

Toward a Fuller Understanding of Nonresident Father Involvement:  
A Joint Examination of Child Support and In-Kind Support Receipt

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## **Abstract**

Less than half of all custodial parents receive child support payments but nearly 60 percent receive in-kind support of some form. In-kind (i.e., noncash) contributions from nonresident parents include such things as purchasing food or clothing for the child, or paying for the child's extracurricular activities. Based on a sample of children with nonresident fathers from the CDS-II of the Panel Study of Income Dynamics, this study investigates the determinants of in-kind support receipt from nonresident fathers and addresses three research questions. First, are the receipt of cash child support and other economic contributions (in-kind support) positively (i.e., are complements) or negatively (i.e., are substitutes) related? Second, are frequent and high-quality visits with nonresident fathers positively associated with receipt of economic support (child support and in-kind)? Third, do the relationships between child support and in-kind support receipt and visitation vary by the income level of children's families? Preliminary findings indicate a complimentary relationship between child support and in-kind support and a positive relationship between visitation and in-kind support. However, these relationships may vary by the family income of the child's family and type of in-kind support.

Over 21 million children live with one biological parent while their other biological parent lives elsewhere (Grall, 2006). The vast majority of these children live with their mother. Current social policy seeks to ensure that these children have the financial support of both their parents (Office of Child Support Enforcement, 2003). Generally, this financial support is measured through the payment of child support (Garasky et al., 2006). Evidence suggests, however, that some parents, especially low-income parents, use informal support arrangements including in-kind (i.e., noncash) contributions (Waller & Plotnick, 1999). In-kind contribution may include, but are not limited to, such things as purchasing food or clothing for the child, or paying for the child's extracurricular activities. Less than half of all custodial parents actually receive child support payments, but nearly 60 percent receive in-kind support of some form (Grall, 2006). While these in-kind contributions add to the economic well-being of the child and the resident parent family, government policies do not recognize them as meeting support obligations as set by child support awards (Waller & Plotnick, 1999).

The overall aim of this study is to investigate the determinants of in-kind support receipt from nonresident fathers. Whereas the determinants of cash child support receipt have been studied in detail (e.g., Beller & Graham, 1993; Garfinkel, McLanahan & Robins, 2004; Garfinkel, McLanahan, Meyer & Seltzer, 1998), much less is known about the provision of in-kind support. One reason for this is that few national data sets ask about this form of support (Garasky et al., 2006). What is known about in-kind support receipt comes from studies of specific populations including fathers of children born to disadvantaged teenage mothers (Rangarajan & Gleason, 1998), low-income families in specific cities and states (Edin & Lein, 1997; Waller & Plotnick, 1999), and African American fathers (Green & Moore, 2000; Roy, 1999). Although in-kind support is provided in the context of visitation (e.g., Edin & Lein, 1997; Rangarajan & Gleason, 1998), studies examining nonresident fathers' social involvement with children generally do not include this aspect of involvement (e.g., King, Harris, & Heard, 2004; Stewart, 2003).

This study advances our understanding of nonresident father involvement in several important ways. First, we jointly examine factors associated with the receipt of child support and in-kind support through the estimation of an empirical model that allows for the correlation of these two outcomes of interest. That is, we examine whether families that receive cash child support are more or less likely to receive in-kind support from the nonresident father. Results from this model allow us to inform discussions regarding whether or not child support and in-kind support are substitutes or complements. Second, we examine how visitation from nonresident fathers affects these outcomes. We consider the effects of both the quantity and *quality* of visitation on nonresident fathers' economic support. We assess the quality of the visits by looking at the extent of communication, the duration of visits, and the diversity of activities in which the father and his child participate (e.g., leisure, religious).

Third, we analyze the relationships between visitation, child support, and in-kind support, for not just low-income families, but for all families and test whether the relationship varies by income. For instance, are fathers in low-income families more likely than higher-income fathers to substitute in-kind support for formal child support payments? Is the relationship between visits and in-kind support stronger for low-income versus higher-income families?

