

## **Tiering's Effect on Sponsors' Administrative Operations**

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Tiering introduced new sponsor responsibilities for classifying homes and determining children's income eligibility in Tier 2 homes, as described previously. Tiering also added complexity to some of sponsors' previous responsibilities, including training providers and submitting claims for meal reimbursements. And because it reduced the participation incentive for Tier 2 providers, tiering made it more difficult for sponsors to recruit providers.

Sponsors might therefore be expected to perceive that tiering has substantially added to their administrative burden. The survey data reviewed below confirm this expectation. Sponsors report that their staff time requirements for CACFP have increased, that tiering-related activities are particularly burdensome, and that they have had to increase the training and monitoring of providers.

### **Time Devoted to CACFP Activities**

Almost three-fourths of sponsors (72 percent) indicated that their staff hours devoted to CACFP activities have increased since January 1997. Of the remainder, 23 percent saw no change and 5 percent reported a reduction in CACFP hours. Those seeing an increase in hours tended disproportionately to be larger sponsors, as shown in Exhibit 24. Even among sponsors who said their CACFP administrative reimbursements had declined since 1997, 63 percent reported spending more hours on CACFP since 1997.

**Exhibit 24**  
**Change in Average Hours for CACFP Activities Since January 1997**

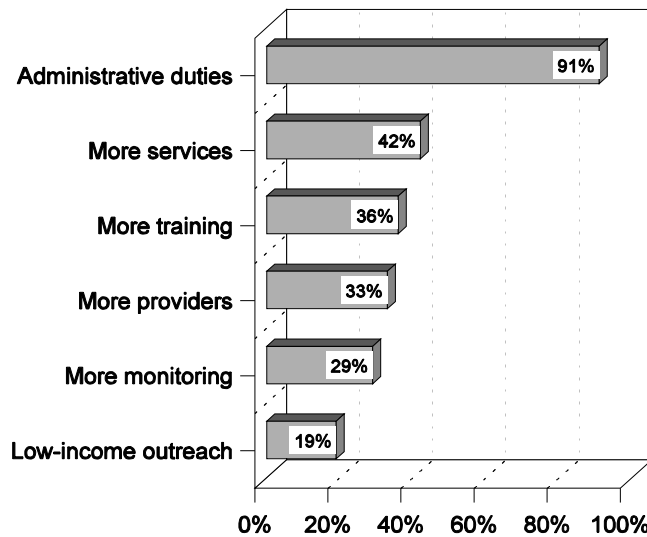
	Percent Reporting:		Unweighted Sample
	More Hours	Same or Fewer Hours	
<b>Sponsoring Organization</b>			
Private social service agency, nonprofit community agency or charitable organization	74.7% (5.8)	25.3% (5.8)	189
Public social service agency	68.1 (13.6)	31.9 (13.6)	21
Military base	43.5 (14.6)	56.5 (14.6)	16
Other (School district, college or university, Church/religious organization, etc.)	68.5 (16.6)	31.5 (16.6)	20
<b>Percent of Providers Classified as Tier 1</b>			
Less than 67%	80.7 (7.0)	19.3 (7.0)	110
67 to 99%	74.7 (6.4)	25.3 (6.4)	110
100%	61.1 (10.7)	38.9 (10.7)	40
<b>Number of Homes Sponsored</b>			
Fewer than 30	47.0 (11.8)	53.0 (11.8)	28
30 to 200	78.6 (5.1)	21.4 (5.1)	14
More than 200	86.8 (5.2)	13.2 (5.2)	125

Standard error in parentheses.

Asked why CACFP was requiring more hours, sponsors cited several of the major administrative responsibilities of the program (Exhibit 25). Over 90 percent simply said that their administrative duties had increased, and many added further comments on the paperwork associated with tiering. Many sponsors said that CACFP hours increased because they were now providing additional services and materials, conducting more or new types of training, or monitoring providers more frequently. About a third attributed the increase partly to sponsoring more providers. Despite the increase in recruitment activities described above, only 19 percent of sponsors cited outreach to low-income providers as a source of the increased time requirements.

Sponsors most commonly said they accommodated the change in hours by reassigning some staff time from other activities; 52 percent reported such adjustment. Adding staff, changing the mix of full- and part-time staff, and increasing overtime were somewhat less common solutions, but each was reported by a quarter to a third of the sponsors who reported increased hours.

