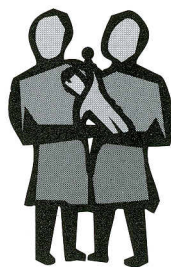
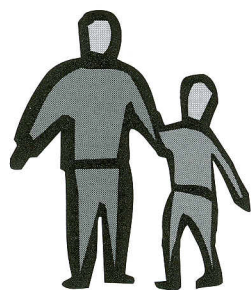

FORGOTTEN

FAMILIES:

The Move to Provide Paid Time-off
For Adoptive Parents



A Joint Effort of:



The Center for
Work & Family
BOSTON COLLEGE
CARROLL SCHOOL OF MANAGEMENT

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Sponsored by:



ACKNOWLEDGEMENTS

The authors would like to express our sincere appreciation to The Dow Chemical Company, Fannie Mae, and MBNA America for their generous support of this project, and to the nearly 200 employers who took the time to complete the adoption survey. In addition, we would like to thank the five employers who allowed us to conduct in-depth interviews about their adoption policies: Fannie Mae, MBNA America, Merrill Lynch & Co. Inc., National Futures Association, and The Timberland Company. The W. K. Kellogg Foundation's support of this study and the Adoption and the Workplace project has made this work possible. This research is dedicated to all employees who have courageously traveled the route to adoption and to the employers who have supported them through this process.

CENTER BRIEFS

The Center for Work & Family at Boston College is a research organization that promotes employer and community responsiveness to families. The Center's guiding vision is the strengthening of families, broadly defined to reflect the diversity throughout our communities today. The Center's activities fall into three broad categories: research, policy initiatives, and employer partnerships.

The National Adoption Center is a non-profit organization whose mission is to promote adoption opportunities for children with special needs and children from minority cultures. *Adoption and the Workplace*, an initiative of the Center, provides information on adoption benefits to employers committed to supporting employees who adopt. As a result of this program, more than 130 private and public sector employers have added or enhanced their adoption benefits.

CONTRIBUTING STAFF

Kathy Lynch

Suzanne Camp

Leon Litchfield

Mady Prowler

Julianne Gray

Fran Lavelle

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INTRODUCTION

FORGOTTEN FAMILIES: THE MOVE TO PROVIDE PAID TIME-OFF FOR ADOPTIVE PARENTS

During recent years, adoption benefits have generated a great deal of interest in the workplace. Employers and employees are questioning the equity of policies that provide time off and other benefits for those who give birth, but fail to meet the needs of employees who adopt. In order to provide materials, technical assistance, and adoption resource information to employers interested in learning more about adoption benefits, the National Adoption Center initiated *Adoption and the Workplace* in 1995. As a result of this program, supported by the W. K. Kellogg Foundation and the Dave Thomas Foundation for Adoption, over 130 employers have added or enhanced their adoption benefits.

Although there are many different ways that employers can support their employees who are interested in adoption, the most common strategy has been providing financial reimbursement for adoption expenses. This benefit is easy to justify in terms of cost, making it more readily accepted by senior management. The number of employers offering this benefit has grown over the past few years, with employers typically providing between \$1,000 and \$10,000 to cover the medical, legal, and travel costs related to adoption.

In addition to financial assistance, more employers are including adoption information as part of their resource and referral packages. Over the past few years, this benefit has been added by several work/life vendors with positive results. Employers benefit directly from the time savings that result when employees are able to access easily this information, rather than spending months researching adoption options, often on company time.

While the decision to offer financial assistance and/or adoption information may be relatively easy, paid adoption leave is more complex and controversial. First, adoptive parents may need to be away from work at a moment's notice and for an indeterminate amount of time (depending on the location of the child and the ease of the adoption process). Second, adoptive parents ask for equity, for the same benefits as birth parents with respect to paid leave granted as disability or sick time, and for a period of time to adjust to having a new member in the family. This leave allows adoptive parents to not only bond with their new children (whether infants, older children, or a sibling group), but also to recover from an emotional and often expensive journey to build their families.

There is a range of viewpoints about adoption leave policies. Some employers have initiated separate paid adoption leave policies while others allow employees to use accrued leaves such as vacation, sick time, or personal leave time. Others are considering the inclusion of paid leave time, but would like to make informed decisions within the context of their entire parental leave benefits package.

In an effort to provide detailed information about adoption leave policies and to document the range of adoption benefits that employers are providing for their employees, the National Adoption Center, in collaboration with the Center for Work & Family at Boston College, initiated a comprehensive study to examine these issues. This report presents a detailed examination of the issues related to paid leave for adoption (PLA), along with recommendations for employers who are considering the addition or expansion of their adoption benefits. The report is organized into the following sections:

- Background & Methodology
- Findings
 - Highlights
 - An Overview
 - Financial Assistance Benefits
 - Paid Leave for Adoption (PLA)
- Additional Issues
- Summary
- A Message from the National Adoption Center

BACKGROUND & METHODOLOGY

BACKGROUND

Studies have indicated that adoption benefits are a small but growing part of many organizations' overall work/life benefits packages. Figure 1 presents the percentage of employers offering specific benefits to their employees.

Figure 1. Comparison of Work/Life Benefits Over Time (%)

<u>Benefit</u>	<u>1990*</u>	<u>1996*</u>	<u>1997**</u>
DCAP	55	97	96
Elder Care Resource & Referral	8	79	80
Flextime	27	72	80
Employee Assistance Program	70	85	96
Financial Assistance for Adoption	12	23	63
Paid Leave for Adoption	not asked	not asked	37

* Source: 1990 & 1996 Hewitt Surveys of Employer Benefits (n=1050)

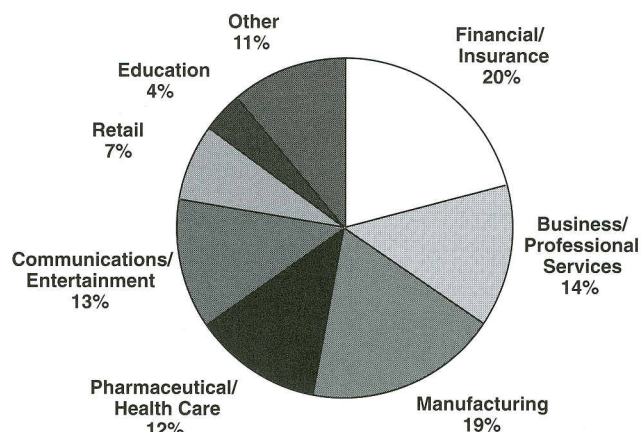
** Source: 1997 Business Week Summary Report (n=54); % of employers offering benefits to at least 50% of their employees

METHODOLOGY

In July, 1997, the National Adoption Center and the Center for Work & Family at Boston College distributed over 2,000 National Surveys on Employer Adoption Benefits; 198 employers returned the survey. For a copy of the survey, see Appendix A.

A wide spectrum of industries (see Figure 2) and geographic areas were represented among those who responded. The financial insurance industry had the greatest number of participants and the largest number of surveys came from organizations in Massachusetts (52) and California (22). Overall, 35 states were represented. For a list of participants, see Appendix B.

