

Child and Adult Care Food Program Reference Sheet for Family Day Care Homes

Tier II Homes

A Tier II home is:

- A home that is not in the attendance area of an elementary, middle or high school that has 50% or more of total enrolled students certified eligible for free or reduced-price meals.
- A home that is not located in a census block group where at least 50% of the children residing in the area are members of households which meet the income guidelines for free or reduced-price meals.
- A home in which the provider's household income is above the income guidelines for Tier I meals based on a completed Provider Income-Eligibility Application (PIEA), or the provider did not complete the PIEA.

Types of Tier II Homes

The three types of Tier II homes are Tier II Low, Tier II High, and Tier II Mixed.

- Tier II Low homes are paid at the lowest rate of reimbursement for all enrolled children.
- Tier II High and Tier II Mixed homes are reimbursed based on the Family Income-Eligibility Application (FIEA) information for the children enrolled in the day care home. The day care home provider decides whether they wish to take advantage of the option to use FIEAs.
 - Tier II High homes are reimbursed at the higher rate of reimbursement for all enrolled children. All children would need to qualify for Free/Reduced Price meals.
 - Tier II Mixed homes receive the high rate of reimbursement for enrolled children eligible for Free/Reduced-Price meals and receive the lower rate of reimbursement for enrolled children who are Above Scale.

****Tier II homes are not eligible to claim their own children.***

Requirements

- All Tier II homes must be provided the "Tier II Provider Election of Reimbursement Option" Form. This form indicates how the provider prefers their rate of reimbursement to be determined. Tier II High or Tier II Mixed homes must have this completed form in the provider's file.



- **Option 1:** Paid at the lower Tier II payment rate for meals served to all children enrolled in the daycare home.
 - **Option 2:** The sponsoring organization collects family income information for all children enrolled in the daycare home. The information collected will be used to determine which enrolled children qualify for the higher reimbursement rate.
 - **Option 3:** The sponsoring organization collects family income information for only families that the provider chooses. The information collected will be used to determine which enrolled children qualify for the higher reimbursement rate.
- The distribution and collection of all FIEAs must be handled in a way that will eliminate the possibility of overt identification of the eligibility category of each child.
 - Sponsors are prohibited from making enrolled children's Family Income-Eligibility Application information or eligibility information available to daycare home providers.
 - Completed Family Income-Eligibility Applications may be sent to the sponsor directly, or the provider may collect them and send them to the sponsor. If the provider is sending them to the sponsor, the parent must signify consent for this by initialing the statement at the bottom of the FIEA.

Determination of Eligibility of Tier II Homes

Tier II Low

Tier II Low homes receive the low reimbursement rates for all approved meals served. The low reimbursement rates are either based on ineligible Tier II Family Income-Eligibility Application information or the provider or parent has chosen not to complete the form.

Tier II High

Tier II High homes receives the high reimbursement rates for all approved meals served. To become a Tier II High home, a Family Income-Eligibility Application must be completed for each child participating, and all children must be eligible for the higher reimbursement rate.

1. The provider or sponsor gives each child's parent/guardian a sample family letter that includes the Family Income-Eligibility Application to complete.
2. Parents may send completed Family Income-Eligibility Applications to the sponsor directly, or the provider may collect them from the parent and send them to the sponsor.
3. If all enrolled children, excluding the provider's own child(ren), have FIEAs that reflect a household income that is at or below the Income-Eligibility Guidelines or the child's household has a member receiving benefits from Washington Basic Foods (WBF), Temporary Assistance for Needy Families (TANF), Food Distribution Program on Indian Reservations (FDPIR), or children are enrolled in Head Start,

Early Head Start or ECEAP and the Family Income-Eligibility Application is approved, then the children's meals are eligible for the high reimbursement rate.

4. The sponsor must have a valid Family Income-Eligibility Application on file for each child in a Tier II High home. A valid Family Income-Eligibility Application is one that is complete, current, and correctly approved for the high reimbursement rate.

Tier II Mixed Home

A Tier II Mixed home receives a combination of the low and high reimbursement rates for approved meals, based on the eligibility of enrolled children.

1. The provider or sponsor may give every enrolled child a sample family letter that includes the Family Income-Eligibility Application to complete, or the provider may choose to provide only a selection of the enrolled families with these forms.
2. Parents may send completed Family Income-Eligibility Applications to the sponsor directly, or the provider may collect them from the parent and send them to the sponsor.
3. If an enrolled child, excluding the provider's own child(ren), have FIEAs that reflect a household income that is at or below the Income-Eligibility Guidelines or the child's household has a member receiving benefits from:
 - Washington Basic Foods (WBF), Temporary Assistance for Needy Families (TANF), Food Distribution Program on Indian Reservations (FDPIR) or if children enrolled in care are also enrolled in Head Start, Early Head Start or ECEAP, **AND** the FIEA is approved then the child's meals are eligible for the high reimbursement rate.
 - If an enrolled child's household income exceeds the Income-Eligibility Guidelines and does not qualify for WBF/TANF/FDPIR or a FIEA is not completed, then the child would qualify for the low reimbursement rate.
 - If the family day care home has enrolled children qualifying for both the high rate of reimbursement as well as the low rate of reimbursement, the home is categorized as a Tier II Mixed home.
4. The sponsor must have a valid FIEA on file for each child in a Tier II Mixed home that is served a meal claimed for the high reimbursement rate. A valid Family Income-Eligibility Application is one that is complete, current, and has been correctly approved for the high reimbursement rate.

Effective dates for the Family Income-Eligibility Application for Tier II Homes

- **Effective Date/Classification of a home as a Tier II Home**—Classification of a home as Tier II High or Mixed may be retroactive to the first of the month, or to the first day the home operates the CACFP, during the month in which the Tier II High or Mixed determination is made. The month of determination is dependent on the FIEA

effective date. If the institution is using the parent/guardian signature date as the effective date, the form must have been signed by the institution representative within the same month the parent signed the form or the immediately following month. If the institution representative does not evaluate and sign the FIEA within these guidelines or the parent/guardian fails to date the form, the institution representative's signature date must be used as the effective date.

- **Re-Determination Date**—The Family Income-Eligibility Application is valid for one year and expires on the last day of the month in which the effective date was determined. For example, if a Family Income-Eligibility Application was effective on April 1, 2025 using the institution representative's signature date, the child's eligibility is effective through April 30, 2026. After that time, eligibility is no longer valid unless a new form is completed and approved.

Resources

- ✓ [Tiering Overview Reference Sheet](#)
- ✓ [Family Income Eligibility Application Reference Sheet](#)
- ✓ [Provider Income Eligibility Reference Sheet](#)

References

- ✓ [CFR 226](#)

Acronym Reference

- CACFP – Child and Adult Care Food Program
- CFR – Code of Federal Regulations
- CNS – Child Nutrition Services
- FDCH – Family Day Care Homes
- FDPIR – Food Distribution Program on Indian Reservations
- FIEA – Family Income Eligibility Application
- NSLP – National School Lunch Program
- OSPI – Office of Superintendent of Public Instruction
- PIEA – Provider Income Eligibility Application
- TANF – Temporary Assistance for Needy Families
- WBF – Washington Basic Food
- USDA - United States Department of Agriculture