## **Background**

### **Relationship between Child Support and In-Kind Support**

Economic contributions by nonresident fathers to their children's lives are typically assessed in terms of cash child support payments (Garasky et al., 2006). Whether nonresident fathers pay child support is important insofar as this additional income has been found to lead to fewer children living in poverty and other positive outcomes for children (Argys et al., 1998; Plotnick et al., 2004). Child support is also thought to have symbolic meaning, representing to the child the nonresident parent's care and concern. This may improve children's well-being beyond the effects of raising the child's standard of living (Argys et al., 1998; Graham et al.,

1994; Knox, 1996; Knox & Bane, 1994; McLanahan et al., 1994; Seltzer, 1994). In light of the benefits associated with child support receipt, federal social policy has emphasized the payment of child support by nonresident parents for over 30 years since the establishment of the federal Office of Child Support Enforcement (OCSE) in 1975 (Ways and Means Committee, 2004). Nevertheless, over 60 percent of all custodial parents do not receive child support income (Grall, 2006).

Along with cash child support payments, nonresident fathers may contribute to meeting their children's needs through the provision of in-kind support such as gifts or coverage of expenses, including daycare, camps, lessons, allowance, and the like. How in-kind support is related to cash support is currently unclear. On the one hand, a "substitution" hypothesis is that these other contributions are associated with lower payments of cash support. For example, ethnographic studies of low-income single mothers reveal that nonresident fathers provide a considerable amount of in-kind support in the form of clothes, dinners, toys, diapers and formula *rather than* cash support (Edin & Lein, 1997; Greene & Moore, 2000). On the other hand, a "complement" hypothesis would suggest that payers of in-kind support are more likely to pay cash child support. That is, nonresident fathers who are involved with their children tend to be involved in multiple realms. There is a well-known positive correlation between visitation and child support (e.g., Seltzer, McLanahan, & Hanson, 1998; Stewart, 1999a,b) and a positive relationship between child support and in-kind support has been found in previous research (e.g., Rangarajan & Gleason, 1998). These relationships may also vary by the type of in-kind support (e.g., groceries versus summer camp) provided. However, in-kind support provision has not been examined in detail in this way.

### **Relationship between Visitation, Child Support, and In-Kind Support**

Several current policy initiatives focus on increasing father involvement and encouraging positive parenting practices along with the payment of child support (Roberts, 2006). From a research perspective, the social involvement of a nonresident father is conventionally measured

through the frequency of visits with his children (Argys et al., 2006; Coley, 2003; Coley & Chase-Lansdale, 1999). However, just as child support payments are not seen as a complete reflection of fathers' economic commitments to their children, it is now generally accepted that visitation frequency is by itself an inadequate measure of the nonresident parent-child relationship (Argys et al., 2006). As a result, scholars are focusing on the quality of the activities fathers and children engage in (Amato & Gilbreth, 1999; Stewart, 2003). Whereas the effect of frequency of visits on child outcomes has been inconsistent, close and high quality interactions with nonresident fathers have been shown to improve a wide range of child outcomes including academic achievement and behavior and emotional problems (Amato & Gilbreth, 1999; Buchanan et al., 1996; Coley, 2003; Coley & Chase-Lansdale, 1999; Stewart, 2003).

Studies examining the relationship between visitation by nonresident fathers and receipt of child support payments indicate they are positively associated (Rangarajan & Gleason, 1998; Seltzer, McLanahan & Hanson, 1998; Stewart, 1999a,b). Rangarajan and Gleason (1998) in particular suggest that fathers may decide that parenthood is an all-or-nothing proposition and choose to be involved in all aspects of the lives of their children. In-kind support may be linked with frequency of father-child contact as well (e.g., Rangarajan & Gleason, 1998), but this relationship has not been examined using national data. Similarly, the relationships between the quality of visitation between fathers and their children and in-kind support have not been examined previously.

