$10. The Bureau of Workers' Compensation will bill you semi-annually, based on your submitted payroll reports. Do not assume that if you fail to pay workers' compensation, you will be protected from liability by your homeowner's policies for injuries sustained by your household employee in the course of employment. Most homeowner's policies exclude coverage for any injuries, which could be covered by or are subject to workers' compensation (but check with your insurance agent). Call 1-800-644-6292 or visit www.ohiobwc.com for information or an application form.

Kentucky: In the State of Kentucky, employers with fewer than two domestic employees are exempt from workers' compensation requirements. In order to protect both you and your caregiver, it is suggested that you contact your insurance agent about a self-insured policy. Call 1-800-626-2250 or visit www.labor.ky.gov for additional information from the State of Kentucky.

Indiana: In Indiana, all domestic employees are exempt from workers' compensation requirements. However, you must provide some coverage for your caregiver through either private insurance or workers' compensation. In order to protect both you and your caregiver, it is suggested that you contact your insurance agent about a self-insured policy or elect to provide optional coverage under the Indiana workers' compensation program. Call (317) 232-3809 or go to www.in.gov/workcomp for additional information on the State of Indiana.

Insurance: An Additional Note

If you are not withholding and paying taxes for your caregiver-employee as described earlier (for example, your caregiver is an independent contractor), you should consider having the caregiver listed on your homeowner's insurance. This should cover any accidents that occur involving your caregiver. Since an independent contractor generally cannot be covered by workers' compensation, no exclusion for covering your caregiver should apply (but check with your insurance agent). However, if your caregiver is considered an employee and therefore could be subject to workers' compensation, most policies will not insure that caregiver-employee. Again, check with your agent.

Getting Started

Every family has its own set of household rules, stated and unstated. Prepare a written statement of these rules and discuss them thoroughly with the caregiver before care begins. This advance planning and discussion may reduce future misunderstandings.

Allow for a “get to know you” period (one to two weeks) when you can acquaint the caregiver with your children, your home, and your neighborhood.

Introduce Your Children:

- Spend time together with the children and the caregiver to ease the transition.
- Discuss children’s schedules (eating, sleeping, and playing), special needs (medical, dietary), likes/dislikes, outside activities.
- Describe appropriate/inappropriate discipline techniques.

Introduce Your Home:

- Give a household tour of bedrooms, bathrooms, telephones, fuse box, thermostat, water and gas mains, fire extinguishers, smoke detectors, exits, medications and first aid supplies, all phone numbers for emergency care and back-up care. Explain how to use the appliances. Have available a medical authorization and release form. Describe schedules of services coming to your home such as mail delivery, trash/recycling pick-up and meter readings.

Introduce Your Neighborhood:

- Provide names, addresses and telephone numbers of neighbors and close friends. Introduce caregiver to neighbors, friends, pediatrician and school teachers. Show location of stores, hospital, physician’s office, school and extra curricular activities.

Create a Daily Schedule:

- Discuss appropriate nap times, meal times, and if/when children have responsibility for their own tasks, such as picking up toys, or making beds.
- Define an appropriate period of time for such activities as reading, homework, play, visits to friends, and field trips.

Establish Periodic Meetings and Monitoring:

- Establish a weekly or bi-weekly discussion time to talk about children, personal needs, problems, scheduling, and to provide feedback.
- Watch for signs of a possible problem such as a child who remains unhappy after a reasonable adjustment time with the caregiver, a child who is fearful of the caregiver, or a child who has a sudden behavior change such as bed wetting, nightmares, or unexplained bruises. Additionally, watch for sudden changes in the caregiver such as extreme mood swings, lateness or lethargy.
- Plan into your schedule on-going unannounced visits to see how things are going. Solicit reliable relatives and/or friends to assist in this monitoring of your in-home care.

Appendix 1: Types of Child Care

The three basic types of child care, offering full or part-time schedules, are in-home, child care centers, and family child care homes. To further clarify:

In-Home Care - the caregiver cares for your children in your home, either on a live-in or daily basis

Child Care Centers - staff members care for children in a group setting within a state-licensed facility

Family Child Care Home - care is provided in the caregiver's own home, with a small number of other children also in care

Each type of child care setting has certain advantages and disadvantages associated with it. In addition to these, there may be personal considerations, such as the ages of your children, family values, or parental preference.

