State Guidebook for Measuring Progress Toward Equitably Supporting Child Care Stabilization

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Introduction

The COVID-19 pandemic caused major hardships for child care providers and families with young children, leading an already fragile early care and education (ECE) system to the brink of collapse. Approximately two thirds of child care providers were closed in April 2020, and one third remained closed as of April 2021[i] due to financial instability from temporary closures and/or lower enrollment.[ii] This meant that the underpaid child care workforce—which disproportionately includes Black and Hispanic women, and other[1] women of color and immigrant women[iii]—was one of the hardest-hit industries during the pandemic. As of June 2022, child care employment nationwide remains down nearly 10 percent compared with February 2020.[iv]

Families with young children faced economic hardship and additional barriers to working due to decreased access to child care during the pandemic. In particular, Black and Latino families disproportionately faced economic hardships,[v] and Black parents were more likely to report that they were unable to look for work because they couldn't find child care.[vi] Families with low incomes, families living in rural areas, families with infants and toddlers, and families with a child with disabilities—who often lacked access to child care even before the pandemic—faced additional barriers during the pandemic.[vii] The disproportionality of access to child care, exacerbated during the pandemic, means that not all communities were affected to the same degree. This requires states, territories, and Tribal leaders[2] to think strategically about how to allocate emergency recovery funding to benefit the families and providers who need the most support.

Since March 2020, Congress has allocated over $52 billion to states to help stabilize child care and support families with young children through the Coronavirus Aid, Relief, and Economic Security (CARES) Act; the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act; and the American Rescue Plan Act (ARPA). The COVID-19 relief funding for child care from ARPA included approximately $24 billion for stabilization grants to help ECE programs remain open or reopen and $15 billion for supplemental funding for Child Care Development Block Grant (CCDBG) activities; these are not restricted to the COVID-19 response and can be used to support a variety of activities, such as expanding access to child care assistance, expanding outreach on the availability of child care assistance, providing mental health supports for child care providers and children in their care, and supporting vaccinations.[viii, ix] federal relief funds for child care was to financially support ECE programs to avoid additional closures and to ensure that more families didn't have to reduce their work hours or leave their jobs due to lack of child care.

[1] The 2018 Workforce Index does not define which races/ethnicities the category of "other" includes.
[2] Throughout this brief, we use the term states for simplicity with the intention of being inclusive of territories and Tribes. The authors recognize that, in some instances, some language and examples may not apply to Tribes or territories—for example, references to state legislatures or specific sub-populations of families or providers that may not always be relevant to Tribes or territories.

States have had to distribute their child care relief funds relatively quickly.[3,x] While, broadly, the distribution of stabilization funds is well underway, states are at various stages of distribution.[xi, xii] Additionally, several states have yet to announce their plans for the Child Care and Development Fund (CCDF)discretionary funding.[xiii] As states continue to distribute their child care relief funds, they are seeking to articulate their goals, understand whether these funds have equitably supported child care providers and families, and plan for addressing remaining gaps and challenges.

This guide offers an approach that state early childhood system leaders can use to:

- Define their child care stabilization goals (i.e., goals for stabilizing child care through the use of all federal COVID relief funds for child care) based on the unique context in their state.
- Measure their progress toward meeting those goals, as well as their long-term efforts to increase equitable access to ECE.

More specifically, the guide offers a process for embedding equity and centering the perspectives of families and providers in making decisions about child care stabilization funding. State ECE leaders can use this guide to communicate to their state legislatures and the public about their progress toward child care stabilization, and to articulate what is still needed to strengthen their ECE systems.

This guide first provides foundational definitions for *equity*, ECE *access*, and *stabilization* to establish a common understanding of these key concepts. These terms are also used to articulate goals and strategies for measuring the allocation of COVID-19 relief funds for child care and measuring progress toward child care stabilization, using research-based principles of equity and access. Next, it lays out four steps for state ECE leaders:

- Step 1: **Describe the state context for recovery funds**. This section provides several questions for states to consider prior to establishing goals for their child care recovery funds and/or measuring their progress. The questions can guide states in considering how contextual pieces of information—such as timelines of COVID-19-related policy and practice, state governance structures, and other ECE initiatives—might influence stabilization goals and measurement.

- Step 2: **Conceptualize the intended stabilization goals for COVID-19 child care recovery funding**. This section offers several questions to help states determine their goals for stabilizing their child care system, within the context of the funding requirements. We also suggest several potential goals for providers and families and demonstrate how the goals align with a multi-dimensional definition of ECE access.

- Step 3: **Document policy changes and determine key policy questions**. This section demonstrates how states can align policy decisions and policy questions to be explored with each of the suggested stabilization goals.

- Step 4: **Identify indicators and data sources to measure progress**. This section provides guidance on measuring progress toward stabilization goals by identifying measurable indicators and data sources needed.

The four-step process outlined here will provide states with a better understanding of how stabilization funds have impacted families and ECE providers, and offer lessons on what further supports might be needed to expand equitable access to ECE.