**Exhibit 25**  
**Percent of Sponsors Citing Specified Reasons For Increased CACFP Hours Since 1997**  
**(Among Sponsors with Increased Hours)**



Note: Because sponsors could give multiple reasons, percentages sum to more than 100%.

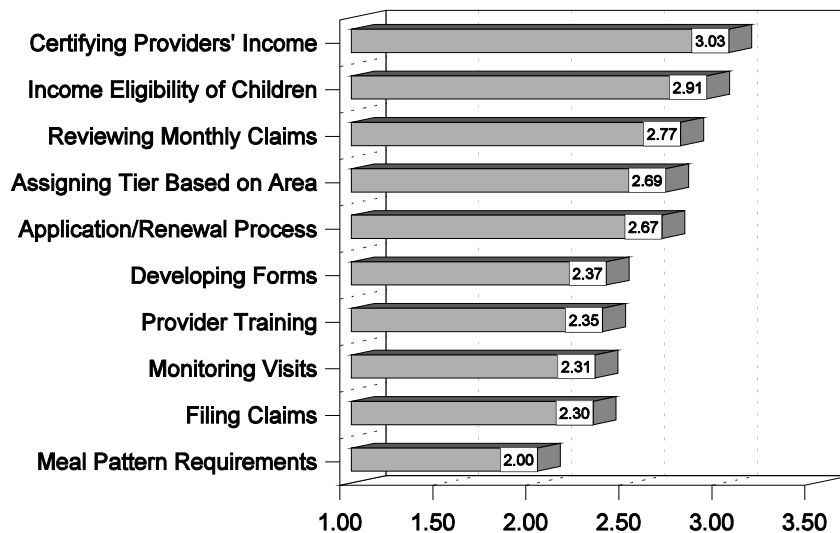
## Sponsors' Views of Administrative Burden

A series of survey questions asked sponsors about the level of burden that various activities impose. The survey defined burden in terms of both the level of difficulty and the amount of time the activity requires. Sponsors were asked to rate each of ten activities on a scale from 1 (not at all burdensome) to 4 (very burdensome). Exhibit 26 summarizes their responses.

The three responsibilities added by tiering—verifying provider income for tier assignments, making tier assignments based on area characteristics, and determining children’s eligibility for Tier 1 reimbursement—were at or near the top of the list in burden rankings. The mean burden score for verifying provider income was significantly greater than the score for any responsibility that existed before tiering. The other two tasks introduced by tiering had significantly higher scores than all but two of the pre-tiering activities (reviewing monthly claims and processing applications and renewals). It is perhaps natural that people would consider a newly added requirement more difficult and time-consuming than requirements they mastered long ago. Nonetheless, the survey responses indicate that tiering-related activities were still viewed as burdensome 2 years after tiering took effect.

Two of the responsibilities covered in the present survey—the application/renewal process and the meal pattern requirements—were also examined in the 1995 study. The application/renewal process, which now includes the submission of documentation concerning the home’s tier classification, had a mean ranking of 2.67 in 1999, significantly up from the mean of 2.42 in 1995 ( $p < .10$ ). In contrast, the burden score for meal pattern requirements, which were not affected by tiering, was essentially unchanged.

**Exhibit 26**  
**Burden Scores for Sponsors' CACFP Responsibilities (Mean Rating on 1-4 Scale)**



Although the survey responses indicate that sponsors considered tiering-related activities quite burdensome, the study does not provide empirical measures of the amount of time and effort allocated to most of these tasks. It is therefore not possible to determine whether the perception is based on actual increases in the expenditure of staff time, on the fact that the tiering requirements are new, or on the requirements' association with other results of tiering such as the increased recruitment challenge.

## Monitoring of Family Child Care Homes

CACFP sponsors are required by regulation to conduct at least three monitoring visits to each participating home each year.<sup>18</sup> Virtually all surveyed sponsors reported conducting at least the required number, and 43 percent reported more visits, for an average of 3.6 visits. A few sponsors reported making up to 12 visits per provider. Smaller sponsors and those with only Tier 1 homes were significantly more likely than others to report making more than three visits (Exhibit 27).

