

Lake County Resource Guide for Nannies and Families



Table of Contents

Introduction	3
Hiring/Employment Questions to Consider	4-5
Sample Employment Contract	6-8
Negotiating Fair Pay	9-11
Colorado State Labor Laws	12-13
Where to Find Nanny Care and Families Looking for Care in Lake County	14
Additional Resources	15

Introduction to the Resource Guide

The Lake County Childcare Coalition created this document as a guide for both nannies and parents/employers in our community to lay out a set of community standards for hiring and working with childcare providers in ways that honor their time, energy, and experience. As a [report](#) authored by Early Milestones Colorado explains, "responsive, caring, and stable relationships with adults are critical to young children's healthy development. Strong relationships with caregivers lay the foundation for success in school and life." Nannies, and other types of care providers, "are trusted to provide the loving, nurturing, and consistent care young children need to thrive." Families choose nanny care for a variety of reasons, including greater flexibility in scheduling, convenience, a preference for home-based care, having a personal relationship with the provider, and waiting lists and/or a lack of other affordable child care options.

Negotiating employment for nannies can present challenges because, like other unofficial care providers, this profession is not a regulated field and lacks clear pay rates and standards like other professions have. Our hope is that this guide gives both providers and families the information they need to make equitable, informed choices in an employer/employee relationship. We intend for this to be a living document that adapts and grows as the needs in our community change.

A quick clarification on the terminology used in this guide: We use the term nanny because nannies provide daily care or care on a regular basis, whereas babysitters provide sporadic care. While both play a role in supervising and caring for children when parents are away, a nanny is a daily fixture and often has a more established employment relationship with a family. Nannies will sometimes also help with additional household chores and are very involved in the children's lives. Babysitters are short-term caretakers who are typically hired to watch the children for a set period of time. Babysitters often stay with children while their parents go out for a couple of hours, or meet the children after school if the parent can't pick them up. This guide explores resources for care providers and families who have a consistent schedule and agreement for employment.

Hiring/Employment Questions to Consider

- **Family Philosophy:**
 - Describe your family to the nanny and share how you like to raise your child(ren). Talk about the things you will be strict about. Explain what is important to you (examples: equal balance of attention between multiple children, stern discipline, playfulness, organization).
- **Work Schedule**
 - Encompassing all seven days of the week with start and end times, fixed days off (weekends), and the total daily and weekly hours your nanny will work. Are there any dates that your nanny already knows they will not be available? Give your nanny a typical daily schedule, and have your nanny come up with ideas/options for activities.
- **Job Responsibilities**
 - Including a general overview of what the nanny will be expected to do while on the clock (including additional responsibilities like chores, errands, etc). A separate list of detailed tasks, timelines (including times for meals and sleep schedules) and instructions can also be included.
- **Compensation**
 - Including your nanny's hourly rate of pay, overtime rate of pay and total weekly compensation. You should also let your nanny know if they will be paid weekly or bi-weekly, and how they will be paid (Venmo/cash/checks).
- **Additional Payment Items**
 - These include whether you will reimburse for miles driven on the job or cover certain expenses for your nanny, such as health insurance, public transportation, parking or cell phone service.
- **Paid Time Off**
 - Including any paid sick leave and/or paid vacation days allotted to your nanny. The following section has more information on this topic.
- **Holidays**
 - Should include a list of paid and unpaid holidays your nanny will have off (for example, Easter, Labor Day, Christmas, New Years Day) .
- **House Rules/Behavior Management Style**
 - What are your house rules (if applicable)? What is tolerated?
 - How are rules enforced? What is consistently enforced as a hard line and what rules are more in the grey areas?
 - What is your behavior management style as a family (example: time-out is or is not ok, jumping on the couch is not allowed, etc)? What is your method of discipline?
- **Food**
 - Explain what/when/where your family eats. Go over expectations for meals and snacking. For example, is it ok for the nanny to use the stove? Where can kids eat - anywhere, only at the table?
 - Are there things children aren't allowed to eat?
 - Do they have any allergies to food or other items?