In-Home Care

Advantages

- convenient, no need to transport/transition child to other site
- reduced exposure to illness
- allows for closer provider/child relationship
- greater flexibility of hours

Disadvantages

- most expensive form of care
- employer responsibilities
- locating care can be time consuming
- difficult to monitor
- lack of group socialization and activities

Child Care Centers

Advantages

- staff trained in child development (state-specific requirements)
- planned age-appropriate activities
- variety of appropriate equipment and supplies
- greater dependability of care
- licensed by city and/or state

Disadvantages

- location not always convenient
- little flexibility in hours/days of care
- larger group size
- generally expensive
- child cared for by more than one caregiver
- greater exposure to illness

Family Child Care Home

Advantages

- home-like environment
- mixed age group
- warm and comfortable atmosphere
- greater availability of neighborhood programs
- flexible hours
- small group size
- usually least expensive type of care

Disadvantages

- providers often have less training
- difference in values and styles
- not as well monitored as center care
- care can be less stable than at a center

Appendix 2: Types of In-Home Care

As you begin to examine your family's child care needs and resources, it is helpful to know the variety of terms used for people who provide in-home child care. The International Nanny Association uses the following definitions:

Babysitter (lives out of your home)

Provides supervisory, custodial care of children on an irregular full-time or part-time basis. No special training or background expected.

Au Pair (Foreign) (lives in your home)

Foreign national in the United States for up to a year to experience American life. Lives as part of the host family and receives a small allowance/salary and helps with child care and housework. May or may not have previous child care experience.

Parent/Mother's Helper (lives in or out of your home)

Lives in or out and works for a family to provide full-time child care and domestic help for families in which one parent is home most of the time. May be left in charge of the children for brief periods of time. May or may not have previous child care experience.

Nanny (lives in or out of your home)

Employed by the family on either a live-in or live-out basis to undertake all tasks related to the care of children. Duties are generally restricted to child care and the domestic tasks related to child care. May or may not have had any formal training, though often has a good deal of actual experience. Nannies' work weeks range from 40 to 60 hours per week. Usually works unsupervised.

Governess (lives out of your home)

Traditionally an educationally qualified person employed by families for full or part time at home education of school age children. Functions as a teacher and is not usually concerned with domestic work or the physical care of younger children. Hours of work by arrangement.

Appendix 3: Physician's Statement

Date _____

This is to state that _____
Patient's Name

Was examined on _____ and is: _____
Date

1. Physically capable to care for children. Yes _____ No _____
2. Mentally capable to care for children. Yes _____ No _____
3. Free of tuberculosis and other communicable diseases.

TB Test date _____

TB Test Results Positive _____ Negative _____

Physician's Signature _____

Physician's Name _____

Address _____

Telephone Number _____

Appendix 4: In-Home Candidate Application

Professional Information

Name _____

Address _____

Phone (day) _____ Phone (evening) _____

How long have you lived there? _____

What type of transportation would you use to come to work? _____

Education/Work Experience

List names of schools attended and year graduated or grade completed

Courses/special training in child care: _____

Explain briefly: _____

How long have you been involved in child care work? _____

List the child care positions you've held in the past five years:

Employer	Dates: Beg./End	FT/PT	Children's Ages	Reason for Leaving

Additional Information

Do you have any health conditions that could affect your child care responsibilities? Yes _____ No _____

If yes explain: _____

Are you willing to take a physical exam at your employer's expense, including drug/blood tests?

Yes _____ No _____

How many days in the past year were you absent from work, or unable to perform your duties at home? _____

What do you consider to be an acceptable number of days absent from work in a year? _____

What is your citizen/residence status in this country? _____

If needed, can you provide a passport, with certificate or naturalization papers? Yes _____ No _____

Do you have a valid driver's license? Yes _____ No _____

License number and state: _____

Do you smoke? Yes _____ No _____

Do you drink alcohol? Daily _____ 3x week _____ Occasionally _____ Never _____

Have you ever been treated for substance abuse? Yes _____ No _____

If yes, explain: _____

Are you a current user? _____

Have you ever been convicted of a felony, such as (but not limited to) theft, child abuse or endangerment?

Yes _____ No _____ If yes explain: _____

Would you agree to a police check? Yes _____ No _____

Have you had?

First Aid training? Yes _____ No _____ date completed _____

CPR training? Yes _____ No _____ date completed _____

Can you swim? Yes _____ No _____

What do you do for fun or relaxation? _____

As an in-home caregiver, describe the important things you would provide for my child/children? _____

Describe any skills or abilities you have which uniquely qualify you for the position. _____

Appendix 5: Telephone Screening Form

Name: _____ Date: _____
Address: _____ Phone: _____
City: _____ State: _____ Zip: _____
Referred by: _____

A. Review specific duties/responsibilities, job requirements and salary

B. Ask key questions:

Tell me about yourself _____

What experience have you had with children? What ages? _____

Have you had training or education in child care or early childhood education?