[3] All stabilization funds must be obligated by September 30, 2022 and liquidated by September 30, 2023. CCDF discretionary funds must be obligated by September 30, 2023 and liquidated by September 30, 2024.

Definitions for Equity, ECE Access, and Stabilization

Prior to providing guidance on setting goals for child care stabilization and measuring progress toward stabilization, we offer several definitions that lay the foundation for this process, including for **equity**, ECE **access**, and **stabilization**. These terms are explained in detail, and then applied throughout the guide to shape our suggested goals for the allocation of COVID-19 relief funds and measurement strategies for measuring progress toward child care stabilization.

Equity

Equity is both an outcome and a process.[xiv] As an outcome, equity is achieved when a person's identities (e.g., their race, ethnicity, gender, class) do not predict the outcomes they experience. As a process, equity means that those who have historically been negatively impacted by structural inequities—due to the identities they hold—are meaningfully engaged in decisions that impact their lives. Below are examples of how equity can be applied to the allocation of funds, the establishment of stabilization goals, and the measurement of progress toward goals.

Using an equity lens to allocate funds. Equitable allocation of child care funding involves intentionally seeking to provide access to resources and opportunity to families and ECE providers who have faced systemic inequities—rooted in underlying classism, racism, and sexism—in the child care system. This process includes seeking to understand inequities, setting goals and policies that aim to support families and providers who have faced systemic inequities, and—when measuring progress—examining *which* families and providers (e.g., by specific income levels, races/ethnicities, geographies, and languages spoken) the policies supported.

Using an equity lens to establish stabilization goals. Prior to establishing goals for stabilization, states should collect and analyze data to explore what disparities exist in access to ECE. They should also aim to identify the causes of inequities in ECE access—including the historical roots of racism, discrimination, and bias—to better inform goals and strategies to address these inequities. One way to inform states' understanding of why barriers exist is to seek input about the needs, preferences, and experiences of families across various geographic areas, racial/ethnic groups, languages or language groups, and income levels. For instance, some states have held town halls or focus groups with ECE providers and families to get feedback on families' and providers' needs during the pandemic, and on how they'd like relief funds to be spent.[xv]

Using an equity lens to measure progress. In addition to using an equity lens to establish child care stabilization goals, states should use an equity lens to measure whether funds were allocated equitably—that is, they should examine, by family and provider characteristic, which families and providers the policies supported. Table 1 identifies the family and provider characteristics that states should consider when creating goals and measuring progress. We've used asterisks to note which provider characteristics are required for federal reporting of the stabilization grants.

Table 1. Provider and family characteristics to consider when examining outcomes

Provider characteristics	Family characteristics
• Care type (i.e., center-based care; family child care; and family, friend, neighbor care, if applicable)* • Provider capacity* • Geographic location* • Subsidy receipt* • Child Care and Adult Food Program (CACFP) participation • Race/ethnicity* • Serving infants/toddlers • Providing non-standard hours of care • Languages spoken • Gender • Income level of children served • Quality Rating and Improvement System (QRIS) rating	• Income level • Race/ethnicity • Geographic location (census tract, urban/rural) • Languages spoken • Single-parent household

In Step 4 of the guide, we highlight when indicators should be examined by provider or family characteristics to better understand if there were any differences across providers' or families' outcomes.

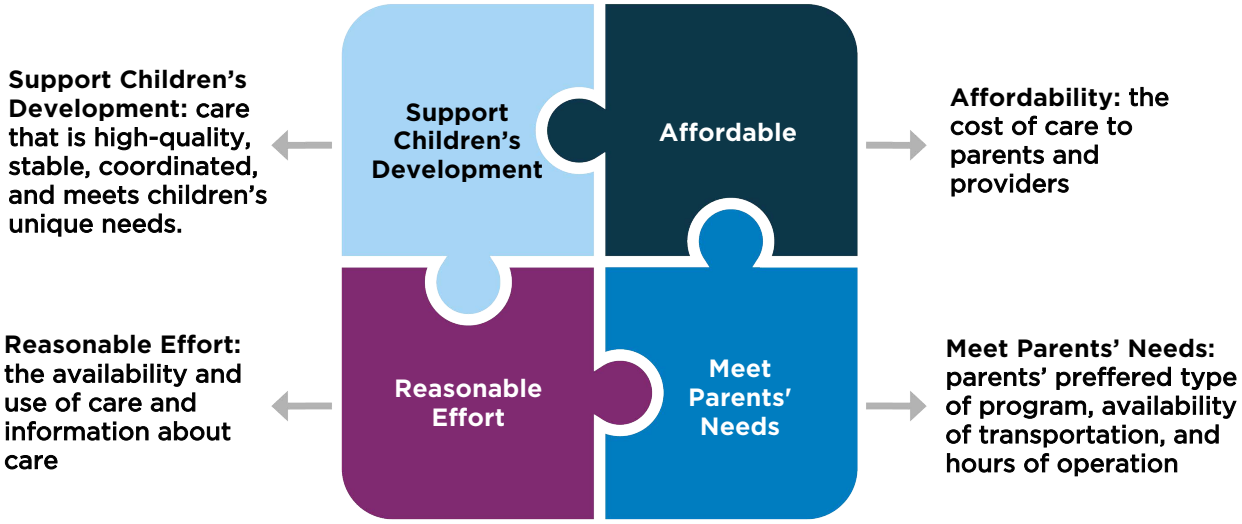
Access

A clear intent for the COVID-19 child care relief funds is to support ECE access through funding for ECE programs to remain open or reopen, to help ECE providers remain in the workforce, and to help families with the greatest financial need afford care. Improving ECE access should be both a goal for stabilization as well as a long-term priority. However, states should carefully consider how they define and measure access.