Almost all sponsors (97 percent) make at least one unannounced monitoring visit per provider per year. On average, two-thirds of visits are unannounced.

Although the PRWORA did not change the requirement for monitoring visits, most sponsors report making more visits, longer visits, or both more and longer visits than they made in 1997 (Exhibit 28). Close to half (46 percent) say they are making longer visits now than in 1997, and 29 percent report making more visits. Only a few sponsors indicate that they cut back on either the duration or the frequency of visits (7 percent and 6 percent, respectively).<sup>19</sup>

Sponsors who increased the length but not the number of their visits emphasized the need to explain tiering and to persuade providers to stay in the CACFP (Exhibit 29). Those who reported making both more and longer visits most often said it reflected a decision to increase services to providers, and often mentioned provider requests for more help as well as the need to explain tiering.

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<sup>18</sup> According to FNS guidelines, however, State agencies may allow some or all of their sponsors to conduct reviews an average of three times per year per child care home, provided that each day care home is visited at least twice each year.

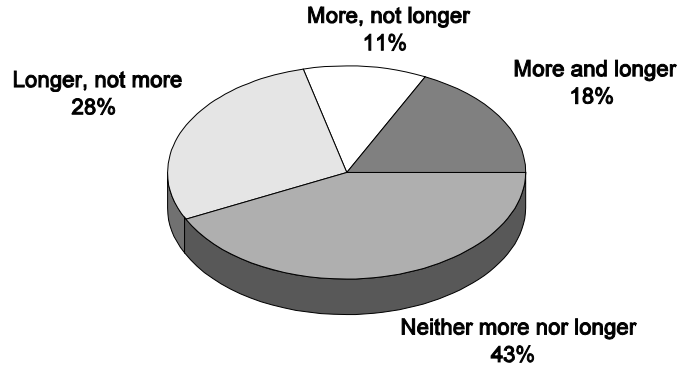
<sup>19</sup> Most of these respondents were in the “neither more nor longer” category. A handful of sponsors reported increasing the duration of visits while reducing their frequency or *vice versa*.

**Exhibit 27**  
**Frequency of Home Monitoring Visits per Year**

	Percent of Sponsors Reporting:		Unweighted Sample
	Three Visits	Four or More Visits	
<b>Sponsoring Organization</b>			
Private social service agency, nonprofit community agency or charitable organization	67.4% (5.5)	32.6% (5.5)	186
Public social service agency	41.0 (13.9)	59.0 (13.9)	19
Military base	25.1 (11.5)	74.9 (11.5)	15
Other (School district, college or university, Church/religious organization, etc.)	32.1 (11.7)	67.9 (11.7)	20
<b>Percent of Providers Classified as Tier 1</b>			
Less than 67%	69.6 (8.5)	30.4 (8.5)	109
67 to 99%	57.3 (7.3)	42.7 (7.3)	106
100%	25.7 (9.2)	74.3 (9.2)	38
<b>Number of Homes Sponsored</b>			
Fewer than 30	30.5 (11.1)	69.5 (11.1)	29
30 to 200	59.9 (6.4)	40.1 (6.4)	108
More than 200	73.4 (4.9)	26.6 (4.9)	124

Standard error in parentheses.

**Exhibit 28**  
**Change in Monitoring Visits Since 1997**




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**Exhibit 29**  
**Reasons for Changing Frequency or Duration of Monitoring Visits to Family Child Care Homes<sup>a</sup>**

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	Percent among Sponsors Who Reported:		
	More but Not Longer Visits	More and Longer Visits	Not More but Longer Visits
Explain tiering and answer questions	8.9% (6.2)	58.5% (11.0)	82.2% (6.3)
Decision to increase provider support or services	68.4% (21.4)	69.2% (8.7)	31.0% (6.1)
Providers requested more assistance	43.5% (21.8)	53.5% (10.3)	54.9% (7.4)
Persuade providers to remain in CACFP	8.9% (6.2)	36.5% (8.4)	69.5% (6.8)
Change in staffing	64.9% (18.4)	28.5% (8.4)	30.1% (6.1)
Other	24.6% (16.6)	8.8% (3.8)	8.1% (4.1)
Unweighted Sample	9	51	84

Standard error in parentheses.

a Includes only sponsors who reported any change. Because sponsors may indicate more than one reason, column percentages sum to more than 100%.