Hiring/Employment Questions to Consider (continued)

- **Cleanliness**
 - Explain your expectations of house cleanliness/messes.
- **Driving/Leaving the House**
 - Can your nanny drive with your kid(s)? Can they walk to the park, go to the store, etc.?
- **Emergency Contacts**
 - Make sure to leave emergency contact numbers in an easily accessible location.
- **Keeping Notes**
 - Especially for children that are non-verbal (or very young), have your nanny fill out a paper with a quick description of what they ate, potty information, mood, etc.
- **Medicine/Allergies**
 - Let your nanny know about any/all allergies or medications your child(ren) may need, and your policy on medicines such as ibuprofen, etc.
- **Social Media**
 - Describe what an appropriate use of social media is while on the job and whether your nanny is allowed to share photos of your children.
- **Termination**
 - List the circumstances for which your nanny can be fired so they know what is unacceptable while working for your family. You should also discuss expectations, such as advanced notice, if your nanny plans to leave their job.
- **Raises & Reviews**
 - Let your nanny know when their job performance will be reviewed and when they are eligible for a raise.
- **Ideas for Activities/Types of Play**
 - Discuss how engaging and creative you will want the nanny to be. Will you be paying for any enrichment classes? Will you be supplying a weekly budget for activities?
- **Sleep Preferences**
 - Talk about the relationship your child might have with sleep and how you prefer the nanny handle things like swaddling, pacifiers, attachment objects, etc.
 - Discuss sleep routines such as preparing for nap or bedtime or after waking up.
 - How important is it to the parents for the child to nap?

Sample Employment Contract

The blanks in this form should be filled in by the employer and the employee together.

Disclaimer: This is a sample contract. Because laws and regulations are different in every state, do not rely on this information without consulting an attorney about your employment rights in your particular state. This document and the information in it is presented to be used solely as an example and general guide and is not intended as legal advice.

This agreement is between _____ (“the Employer”) and _____ (“the Employee”). The Employee shall begin work for the Employer on _____. The place of work is the Employer’s residence, located at _____.

I. Work Responsibilities

- a. The Employee’s job title is _____.
- b. The Employee is a live-in / live-out (circle one).
- c. The Employee agrees to perform the following duties as a requirement of their employment: *(Be as specific as possible)*
 - _____
 - _____
 - _____
 - _____

Any additional responsibilities must be negotiated in a separate writing, along with additional pay.

II. Scheduling, Cancellations, and Records

- a. The following represents a typical weekly work schedule. The Employer will limit fluctuations and will provide as much notice of change as possible. Additional hours must be negotiated verbally or in writing, along with additional pay.

Day of the Week	Start time (am/pm)	End time (am/pm)	Daily Hours
Monday			
Tuesday			
Wednesday			
Thursday			
Friday			
Saturday			
Sunday			
Total weekly hours:			

Sample Employment Contract (continued)

- b. In the event of any cancellation of hours in the typical work schedule on the Employer's part, the Employee will be paid as usual for all regular work hours.
- c. The Employer will record all hours worked by the Employee and will keep the records in _____, to be accessible to and reviewable by the Employee at all times.

III. Compensation and Reimbursements

- a. The Employer will pay the Employee \$ _____ per week, not including overtime.
- OR -
The Employer will pay the Employee \$ _____ per hour.
- b. The Employer will pay the Employee at the overtime rate for all hours over 40 worked in a week. The overtime rate of pay is \$ _____ per hour (1½ times the regular hourly rate).
- c. The Employer will reimburse all expenses incurred by the Employee in the course of employment. Any miles driven on the Employee's car while on the job will be reimbursed at the IRS Mileage Reimbursement Rate.
- d. All travel on which the Employee is asked to accompany the Employer must be mutually agreed upon and shall be compensated at an additional rate to be negotiated. The Employee shall be provided their own accommodations for the trip.
- e. The Employer will pay the employee's wages at the end of each workday / work week (circle one).
- f. Both the Employer and Employee shall have a signed record of each payment of wages. The Employer will provide Employee with a copy of these records at the end of every workday / workweek (circle one).

