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## Adoption Friendly Benefits in the Workplace

### *It is the Right Thing to Do*

BY RITA SORONEN

**F**rom simple education activities to implementing a robust adoption benefits program, workplace support of adoption not only increases awareness about the issues confronting our most vulnerable children, but also provides critical support for families formed through adoption. Employers have the power to make a crucial difference in the lives of waiting children.

Dave Thomas, who was adopted as a child and is the founder of The Wendy's Company and the Dave Thomas Foundation for Adoption, started an initiative for adoption benefits in the workplace more than 25 years ago. For him, it was simply a matter of equity — if an employer provides benefits for families because of the birth of a child, why wouldn't they also acknowledge adoption? As a result, he reached out to other large employer CEOs and suggested they add adoption benefits to their human resource packages because, as he shared with everyone, "It's the right thing to do."

Twenty-five years later, the Foundation continues this legacy effort of Dave Thomas and encourages companies to support foster care adoption by providing education and information for employers — large or small, for profit or non-profit — to implement adoption benefits. Additionally, the Foundation annually recognizes the nation's [100 Best Adoption-Friendly](#)



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[Workplaces](#), honoring employers who excel at supporting their employees who adopt through financial reimbursement and paid leave.

## Providing Adoption Benefits is a Growing Trend Among Employers

Adoption benefits are voluntary, employer-funded policies for employees who adopt, whether from foster care, internationally, or through domestic private agencies. Companies are increasingly offering adoption benefits to their employees, including financial reimbursement for expenses or paid and unpaid leave, in addition to the Family and Medical Leave Act (FMLA).

The Foundation's Adoption-Friendly Workplace program has seen yearly increases in the number of employers offering adoption benefits, which is mirrored by an annual survey of 1,000 major U.S. employers conducted by Aon Hewitt. The Hewitt survey has shown a marked rise in companies offering financial adoption benefits, from only 12 percent of the surveyed businesses offering benefits in 1990 to a majority of them, or 56 percent, offering benefits in 2015.

## The Benefit to the Employer

Businesses that offer workplace recognition of adoption keenly understand the value to both the employee and the company. For the adoptive parent, financial support can be an important assist for the family. Additionally, having time off to bond with their child is equally critical. For the employer, adoption benefits are an affordable way to enhance employee recruitment, retention, and goodwill. Employers have shared that their reasons for providing adoption benefits include:

- supporting employees building families through adoption;
- increasing employee loyalty and retention;
- adding a competitive edge in recruiting new employees;
- providing a low-cost benefit (generally used by less than 1% of eligible employees);
- giving the adoptive employee time to bond with their child, as they would for the birth of a child;
- helping make adoption more affordable;
- helping move children in need of a family into loving, permanent adoptive homes; and
- recognizing that it is the right thing to do.

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In fact, 39 percent of the employers surveyed cited *multiple* factors that influenced their decision to offer adoption benefits such as employee requests for adoption (40 percent), equity for adoptive parents (52 percent), a family-friendly image (61 percent), and a competitive work/life benefits package (62 percent).

## Financial Assistance

An adoption assistance program is a formal written plan not mandated by law, which, if implemented, must conform to [Internal Revenue Service](#) regulations and benefit all eligible employees, and reimbursements must be for qualifying expenses. Financial adoption assistance is not subject to federal tax withholding, but is subject to other withholdings, and employees should consult their personal tax advisor for details. Most employers use the [IRS definition](#) of “reasonable and necessary expenses directly related to the adoption of a child” in determining what may be reimbursed to an employee. These include agency and application fees, home study costs, attorney fees, court costs, transportation, lodging, immigration and naturalization fees, and other expenses specific to the legal adoption of an eligible child.

Of the Adoption-Friendly employers participating in an annual survey through the Dave Thomas Foundation for Adoption, 90 percent offer financial assistance with amounts varying widely, from \$5,000 to more than \$20,000. Some specify the dollar amount per adoption process, some per adopted child. Many employers also set an annual or lifetime limit to the amount each employee can receive. In many cases, adoption reimbursements are not subject to federal income tax.

Twelve percent of the employers surveyed offer additional financial assistance for employees who adopt children with special needs. The additional amount ranges from \$500 to \$5,000 with an average of \$1,700. In addition to medical or behavioral needs, some employers use the Federal Title IV-E definition of a special needs child as one whose ethnic background, age, or membership in a sibling group would make placement difficult. This includes the majority of children waiting for adoption in America’s foster care system.

## Adoption Leave

Child development experts universally agree it is vital that families be given time for children to bond with parents, and parents to bond with children. For the adoptive parent and child, the need for time to adjust to each other, regardless of the age of the child at adoption, is critical.

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An employer may choose to offer paid leave as part of their adoption benefits policy; the IRS does not offer any specific guidelines. Paid leave for adoption is offered by 51 percent of companies surveyed, ranging from one to 20 weeks with an average paid leave policy of five weeks. While financial adoption benefits generally apply equally to all employees who are eligible, employers sometimes graduate paid leave based on years of service and stipulate that if both parents are employees, they must share the leave.

Employers with 50 or more employees and public agencies must grant 12 weeks of unpaid family leave for the placement of a child for adoption or foster care and to care for the newly placed child, in accordance with the Family and Medical Leave Act of 1993. Half of the employers surveyed also offer unpaid leave for adoption in addition to that mandated by the Family and Medical Leave Act.

