

Douglas ESD Childcare Incentive Program

Klamath & Lake Counties



PROGRAM BACKGROUND

The Klamath/Lake Childcare Incentive Program is modeled after a Douglas County Workforce Incentive Program that provided new worker bonuses to 27 childcare staff, and six new or expanding childcare owner/operators.

Funder: The *Oregon Community Foundation* granted funding for the expansion of the Childcare Incentive Program into Klamath and Lake counties. *Grant funds are limited and are subject to an expiration date established by a contract between the grantors and the Douglas ESD.*

Purpose: The Klamath/Lake Childcare Incentives Program aims to expand the capacity of local childcare, specifically for working parents. This is done with bonuses for 1) new childcare/early learning staff entering a job, or incentives to 2) open or expand childcare sites.

Exclusions: The Klamath/Lake Childcare Incentives Program targets private and non-profit childcare programs in Klamath or Lake counties that meet the needs of working parents. Excluded are publicly funded programs including school-based childcare, Head Start, or Early Head Start. Preschool Promise programs are eligible if they offer care for 4 or more days/week, throughout the calendar year, and offer parent-pay enrollment slots.

Incentive: The Klamath/Lake Childcare Incentives Program offers up to \$2,250 (before taxes) to new childcare/early learning staff or up to \$5,000 (before taxes) for opening new or expanded childcare sites. Bonuses and incentives must be applied for within 60 days of hire or opening. No bonus or incentive will be granted for start dates prior to January 1, 2025.

ELIGIBILITY

Applicants: Applicants must be one or more of the following:

- A newly hired childcare staff member or childcare owner/operator.
- An existing staff member who advances to a role that expands childcare capacity.
- A childcare owner/operator who expands their business to increase the number of children cared for.

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Bonus Eligibility

Below are the incentive bonuses available for this program when someone is hired and retained or opens a new or expanded childcare business.

New ECE Staff Incentive Bonus Eligibility

Employment Status	Hiring Bonus	6-Month
Substitute Childcare Employee (10+ hours/week)	\$300	\$300
Part-Time Childcare Employee (20-30 hours/week)	\$500	\$500
Full-Time Childcare Employee (30+ hours/week)	\$1,000	\$500

New Childcare Provider & Site Expansion Incentives

New Provider Type	Incentive Payment
New Regulated Subsidy Childcare Provider <i>(Must have at least one non-relative child enrolled, maintain good standing with ODHS, and take referrals)</i>	\$750 Upon approval for license-exempt care and accepting DHS subsidy
New Registered Family Childcare Provider <i>(Must have at least two non-relative children enrolled, maintain good standing with licensing, and take referrals)</i>	\$1,000 Upon approval for licensed or registered family care
Provider Expansion – New Licensing Level or Site	Incentive Payment
Expanding from Regulated Subsidy to Registered Family Childcare Provider (Bonus paid upon licensing approval)	\$1,000
Expanding from Registered Family Childcare to Certified Family Childcare (Bonus paid upon licensing approval)*	\$3,000
Opening a new Childcare Center, or additional Certified Family Childcare (Bonus paid upon licensing approval)	\$5,000

*Owner/Operators of Certified Family Childcare sites may receive only one bonus per site at the time of licensing.

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POLICIES

- Applications for bonuses and incentives must be received within 60 days of hire or licensing approval to opening/expand/added type of care. No bonus or incentive will be granted for start dates/licensing prior to January 1, 2025.
- **Income Tax Liability:** Incentive payments are processed by a third-party partner, South Coast Business Employment Corporation (South Coast Business). South Coast Business will set participants up as vendors not as employees. To do this, you will be asked to complete and sign an IRS Form W-9 at the time of application and complete an online form just prior to payment processing. When incentive payments are issued, South Coast Business will not withhold income taxes. If you receive more than \$600 in incentive payments for the tax year, South Coast Business will issue you an IRS Form 1099.
- **New to Childcare Workforce:** Applicants new to the childcare workforce must have their employment verified by their supervisor. Employers will be asked to complete an employer verification form confirming that the applicant meets the requirements to work in the childcare field, and how the new worker affects the total number of children served at the site.
- **Gaps in employment:** To be approved for a retention bonus, gaps in employment or business operations of more than two weeks must be approved by the Biz4Kids Facilitator and Care Connections Director. Gaps in business operation do not include days when a substitute provider covers for the employee.
- **New and Existing Childcare Owner/Operators:** Incentives for new childcare providers or existing providers who expand childcare capacity will be verified by Care Connections & Education through the state database prior to approval.

Other policies

- Klamath/Lake Childcare Incentive Program grant funds are limited and may run out or expire before a program participant receives all incentive funds for which they are eligible.
- The Biz4Kids Facilitator and Care Connections Director retain the option to make exceptions to this policy at their discretion. Applicants and program participants who believe they should qualify for an exception should discuss the matter with Business Champions for Kids (Biz4Kids) or Care Connections & Education staff.
- Any situations or questions not specifically covered in this application packet will be escalated to the Biz4Kids Facilitator and Care Connections Director, or their designees, for a decision. Affected applicants and/or program participants will be notified of the decision(s).
- Disputes related to the Klamath/Lake Childcare Incentive Program will be resolved by the Biz4Kids Facilitator and Care Connections Director. In the event the co-leads cannot resolve a dispute, the issue will be brought to Douglas ESD leadership for

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support to make a final decision. Affected applicants and/or program participants will be notified of the decision(s).

GETTING STARTED

- **Step 1:** Visit <https://biz4kids.org/douglas-county-childcare-coalition/> for information and the Klamath/Lake Childcare Incentive Program guidelines.
- **Step 2:** New Childcare Staff may contact 541-957-4808 or email dcchildcarecoalitioninfo@douglasesd.k12.or.us and request an application link be emailed to you. Complete the application and W-9 form and submit the form.
- **Step 3:** New and existing childcare providers who open or expand sites, or added needed types of care, may contact 541-672-CARE and ask for Barbara. Care Connections staff will review your information and forward your contact info to Biz4Kids staff. An application link will be emailed to you if you qualify. Complete the application and W-9 form and submit the form.
- **Step 4:** An *employment verification* form will be sent to the supervisor of each New Childcare Staff who applies. Bonuses for New Childcare Staff cannot be processed until the verification form is completed and returned.
- **Step 4:** Once your application is approved, you will receive an email about processing your incentive(s).
- **Step 5:** New Childcare Staff will be notified when they are eligible for 6- & 12-month retention bonuses.
- **Contact Biz4Kids staff by email at dcchildcarecoalitioninfo@douglasesd.k12.or.us with question about your incentive payment processing.**

INCENTIVE BONUS PROCESSING

Payments are processed by the DCCC Childcare Incentive Program's third-party partner, South Coast Business Employment Corporation (SCBEC). Once per month, approved payment requests will be submitted to South Coast Business.

If you do not receive your payment within 45 days of submitting your Childcare Incentive Program Request Form and W-9, please contact Biz4Kids staff by email at dcchildcarecoalitioninfo@douglasesd.k12.or.us to track your payment.

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