IV. Live-In Employment (if applicable):

- a. The Employer will provide the live-in Employee with reasonable and adequate private living accommodations, as follows: _____ (e.g. private bedroom (with a bed), private/shared bathroom, storage area).
- b. Any deduction from the Employee's pay for meals or lodging must be mutually agreed upon and consistent with federal, state, and local law.
- c. State and local law cap the meal and lodging deductions at: \$ _____.
- d. The Employer and Employee agree that the Employer may deduct \$ _____ per week for meals (actually eaten) and \$ _____ per week for lodging.
- e. No other deductions are permitted, unless mutually agreed upon.

V. Meals, Communication Access, and Privacy

- a. The Employer and Employee agree to the following food arrangement:
The Employer will let the Employee know at least one day in advance if there is food available for the Employee on a given workday. If there is not food available for the Employee, then the Employee will provide their own food. The Employer will allow the Employee to use the kitchen to heat or prepare their own meals.
- b. The Employee shall have access to the Employer's landline for necessary local calls, and to the Employer's wireless internet service for limited work-related email communication, if required, during the workday.
- c. The Employer will not install cameras or any video or audio recording devices anywhere in the home without the Employee's express consent.

Sample Employment Contract (continued)

VI. Time Off

- a. The Employee may take _____ (number) paid vacation days per year.
- b. The Employee may take _____ (number) paid sick days per year, which can be used in the event of illness or medical appointments for the Employee or a family member.
- c. The Employer will pay the Employee for _____ (number) weeks of parental leave for the birth or adoption of a child.
- d. The Employee will have paid holidays on (list holidays)

_____.

- e. The Employee has the option of taking unpaid holidays on (list holidays)

_____.

VII. Benefits, Insurance, and Taxes

- a. The Employer will provide the following benefits for the Employee:

_____.

- b. The Employer will maintain Workers Compensation insurance. The plan is with _____ (company name) and the Policy ID is _____.

- c. The Employer will pay and withhold the required taxes by law, along with income taxes per the Employee's instructions and all other applicable taxes.

VIII. Job Evaluations, Raises, and Letters of Reference

- a. The Employer will provide the Employee with a written job performance review every _____ months.
- b. The Employee will receive an annual raise. The amount of the raise is to be negotiated between the Employer and Employee based on the following criteria:

_____.

- c. The Employer will provide the Employee with a signed letter of reference upon the Employee's request.

IX. Termination of Employment

- a. The Employer or Employee must provide at least _____ (number) weeks notice before terminating this employment agreement. If the Employer terminates the agreement, the Employer will provide _____ (number) weeks of salary as severance.
- b. The Employer understands that the Employee is protected by labor laws, regardless of race, gender, religion, or national origin. The Employer also understands that it is illegal to retaliate against the Employee for asserting rights under this employment agreement or other labor law.

Employer Signature: _____ Date: _____

Employee Signature: _____ Date: _____

Negotiating Fair Pay

When figuring out how much to pay for childcare, it's important to offer fair, competitive nanny rates. Equitable pay for care providers can be challenging to negotiate because being a nanny is not a regulated field and lacks clear pay rates and standards like other professions have. But, nannying is a job like any other, and nannies should be paid a living wage and given benefits like any other professional employee. Here are some factors to consider when agreeing on a rate of pay (information adapted from care.com):

- **How many children will a nanny care for?** Nannies that watch multiple children should earn more than nannies watching one child. This is also important to consider if there are multiple families sharing one nanny (a "nanny share"). Best practices are to increase the hourly rate \$1 - \$2 per hour for each additional child.
- **How much experience does a nanny have?** The more experience a candidate has, the more you should expect to pay for their services. According to the International Nanny Association's most recent salary benefits survey, nannies with 3-5 years of experience earn about \$2 more per hour than nannies with less than 2 years of experience, and a nanny with 7-10 years experience earns about \$2 per hour more than a nanny with 3-5 years of experience.
- **Is a nanny first aid or CPR certified?** If they have these and other additional certifications, they should be paid a higher hourly rate.
- **Will a nanny have any job responsibilities beyond caring for kids?** Some families ask their nanny to help with additional household chores (laundry, cooking, running errands, etc). If you're planning to ask your nanny to handle things like this, expect to provide them additional compensation.

