



# COMMONWEALTH CARES FOR CHILDREN (C3) OPERATIONS GRANTS: CRITICAL TO SUSTAINING AND GROWING THE CAPACITY OF MASSACHUSETTS' EARLY EDUCATION AND CARE SECTOR

Over the last year and a half, Massachusetts has supported more than 7,100 early education and care programs across the Commonwealth – including 4,500 family child care (FCC) providers and 2,600 center-based providers – with crucial direct-to-provider funding in the form of operations grants. These funds, distributed by the Massachusetts Department of Early Education and Care (EEC) as [Commonwealth Cares for Children \(“C3”\) grants](#), have been highly effective: [data from more than 6,000 grant recipients](#) demonstrate the foundational role that operations grants have played - and will continue to play - in sustaining the Massachusetts early education and care sector. Notably, the data also make clear that ending operations grant would likely lead to regression with respect to teacher compensation and programs' ability to enroll children.

Operations grants have helped address major fault lines in a sector that remains highly volatile; **sustaining and robustly funding operations grants is necessary to protect against regressing backward and to improve access, increase teacher compensation, and grow system capacity.**

Massachusetts' Commonwealth Cares for Children (C3) Stabilization Grant Program  
Demonstrates that Operations Grants are the Future of Child Care Financing

## Impact of the C3 Grant Program on Sector Stabilization

- **Operations grants helped prevent program closures, but the field remains unstable, especially in lower-income communities.**
  - 751 providers (> 12% of all Massachusetts providers), inclusive of 556 Family Child Care providers, reported that they would have to close if operations grants ceased.
  - 38% of providers who report they would have to close if operations funding ended are in communities with the highest SVI.
- **Operations grants have helped to promote equity in access and quality of care.**
  - Providers serving children receiving child care subsidies have received 64% of all C3 grant funds distributed by EEC.
- **Operations grants have been critical for increasing educator compensation.**
  - 83% of center-based providers and 41% of FCC providers allocated grant funds to worker compensation.
  - 81% of center-based providers and 52% of FCCs report that, if grant funds are continued at comparable rates, they would increase educator salaries.
  - Average pay for early education and care educators has increased by nearly \$2/hour since the C3 program began.

- **Operations grants have helped prevent escalating tuition prices shouldered by families.**
  - More than 25% of all providers were able to defer planned tuition increases.
  - 1 in 8 providers report that, if the operations grant program is continued at comparable funding levels, they would consider reducing tuition.

### **Direct-to-Provider Operations Grants Are Critical to Sector Sustainability and Growth**

Survey response data from the C3 grant program show that continuing and adequately funding operations grants is essential to sustain progress in the sector. Advancement toward goals concerning family access and affordability and increased teacher compensation are closely tied to the continuation of this program. **If operations grants were to cease,**

- 751 providers (> 12% of all Massachusetts providers), inclusive of 556 Family Child Care providers, reported that they would have to close.
- More than 65% of all programs would have to reduce compensation or defer planned increases.
- 61% of providers would have to increase tuition rates for families, who already pay an average of over 20% of their annual income in care for one child.

**The success of the C3 grant program shows that direct-to-program operations funding is how Massachusetts' can expand access for families, particularly for lower-income communities; enhance parent affordability; and increase workforce compensation.**