Figure 2. Industry Types Represented by Survey Respondents



The target population included companies known for their corporate benefits packages as well as other family-friendly employers, including members of the Work and Family Roundtable, New England Work & Family Association, One Small Step, and members of the database of the National Adoption Center. As a result, the data may be more representative of companies that have been recognized for their leadership in work/family and other benefits, rather than the average company in corporate America.

The four-page survey covered the following areas:

- background information;
- general leave policies, including maternity and paternity leave;
- adoption assistance policies, including financial assistance; and
- specific information on paid adoption leave, including: definition, options used for adoption leave, length of leave, when leave can be taken, eligibility criteria, and rate of pay during adoption leave.

In addition to the written survey, five in-depth interviews were conducted with employers who were identified as offering generous adoption benefits (including paid leave for adoption). These interviews addressed the following questions:

- 1) What made the issue of adoption important to the organization?
- 2) What were some of the challenges or considerations that the organization faced in developing or implementing its adoption policies?
- 3) How did the organization define its adoption policies within an overall benefits package?
- 4) Are there employees within the organization who would be willing to share their stories about adoption?

Highlights of the interviews and employee anecdotes are presented throughout the report. The interview summaries and a chart of the benefits offered by these employers are in Appendix C.

FINDINGS

HIGHLIGHTS

Overall, survey findings revealed that adoption is an important issue in many organizations.



Highlights of the findings include:

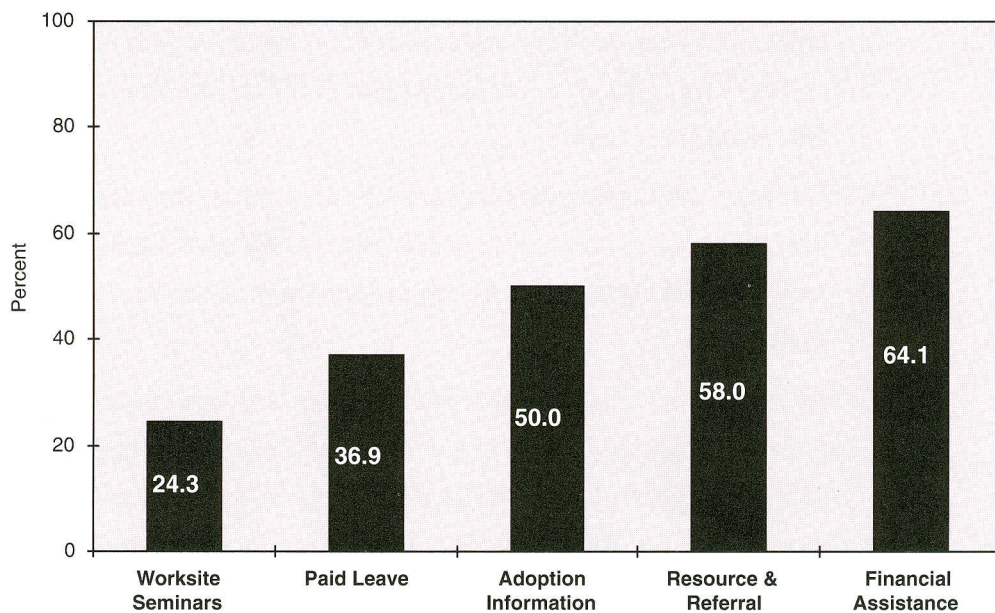
- Financial assistance is the most common adoption benefit. Sixty-four percent of employers surveyed report that they offer financial assistance, with 65% offering between \$2,000 and \$3,000.
- More organizations are identifying paid leave for adoption (PLA) as a necessary benefit; in this study, 37% of employers reported that they offer PLA. This includes separate specific paid leave for adoption, as well as the ability to use accrued leave such as vacation or sick time for adoption leave.
- Employees often use much of their available leave during the adoption process. Employers have responded by designating separate paid leave for adoption; 21% of employers offered specific leave designated only for this use, and the most common length of PLA was four weeks.
- Several companies indicated that equity between birth and adoptive parents was an issue in their organizations. There is a significant relationship between maternity leave (beyond disability), paternity leave, and PLA. Of the organizations that offer paid maternity leave (beyond disability), 76% offered PLA; this was true for 91% of organizations offering paid paternity leave.
- Recognizing the unique time demands that can arise during the adoption process, employers have expanded the time period during which PLA can be taken. Of the employers that offer PLA, 54% allow it to be taken before placement of the child in the home.

The results of this survey indicate that adoption benefits, like many other work/life benefits, are closely linked to an organization's culture and "family-friendly" strategy. During the in-depth interviews, equity between benefits available to birth parents and adoptive parents was an underlying theme. Employers indicated that offering adoption benefits was a first step in their efforts to support employee parents.

Recently, adoption benefits have expanded to include a variety of supports. Previously, most employers considered only financial assistance when deciding whether to add adoption benefits to their overall employee benefits packages. Evidence can be found in the Hewitt Survey, a nationally-recognized survey of family-friendly benefits, that refers only to financial assistance when asking about adoption benefits. The current study highlights the variety of choices that are available within adoption benefits, especially when considering paid leave for adoption.

Within adoption packages, two benefits - resource & referral and financial assistance - were the most common programs offered (see Figure 3).

Figure 3. Types of Adoption Benefits Offered By Respondents



In comparing various types of adoption benefits among employers of different sizes, financial assistance, resource and referral, adoption information, and worksite seminars were more common among larger organizations (see Figure 4). It is possible that larger employers are more apt to offer these types

of benefits because of additional resources, more competitive pressures, or more formal benefits policies. In contrast, the availability of paid leave for adoption was not significantly affected by company size but was more closely related to an employer's overall leave package.

Figure 4. Types of Adoption Benefits Offered by Employer Size* (%)

<u>Adoption Benefit</u>	<u>1-1200</u>	<u>1201-6000</u>	<u>6001-23000</u>	<u>23001+</u>
Financial Assistance	35.7%	66.7%	72.5%	82.5%
Resource and Referral	40.4	56.5	58.7	78.7
Adoption Information	34.8	41.3	54.5	69.6
Paid Leave	37.5	40.4	39.6	27.1
Worksite Seminars	2.2	14.3	39.5	38.6

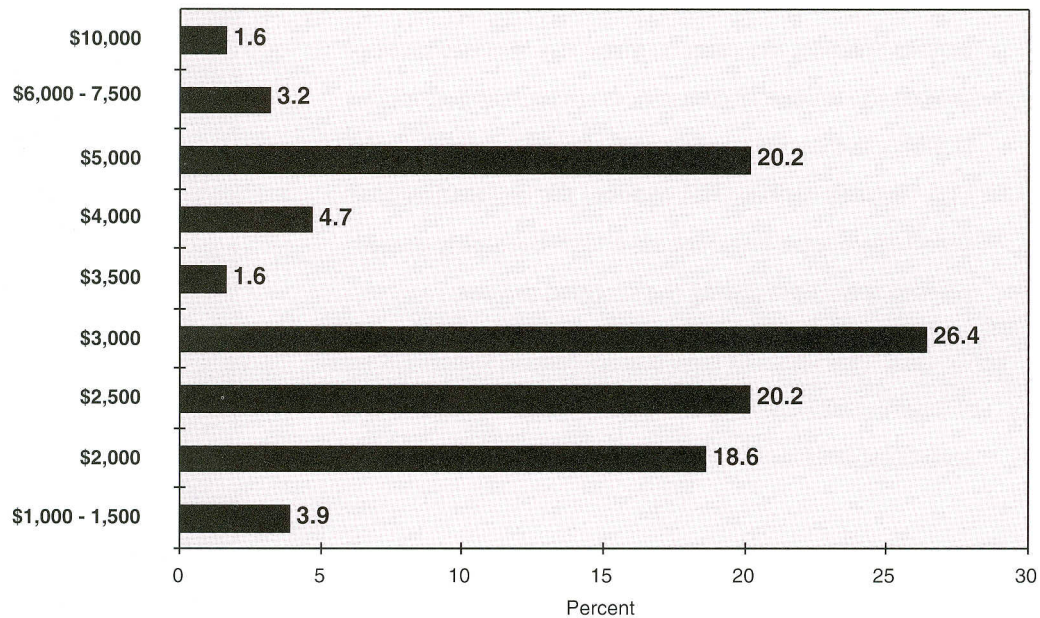
* Employer Size is represented as a function of number of employees.