Paid vacation time, holidays, and other benefits are also important factors to discuss when reaching an employment agreement. Nannies deserve time for rest, relaxation, and time with their families without worrying about if they will miss days of pay. Offering these benefits shows caregivers that their work, time and energy is valued. Here are some things to consider when discussing these conditions of employment (information adapted from care.com):

- **Paid holidays:** The 2017 [INA Salary and Benefits Survey](#) found that 73% of employers provide paid holidays to their caregivers. Holidays tend to be a busy time, so it's important to give your childcare provider paid holiday time off. Negotiate the days based on what works for everyone and make sure that these agreements are reflected in your contract.
- **Paid vacation days:** Two weeks of paid vacation time is typical for nannies. It's reasonable to come to an agreement about parameters for using these vacation days. For example, how much notice should be given for time off? How will a nanny inform their employer (in-person, text, email, etc)? Come to an agreement on these details and make sure they are reflected in your contract.

Negotiating Fair Pay (continued)

- **Paid sick days:** When a nanny is around kids all day, it's inevitable that they'll get sick. The INA reports that 67% of employers include paid sick days in their nanny benefits. It's most common for families to provide 4-5 days. Like paid vacation days, you should create an agreement about an amount that is best for everyone, how much notice should be given, and in what form.

Here are some other findings from the International Nanny Association 2017 survey:

- 52% of nannies receive an annual pay increase
- 69% of nannies receive at least two weeks of paid time off
- 58% of nannies are compensated for overtime
- 60% of nannies receive an end of the year bonus
- 76% of employers still pay their nanny for days when they aren't needed

Taxes

The nanny tax is a combination of federal and state tax requirements detailed in [IRS Publication 926](#) that families must manage when they hire a household employee, such as a nanny. A nanny is considered a household employee subject to taxes, whether they work full-time or part-time, if they are paid more than \$2,300 per calendar year.

Both families and nannies benefit from proper tax reporting. Employers may be eligible for tax breaks to offset the cost of their nanny taxes and have less to worry about if audited by the IRS or the state. Caregivers also gain this peace of mind, and tax reporting makes it easier for nannies to qualify for short and long-term benefits (like Social Security income and Medicare coverage upon retirement, unemployment benefits, a verifiable employment history necessary for obtaining loans, and reduced healthcare costs through the Affordable Care Act).

There are four main action items that families need to take care of in managing nanny taxes:

1. **Apply for Tax ID numbers:** Families need both federal and state tax identification numbers in order to report nanny taxes. They can get their federal employer identification number (FEIN) [from the IRS](#) and use this number to obtain their state identification number.
2. **Calculate and track payroll:** Families need to accurately calculate a nanny's gross pay, the taxes withheld from them and the corresponding employer taxes for each pay period.
3. **File tax returns year-round:** Typically on a quarterly basis, families need to file state tax returns and send 1040 estimated payments to the IRS four times per year.
4. **Complete year-end tax forms:** Families must provide their nanny with a W-2 form by the end of January of each year so they can use it to file their tax return. The Social Security Administration requires families to file Form W-3 and Form W-2 Copy A. This lets them know that you've properly withheld FICA taxes from your caregiver and remitted FICA taxes of your own throughout the year. Families need to prepare a Schedule H and file it with your federal income tax return.

Negotiating Fair Pay (continued)

Before a caregiver begins working for a family, there are three things they need to provide:

1. A Social Security Number or an Individual Taxpayer Identification Number (a tax processing number available for certain nonresident and residents who cannot get a Social Security Number).
2. A completed I-9 with proper identification.
3. A completed federal W-4 and corresponding state income tax withholding form.

Note: It's possible that the nanny a family hires is undocumented. If this is the case, they may not have the proper documents for employment taxes. This can be a sensitive issue to discuss, and it is important to approach this conversation with care and caution. Instead of asking directly if a nanny is undocumented, which is information they may not feel comfortable sharing for a variety of reasons, an employer can ask them how they preferred to be paid so that both the nanny and employer are on the same page about the terms of their employment.

The IRS requires that workers ineligible for Social Security Numbers request an Individual Taxpayer Identification Number (see #1 in the list above) when the worker files their first tax return. This number is used on all tax reports and returns going forward. The IRS is currently prohibited from sharing this information with Immigration and Customs Enforcement - it is this explicit promise of confidentiality that allows undocumented nannies to file their taxes without fear of legal consequences and deportation.