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## Training for Family Child Care Providers

Program regulations require sponsors to train all providers before they begin receiving CACFP benefits, and at least annually thereafter. Training may be offered in group or individual formats. Training traditionally has focused on nutrition and the CACFP meal pattern requirements, food safety, and the administrative details of filing claims for meal reimbursement. The PRWORA did not affect the requirement to provide training, but tiering became an additional topic on the training agenda. All providers need to know what tiering is and how area and personal income may affect their reimbursement rates. Tier 2 providers also need to understand their options for obtaining Tier 1 reimbursements for meals served to children from low-income families.

Against this backdrop, most sponsors report that they have increased their training of providers since 1997 (Exhibit 30). Overall, 63 percent of sponsors increased either the frequency or the duration of their individual or group training efforts. Some of these sponsors (8 percent) increased training in one dimension while cutting back in another—for example, increasing the frequency of individual training while reducing the frequency of group training. When such counterbalancing adjustments occur, the data do not indicate whether the net training effort has increased, decreased, or remained unchanged. Even without counting any of these sponsors, however, 55 percent report a net increase in training activity. Most of these sponsors increased both group and individual training (39 percent), while the remainder increased one form of training while making no change in the other. Only 8 percent report any form of reduction in training activity without some counterbalancing increase.

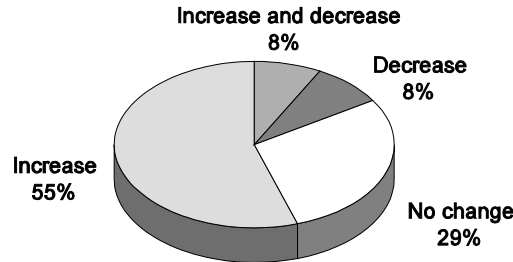
Sponsors have emphasized individual and group training about equally. Increases in individual and group training were reported by 51 percent and 47 percent of the sponsors, respectively, a difference that is not statistically significant. In fact, more than half of the sponsors who increased either form of training increased both, and more than half of those who made no change in either form of training left both unchanged. Decreases in training, rare in any case, were more commonly made for one form of training than for both.

Sponsors who expanded their training activity gave two main reasons for doing so: to explain tiering and answer questions about it, and to increase the level of provider services (Exhibit 31). Sponsors who increased the length of their training sessions tended to emphasize the need to explain tiering. Those conducting more frequent training emphasized the decision to provide more support or services. Among those who reduced their training effort, three-quarters said it was because they had fewer funds available for training. These patterns are similar for both individual and group training.



**Exhibit 30**

**Change in Frequency and Duration of Group and Individual Provider Training Since 1997**



**Exhibit 31**

**Reasons for Changing Frequency or Duration of CACFP Training Sessions<sup>a</sup>**

	Group Training			Individual Training		
	More but Not Longer	More and Longer	Not More but Longer	More but Not Longer	More and Longer	Not More but Longer
Explain tiering and answer questions	43.3% (9.6)	62.3% (10.7)	73.1% (13.1)	34.3% (14.5)	82.1% (6.9)	87.2% (6.7)
Decision to increase provider support or services	48.7% (9.6)	55.7% (10.3)	28.4% (12.5)	19.8% (9.1)	56.4% (8.6)	33.8% (9.3)
Providers requested more training	28.5% (9.4)	36.3% (8.9)	26.0% (12.9)	41.7% (15.4)	30.6% (6.9)	19.4% (5.6)
Added staff	4.9% (4.7)	12.9% (4.3)	2.5% (2.6)	11.7% (10.9)	14.1% (4.4)	1.7% (1.3)
More funds available for training	6.0% (4.0)	1.3% (1.3)	0.0% (0.0)	0.0% (0.0)	0.7% (0.7)	0.0% (0.0)
Other	21.8% (8.0)	28.8% (11.2)	0.0% (0.0)	26.9% (14.0)	16.3% (6.8)	9.4% (4.8)
Unweighted sample	50	53	25	21	93	54

Standard error in parentheses.

<sup>a</sup> Includes only sponsors who reported any change. Because sponsors may indicate more than one reason, percentages sum to more than 100%.