In addition to company size, analyses were conducted that compared employers in various industries. No differences were found among different industries with respect to adoption benefits.

FINANCIAL ASSISTANCE BENEFITS

Of the employers in the study, 64% provided financial assistance for adoption and \$3,000 was the amount most frequently offered (see Figure 5).

Figure 5. Amount of Financial Assistance for Adoption



One employer commented, “Cost is one barrier for those considering adoption. By offering our employees financial assistance, we are making adoption an alternative that our employees can now consider.” Additionally, many employers reported that due to extremely low utilization rates, financial assistance is actually a low-cost benefit. According to the National Adoption Center, less than 1/2 of 1% of an employee population will take advantage of adoption benefits.

PAID LEAVE FOR ADOPTION (PLA)

Paid leave for adoption (PLA) is an important issue in many organizations as they strive to provide equity for adoptive parents in relationship to the benefits offered to birth parents. In this study, employers that offered maternity and paternity leaves were more apt to also provide paid leave for adoption. Of the employers that offered maternity leave (beyond disability), 76% offered PLA, while 91% of employers that offered paid paternity leave also provided PLA.

Employers considering the addition of adoption leave to their overall employee benefits package often look to their existing leave plan for guidance. While they attempt to achieve consistency between benefits offered to birth parents and adoptive parents, many also strive to accommodate the unique circumstances surrounding adoption. Nowhere is this more apparent than in the definition of PLA. Broadly defined, PLA includes the designation of specific paid leave for adoption, and/or the ability to use accrued leave time during the adoption process.

But, PLA does not have one specific definition; rather it is a composite of several components that are unique to each organization.

“When I initially considered adoption, my immediate concerns included how to take time off to bond with my child and how I could afford the adoption expenses as well as the time away from work. But MBNA’s Adoption Assistance Program made the adoption possible, eliminating my fears about job security, interrupted income and the adoption bill, which would have taken years to pay. As a result I was able to focus all my time, income and attention solely on the care of my new baby. My family got off to a wonderful start.”

— An MBNA employee

Six components were identified:

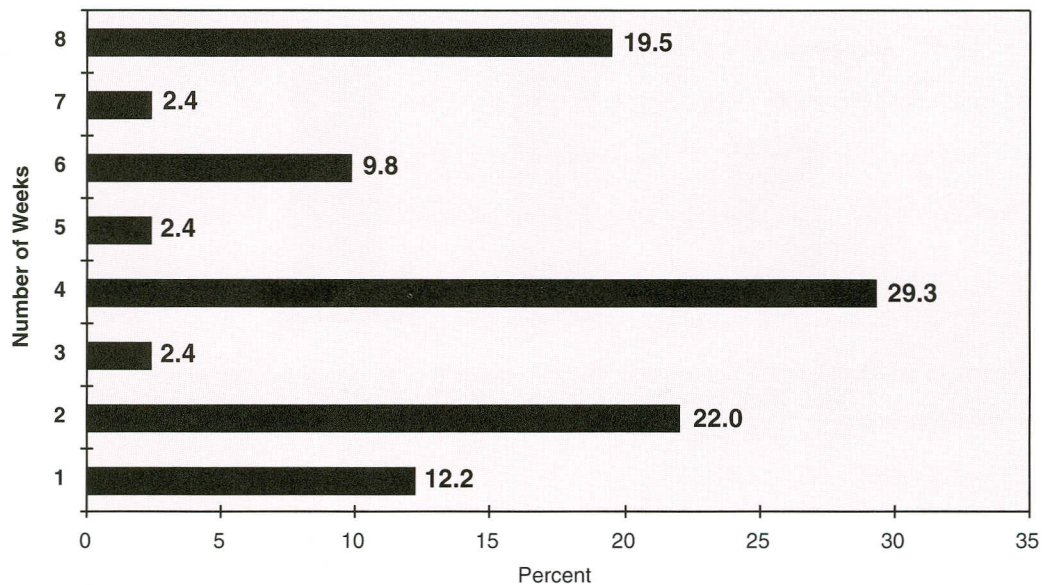
- designation of separate paid leave for adoption vs. the ability to use accrued leave time for paid adoption leave;
- length of leave;
- specification of primary caregiver;
- availability for use before, during, or after placement;
- eligibility requirements for leave; and
- rate of pay during leave.

Each of these components is discussed below.

DESIGNATION BETWEEN SEPARATE PAID LEAVE FOR ADOPTION VS. THE ABILITY TO USE ACCRUED LEAVE TIME FOR PAID ADOPTION LEAVE, AND LENGTH OF LEAVE.

1. Of respondents offering paid leave for adoption, 21% offered separate paid leave, defined as “specific leave designated only for this use”. This benefit often falls within existing corporate parental/family leave policies. The number of weeks offered for adoption leave ranged from 1-8 (see Figure 6).

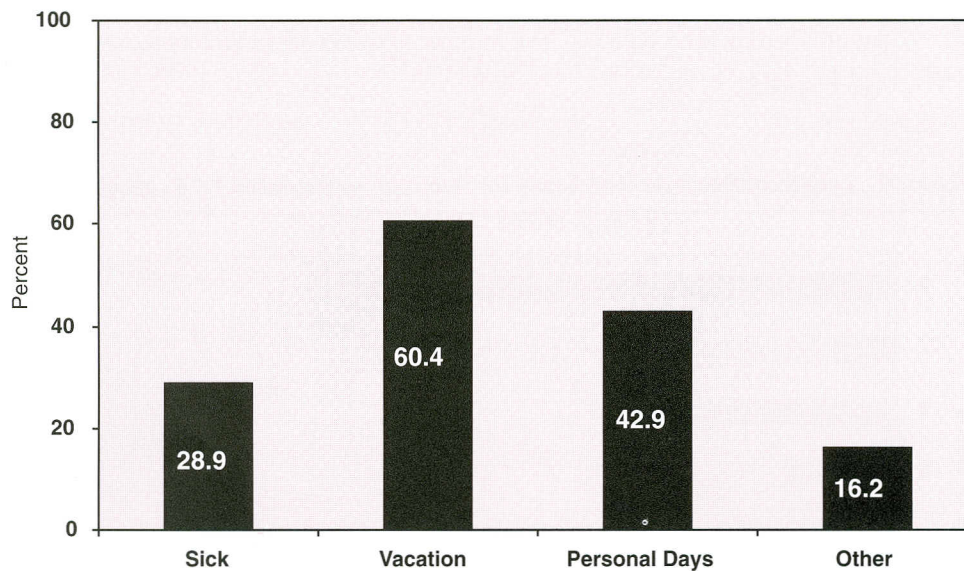
Figure 6. Length of Separate Paid Leave for Adoption as Reported By Respondents



When defining length of leave within their PLA policies, employers again looked to current parental/family leave policies for guidelines. One employer noted: “We realized that after a birth, moms in our company get an average of 6-8 weeks paid leave, so we wanted to make it fair for adoptive moms and decided to offer them 8 weeks paid leave, also.”

