

# Characteristics of Children Served by CACFP Family Child Care Homes

---

Because tiering led to substantial changes in the composition of CACFP households in terms of their income, it is interesting to review selected characteristics of those children and families. This information was reported by the child's parent or guardian as part of the household survey. The discussion below summarizes demographic and household characteristics of participants in 1999 and notes differences between children in Tier 1 and Tier 2 homes as well as differences between the 1999 and 1995 profiles of children and households.

The median or "typical" child participating in CACFP family child care in 1999 was about 4 years old, White, and lived in a household consisting of two adults and two children, with both children in family child care. The annual household income was \$42,000. Children served by Tier 1 homes were more likely than those in Tier 2 homes to come from one-adult households, households with more children, households with low income, and households participating in other food assistance programs or receiving other forms of unearned income.

Apart from the difference in household incomes discussed earlier, the overall profile of participants shows only modest differences between 1995 and 1999. The data suggest that the program may have served a larger proportion of school-age children in 1999, although differences in the timing of the two surveys make the extent of the difference unclear.

## Age of Participating Children

Eligibility for the child care component of the CACFP is limited to children ages 1 to 12 and infants under 1 year of age.<sup>16</sup> As has been the case historically, the largest proportion of children participating in the CACFP in 1999 were preschoolers, with 42 percent aged 3 to 5 years (Exhibit 9). The median age of children in CACFP homes was about 4 years. Very few infants were enrolled in the program, accounting for just about 2 percent of participants. Children between the ages of 6 and 12 made up a larger proportion of Tier 1 than Tier 2 participants, leading to a slightly higher mean age of children in Tier 1 homes than in Tier 2 homes (5.1 and 4.2 years, respectively,  $p < 0.10$ ).

The data in Exhibit 9 suggest that the age distribution of children in CACFP homes shifted from 1995 to 1999, with substantially more children aged 6-12 in 1999 and substantially fewer infants and toddlers (children aged 1-2). A difference in the timing of the two surveys makes this comparison inconclusive, however. The 1995 parent interviews were conducted in February-May of that year, while the 1999 interviews occurred in May-September, and school-age children may be more likely to be in child care in the summer months.<sup>17</sup>

---

<sup>16</sup> An exception is made for children of migrant workers and children with disabilities, who may participate through ages 15 and 18, respectively.

<sup>17</sup> Some evidence of this effect is found in the fact that the interviews conducted in May 1999 found 30 percent of the children were age 6-12, as compared with 37 percent for the June-September interviews.

**Exhibit 9**  
**Age of Children Served by CACFP Family Child Care Homes**

	1995	1999	Difference 1999-1995	1999		Difference Tier 2- Tier 1
				Tier 1	Tier 2	
<b>Proportion of children in age group:</b>						
Under 1 year	8.9%	1.9%	-7.0%***	1.2%	3.5%	2.3%*
1-2 years	32.0	21.9	-10.1**	21.0	23.9	2.9*
3-5 years	42.5	41.9	0.6	39.8	46.6	6.8
6-12 years	16.6	34.3	17.7***	38.1	26.0	-12.0*
Mean age (years)	3.4	4.8	1.5***	5.1	4.2	-0.9*
Median age (years)	2.6	4.2	1.6***	4.4	4.0	0.4
Unweighted sample	246	1,200		576	624	
Significance levels: * = .10 ** = .05 *** = .01						

One concern that has been raised about tiering is that the reimbursement rates would be too low to cover the cost of infant formula, leading to lower participation by infants in Tier 2 homes. The study does not provide clear evidence on this point. On the one hand, the proportion of infants (less than 1 year old) was significantly smaller in 1999 than 1995, which would be consistent with the concern. On the other hand, infants made up a slightly larger portion of the participant population in Tier 2 than Tier 1 homes, and the proportion in both Tier 1 and Tier 2 homes in 1999 was less than the overall proportion in 1995. Although it is theoretically possible that the 1995-99 difference could be caused simply by a reduction in the proportion of infants in Tier 2 homes, the pre-tiering proportion of infants would have to be a great deal larger than that observed in 1999.<sup>18</sup> It is more plausible that some or all of the lower participation by infants in 1999 results from other factors, such as general changes in participation patterns over time that would reduce the proportion of infants participating in both Tier 1 and Tier 2 homes.<sup>19</sup>