Historically, access to ECE has been measured by single dimensions of supply and demand in a given location—for example, by the capacity of providers, the cost of care, the number of families who use ECE, or the number of ECE slots relative to the number of young children. These calculations of access, however, do not acknowledge the full range of what families search for, prefer, and need in an ECE arrangement. To address gaps and inconsistencies in measuring access, the Access Framework conceptualizes a family-centered definition of access, below, with four interrelated dimensions of access (see Figure 1):

All families, with reasonable effort, can find and use affordable care that meets the family's needs and supports their children's development.

Figure 1. Access Framework



Equitable access. While equitable access is not explicitly addressed in the access definition, understanding *which* families have access to ECE and why certain barriers exist is a critical element to the Access Framework. Examining equitable access to ECE requires asking, "*For which families (e.g., families by specific income levels, races/ethnicities, geographies, and languages spoken) does the policy support access by reducing costs, reducing the level of effort needed to find care, increasing access to higher-quality care, and/or increasing access to care that meets their preferences or needs?*"[xvi]

As states work toward a stable ECE system, the Access Framework can serve as a tool to help states:

- **Develop goals that promote equitable access.** States can use the access definition to shape their short-term priorities for allocating COVID-19 recovery funding, as well as their long-term priorities for supporting equitable access. For example, states can address the reasonable effort dimension by increasing reimbursement rates to incentivize additional providers to accept a child care subsidy, thereby providing more options to families receiving a child care subsidy; or they can address affordability for families by using funds to reduce or eliminate families' copayments. See step 2 in the guide below, which offers potential stabilization goals and demonstrates how goals align with the access dimensions—for providers and for families.
- **Develop measures to assess equitable access.** States can apply the four dimensions of access to assess strengths or gaps in policies that support equitable access to ECE. For instance, in relation to stabilization funds, states could measure how increases to reimbursement rates promote equitable access by examining all four dimensions: affordability (How did the policy reduce costs for providers?), reasonable effort (How did the policy increase the number of providers receiving subsidies?), supports child development (How did the policy increase the number of providers who receive a subsidy and participate in the state's QRIS program?), and meets parents' needs (How did the policy affect the number of providers participating in the subsidy system who serve infants and toddlers or who offer nontraditional hours of care?).

Table 2. Considerations for determining whether funding decisions will improve equitable access to ECE

Access dimension	Examples of guiding child care policy questions
Affordable	To what extent have the recovery funds: • Decreased costs for parents, especially those who face greater barriers to care (such as families with low incomes, families who have a child with disabilities, or families who live in rural areas)? • Decreased costs for providers and for the types of child care programs who have faced greater inequities (e.g., home-based providers)?
Reasonable Effort	To what extent have the recovery funds: • Increased the supply of child care options for families? Did they increase the supply of child care options in areas with less supply (e.g., high-poverty areas or rural areas)? • Increased child care options for types of care that are harder to find or in short supply (e.g., infant and toddler care, care offered during nontraditional hours, or care for children with disabilities)? • Increased information for parents about available ECE options, while also considering the need to translate the information into the languages families speak or the best means to share this information (e.g., online, by phone, etc.)?
Supports Child Development	To what extent have the recovery funds: • Supported the mental health of children and families, programs serving historically marginalized communities, and programs that have historically had less access to systemic resources, including family child care and other home-based providers?[xvii] • Increased provider participation in quality improvement efforts (e.g., QRIS); increased the supply of high-quality (i.e., quality-rated) care, particularly in areas with less supply of high-quality care (e.g., high-poverty areas or rural areas); or increased the supply of high-quality care for certain age groups of children with limited access to care, such as infants and toddlers?
Meets Parents' Needs	To what extent have the recovery funds: • Increased the availability of care for certain age groups of children, particularly in areas with less supply of care for infants and toddlers (e.g., high-poverty areas or rural areas)? • Increased the availability of care offered during weekends, evenings, and overnight? • Been informed by families' input on their needs and preferences? If not, are there still opportunities for the state to engage families—particularly those who face considerable barriers to accessing care—to ask about their preferences for the type of care (e.g., center-based or home-based) they would like for their child(ren)?