2. Of respondents offering paid leave for adoption, 15.7% allowed employees to use accrued leave time for adoption, including: vacation, sick, or personal days (see Figure 7). Some employers also offered leave banks into which other employees could donate time for use by co-workers in “emergency” situations. The significance of this type of leave is the ability to use the leave on demand. Often, prospective adoptive parents must act immediately upon being notified that a child is available. In other cases, they cannot plan for unexpected appointments and commitments which require that time be taken without prior notice. This type of leave is also often used to supplement separate paid leave.

Figure 7. Types of Accrued Leave Available at Respondent Companies for Use as Paid Leave for Adoption



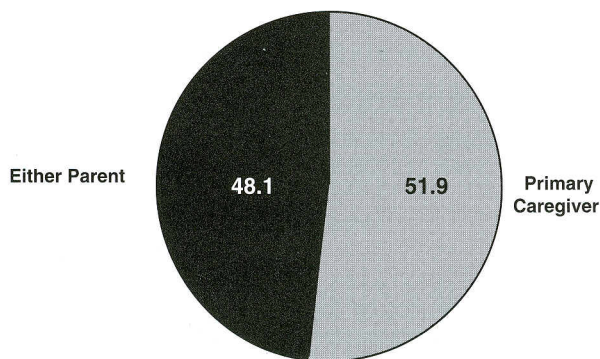
Note: These percentages total more than 100% because organizations may allow more than one type of leave to be used.

When designating the ability to use accrued time-off during an adoption, the length of leave is determined by what is currently available to individual employees. Employers may increase the potential length of leave by increasing the types of time-off programs that may be utilized for adoption.

SPECIFICATION OF PRIMARY CAREGIVER

The definition of PLA must consider the identity of the primary caregiver. Since the medical necessity for leave does not exist in adoptions, employers must use other criteria to decide who is eligible for adoption leave, as well as how much leave will be offered. Among the respondents, there was a range of designations (see Figure 8).

Figure 8. Percent Specifying Paid Leave for Adoption for “Primary Caregiver” or for “Either Parent” (of Companies Offering PLA)



Many organizations who offered PLA chose not to limit PLA to primary caregivers, and did not designate a primary caregiver within their policy definition. These companies included statements such as the following in their adoption leave policies:

“All full-time employees are eligible for adoption leave of absence upon the placement of a child in the home.”

“We feel that in today’s society, parents are equally responsible for the upbringing of a child.”

While 52% of organizations limit leave to primary caregivers, only half of these require employees to provide written documentation. These companies made statements such as the following:

“To qualify for PLA you must certify that you will be the primary child-care provider and that the leave is necessary to complete the adoption process.”

Dow management was very supportive of both of us during the whole process. The week prior to placement of our baby was very much an emotional roller coaster ride. We only had a day or two notice prior to placement. Our supervisors did not have a problem with the short notice. After we brought the baby home we were allowed to split the four weeks of paid leave time. Each of us took turns staying home two or three days per week, allowing for a gradual return to work. With this kind of support from our supervisors, it definitely made the whole placement process easier.”

— Dow Chemical married employees

“This (benefit) provides up to 4 weeks of leave for an employee when there is no other parent in the home.”

“Full-time employees who have completed one year of service and are the primary caregiver of an adopted child are entitled to up to 5 weeks paid leave.”

Within the designation of primary caregiver, some organizations identify female employees as the only employees eligible for PLA.

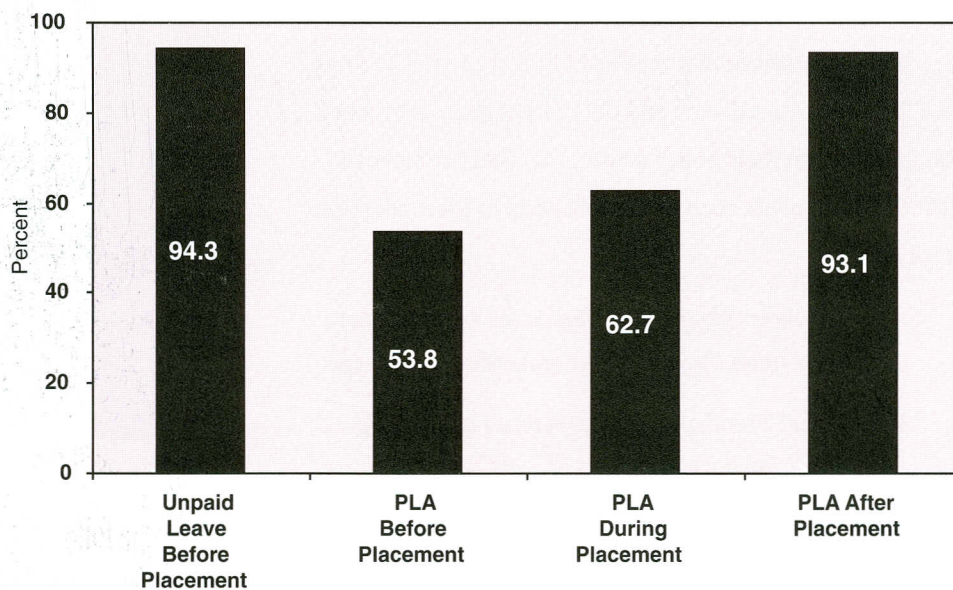
“To provide ample time for female employees to bond with an adopted child.”

The issue of primary caregiver designation was raised in all of our in-depth interviews, and most employers told us that their decision to designate a primary caregiver was consistent with their policies on maternity and paternity leave.

AVAILABILITY FOR USE BEFORE, DURING, OR AFTER PLACEMENT

When defining PLA within a corporate benefits strategy, employers must decide when the leave can be taken. In the case of maternity leave, this decision is more straightforward, with maternity leave generally taken after the birth of the child, or prior to the birth if medically required. However, with adoptions there is more variability.

Figure 9. Availability of Adoption Leave as Reported by Respondents (Companies Offering PLA)



The process of adopting a child begins long before he or she is placed in the home. Placement can take months or years, or it can happen overnight. Prospective parents must be ready to act immediately, and to respond to the demands of the agency or birth parents with whom they are dealing. With international adoptions, this may involve travel overseas – sometimes more than once – to complete paperwork, meet birth parents, or to pick up the child. Even with domestic adoptions, prospective parents may want to be with the birth mother prior to, during, or immediately after the delivery (see Figure 9).

ELIGIBILITY REQUIREMENTS FOR LEAVE

In addition to designating a primary caregiver, there are two other common criteria for establishing PLA eligibility.