<sup>18</sup> For example, if infants made up 26.0 percent of all children in the 1995 homes that would be classified as Tier 2, and if that proportion fell to the observed 3.5 percent in 1999, the overall proportion of infants would be reduced from 8.9 percent to 1.9 percent (assuming a constant ratio of Tier 1 to Tier 2 homes over the time period).

<sup>19</sup> Again it is possible that the different timing of the two surveys contributes to the observed age difference. If fewer infants are in child care during summer months, this would confound the 1995-99 comparison.

## Race/Ethnicity

The racial/ethnic composition of children in CACFP homes is presented in Exhibit 10. The survey item used to collect race/ethnicity data in 1999 was based on new OMB classification standards (*Federal Register*, October 30, 1997), which allow respondents to report more than one race. To facilitate comparisons with the 1995 survey, in which the survey item asked for only a single race, the 1999 estimates are presented as ranges. The minimum value in each range is the percent of children reported as exclusively in that category, and the maximum is the percentage of children reported to be in that category as well as one or more other categories. Approximately 12 percent of the children were described by two or more racial/ethnic categories.

Children in CACFP homes in 1999 were predominantly White, with other groups accounting for up to 35 percent of the children enrolled. Blacks and Hispanics were more heavily represented in Tier 1 homes, where they made up from 17 to 21 percent and 11 to 19 percent of the children, respectively. In contrast, Blacks and Hispanics accounted for 5 to 9 percent and 1 to 5 percent of children in Tier 2 homes. Tier 1 homes also had a larger proportion of the multiracial children.

Although differences between 1995 and 1999 cannot be described precisely, it appears likely that Black and Hispanic/Latino children made up a larger portion of all participants in 1999 than in 1995. The proportion of White participants appears correspondingly smaller in 1999. The statistical significance of these differences is not tested, however, because of the noncomparability of the survey items.

**Exhibit 10**  
**Race/Ethnicity of Children Served by CACFP Family Child Care Homes**

	1995	1999 <sup>a</sup>		
		All	Tier 1	Tier 2
<b>Proportion of CACFP children in racial/ethnic group:</b>				
White	82.7%	65.3% 74.8	56.9% 67.8	83.9% 90.2
Black	7.9	13.2 17.5	16.8 21.2	5.3 9.1
Hispanic or Latino	6.1	8.1 14.5	11.3 18.8	1.0 4.9
Asian or Pacific Islander	1.1	0.4 1.5	0.4 1.3	0.4 1.8
American Indian or Alaska Native	0.1	0.9 4.7	1.0 5.7	0.6 2.4
Other	2.1	nr	nr	nr
Two or more races	nr	11.9	13.5	8.4
Unweighted sample	246	1,200	576	624

a Values shown for 1999 are (top) proportions of respondents reporting *only* that category and (bottom) proportions reporting that category with or without other categories.

nr = Not reported

## Household Size and Composition

Children in CACFP family child care homes have 4.1 members, on average (Exhibit 11). Households with children in Tier 1 and Tier 2 homes are very similar in total size, but noticeably different in composition. Children in Tier 1 homes are significantly more likely to live in households with just one adult, but their households include significantly more children. Households of Tier 1 children also have more children being cared for in family child care homes.<sup>20</sup>

Differences between the 1995 and 1999 patterns in overall household characteristics are generally modest, though some are statistically significant. The average number of adults in the household is essentially the same in both years. The average of 2.2 children per household in 1999 is significantly larger than the 1995 average of 1.9.