## One Employee's Story – American Express

The Carver family, Arizona residents, married later in life and decided to adopt from foster care. Once they were matched with 11-year-old Tray, it was the support of their employer, American Express, that made the adoption possible.

Kendra Carver shares their story:

*“For the past seven years, Tray has been in and out of foster care, with multiple placements. When he learned that a family would finally like to meet him for adoption, he could not believe it! After seeing an introductory video of my husband and me, he agreed to meet us immediately. On that first visit, Tray won our hearts with his amazing smile and kind heart. It was an instant connection.*

*On Tray's first overnight visit, he expressed with tears in his eyes how grateful he was for finally finding a forever family. At that moment my husband and I felt the true impact of our epic journey to find our incredible son. We knew we had finally reached our destination.*

*We had a five-month transition period so Tray could complete the school year in Tucson. Every weekend, my husband and I loaded up the car and drove eight hours to see Tray. The experience was emotional, costly, and time-consuming. But, I have been fortunate enough to work for American Express, who has supported us every step of the way. The company offered a generous adoption reimbursement policy of up to \$35,000 (per event), and my boss and colleagues provided me with the encouragement and flexibility I needed to make our dream a reality.*



*The Carver Family*

*By the end of May 2017, Tray officially joined our family full-time in Tempe, Arizona. American Express's parental leave policy allowed me to take up to 20 weeks to bond with him. We used that critical time to create a lot of 'first' memories for our family, such as our first camping trip, first big hike, first trip to the ocean, and first family road trip (and we all survived!). Every morning, Tray's smiling face and joyful singing to welcome the new day reminds my husband and me that we made an incredible decision. If it is your dream to adopt a child – pursue it. Regardless of how long the journey may seem. Thank you American Express for helping us achieve our dream!"*

## Benefits and More

Support for adoption in the workplace does not have to be focused only on reimbursements and leave. We know from the [2017 U.S. Adoption Attitudes Survey](#) that 40 percent of Americans have in some way been touched by adoption, 25 percent are considering adoption (30 percent are considering becoming a foster parent), and 64 percent think society should be doing more to encourage foster care adoption, with 60 percent noting that employer-provided benefits assist in making the decision to adopt.

Adoption is woven into the American fabric, and family-friendly employers, in addition to providing financial reimbursement and leave policies, can also support adoption through creative workplace activities. Many employers host brown-bag lunches for their employees with local agencies discussing the need and the process of adopting. Others maintain a bank of resources, from adoption agency directories and fact sheets to tools like [Finding Forever Families: A Step-By-Step Guide to Adoption](#). Employers also host [National Adoption Day](#) events, encourage on-site support groups for their employees who have adopted, implement employee giving campaigns dedicated to adoption, and support holiday gift collections for foster or adoptive families or back-to-school backpacks for local children in foster care.

Elevating the awareness of the need for foster and adoptive families, while supporting employees who step forward to foster or adopt, is not only good for business, but is simply the right thing to do.

## What If My Company Does Not Have Adoption Benefits?

The Dave Thomas Foundation for Adoption provides a comprehensive [toolkit](#) for employers that includes templates for human resource policy manuals, model benefits, FAQs about adoption benefits, and sample news

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releases and communications announcing an employer's commitment to the effort. Additionally, the Foundation staff can connect you to other businesses that have implemented adoption benefits and are willing to share their story. And finally, every workplace providing adoption benefits is encouraged to take the annual survey and be recognized on the [100 Best Adoption-Friendly Workplaces](#) list.

The steps for moving a workplace toward consideration of benefits are simple:

1. Assess current benefits for adoption and foster care benefits.
2. Ask to speak with a human resource representative to discuss inclusion of benefits.
3. Share the benefits toolkit.
4. Discuss the intangible benefits, including the low cost to implement (less than 1 percent of employees claim adoption benefits), increased employee loyalty, and simply being a part of a growing and competitive trend among employers.
5. Refer to the IRS information on benefits for more detailed tax-related information.
6. Help your employer understand the potential need for scheduling flexibility to address post-adoption challenges.
7. Contact the Dave Thomas Foundation for Adoption for connections to other employers.
8. Encourage the addition of awareness and employee engagement activities throughout the business.
9. Once an employer does become adoption-friendly, celebrate through announcements to staff and in the media . . . and complete the annual survey to get on the 100 Best Adoption-Friendly Workplaces list!

For more information go to [www.davethomasfoundation.org](http://www.davethomasfoundation.org) or call 800.ASK.DTFA (800.275.3832).

## ABOUT THE AUTHOR

For more than 30 years, Rita Soronen has worked on behalf of abused, neglected, and vulnerable children, providing leadership for local, state, and national efforts working to improve the juvenile justice and child welfare systems, while striving to assure safe and permanent homes for North America's children.

Leading the Dave Thomas Foundation for Adoption, a national nonprofit public charity, since 2001 and the Dave Thomas Foundation for Adoption-Canada since 2004, Ms. Soronen works to find adoptive families for each of the more than 150,000 waiting children in North America's foster care systems. Under Ms. Soronen's leadership, the Foundation has significantly increased its grant-making while developing strategic initiatives that act on the urgency of the issue. In 2017, the Foundation dedicated more than \$23 million to grants and award-winning national awareness programs, including Wendy's Wonderful Kids, Adoption-Friendly Workplace and the 100 Best Adoption-Friendly Workplaces list, National Adoption Day, poster and PSA campaigns, and *Finding Forever Families: A Step-by-Step Guide to Adoption*.



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