1. Employment Status - This criteria was used by 85% of the respondents who offer PLA. Of these employers, half required employees to be working full-time.
2. Length of Service - This criteria was used by 50% of the respondents who offer PLA. Of these employers, the number of months that employees were required to work to receive these benefits ranged from 1-24 months, with 31% of companies offering paid leave after one month.
3. Other criteria - 11% of respondents indicated that they used additional criteria for establishing eligibility. These included:
 - Employees must be actively at work at the time
 - Part-time employees receive paid leave on a pro-rated basis
 - Employees must be full-time benefits eligible
 - Adopted child must be under 18

“In adoptions, the process can take years or a child can become available with no notice whatsoever. I had discussed the possibility of requesting a leave on very short notice with my supervisor. I was still shocked when an agency called and said they had some birth parents who wanted to meet us that night. I told my supervisor what was happening and that same evening we put our new daughter in our car. I called to say I wouldn’t be in that day, or for the next eight weeks. Had it not been for the unlimited support of NFA and their generous 8 week paid leave policy, available immediately, I don’t know how we would have gotten through this. Communicating early with my supervisor and the support of my organization helped to make a potential financial and emotional crisis workable. The firm made an investment in me - that was almost eight years ago, and the experience cemented my loyalty to NFA.”

— A National Futures Association employee

RATE OF PAY DURING LEAVE

Of the respondents who offered PLA , 71% provided full pay during this leave. Of those employers who do not offer fully paid leave, some indicated that for equity purposes, the rate of pay during PLA is equivalent to that offered during paid maternity or paternity leaves. One benefits manager explained his company's policy this way:

“ Birth mothers receive up to eight weeks paid time-off paid at two-thirds pay after the birth of a child, and therefore eight weeks leave at two-thirds pay was chosen for those employees who adopt children.”

“ If it wasn't for the paid time-off provisions within Timberland's adoption policy, my wife and I would have had to wait another year. Our son was born during tax season, and it's the busiest time of year for her as an accountant. I'm taking twelve weeks off and through the different paid time-off options, I'm being compensated for almost all of it. We also had to take out a loan to adopt our son. The fact that Timberland is paying for a large portion of this is incredible to me. I know Timberland is a wonderful company but their support in helping us adopt our baby has been tremendous.”

— A Timberland employee

ADDITIONAL ISSUES

The primary goal of this research project was to identify and define paid leave for adoption. The survey and interview results were also intended to provide information for organizations who are considering adoption benefits as part of their corporate benefits packages. While paid leave for adoption is a complicated and broadly defined benefit, this study identified several common components that all employers can evaluate and customize for use in their own organizations. (See page 9)

The case study interviews raised several issues surrounding adoption benefits that were not specifically targeted in the survey. Although the scope of this project did not allow for in-depth examination of these topics, the issues listed below may warrant further exploration.

- **THE LINKS BETWEEN ADOPTION AND INFERTILITY.**

For many couples, the road to adoption may begin or end with treatment for infertility. Several employees told us of the difficult choices they face as they struggle to build their families. The prohibitive costs of these options and the emotional toll involved may result in some couples being able to make only one choice. Many employees pointed to the ways in which their organizations have helped them to increase their options, either through financial support or by their support of adoption as a viable alternative. The simple opportunity to discuss and evaluate the adoption process with a trained counselor can help employees decide whether adoption is an option for their family.

One employer noted that the decision to support adoption became clear after they realized that they had been supporting fertility treatments through their health care benefits. After recognizing the weight of their “corporate opinion,” a second employer decided to develop their adoption benefits as a way of making a value statement about the societal “good” associated with adoption.

- **SPECIAL CASE ADOPTIONS INCLUDING DOMESTIC PARTNERS AND OLDER CHILDREN.**

As with many other work/family benefits, employers are aware that the definition of family has broadened and is constantly changing. For this reason, employers cited two instances in which decisions had to be made about adoption benefits. Several employers, for example, reported that individuals or affinity groups raised the issue of domestic partners and adoption benefits. These employers recognized that by including or excluding certain types of families in their adoption policies, they were making powerful statements about the importance of these families and the other benefits that they might expect to receive. Employers also recognize that the bonding process can often be more difficult when adopting older children. This is often the case with stepchild adoptions. In response, these employers have expanded their policies to include children through age 18. These examples highlight some of the complex issues that employers must face in order to develop and implement adoption policies.

- **ADDITIONAL FINANCIAL ASSISTANCE FOR SPECIAL NEEDS ADOPTIONS.**

By offering substantial adoption benefits, many employers told us that they were supporting adoption as a viable alternative that could be considered as an option by their employees. Some companies have gone farther by offering additional financial assistance to families who adopt children with special needs. These employers recognize the commitment in time and care that adopting a child with disabilities or one who is school-aged may require.

S U M M A R Y

A growing number of employers recognize their role in providing support to employees who adopt. Adoption benefits establish equity, build employee loyalty, and acknowledge the importance of providing homes for children. Financial assistance to defray adoption costs is the most common benefit offered, followed by adoption resource & referral services. However, paid leave is becoming a preferred option for employees who adopt.

At the beginning of this study, one of the goals was to define paid leave for adoption. However, we found that there is no one clear definition; rather, employers have developed and adapted their leave policies around a core set of components:

- the designation of separate paid leave for adoption vs. the ability to use accrued leave time for paid adoption leave;
- length of leave;
- specification of primary caregiver;
- availability for use before, during, or after placement;
- eligibility requirements for leave; and
- rate of pay during leave.

The findings revealed that 21% of employers offered paid leave separate from the use of accrued leave. Of the employers who offered some type of paid leave, 60% allowed employees to use vacation time in order to receive pay while on leave. Sick time, which many employers often combined with short-term disability for those giving birth, was available only for adopting parents in 29% of companies that offer paid adoption leave. Many organizations still seem reluctant to allow employees to use sick time for anything other than a medical condition.

The anecdotes in this report are from employees who are satisfied with their employer's recognition of the need for adoption benefits, specifically, paid leave time. However, the Adoption and the Workplace program has also heard from employees who have struggled financially to adopt and who were unable to give up their salary to take time off with their child. These employees realized that their co-workers who gave birth received paid leave, even if it was only in the form of disability. It is hoped that the findings in this report will help more employers address these inequities.

When determining a paid leave policy for adoption, employers are encouraged to compare available leave for employees who give birth to available leave for adopting parents. This will provide the first benchmark for assessment and suggest next steps. While some employers may be concerned that offering paid leave for adoption will open up a Pandora's box for other paid leave requests, our survey findings

do not substantiate this concern. In fact, several employers told us that for the most part, their employee populations were supportive of adoption benefits, and that, “it made them feel good to work for a caring company.” The reality is that less than 1/2 of 1% of any employee population will use adoption benefits. For an employer, the value of offering this low-cost benefit can be measured by the gratitude and loyalty of employees, in addition to the more calculable savings of employee retention.

This study focused on the current state of paid leave for adoption. It is hoped that the information presented in this report will be useful for employers who are considering the addition or expansion of adoption benefits, and will serve as a catalyst for future exploration in this important area.