## Income and Sources of Income

In 1999, the majority of children served by the program (about 60 percent) were from families with an annual household income below \$50,000 per year, with about 15 percent below \$15,000, as shown in Exhibit 12. The median income for a family with a child in CACFP family child care in 1999 was about \$42,000.

As the legislation intended, children in Tier 1 homes tend to come from families with lower incomes than children in Tier 2 homes. The median child in a Tier 1 home had a household income of \$33,925, far less than the Tier 2 median of \$59,261. In addition, almost four times as many children in Tier 1 as Tier 2 homes had household incomes at the low end of the distribution, below \$15,000. Conversely, while the majority of children in Tier 2 homes had family incomes above \$50,000, only 28 percent of children in Tier 1 homes had household incomes that high.

---

<sup>20</sup> Not shown in exhibit. The mean number of children in family child care homes is 1.80 for Tier 1 and 1.62 for Tier 2 households, a statistically significant difference ( $p < 0.10$ ).

**Exhibit 11**  
**Household Composition of Families with Children in CACFP Child Care Homes**

	1995	1999	Difference 1999-1995	1999		Difference Tier 2- Tier 1
				Tier 1	Tier 2	
<b>Proportion of households where the number of <i>members</i> is:</b>						
2	7.3%	5.4%	-1.9%	5.7%	4.8%	-0.8%
3	36.0	24.6	-11.4***	24.8	24.3	-0.5
4	35.7	41.2	5.5	38.2	47.7	9.5
5 or more	21.0	28.8	7.8**	31.4	23.2	-8.2
Mean number of members	3.8	4.1	0.4***	4.2	4.0	-0.2
Median	3.2	3.5	0.3***	3.5	3.4	-0.1
Unweighted sample	383	1,200		576	624	
<b>Proportion of households where number of <i>adults</i> is:</b>						
1	19.8%	19.2%	0.6%	22.5%	12.0%	-10.5%***
2	74.0	73.1	-0.9	69.3	81.5	12.2***
3 or more	6.2	7.7	1.5	8.3	6.5	-1.7
Mean number of adults	1.9	1.9	0.0	1.9	2.0	0.1
Median	1.4	1.4	0.0	1.4	1.5	0.1
<b>Proportion of households where the total number of <i>children under 18</i> is:</b>						
1	39.0%	21.5%	-17.5%***	18.6%	27.9%	9.3%**
2	40.1	49.8	9.7*	49.8	49.9	0.1
3 or more	20.9	28.7	7.7*	31.6	22.2	-9.4*
Mean number of children	1.9	2.2	0.3***	2.3	2.0	-0.3**
Median	1.3	1.6	0.3***	1.6	1.4	-0.2***
Unweighted sample	246	1,200		576	624	
Significance levels: * = .10 ** = .05 *** = .01						

**Exhibit 12**  
**Household Income of Families with Children in CACFP Child Care Homes**

	1995 <sup>a</sup>	1999	Difference 1999-1995	1999		Difference Tier 2- Tier 1
				Tier 1	Tier 2	
<b>Proportion of families with income that is:</b>						
Less than \$15,000	8.4%	15.0%	6.6%	19.6%	4.8%	-14.8%***
\$15,000 to less than \$30,000	16.4	20.9	4.4	25.7	10.0	-15.7***
\$30,000 to less than \$50,000	33.6	24.9	-8.7*	26.6	21.2	-5.4
\$50,000 or more	41.6	39.2	-2.4	28.1	64.0	35.9***
Mean income	\$43,912	\$43,117	-\$795	\$37,348	\$56,038	\$18,690***
Median income	\$45,725	\$42,263	-\$3,462	\$33,925	\$59,261	\$25,336***
Unweighted sample	360	1,167		561	606	

a In 1999 dollars.

