



Commonwealth Cares for Children (C3) Stabilization Grant Program:

CRITICAL FOR SUSTAINING THE CAPACITY OF MASSACHUSETTS' EARLY EDUCATION AND CARE SECTOR

Since July 2021, Massachusetts' Commonwealth Cares for Children (“C3”) Stabilization Grant program has supported thousands of early education and care programs across the Commonwealth with crucial direct-to-provider grants. These grants have been highly effective: they have stabilized the state's early education and care sector, enabled investments in quality and educator pay, and prevented program closures.

ENSURING THAT THE C3 STABILIZATION GRANT PROGRAM IS SUSTAINED AND FUNDED IS CRUCIAL TO THE FUTURE OF THE EARLY EDUCATION AND CARE SECTOR IN MASSACHUSETTS.

In 2022, Commonwealth Cares for Children (C3) Stabilization Grant Program grantees were required by the Massachusetts Department of Early Education and Care (EEC) to complete a survey focused on how grant funds were being used by recipients. The responses from nearly 5,700 providers demonstrated the following:

Grants were used to support workforce expenses and operations costs.

- Providers spent more than 65% of grant funds on existing payroll and benefits, COVID-related debt, and other operational expenses, such as rent, mortgage payments, utilities, insurance, and facilities.
- Group and School Age (GSA) providers spent, on average, about half of grant funds on existing payroll and benefits, while Family Child Care (FCC) programs spent, on average, about half of their grant funds on rent, mortgage, utilities, facilities maintenance, and personal protective equipment.
- Providers invested more than 20% of grant funds on salary and benefits increases, educator bonuses, professional development, mental health supports, and new supplies.

Grants were used to raise salaries over the past year, in order to retain the workforce; however, staffing remains a serious challenge.

- About 85% of GSA providers and 40% of FCCs raised salaries since July of 2021.
- Twenty-three percent of GSA providers reported that unfilled staff openings have prevented them from being able to enroll to their full licensed capacity.

Grants supported a majority of providers who serve vulnerable children.

- Sixty-five percent of all grant recipients accepted families with subsidies.

Commonwealth Cares for Children (C3) Stabilization Grants Are Critical for Sustaining the Early Education & Care Sector

The Commonwealth Cares for Children (C3) Stabilization Grant Program:

- Was first introduced by the Massachusetts Department of Early Education and Care (EEC) in July 2021.
- Is currently funded through federal American Rescue Plan Act (ARPA) dollars.
- Is currently available to all licensed center-based, Family Child Care (FCC), and after-school/out-of-school-time providers in Massachusetts. (Herein, center-based and after-school providers are collectively referred to as “Group and School Age providers.”)
- Provides direct-to-program funding that may be used to cover operational costs, including labor expenses.
- Utilizes a funding formula that is tied to a program’s enrollment capacity and calculates funding levels based on (1) licensed capacity, (2) quality, and (3) equity.
- Prioritizes programs serving state-subsidized children and high SVI(1) communities by allocating additional funds to these programs, through the Stabilization Grant Program’s funding formula.

Commonwealth Cares for Children (C3) Stabilization Grants are critical for preventing child care program closures:

- Without continuation of C3 Stabilization Grant funding, more than 80% of GSA providers and 42% of FCCs reported that they would have to reduce compensation and/or defer salary increases.
- Sixty-three percent of GSA providers and 52% of FCC providers reported that they would have to raise tuition, if grant funding is not renewed.
- Data suggests that, should the C3 Stabilization Grant program not be renewed, programs serving high SVI communities will be particularly at risk. Thirty-two percent of providers that do not take subsidies are in socially vulnerable communities.(2)

END NOTES

(1) Social vulnerability, [according to the Centers for Disease Control and Prevention \(CDC\)](#), refers to “the ability to survive and thrive when confronted by external stresses on human health.” Such stresses include poverty and other adverse conditions. The degree of social vulnerability children experience is based on a model constructed by the CDC called the Social Vulnerability Index (SVI).

(2) Data received directly from the Department of Early Education and Care via email request.



FOR MORE INFORMATION CONTACT:

AMARIS KINNE, SENIOR POLICY ANALYST
akinne@neighborhoodvillages.org
www.neighborhoodvillages.org