A MESSAGE FROM THE NATIONAL ADOPTION CENTER

The National Adoption Center would like to propose a “best practices” model to support adoptive parents that includes three major recommendations:

- 1. Employees who wish to adopt should be provided with paid leave for a designated number of weeks, separate from existing vacation, personal or sick leave.** Employees should be allowed to use accrued vacation or sick time to supplement paid adoption leave.
- 2. Paid leave for adoption should be available to any employee who adopts, without the need to designate a primary caregiver.** While female employees have been the beneficiaries of maternity leave due to the medical issues related to childbirth, it is widely recognized that medical concerns play only a small part in the need for taking a leave. There is overwhelming evidence to support the importance of the bonding and adjustment process for new families, whether they adopt or give birth.
- 3. Adoption policies should be flexible enough to allow for leave time to be divided and taken before and after adoption, if necessary.** This acknowledges the fact that adoption begins long before placement of the child in the home, and that time is needed to complete the approval process or for travel to pick up a child, as well as for the family to have time together to bond.

Other important components of a policy on paid leave for adoption should be in accordance with those that are available to birth parents. These policies include: length of leave, eligibility requirements for leave, and rate of pay during leave.

Consideration of paid leave for adoption challenges employers to assess their institutional outlook on family and parental leave policies as a whole. Adoption will continue to be a viable option for employees building their families; employer recognition and support of adoption represents a win-win scenario for everyone.

NATIONAL SURVEY ON EMPLOYER ADOPTION BENEFITS POLICIES

Background

Your Name _____
Job Title _____
Company Name _____
Address _____

(City) (State) (Zip Code)

Telephone: _____ Fax: _____

This information will allow us to describe the companies in this study.

1. Type of Business or Industry (check all that apply):

- | | | |
|---|--|---|
| <input type="checkbox"/> (1) Manufacturing | <input type="checkbox"/> (5) Pharmaceutical | <input type="checkbox"/> (8) Communications |
| <input type="checkbox"/> (2) Engineering | <input type="checkbox"/> (6) Human Resources | <input type="checkbox"/> (9) Insurance |
| <input type="checkbox"/> (3) Information Systems | <input type="checkbox"/> (7) Financial | <input type="checkbox"/> (10) Retail |
| <input type="checkbox"/> (4) Other; _____
(please specify) | | |

2. 1996 worldwide sales: \$ _____

3. # of employees worldwide _____

4. % of women in the workforce _____ %

General Leave Policies

5. Do you offer:

- | | | |
|---|----------------------------------|---------------------------------|
| a. Paid maternity leave (above and beyond disability) | <input type="checkbox"/> (1) Yes | <input type="checkbox"/> (0) No |
| b. Paid paternity leave | <input type="checkbox"/> (1) Yes | <input type="checkbox"/> (0) No |
| c. Gradual return to work after leave | <input type="checkbox"/> (1) Yes | <input type="checkbox"/> (0) No |
| d. If yes, can paid leave be used during gradual return to work to supplement salary? | <input type="checkbox"/> (1) Yes | <input type="checkbox"/> (0) No |

Adoption Assistance Policies

6. For each type of adoption assistance listed below, please indicate whether your company offers it, when it was first offered, and if not offered, whether your company is considering offering it within the next year.

<u>Type of Assistance</u>	<u>Offers?</u>		<u>Date Began</u>	<u>Considering?</u>	
	<u>Yes</u>	<u>No</u>		<u>Yes</u>	<u>No</u>
Paid leave for adoption					
Unpaid leave for adoption (beyond FMLA requirements)					
Resource and referral (for adoption assistance)					
Adoption literature & resource materials					
Worksite seminars on adoption					
Financial assistance If offered, amount? \$ _____					

7. For each type of adoption assistance not provided by your company, please list the reasons for not offering this benefit (check all that apply).

<u>Type of Assistance</u>	<u>Cost</u>	<u>Lack of Support From Senior Management</u>	<u>Not a Company Priority</u>	<u>Not Enough Employees Would Use</u>
Paid leave for adoption *				
Unpaid leave for adoption (beyond FMLA requirements)				
Resource and referral (for adoption assistance)				
Adoption literature & resource materials				
Worksite seminars on adoption				
Financial assistance				

* 7a. If you do not offer paid leave for adoption, please list other reasons for not offering this benefit (other than those listed above):

1. _____
2. _____
3. _____

8. Within the next 12 months, are you anticipating any changes in your adoption leave policies (other than considering offering the types of assistance listed in Q. #6)?

(1) Yes (0) No

8a. If yes, what other changes are you considering?

Paid Adoption Leave Policies

If your company does not offer paid leave for adoption, please skip to Q. #16.

9. As stated in your employee handbook or benefits statement, how does your company define “paid adoption leave?”

Definition of “paid adoption leave”: _____

10. Which of the following options can be used for adoption leave? (check all that apply)

- Separate paid leave specifically for adoption: _____ # weeks
- Sick leave (including accrued time): _____ # weeks
- Vacation: _____ # weeks
- Personal days: _____ # days
- Other: _____
(please specify)

11. The adoption process may involve taking time off (i.e., for travel, legal issues, etc.) before, during, or after placement of the child in the home of the adoptive family.

At your company, can paid adoption leave be taken:

- | | | |
|------------------|----------------------------------|---------------------------------|
| Before placement | <input type="checkbox"/> (1) Yes | <input type="checkbox"/> (0) No |
| During placement | <input type="checkbox"/> (1) Yes | <input type="checkbox"/> (0) No |
| After placement | <input type="checkbox"/> (1) Yes | <input type="checkbox"/> (0) No |

11a. If paid leave can not be taken prior to placement, can unpaid leave be taken?

- (1) Yes (0) No

12. In order to receive paid adoption leave, are employees required to be the primary caregiver of the adopted child?

- (1) Yes (0) No

12a. If yes, are they required to provide written documentation that they will be the primary caregiver?

(1) Yes (0) No

13. Which of the following criteria are used to determine whether employees are eligible for paid adoption leave?

a. Employment status (1) Yes (0) No

If yes, who is eligible? (1) full-time (2) part-time (3) other

b. Length of service (1) Yes (0) No

If yes, eligible after what period of time? _____

c. Other criteria; _____

(please specify)

14. During paid adoption leave, what rate of pay do employees receive? (check one)

Full pay

% of full pay: _____ %

Other _____

(please specify)

15. Since the time that you first began offering paid adoption leave, approximately how many employees have used this option?