Colorado State Labor Laws

Note: This information is adopted from Care.com and is **not** intended to serve as a substitute for legal advice.

The Fair Labor Standards Act (FLSA) provides the framework for federal and state wage and hour laws. Household employees are classified under the FLSA as non-exempt workers. Non-exempt workers in all 50 states are covered by the rules and protections of the FLSA.

Minimum Wage

The current Colorado minimum wage rate, as of January 1, 2020, is \$12.00 per hour.

Overtime Requirements

Overtime requirements are determined by the type of work performed, not by the amount of hours or by the type of pay (hourly or salary). The FLSA requires domestic workers to be protected by overtime laws. The requirements for Colorado household employers are as follows:

- The standard workweek is defined as 40 hours in a 7-day period.
- Colorado employees should be paid at least 1.5 times their regular hourly rate (time-and-a-half) for all hours worked over 40 in a work week, 12 in a workday or 12 in a work shift.
- Overtime is not required to be paid when work is performed on a holiday.

Paid Sick Leave

Household employers in Colorado are required to provide up to 4 days of paid sick leave if their employee experiences flu-like symptoms and is tested for the COVID-19 virus. Employers that already offer at least 4 days of paid sick leave do not have to offer these additional 4 days unless their employee has already used the sick time provided to them.

Public Health Emergency Leave

Families are required to provide up to 80 hours of paid leave to their employee if the governor issues an emergency declaration. Employees can use their paid leave from the time the emergency declaration is made until up to 4 weeks after the declaration ends. Reasons why an employee can use emergency leave are as follows:

- Your employee or their family member has to isolate because they are diagnosed with a communicable illness that is the cause of the public health emergency.
- Your employee or their family member has to isolate because they are experiencing symptoms of a communicable illness that is the cause of the public health emergency.
- Your employee or their family member needs to receive a medical diagnosis due to experiencing symptoms of the illness that's the cause of the public health emergency.
- Your employee or their family member is seeking preventive care concerning a communicable illness that is the cause of the public health emergency.
- Your employee has to care for their child or other family member because their care provider is unavailable due to a public health emergency.
- Your employee cannot work because they have a health condition that may increase susceptibility to or risk of the communicable illness that is the cause of the public health emergency.

Colorado State Labor Laws (continued)

Insurance For Household Employers

Workers' Compensation Insurance

Household employers in Colorado are required to carry a workers' compensation insurance policy if their employee works 40 or more hours per week or 5 days a week. It assists with medical expenses and lost wages if an employee has a work-related injury or illness.

Health Insurance

Household employers in Colorado are not required to pay for their employee's health insurance, but there is a tax incentive to do so. Families with only 1 employee can make contributions toward their employee's health insurance premiums and treat the amount as non-taxable compensation. In this case, neither the employee nor the employer are required to pay any taxes on that portion of the compensation.

Where to Find Nanny Care and Families Looking for Care in Lake County

Leadville Preschooler Playgroup: <https://www.facebook.com/groups/166676056859732>

For help finding **licensed** care throughout Lake, Eagle, Garfield and Pitkin counties:

Stacy Petty

Director, Rocky Mountain Early Childhood Council

rmecc@mtnvalley.org

719-486-7273

Kristin Sparkman

Early Childhood Specialist, Rocky Mountain Early Childhood Council

rmeccspecialist@mtnvalley.org

719-293-2378

Additional Resources

- [Ultimate Nanny Guide](#): A resource created by the US Nanny Institute in the form of a free e-book or series of videos for families who are interested in hiring a nanny.
- [Nanny hourly pay calculator](#) (according to zip code): Type in your zip code, number of children, and years of experience and this tool will calculate an estimated hourly wage for a nanny.
- [Homepay](#) is a payroll service that helps employers correctly file tax documents.
- [Care.com](#) contains a wealth of information for advertising nanny services, finding care, and accessing information about negotiating pay and benefits, state laws, writing a contract, etc.
- [National Domestic Workers Alliance](#) is an advocacy organization that organizes domestic workers, advocates for policy change, and offers resources for domestic workers and families who employ them.