Significance levels:  
 \* = .10  
 \*\* = .05  
 \*\*\* = .01

The income profile for all 1999 children combined is similar to the inflation-adjusted profile for 1995. Incomes tended to be somewhat lower in 1999, but most differences are not statistically significant. Nonetheless, the slightly lower incomes and slightly larger household sizes are related to the substantial increase in the proportion of households at or below 185 percent of the poverty guideline.

Tier 1 families, as would be expected from their lower incomes, are more likely to have various types of unearned income than Tier 2 families. Significantly higher proportions of Tier 1 households received benefits from Medicaid, AFDC/TANF/foster care payments ( $p < 0.10$ ), and Social Security ( $p < 0.10$ ), as shown in Exhibit 13. None of these forms of income is very common, however, even among Tier 1 families.<sup>21</sup>

<sup>21</sup> The 1995 survey did not ask about these sources of unearned income.

**Exhibit 13**  
**Receipt of Selected Forms of Unearned Income by Families with Children in CACFP Child Care Homes in 1999**

	All Households	Tier 1	Tier 2	Difference Tier 2-Tier 1
<b>Proportion of children whose families receive:</b>				
Unemployment compensation	1.5%	1.3%	1.9%	0.7%
Social Security	2.5	3.1	1.3	-1.7*
Housing subsidies	5.8	7.4	2.3	-5.1
AFDC/TANF/foster care payments <sup>a</sup>	6.0	7.7	2.2	-5.6*
Medicaid	13.7	18.2	3.6	-14.6***
Child support/alimony	17.1	18.1	14.9	-3.2
Unweighted sample	1,200	576	624	

a AFDC (Aid to Families with Dependent Children) was replaced by TANF (Temporary Assistance for Needy Families) by PRWORA. This category includes families that reported receiving benefits from either AFDC or TANF and/or reported receiving payments for caring for foster children.

Significance levels:

\* = .10

\*\* = .05

\*\*\* = .01

## Participation in Other Food Assistance Programs

The proportion of children in CACFP family child homes whose families participate in other food and nutrition assistance programs is fairly low (see Exhibit 14). One-fourth of the CACFP families in 1999 said they had a household member who was eligible for free or reduced-price meals through the National School Lunch Program or School Breakfast Program.<sup>22</sup> Approximately 14 percent have at least one family member in the Special Supplemental Nutrition Program for Women, Infants and Children (WIC) and 11 percent receive Food Stamp Program benefits.

<sup>22</sup> The question was asked of all families, some of whom presumably had no school-age children and hence could not have had anyone eligible for free or reduced-price school meals (no information is available on the ages of children not in child care). A similar question was asked in 1995, but only for families with one or more school-age children.

Although most of these patterns are not significantly different between 1995 and 1999,<sup>23</sup> participation is much higher among Tier 1 than Tier 2 households, as expected. The proportions participating are three to five times as great in Tier 1 as in Tier 2 for all programs.

---

**Exhibit 14**  
**Participation in Other Food Assistance Programs By Families with Children in CACFP Child Care Homes**

---

	1995	1999	Difference 1999-1995	1999		Difference Tier 2- Tier 1
				Tier 1	Tier 2	
Proportion of children eligible for free or reduced-price school lunch <sup>a</sup>		25.2%		33.8%	6.2%	-27.6%***
<b>Proportion of children whose families receive:</b>						
Food Stamps	8.9%	10.8%	1.9%	14.5%	2.8%	-11.7%***
WIC - any family member	11.6	13.7	2.1	17.7	4.9	-12.7***
WIC - sample child	10.6	7.5	-3.1	9.1	4.0	-5.1*
WIC - other family member	4.1	8.3	4.3	10.6	3.3	-7.4**
Unweighted sample	246	1,200		576	624	

a Question in 1995 was not comparable to question in 1999.

Significance levels:

\* = .10

\*\* = .05

\*\*\* = .01

---

<sup>23</sup> Although the difference is statistically significant for the proportion of households with a member eligible for NSLP or SBP, differences in question structure between the two surveys make the numbers not strictly comparable.