_____ (# employees)

Future Contact

16. May we share your policies with others who are interested in adoption leave?

(1) Yes (0) No

16a. If yes, please list any conditions under which your policies may not be shared:

17. May we contact you to discuss your adoption leave policies in more detail?

(1) Yes (0) No

PARTICIPANTS LIST

A.T. Cross
Aetna, Inc.
Air Products & Chemicals, Inc.
Allied Signal
American Management Systems
Americare Systems, Inc.
Ameritech
Ametek Aerospace
Amgen
Amica Mutual Insurance Company
Apple Computer
Arbella Mutual Insurance Co.
Arkwright, Inc.
Armstrong World Industries, Inc.
Ashland, Inc.
Astra Merck, Inc.
AT&T
Allmerica Financial
Bank of America
BankBoston
Baxter Healthcare Corp.
BE & K, Inc.
Bell South Corporation
Ben & Jerry's Homemade, Inc.
Bingham, Dana & Gould LLP
Blue Cross and Blue Shield of Massachusetts
Boston Bed & Bath
Boston Edison Co.
Boston Symphony Orchestra
Bristol-Myers Squibb Company
Cadence Design Systems, Inc.
California State Automobile Association
Calvert Group
Calvin College
CAPSCO
CBS Inc.
CIGNA
Cinergy
CNA Insurance
Coach Leatherware Co.
Cognizant Corporation
CoreStates
Cranston Print Works
CVS Pharmacy
Cytee Industries, Inc.
Data General Corporation
Deloitte & Touche
Digital
Disneyland
DuPont
Duke Energy
Dun & Bradstreet, Inc.
Eastman Kodak Company
Eddie Bauer, Inc.
Eli Lilly & Company
Fannie Mae
Farella, Braun & Martel, LLP
Fidelity Investments
Fleet Financial Group
Ford Motor Co.
FreddieMac
Gap, Inc.
Garderie Des Deux Mondes
Genentech, Inc.
General Accident Insurance
General Electric Company
Genzyme Corporation
Goodyear Tire & Rubber Company
Grant Riverside Methodist Hospitals
Gulfstream
Hallmark Cards
Harris Trust & Savings Bank
Harvard Pilgrim Health Care
Harvard University Office of Work & Family
HBO
Helmerich & Payne
Hennepin Parks
Hercules Incorporated
HMME
Hoffmann-LaRoche
Homestake Mining Company
Hunt Manufacturing Company
IBM Corporation
Imation
Intermetrics, Inc.
John Hancock Mutual Life Insurance
Kaiser Permanente
Kemper National Insurance Companies
Lancaster Laboratories
Leo Burnett Company
Lexmark International, Inc.
Lincoln National Corporation
Little Caesars
Lockhead Martin IR Imaging Systems
Lucent Technologies
M/A-Com, Inc.

ManorCare Health Services
 MASCO, Inc.
 Mass Biologic Laboratories
 Mass Mutual Life Insurance Company
 Massachusetts Financial Services Company
 Massachusetts Institute of Technology
 MBNA America Bank, N.A.
 Merck & Co., Inc.
 Mercy General Health Partners
 Merrill Lynch & Company, Inc.
 Merrimack Valley Federal Credit Union
 Metropolitan Transportation Authority
 Microcom
 Millipore Corporation
 Mobil Business Resources Corp.
 Morgan Memorial Goodwill Industries
 Mortgage Guaranty Insurance Corp.
 MUSCO Corp.
 National City Corp.
 National Fire Protection Association
 National Futures Association
 National Life of Vermont
 NationsBank
 NCR Corporation
 New England Aquarium
 Newly Weds Foods, Inc.
 NewPort News (a division of Spiegel, Inc.)
 NIKE, Inc.
 North Dakota Department of Human Services
 Northeast Utilities
 Northern Trust
 Nutler, McClennen & Fish, LLP
 NYNEX/Bell Atlantic
 Oracle Corp.
 Pacific Bell
 Payless Cashways
 PepsiCo
 Perkin-Elmer Corp.
 Pfizer Inc.
 Placer Dome Inc.
 Plymouth Rock Assurance Corp.
 Press-Telegram
 Prudential
 Pues, Inc.
 Raychem Corp.
 Raytheon Company, Inc.
 RedWing Shoe Company, Inc.
 Rockland Trust Company, Inc.
 Rohm and Haas Company
 SAS Institute Inc.
 SBC Communications, Inc.
 Schreiber Foods, Inc.
 Seagate Technology
 Sears, Roebuck and Co.
 Serono Laboratories, Inc.
 Shaw's Supermarkets, Inc.
 Shipley, Co.
 Silicon Graphics
 Silverplatter Information, Inc.
 Simon & Schuster
 Smith Barney
 Smith College
 SMS Shared Medical Systems Corp.
 Spiegel, Inc.
 Sprint Corporation
 SRI International
 St. Petersburg Times
 Star Markets Company Inc.
 Starr Presentations
 Teradyne, Inc.
 Texas Instruments
 The Bodine Company
 The Boston Globe
 The Dispatch Printing Company
 The Dow Chemical Company
 The St. Paul Companies
 The Stride Rite Corporation
 The Timberland Company
 The World Bank Group
 Time Warner Inc.
 Toshiba America Information Systems, Inc.
 Travelers Group
 Trust Insurance Co.
 Union Carbide Corporation
 United Technologies
 Universal Studios
 University of California
 University of Wyoming
 Victory Memorial Hospital
 Virginia Mason Medical Center
 Wainwright Bank & Trust Company
 Watson Wyatt Worldwide
 WFD
 William Patterson University
 Wyeth-Ayerst
 Xerox Corporation

FANNIE MAE

WASHINGTON, D.C.

RICHARD KENNEDY, DIRECTOR

EMPLOYEE BENEFITS

3300 EMPLOYEES

Fannie Mae is a Congressionally-chartered, shareholder-owned company and the nation's largest source of funds for home mortgages. Since 1968, Fannie Mae has been providing financial products and services that increase the availability and the affordability of housing for low, moderate, and middle income families.

Starting in 1991, paid leave for adoption was provided within Fannie Mae's corporate Childbirth/Adoption Leave policy. This leave is available to mothers and fathers of birth or adopted children. Same and opposite-sex domestic partners are also specifically included within this policy.

In 1994, the company was reconsidering the overall value of its employee benefits programs. Financial assistance for adoption came up at this time. The company was already providing financial support for infertility treatments and for childbirth within their health care coverage, and out of fairness, thought that they should offer something for families that choose another path. That year, Fannie Mae added an adoption reimbursement plan to its employee benefits package. The plan reimburses up to \$6,000 per adoption.

It was an easy sell to upper management, with the supporting arguments including the fact that it is a low utilization/low cost — high good-will benefit. Fannie Mae has not experienced any backlash from childless or non-adopting employees. "Everyone has the potential to use this benefit," summarizes their employee response. Overall, adoption benefits are "feel-goods" and are well received by their staff. Outside of the organization, Fannie Mae tells us that adoption benefits have helped position them as a leader in "family-friendliness."

"Adoption benefits are a win-win-win situation. The company builds up employee loyalty. The employees benefit by utilizing the paid leave or financial assistance. Society wins through our overall support of adoption as an option for couples looking to build a family."

Rick Kennedy
Director, Employee Benefits

MBNA AMERICA

WILMINGTON, DE

ELIZABETH R. JOHNSON, FAMILY AND WORK COORDINATOR

18,050 EMPLOYEES

MBNA Corporation, a bank holding company and parent of MBNA America Bank, N.A., is a national bank with \$49.4 billion in managed loans. MBNA, the largest independent credit card lender in the world and one of the two largest overall, also provides retail deposit, consumer loan, insurance, and card acceptance services.

MBNA's decision to expand its adoption program in 1993 occurred as management recognized the growing number of people exploring alternative means of starting or expanding their families. MBNA wanted to establish an adoption program that offered benefits consistent with the benefits available to people having children through birth. One of the biggest challenges for those considering adoption is the cost. In order to help make adoption a viable alternative, MBNA offers \$10,000 in financial assistance to its employees.