Note. Adapted from Banghart, P., Guerra, G. & Daily, S. (2021). *Strategies to Guide the Equitable Allocation of COVID-19 Relief Funding for Early Care and Education. (2021). Bethesda, MD: Child Trends. Available at: https://www.childtrends.org/publications/strategies-to-guide-the-equitable-allocation-of-covid-19-relief-funding-for-early-care-and-education*

Stabilization

Throughout the guide, we define stabilization as *the process of reaching a level of child care supply (and demand) that does not go below pre-pandemic levels.* We suggest using prior to the pandemic as a comparison point when measuring progress toward stabilization because COVID child care relief funding was only intended to keep the child care industry from collapsing. Available funding is not sufficient for making substantial improvements to child care. However, we recognize that, prior to the pandemic, there were significant inequities and challenges within the child care industry that states are aiming to correct and improve in their ECE systems. For example, prior to the pandemic, a state may have been aware of the lack of affordable infant and toddler care; as a result, this state may now offer an infant/toddler add-on as part of its stabilization grant formula.

Guidance for Measuring Equitable Allocation and Progress Toward Child Care Stabilization

In this section, we offer a step-by-step guide for measuring the allocation and use of COVID-19 funds. Before identifying ways to assess equitable allocation and funding outcomes, it is essential for states to provide context about their state policies, initiatives, and processes; these may have impacted how funds were distributed, to whom, and how much. For example, if a state did not require child care programs to close at any time during the pandemic, then the timeline and goals for using COVID-19 funds may differ from those in a state that needs to support families and providers who had to shut down for months.

Figure 2 outlines four steps state leaders can take to articulate their goals for the COVID-19 relief funds, related policy actions, and associated policy questions framed within a state-specific context. The policy questions will help states identify which indicators are needed to measure changes and which data sources or methods are best for assessing specific outcomes.

Figure 2. Steps for assessing equitable allocation of COVID-19 funding and measuring progress towared child care stabilization

Step 1. Describe the state context for recovery funds.

When seeking to understand the impacts of relief funding, first describe the state context that influenced the decision-making process for how the relief funds will be spent or were spent. States should consider the following example questions and/or activities:

- **Timeline: Create a timeline of COVID-19-related policy and practice developments and relevant grant distribution**. This timeline will serve as a foundation for understanding the role and impact of distinct stabilization efforts over time. Consider including the following contextual pieces of information:
    - Key dates and actions taken for child care programs and families with young children, such as stay-at-home orders or new health and safety requirements for programs
    - The date on which child care programs/providers became eligible for recovery funds
    - Distribution of federal, state, and/or local funds to child care programs (i.e., documenting the amounts of distributed funds and dates of distribution)
    - Changes to child care policies following rounds of recovery funding from CARES, CCSRA, and ARPA (e.g., changes to child care subsidy eligibility levels, family copayments, provider reimbursement rates)
- Governance: Explore how the state's governance structure might influence the distribution of funds. Consider the following factors:
    - In what department is the Child Care and Development Fund (CCDF) lead agency located? Is it co-located with other early childhood or social service programs?
    - What is the budget approval process? Who has the authority to spend the COVID relief federal funds? Is legislative approval needed to distribute discretionary funding and/or the stabilization grants? How does that impact funding amounts or timing of distribution?
    - Did a community intermediary organization, such as a child care resource and referral organization, help conduct outreach and offer technical assistance to providers to apply for the stabilization grants?
    - What community engagement strategies were used to determine how the funds were used? Who weighed in and who didn't (i.e., did families, providers, advocates, other stakeholders provide input?)? Did they provide input once or was it ongoing?
- Other ECE initiatives: Acknowledge other state or local ECE initiatives that might influence the goals for distributing relief funds. For instance, a state might decide to offer additional incentives for providers caring for infants and toddlers if they're currently expanding public preschool programs through state funding. States should consider the following programs:
    - Subsidy program policies (prior to recovery funding)
    - State public pre-kindergarten or Head Start
    - Cross-agency efforts, (e.g., Preschool Development Grants)
    - Workforce development initiatives
    - Quality Rating and Improvement Systems (QRIS)
    - Other quality improvement initiatives

Step 2. Conceptualize the intended stabilization goals for COVID-19 child care recovery funding.

The next step for measuring states' progress toward stabilization is to define goals for the use of COVID-19 relief funding. Some states may have set very intentional goals during their decision-making process for how relief funds were allocated, while other states may not have had the opportunity to define specific goals. Regardless of whether states set intentional goals, or of their current stage in distributing relief funding, states can use the goals in this guide as benchmarks for measuring progress. Tables 3 and 4 provide examples of stabilization goals for providers and families and describes how these goals align with the dimensions of access described in Figure 1.

When setting goals for the use of relief funds, states should acknowledge that the COVID-19 child care stabilization funds are one-time emergency funds meant to support the immediate stabilization of the child care industry for the benefit of families with young children. These funds are not sufficient (or intended) to improve or sustain child care quality or ongoing child care support for families. Therefore, when setting goals, states must remember to focus on stabilizing the child care industry *as a first step* to growing and sustaining their ECE system, rather than expecting significant shifts that may take more time and resources. At the same time, the questions below can help states think broadly about goals for their child care system in the long run.