Why do you want to care for children? _____

Where are you currently employed or what was your last job? _____

How long were you employed at your last job? Why are you looking for new employment?

What are your plans for the future? _____

C. If you would like to personally interview candidates, ask the following:

I am interested in the possibility of a personal interview. Can you provide me with the names and phone numbers of two people who have observed your work with children, as well as the name and number of your last employer? Also, will you send me your resume and/or fill out the application I send you? After receiving this information, I may be interested in scheduling a personal interview.

Received Resume/Application _____

Checked References _____

Scheduled Interview _____

Date _____

Time _____

Record immediate impressions of candidate: _____

Appendix 6: Contract for In-Home Caregiver

Name of Employee: _____ SS#: _____

Name of Employer (parent): _____ Phone: _____

Starting Date: _____ Weekly Hours: _____

Weekly Salary: _____ Overtime Rate: _____

Training Period: _____

Weeks of Termination Notice Required: _____

Employee Responsibilities/House Rules

Benefits

Sick Days: _____

Vacation: _____ Holidays: _____

Unemployment compensation: _____

Workers' Compensation: _____

Insurance Coverage: _____

Employee's signature: _____ Date: _____

Employer's signature: _____ Date: _____

Appendix 7: Emergency Information

Family's Address _____ Apt. _____
City _____ State _____ Zip _____ Phone _____

Parent Name _____
Home Address (if different from above) _____
Work Phone _____ Ext. _____
Work Address _____

Parent Name _____
Home Address (if different from above) _____
Work Phone _____ Ext. _____
Work Address _____

Emergency Contacts

Name _____ Relationship to family _____
Phone (days) _____ Ext. _____ Phone (evenings) _____

Name _____ Relationship to family _____
Phone (days) _____ Ext. _____ Phone (evenings) _____

Physician _____ Dentist _____
Name _____ Name _____
Phone _____ Phone _____
Preferred hospital in case of emergency _____
Address _____

Health Information

Child's name _____ Date of birth _____
Allergies _____
Special conditions _____
Current medication _____

Child's name _____ Date of birth _____
Allergies _____
Special conditions _____
Current medication _____

I give consent for emergency medical care for the above listed children.

Parent's signature _____ Date _____

Other Emergency Numbers

Poison control center _____ Fire department _____
Police precinct _____ Local hospital _____

References

Books

Meyers, Coco, The Nanny Book: The Smart Guide to Hiring, Firing, and Every Sticky Situation in Between, St. Martin's Press, Inc, 1999.

Hernan, Frances Ann, The ABC's of Hiring a Nanny: How to Hire a Nanny Without Losing Your Mind, McGavick Field Publishing, 2000.

Birtles, Jasmine, The Top Notch Nannies Guide, Summerdale, 1999.

Articles

Brown, Harriet, "Who is Watching Our Children: Nanny Care" Parenting, June/July 1999.

"Babysitter Basics: Finding In-home Care" Parents, January 2000.

Helpful Web sites

www.aupairinamerica.com

www.4homehelp.com

www.Nannynetwork.com

www.irs.gov

www.tax.ohio.gov

www.revenue.ky.gov

www.in.gov/dor

www.jfs.ohio.gov

www.oet.ky.gov

www.in.gov/dwd

US Department of Labor, www.dol.gov

www.ohiobwc.com

www.labor.ky.gov

www.in.gov/workcomp

Additional 4C Publications

Available for download at www.4cforchildren.org or by calling 800-256-1296 x1330.

Individual copies of all 4C publications will be sent by mail at no charge.

A fee will be charged to mail multiple copies of the same title.

Building a Partnership: You and Your Child's Caregiver

A guide to creating and maintaining a successful family child care arrangement.

Using Relative Care: A Guide for Working Parents

Explores the advantages and advises how to avoid the possible disadvantages of using relative care.

In-Home Child Care: Exploring the Possibilities

Helps you decide whether in-home child care is best for your family and examines all aspects of locating and evaluating an in-home caregiver.

Is My Child Ready? Self-Care Assessment & School-Age Resources

Suggests guidelines to help assess your child's ability to self-care and gives tips for preparing your child and your home for this important step. Provides a list of community resources concerning a variety of school-age related issues.

A Journey Through the Maze—Service and Support for Your Child With Special Needs

Provides tips to keep in mind as you talk with providers about your child.

The Resource Guide to Babysitting Co-ops, Mother's Groups, Playgroups

Offers information on informal groups—especially for getting one started in your area.