### **Moderating Effect of Income**

The relationship between visitation, cash child support, and in-kind support may also depend on family income. Among low-income families, nonresident fathers often do not have the financial resources to keep up with their child support obligations (Garfinkel, McLanahan & Hanson, 1998; Meyer, 1998) and may substitute in-kind support for child support payments (Edin & Lein, 1997; Greene & Moore, 2000). This suggests a negative relationship between child support and in-kind support. On the other hand, two studies have found a positive

relationship among some low-income families (Garasky et al., 2006; Rangarajan & Gleason, 1998) and Garasky and colleagues (2006) find that many children from low-income families receive multiple forms of support.

A positive association between child support payments and in-kind support may be more likely among higher-income than low-income families. Previous research indicates that nonresident fathers who pay child support have much higher incomes than non-paying fathers (Garfinkel et al., 1998) and that the nonresident fathers of lower-income children are especially prone to lower probabilities of economic support (Mincy & Sorensen, 1998). This suggests that, in comparison to lower-income children, higher income children may be more likely to receive both types (child support and in-kind support) of economic support. However, the receipt of multiple forms of support has not been examined in this way.

Overall, visitation and other factors affecting the receipt of child support and in-kind support have not been jointly examined within a multivariate analytic framework using large, nationally representative samples. The present paper employs such a framework to pursue these three specific research questions. First, are the receipt of cash child support and other economic contributions (in-kind support) positively (i.e., are complements) or negatively (i.e., are substitutes) related? Second, are frequent and high-quality visits with nonresident fathers positively associated with receipt of economic support (child support and in-kind)? Third, do the relationships between child support and in-kind support receipt and visitation vary by the income level of children's families?

### Estimation Methods

We address our research questions through the estimation of bivariate probit models. We consider the probability that a child's household receives child support (CS) and in-kind support (IKS) after controlling for other factors. We jointly estimate the following probit models:

$$CS_j = 1 \text{ if } CS_j^* > 0; CS_j = 0 \text{ otherwise} \quad (1)$$

$$CS_j^* = \alpha^{CS} + \beta^{CS} X_{ij} + \gamma^{CS} Y_j + \psi^{CS} Z_{ij} + \varepsilon_{ij}^{CS}$$

$$IKS_{ijk}=1 \text{ if } IKS_{ijk}^* > 0; IKS_{ijk}=0 \text{ otherwise} \quad (2)$$

$$IKS_{ijk}^* = \alpha^{IKS} + \beta^{IKS} \mathbf{X}_{ij} + \gamma^{IKS} Y_j + \psi^{IKS} \mathbf{Z}_{ijk} + \varepsilon_{ijk}^{IKS}$$

where  $i$  denotes a child;  $j$  denotes a child's household;  $k$  denotes a measure of in-kind support;  $\mathbf{X}$  is a vector reflecting the characteristics of the visits with the non-custodial parent;  $Y$  is current income;  $\mathbf{Z}$  is a vector of other covariates and  $\varepsilon$  is an error term.

Regarding our three research questions, the sign, significance, and magnitude of  $\rho$ , the measure of the correlation between  $\varepsilon^{CS}$  and  $\varepsilon^{IKS}$  estimated via the bivariate probit model (i.e., the joint estimation of equations (1) and (2)) will inform our first research question: If  $\rho$  is positive, this means that, after controlling for other factors, households receiving child support are also more likely to receive in-kind support (i.e., they are complements). If  $\rho$  is negative, child support and in-kind support are substitutes. We address our other two research questions by examining the coefficients estimated for  $\mathbf{X}$  and  $Y$ .

### **Data**

Our analyses are conducted with data from the Panel Study of Income Dynamics (PSID). The PSID, begun in 1968, is a longitudinal study of a representative sample of individuals and the family units which reside in the United States. While emphasizing the dynamic aspects of economic and demographic behavior, the content of the PSID is broad and includes a range of measures relevant to this research. From 1968 to 1996, the PSID interviewed and reinterviewed individuals from the 4,800 families in the original sample, whether or not they were living in the same dwelling or with the same people. By 1996, the sample of respondent families grew to nearly 8,500. In 1997, interviewing changed from every year to biennial data collection. In addition, to keep the study representative of the U.S. population, the core sample was reduced and a refresher sample of post-1968 immigrant families and their adult children was introduced.