To measure how relief funds have supported ECE providers and families, it's important for states to define the following:

1. ***What were the priorities for your state, whether in statute or in practice, in distributing funds to support providers? Which providers did you support, and why?***
    a. Did you prioritize keeping child care facilities open?
    b. Did you focus on supporting the ECE workforce (e.g., increase compensation for providers to incentivize them to remain in the field and offer funding for program costs)?
    c. Which providers did you prioritize to receive funding (e.g., providers in a specific region/community, provider type, race/ethnicity, children/families served)?
    d. Are there any strategies being implemented to allocate funding for providers based on particular characteristics or populations served (e.g., using the Social Vulnerability Index, regional adjustments, or community engagement to inform funding distribution)?

2. ***What were your state's priorities in supporting access to ECE? Which families did you prioritize, and why?***
    a. Did you prioritize decreasing the cost of care for families?
    b. Did you expand access to subsidized care?
    c. Which families are a priority to receive funding (e.g., essential workers, families in a specific region/community, families of a specific race/ethnicity, families with infants/toddlers, families with children with disabilities, families with low incomes)?
    d. Are there any strategies being implemented to allocate funding for families in a way that promotes equity (e.g., seeking family input to inform funding distribution)?

Building on the questions above, Tables 3 and 4 offer several examples of stabilization goals for providers and families. The tables also show how stabilization goals can promote multiple dimensions of access so that

states can think about how their goals support equitable ECE access for families. For instance, in Table 3, the goal "Stabilization grants are sufficient for programs to support staff wages, prevent layoffs, and maintain adequate staffing" supports reasonable effort, since supporting staff wages can influence the supply of care available for families. This goal also supports affordability, since supporting staff wages reduces costs for child care programs. States should aim to select policies that promote all four dimensions of access.

Table 3. Example provider stabilization goals and access dimensions

	Access Dimension			
Stabilization goals for providers	**Reasonable effort**	**Affordability**	**Supports children's development**	**Meets parents' needs**
1. Stabilization grants are allocated equitably or to programs within communities with the greatest need.	X	X	X	X
2. Stabilization grants are sufficient for providers to remain open, particularly providers that meet parents' needs (e.g., across types of care, within families' communities, and during hours they need care).	X	X		X
3. Stabilization grants are sufficient for programs to support staff wages, prevent layoffs, and maintain adequate staffing.	X	X		
4. Costs for ECE providers/programs are reduced.	X	X		
5. ECE providers have access to mental health consultation services.			X	

Table 4. Example family stabilization goals and access dimensions supported

	Access Dimension			
Stabilization goals for families	**Reasonable effort**	**Affordability**	**Supports child development**	**Meets parents' needs**
1. Families that need care can find a stable ECE arrangement that meets their needs.	X	X	X	X
2. Additional families receive subsidized child care compared to before the pandemic.	X	X	X	X

	Access Dimension			
Stabilization goals for families	**Reasonable effort**	**Affordability**	**Supports child development**	**Meets parents' needs**
3. Costs of care for families decreased.	X	X		
4. Families receiving subsidies can maintain their child care subsidy during and after shutdowns/closures.	X	X	X	X
5. Children and families have access to mental health consultation services.			X	X

Step 3: Document policy actions and determine key policy questions

After states articulate their stabilization goals, they need to determine which policy actions will support these goals and/or document which policy actions have been implemented to support them. For example, they should determine whether family income eligibility requirements were expanded to serve additional families during the pandemic, or whether certain providers were prioritized for recovery funds (e.g., providers serving infants and toddlers). These policy actions then inform the development of policy questions about the intended changes or outcomes that align to the state's goals.

Table 5 provides an example of connecting a stabilization goal to particular policy actions and the related policy questions that could be examined to measure progress on the goal. In this example, a state could fulfill its goal of reducing costs for ECE providers through a combination of stabilization grants, increased subsidy reimbursement rates, and subsidy payments based on enrollment rather than attendance. The policy questions would then help states examine how many providers—and which providers—used their stabilization grant to reduce program costs—such as rent/mortgage payments, utilities, personal protective equipment (PPE), etc.[4]—as well as how subsidy reimbursement rates and payments based on enrollment may have helped providers offset costs.

[4] While staff compensation is a significant program cost, we include policy actions and policy questions related specifically to staff wages under a separate goal focused on staff compensation and retention (see Table 7).

Table 5. Example of a stabilization goal and related policy actions and questions

Provider stabilization goal: Costs for ECE providers are reduced	
Policy action(s)	**Policy question(s)**
Stabilization grants	How many ECE providers used stabilization grants to reduce program costs—rent/mortgage/utilities, personal protective equipment, or purchases of or updates to equipment?
Reimbursement rate increases Payments based on enrollment rather than attendance	How did reimbursement rate increases and/or payments based on enrollment help offset costs for providers/programs?