In addition, MBNA offers one month paid leave, as well as a resource and referral service, on-site seminars, and adoption literature. The company has revised its paid leave policy to include a "no length of service" requirement. The adoption policy, as well as other benefits that MBNA offers, helps ensure that the people of MBNA have the support they need to be successful at work and at home. This commitment to the employees of MBNA has led to an atmosphere of enthusiasm and dedication and has resulted in a turnover rate below the industry average. In fact, well over half of the people hired at MBNA are referred to the company by people who already work there.

“Adoption programs are among the benefits that MBNA offers to its people because it’s the right thing to do. Treating people with respect and recognizing them as important individuals is the cornerstone of the company’s approach. These programs support the company’s commitment to helping each individual succeed at work and at home.”

Liz Johnson
Family and Work
Coordinator

MERRILL LYNCH & CO., INC.

NEW YORK, NY

BERNADETTE FUSARO, VICE PRESIDENT, WORK/LIFE STRATEGIES

54,000 EMPLOYEES

Merrill Lynch & Co., Inc. is a holding company that was formed in 1973. Through its subsidiaries and affiliates, the company provides global services in the areas of investment, financing, insurance, and related services.

Adoption assistance programs surfaced at Merrill Lynch during a general evaluation of work/life issues. When considering adoption, the company wanted to offer a benefit of high value to employees but relatively low cost to the company, and financial assistance and support services met these criteria. In 1994, they added a \$3,000 reimbursement (\$4,000 for the adoption of a special needs child), resource and referral services, and adoption literature to its menu of work/life policies and programs.

After the implementation of these services, it was brought to the company's attention that adoptive parents also need time off to bond with their children after the adoption.

Many who adopt children use up much of their regular time off during the adoption process itself. It was through these considerations that the company established paid leave. Of the five weeks paid leave offered, one can be taken prior to the adoption. This option is to accommodate those employees who may have to travel or make other arrangements in preparing for the arrival of a child.

Merrill Lynch felt that it was challenging to define and implement a time-off program that was to be viewed by all employees as being fair. There were questions of equity when considering mothers who give birth and adoptive mothers.

According to the company, employees have told them that this is a valuable benefit. Employees who have utilized adoption benefits often send letters of thanks for the assistance they have received, along with pictures of the children whom they have adopted.

“The program’s contributions to our adoption expenses were helpful in defraying the overall cost of the process. I feel that I am lucky to work for a company that supported me and my family’s needs.”

Merrill Lynch employee

NATIONAL FUTURES ASSOCIATION

CHICAGO, IL

ELIZABETH CARLSON, DIRECTOR, HUMAN RESOURCES

264 EMPLOYEES

NFA is the industry-wide self-regulatory organization of the U.S. futures industry. It is a membership organization composed of the various firms and individuals that sell futures contracts to the public. It is a not-for-profit organization, self-financed through assessment fees paid by market participants.

Equity for all parents was the driving force behind adoption benefits at NFA. Mothers who gave birth were receiving paid time-off after their deliveries, while adoptive mothers received no paid time-off. Birth mothers receive up to eight weeks paid time-off at two-thirds pay after the birth of a child, and therefore eight weeks leave at two-thirds pay was chosen for those employees who adopt children. Recognizing the needs of today's changing families, NFA chose not to specify primary caregiver within their policy because today "most parents are sharing the responsibilities of caregiving". Financial assistance began in 1989 at \$2,000 and was revised to the current maximum reimbursement of \$5,000 in 1996 (or \$6,000 in the case of special needs adoptions).

NFA has recognized the changing definition of family through the inclusion in their adoption policy of situations involving only one parent. This could occur in the case of single parents, step children, or in adoptions involving same-sex couples, where the adoptive child is the biological child of one of the parents.

NFA was able to implement this adoption program with ease. According to the company, these benefits enhance their overall program for two reasons: first, an adoption program is seen as a "good will gesture" that shows employees that the company cares; and second, the benefits come at a low cost because of the low rates of utilization.

"Adoption benefits are similar to many other special benefits. The actual monetary cost to your budget is minimal while the overall sense of good will that they generate is immeasurable."

Elizabeth Carlson
Director, Human Resources

THE TIMBERLAND COMPANY

THE TIMBERLAND COMPANY

STRATHAM, NH

JACKIE MITCHELL, MANAGER, WORK/LIFE PROGRAMS

5,681 EMPLOYEES

Timberland designs, engineers, and markets premium-quality rugged outdoor footwear, apparel and accessories for men, women, and children. Timberland products are sold in more than 60 countries worldwide.

The consideration and implementation of adoption benefits occurred in this organization because of the input of one employee. This employee was pursuing an adoption of a Korean child and wrote a letter to Timberland's Chief Operating Officer, Jeffrey Swartz, detailing the process including: the financial burden, time, and emotional commitment. He was moved by this letter and forwarded it to the HR Department commenting, "We should do something to help with this."

Since 1994, the company has offered a financial reimbursement of \$4000 and \$8000 for special needs adoptions. To date, four employees have utilized these benefits. Of the four completed adoptions, two have been male employees and two females. The company supports the need for both mothers and fathers to bond with their children. Therefore, employees who meet the service requirements of one year, as defined by the FMLA, receive two weeks paid time-off. This amount of time can be increased by using *Lifestyle Leave Time* and vacation time. In addition, paid time-off can be taken on a consecutive, reduced schedule, or intermittent basis.

The company wanted its policy to make a statement concerning special needs adoptions. Children with special needs and adults with disabilities were highlighted for two main reasons: 1) special needs adoptions require more financial sacrifice in the long run; and 2) employees are encouraged to consider adopting children/persons with special needs.

According to the company, they did not face any significant challenges when implementing this policy largely due to the fact that it received "top-down" support from the beginning. Timberland views the employer/employee relationship as a partnership - a give and take. The bond between employer and employees has become stronger as the company continues to develop innovative worker benefit programs that support employees both at work and outside of work.

"We worked hard to align the provisions of the adoption policy with the provisions provided to birth parents through our maternity and paternity policies. It's hard to describe the joy we all experience when a newly adopted baby is brought into work for the first time."

Jackie Mitchell
Manager, Work/Life
Programs

ADOPTION BENEFITS OFFERED BY PROFILED EMPLOYERS

Company	Paid Leave	Length of Leave (in weeks)	Implementation Date	When is Leave Offered (before, during, after adoption)	Financial Assistance	Special Needs	Resource and Referral	Adoption Literature	Worksite Seminars
FANNIE MAE	yes	4	1991	After	\$5000	\$6000	yes	no	yes
MBNA	yes	4	1993	Before, During, After	\$10,000	\$10,000	yes	yes	yes
MERRILL LYNCH	yes	5	1995	Before, During, After	\$3000	\$4000	yes	yes	no
NATIONAL FUTURES	yes	8	1989	Before, During, After	\$5000	\$6000	yes	yes	no
TIMBERLAND	yes	2	1994	Before, During, After	\$4000	\$8000	yes	no	no

The Center for Work & Family

Boston College
Carroll School of Management
140 Commonwealth Avenue
Chestnut Hill, MA 02167

ph: (617) 552-2844

FAX: (617) 552-2859

web address: www.bc.edu/cwf

National Adoption Center

1500 Walnut Street
Suite 701
Philadelphia, PA 19102

ph: (215) 735-9988

FAX: (215) 735-9410

web address: www.adopt.org

e-mail: nac@adopt.org