A major content expansion was introduced in 1997 as well. The Child Development Supplement (CDS) focuses on the human capital development of children age 0-12 in PSID



families (PSID, 2005a). The first interviews, CDS-I, were completed with 2,394 families, providing information on 3,563 children. The second interviews, CDS-II, were completed in 2002-2003, with 2,019 CDS-I families who provided data on 2,907 children and adolescents aged 5-18 years (PSID, 2005b). The major advantage of the CDS is that it contains a rich set of questions regarding child and nonresident parent interactions and the receipt of in-kind support. Data for this project come from the CDS-II and are supplemented with data from the 2001 PSID interview wave.

Our analytic sample consists of 982 of the 2,907 children and adolescents interviewed for the CDS-II. These youths live with their mother and have a father who lives elsewhere. These 982 children and adolescents reside in 543 households.

### ***Variables***

**Dependent variables.** Cash child support receipt is measured via two questions from the 2001 PSID interview wave. Respondents are first asked whether they received any income in 2000 from child support. If they respond affirmatively, they are asked to report how much they received. It should be noted that, consistent with child support being awarded to a parent for all children covered by a child support award, child support receipt is reported in aggregate for all children in the household.

Information about the receipt of in-kind support is drawn from responses to nine questions in the CDS-II. These questions specifically ask the focal child's primary caregiver (typically the child's mother) about support provided for the child by his or her father. The child's primary caregiver is asked has the child's father spent money during the past 12 months on the following items for the child: (1) toys or presents; (2) taking child on vacation; (3) school supplies; (4) clothes or shoes; (5) camp or lessons; (6) allowance; (7) entertainment; (8) extra-curricular activities; and (9) anything else. Based on these items, we measure in-kind support in two ways. First, we first examine whether any in-kind support is received by the child versus none. Second, we examine each specific type of in-kind support separately.

**Independent variables.** **X**, **Y** and **Z** in equations (1) and (2) reflect our visitation, income and other covariates, respectively. Characteristics of the visits between the child and his or her nonresident father comprise vector **X**. We consider the *frequency* with which the father and child visit in three ways. How frequently the child saw his or her father is derived from the question: During the past 12 months, about how often did the child see (his/her) father? General contact between the father and the child is assessed via responses to the question: During the past 12 months, about how often did the child talk on the telephone with or receive a letter from (his/her) father? Valid responses to both of these questions are: (1) not at all; (2) about once a year; (3) several times a year; (4) one to three times a month; (5) about once a week; and (6) several times a week. We assess the number of days the child stayed with his or her father from: How many days did the child stay with (his/her) father during the past 12 months -- either overnight or just for the day?

We explore the *quality* of the visits through four categories of activities the child and his or her father might participate in when they are together. This information is derived from responses to questions that begin: How often does the child's father spend time with (him/her) in each of the following activities? Leisure activities include picnics, movies, sports, or visiting family and friends. We also examine religious activities. Play activities include talking, working on a project, or playing together. School and other organized activities comprise "other activities." Valid responses to each of these questions range from 1 and 6 and are identical to the responses detailed above.

An additional element of visitation that we examine is *conflict* between the child's mother and father. Conflict between the child's father and mother is assessed through a summative index across eight domains. The child's mother is asked how often she and the child's father have conflict over the following eight issues: where the child lives; how the child is raised; how the mother spends money on the child; the amount of time the father spends with the child; the father's visits with the child; the father's contribution to child support; the father's use of alcohol

or drugs; and friends the child's father spends time with. The frequency with which conflict arises over each of these issues is assessed on a 4-point scale: never (1), hardly ever (2), sometimes (3) and often (4). Therefore, our conflict index ranges in value from 8 to 32.