Step 4. Identify indicators and data sources to measure progress

After identifying stabilization goals, policy actions, and policy-related questions, states must take steps to measure their progress toward their goals. They should first identify existing sources of information or administrative data that describe the providers and families supported through the funds (see Box 1 for potential data sources). It's also important to identify potential opportunities to conduct surveys with families and providers and/or to extend existing opportunities to gather additional information about them.

In this section, we illustrate examples of measuring the provider and family goals suggested in step 2. We also discuss data sources that states can use to measure progress, and Tables 6-15 identify related policies, policy questions, indicators, and data sources for each stabilization goal suggested in step 2. Each example policy question and suggested indicator in the tables was shaped to address dimensions of the Access Framework and to understand the equity of the allocation processes and progress made.

Box 1. Potential data sources for measuring progress

- Subsidy data
- Licensing data
- QRIS data
- Stabilization grant reporting data
- Child Care Resource and Referral (CCR&R) data
- Workforce registries
- Consumer education website analytics
- American Community Survey (ACS)
- Household Pulse Survey data

Data sources for tracking progress toward stabilization

States will need to use a number of administrative data sources to answer various policy questions related to their child care stabilization goals (see Box 1). For instance, states will need to draw on their subsidy administrative data to examine how subsidy policy changes have impacted participation in the subsidy program, or link their licensing data to stabilization grant reporting data, to understand the number of programs that received a stabilization grant and remain open. States have varying levels of capacity to

collect information and analyze administrative data.[5] This guide, however, identifies the types of data needed to measure progress toward stabilization goals.

While states may vary in the types of information they collect for some administrative data sources, they generally already collect much of the information they need to track progress—and they are required to collect the following information from providers receiving a stabilization grant as part of their federal reporting:

- **Provider characteristics receiving stabilization grants**, including provider type, county Federal Information Processing Series (FIPS) code, Zip code, gender, Hispanic or Latino ethnicity, race, provider capacity, whether the provider served children who received subsidy at time of application, and whether the provider temporarily closed at time of application
- **Stabilization grant award characteristics based on the provider's application**, including the award amount and award date for each provider receiving a stabilization grant award
- **Uses of the stabilization grant**, including use of at least one of the following: personnel costs, rent/mortgage/utilities, PPE, purchases of or updates to equipment and supplies, goods and services, and mental health supports

Additionally, some information to examine progress toward stabilization will not be captured in states' administrative data or may need to be supplemented with survey and/or interview/focus group data for a deeper understanding (e.g., providers' staffing challenges, child/family receipt of mental health consultation services). We note throughout Tables 6-15 where survey and interview/focus group data would be helpful or needed.

Indicators and data sources for measuring progress

Below, we provide tables that identify indicators and data sources that align with each of the provider and family stabilization goals suggested in step 2, as well as the related policies and policy questions identified in step 3. Throughout the table, we've used asterisks (*) to note which indicators are part of the federal reporting requirements for stabilization grants.

[5] For additional resources on using ECE administrative data to answer policy-relevant questions, see Lin, V., Shaw, S.H., & Maxwell, K. (2019). *Administrative Data Sources to Address Early Care and Education Policy-relevant Questions* and *Using Linked Data to Improve Early Care and Education Programs.* OPRE Research Brief #2019-81. Washington, DC: Office of Planning, Research, and Evaluation, Administration for Children and Families, U.S. Department of Health and Human Services https://www.acf.hhs.gov/sites/default/files/documents/opre/ccadac_admin_data_sources_ece_aug_2019.pdf

Tables 6-10. ECE provider stabilization goals, policies, policy questions, indicators, and data sources

Table 6. Provider goal #1: Stabilization grants are allocated equitably or to programs within communities with the greatest need.

Related policies	Policy questions	Indicators	Data source(s)
Stabilization grants	How many eligible providers received a stabilization grant compared to those who didn't?	Number of licensed ECE providers/programs compared to number of providers/programs that received a grant	Licensing data, stabilization grant reporting data
	What were the characteristics of those eligible providers who received a grant compared to those who didn't?	Characteristics* of those who received a grant compared to those who didn't	Licensing data and stabilization grant reporting data
	What was the financial amount of the grants by provider characteristics?*	Number of dollars by grant and by provider characteristics*	Stabilization grant reporting data
	In what ways do providers have equitable access to information about the grant process and support in applying for grants?	Languages of information disseminated compared to languages spoken by eligible applicants Types of technical assistance offered Formats for the application (paper, online, mobile app, etc.) Number and characteristics of providers that received TA, attended a webinar, received support with their application	Surveys and/or interviews with those offering technical assistance

Note. Examining family and provider characteristics (as referenced in Table 1) can help states better understand patterns to assess the equity of accessing COVID recovery funds or participation in child care programs

Box 2. Example of using indicators and data sources to answer related policy questions

In Table 6 above, the provider goal ***"Stabilization grants are allocated equitably to programs within communities with the greatest need"*** has four potential policy questions. We illustrate how a state would answer the first two questions for this goal.

Policy questions: How many eligible providers received a stabilization grant compared to those who didn't? Which eligible providers received a grant compared to those who didn't?