We measure  $Y$  as the total annual family income from all sources except child support. The covariates in  $Z$  include variables that may affect the receipt of child support and in-kind support. Economic factors included in  $Z$  are the mother's employment status, whether or not the child is covered by health insurance, the family's homeownership status, and indicators of whether or not the child's household receives benefits from the Temporary Assistance for Needy Families (TANF) or the Food Stamp Program. Demographic factors reflect characteristics of the child and the child's mother, father and household. Child characteristics include age, gender, physical health status and the last time he or she lived with his or her father. Characteristics of the child's mother include her age, current marital status, whether or not she is currently cohabitating with a male partner, her educational attainment and whether or not she has any health problems that limit her ability to work. Characteristics of the child's father are reported by the child's mother. These include an estimate of how far in miles the child lives from his or her father, his current marital status, and whether or not he has had other children since those children he had with the child's biological mother. Characteristics of the child's household include the number of children and the number of adults residing in the household, and the race of the PSID-defined household head.

### **Preliminary Results**

We first consider bivariate relationships between child support receipt, in-kind support receipt and visitation. Child support receipt is measured as whether or not the child's mother received any child support in 2000. In-kind support receipt is defined as equal to one if the child received from his or her father any of the types of in-kind supports detailed above in the 12 months before the CDS-II interview. Visitation is assessed based on the frequency with which

the father saw his child in the 12 months before the CDS-II interview with a response of “not at all” defined as zero and all other responses defined as one.

Table 1 reports the bivariate relationship between child support receipt and in-kind support receipt among children in our CDS-II based analytic sample. Over half (56.8%) of the children received some form of in-kind support, while one-third (33.1%) were in families that received child support. These bivariate relationships suggest that child support and in-kind support are complements. That is, children in families that received child support were more likely to receive in-kind support. About two-thirds of the children in families that received child support also received in-kind support (21.7% out of 33.1%). Slightly more than one-half who did not receive child support received in-kind support (35.1% out of 66.9%). Similarly, about one-fourth of the children who did not receive in-kind support resided with mother’s who received child support (11.3% out of 43.2%), while a greater fraction, about two-fifths, of the children who received in-kind support had mother’s that received child support as well (21.7% out of 56.8%).

Table 2 reports the bivariate relationship between visitation and child support receipt. About two-thirds (69.4%) of the children saw their father in the last year. Visitation and child support receipt are also positively related. Over three-fourths (25.2% out of 32.4%) of the children with mother’s receiving child support saw their father as well. The likelihood of a child seeing his or her father is less if his or her mother did not receive child support. Slightly less than two-thirds (44.2% out of 67.7%) of the children with mother’s who did not receive child support were visited.

Table 3 reports the bivariate relationship between visitation and in-kind support receipt. Slightly over one-half (56.4%) received some form of in-kind support. The positive relationship between visitation and in-kind support receipt appears to be stronger than the positive relationship between visitation and child support receipt discussed above. Nearly all (53.2% out of 56.4%) of the children receiving in-kind support saw their father as well. The likelihood of a child seeing his or her father is much less if he or she did not receive some form of in-kind

support. About one-third (14.8% out of 43.6%) of the children who did not receive in-kind support were visited. Over three-fourths of those who were visited received in-kind support (53.2% out of 68.1%).

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Table 1. Child Support and In-kind Support from Child's Nonresident Father (weighted percentages)

Received child support	Received in-kind support		
	No	Yes	Total
No	31.9	35.1	66.9
Yes	11.3	21.7	33.1
Total	43.2	56.8	100.0
Chi-square = 15.3056; p = 0.0093			

Table 2. Visitation and Child Support from Child's Nonresident Father (weighted percentages)

Was visited	Received child support		
	No	Yes	Total
No	23.5	7.1	30.6
Yes	44.2	25.2	69.4
Total	67.7	32.4	100.0
Chi-square = 16.2061; p = 0.0096			

Table 3. Visitation and In-kind Support from Child's Nonresident Father (weighted percentages)

Was visited	Received in-kind support		
	No	Yes	Total
No	28.8	3.1	31.9
Yes	14.8	53.2	68.1
Total	43.6	56.4	100.0
Chi-square = 394.3194; p = 0.0000			