Indicators and data sources: To answer these questions, states must first compare the number of providers who were eligible to receive a grant with the number who received a grant. Those who were eligible to apply for a grant will vary by state, and could include licensed child care centers, family child care homes, and providers who are eligible to receive CCDF (including license-exempt family, friend, and neighbor caregivers). In our example, we assumed that licensed centers and family child care homes were eligible.

The number of all licensed providers, based on licensing data, can be compared to the number of providers that received a grant, based on stabilization grant reporting or applications. To compare the characteristics of providers who received a grant with the characteristics of eligible providers who didn't receive one, states will need data on the characteristics of those who received a grant. This information can be drawn from stabilization reporting and/or from licensing data, if licensing data can be linked to the stabilization reporting. To look at the characteristics of licensed providers who did not receive a grant, states must try to link stabilization reporting data with licensing data to identify the providers who did and didn't receive a grant, and then look at the characteristics of providers who did not receive a grant. However, some provider characteristic information such as race/ethnicity may not be captured in licensing data.

Table 7. Provider goal #2: Funding is sufficient for providers to remain open, particularly providers that meet parents' needs (e.g., across types of care, within families' communities, and during hours they need care).

Related policies	Policy questions	Indicators	Data source(s)
Stabilization grants Continued subsidy payments to providers during closures Subsidy payments	How many providers/programs remained open after receiving stabilization grants for at least 3 months following the last round of stabilization grants?	Number of open programs now (or at least 3 months following receipt of the grant) compared to number of open programs before the pandemic Number of open ECE programs/providers that received a grant, by provider characteristics*	Licensing data Stabilization grant reporting data Subsidy administrative data
	Were the grants sufficient or did the amount of the grant impact the likelihood that a program remained open?	Amount of grant and whether a program is open or closed	Stabilization grant reporting data Provider survey

Related policies	Policy questions	Indicators	Data source(s)
based on enrollment, not attendance	Did the use of funds impact the likelihood that a program remained open?	Uses of grant funds of programs that remained open and programs that closed	Stabilization grant reporting data Licensing data
	How did the grant funds support programs that were closed when they applied for a grant? Did the grant help them reopen?	Number of providers/programs who were closed at the time of applying for a stabilization grant and were able to reopen.	Stabilization grant reporting data Licensing data
	What were the changes in program capacity and enrollment for those who did and didn't receive a grant? How did enrollment change over time during the pandemic? Looking across data sources, has the state's overall child care capacity increased, decreased, or returned to pre-pandemic levels?	Number of enrolled children in programs now (or at least 3 months following receipt of the grant) compared to before the pandemic Number of enrolled children in programs that received a grant compared to those who didn't	CCR&R data Child care subsidy data

Table 8. Provider goal #3: Stabilization grants are sufficient for programs to support staff wages and prevent layoffs/maintain adequate staffing.

Related policies	Policy questions	Indicators	Data source(s)
Stabilization grants	How many programs that received a grant reported using the funds for staff compensation/wage increase or bonus?	Number of programs that received a grant using the funds for staff compensation/wages/ bonuses and/or benefits	Stabilization grant reporting data
	How many ECE programs that received a grant report maintaining staffing a challenge?	Number of programs reporting maintaining staff as a challenge Number of programs that report they've needed to close a classroom	Survey of ECE programs that received a grant

Related policies	Policy questions	Indicators	Data source(s)
		in the past month due to staff shortages	

Table 9. Provider goal #4: Costs for ECE providers/programs are reduced.

Related policies	Policy questions	Indicators	Data source(s)
Stabilization grants Reimbursement rate increases Payments based on enrollment rather than attendance	How many and which ECE providers used stabilization grants to reduce program costs—rent/mortgage/utilities, PPE, or purchases of or updates to equipment?	Number of ECE providers that used their stabilization grant to address any of the following: rent/mortgage/utilities, PPE, purchases of or updates to equipment and supplies, and goods and services,* by provider characteristics	Stabilization grant reporting
	How did reimbursement rate increases and/or payments based on enrollment help offset costs for providers/programs?	Number of providers reporting that reimbursement rate and/or payments based on enrollment increases helped to reduce costs	Provider/program survey

Table 10. Provider goal #5: ECE providers have access to mental health consultation services.

Related policies	Policy questions	Indicators	Data source(s)
Stabilization grants CCDF discretionary funds for mental health consultation services	How many and which providers/programs have used stabilization grant funds for mental health supports?	Number of providers that used their stabilization grant for mental health supports* and/or mental health consultation services, by provider characteristics*	Stabilization grant reporting data
	How have the funds for mental health supports been helpful?	Number of providers that accessed mental health supports and found it helpful	Provider survey

Tables 11-15. Family stabilization goals, policies, policy questions, indicators, and data sources

Table 11. Family goal #1: Families that need care can find a stable ECE arrangement that meets their needs.

Related policies	Policy questions	Indicators	Data source(s)
Continued subsidy payments to providers during closures/ payments based on enrollment not attendance	How many families, and which, experienced a temporary child care program/class closure within the last month?	Number of families, by family characteristics, who experienced temporary closures within the last month	Parent survey or Household Pulse Survey data
	Is the current parental employment rate for parents of young children the same as prior to the pandemic?	Parental employment rate for parents of young children Or Number of families with children under age 6 where both parents are in the labor force	State labor data or American Community Survey (ACS)
Improving information systems and/or enhanced referrals to help families identify and secure a child care arrangement for their child	Did improvements to information systems/enhanced referrals help families find child care?	Percentage of referrals that resulted in a child care match for a family	CCR&R data
	To what extent have families been able to access information about their available ECE options? To what extent have efforts to provide information been equitable? Consider the languages of the information provided and distribution channels (e.g., online, by phone, person-to-person connections such as community resource navigators or CCR&Rs).	Number of families that used child care search information on the state's consumer education website to find care Types of information most commonly accessed on the state's consumer education website	Consumer education website analytics and/or Parent survey

Table 12. Family goal #2: Additional families receive subsidized child care (compared to before the pandemic.

Related policies	Policy questions	Indicators	Data source(s)
Increasing income eligibility levels Expand eligibility qualifications (i.e., expand eligibility based on work status, for vulnerable and underserved populations, and for essential workers)	To what extent have an increased number of eligible families and children participated in the subsidy system since the beginning of the pandemic—especially children living in areas with high levels of poverty and in rural areas, and among infants and toddlers?	Number of families/children receiving a child care subsidy, by family characteristics	Subsidy admin data QRIS data

Box 3. Example of using indicators and data sources to answer related policy questions

In Table 12 above, for the family goal "***Additional families receive subsidized child care (compared to before the pandemic) that meets their needs,***" we suggest asking the following two policy questions:

Policy questions: To what extent have an increased number of eligible families and children participated in the subsidy system since the beginning of the pandemic? In particular, has there been an increase in participation among children living in areas with high levels of poverty and in rural areas, and among infants and toddlers?

Indicators and data sources: To answer this question, states must compare the number of families and children receiving a child care subsidy pre-pandemic to the number receiving a subsidy after the start of the pandemic aligned with relevant policy actions (e.g., subsidy eligibility for essential workers, increase in eligibility levels, etc.). If the state implemented more than one policy to expand family eligibility, then the state should compare participation rates of families and children at several time points (i.e., before the pandemic, following policy 1, following policy 2, etc.). Additionally, to look at participation levels for families and children by characteristics, states will need data on the characteristics of those who received a subsidy, which could be drawn from their child care subsidy program administrative data. To look at the characteristics of families who did not receive a subsidy, states must try to identify census data about the number of families who meet child care subsidy eligibility criteria, or waitlist data that document eligible families who applied for a subsidy but were not served due to lack of resources. Lastly, states may also want to explore the quality levels of programs caring for children receiving a subsidy to ensure they can access higher-rated programs. States can link their child care subsidy administrative data to their QRIS data to examine this.

Table 13. Family goal #3: Costs of care for families decreased.

Related policies	Policy questions	Indicators	Data source(s)
Stabilization grants (i.e., grants that covered increased health and safety related costs such as PPE costs, reducing the need to pass on increased costs related to the pandemic to families) Reducing/waiving family co-payments/fees	Did the price of care decrease for parents, either from reduced copayments and/or reduced COVID-related fees—especially those who face greater barriers to care such as families with low incomes, families who have a child with disabilities, or families who live in rural areas?	Price of care for licensed ECE providers (by various characteristics and by providers who did and did not receive a grant)	Parent survey Subsidy administrative data

Table 14. Family goal #4: Families receiving subsidies are able to maintain their child care subsidy during and after shutdowns/closures.

Related policies	Policy questions	Indicators	Data source(s)
Payments based on enrollment vs attendance Sustained payments during program closures Paid absent or sick days	What is the average length of families' subsidy receipt during the pandemic? How might this have varied by provider location or characteristics?	Number of and average length of subsidy spells during the pandemic.	Subsidy administrative data

Table 15. Family goal #5: Children and families have access to mental health consultation services.

Related policies	Policy questions	Indicators	Data source(s)
CCDF discretionary funds for health/mental health supports	How many and which families received mental health consultation services?	Number of children and families that received mental health consultation services, by family characteristics	Parent survey

Conclusion and Next Steps

As states continue to distribute COVID-related funding for child care and seek to understand the progress they have made toward stabilizing child care, this guide offers an approach for states to set stabilization goals and measure progress. Implementing the steps in this guide will help states better understand how COVID relief funding helped support child care, as well as what gaps and inequities currently exist that need to be addressed.

While this guide focuses on measuring stabilization, we acknowledge that states will also have to define and measure their progress toward subsequent, long-term goals. Such goals might include further addressing system inequities in current policies and practices and developing a child care system that is more reflective of the needs of families and educators. For these long-term goals, we encourage states to use the framing for equity and access described in this guide, to apply Step 1 (considering the state context), and to use the goal questions in Step 2 to determine priorities for long-term growth.

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