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Management Bulletin 25-06

This Management Bulletin notifies California State Preschool Program contractors of the Fiscal Year 2025–26 Family Fee Schedule, effective July 1, 2025, and provides guidance on calculating family fees.

Early Education Division

Subject: Assessment and Reporting of Family Fees for Fiscal Year 2025–26

Number: 25-06

Date: June 2025

Expires: June 30, 2026

Authority: California *Education Code (EC)* sections 8252–8254 and *Welfare and Institutions Code (WIC)* sections 10290–10291; *California Code of Regulations*, Title 5 (5 *CCR*) sections 17733–17737

Attention: Executive Directors and Program Directors of all California State Preschool Programs

Purpose

This Management Bulletin (MB) is to notify California State Preschool (CSPP) contractors of the Fiscal Year (FY) 2025–26 Family Fee Schedule that will become effective July 1, 2025, and provide guidance on calculating family fees.

This MB rescinds and replaces MB 24-06.

Policy

Effective July 1, 2025, CSPP contractors must use the [2025–26 Family Fee Schedule \(XLSX\)](#) when:

- Assessing family fees for families at initial certification or at recertification
- A parent voluntarily requests a reduction to their family fees

The California *Education Code (EC)* Section 8253 and *Welfare and Institutions Code (WIC)* sections 10290–10291 exempt the following families from family fees:

- Families receiving California Work Opportunity and Responsibility to Kids (CalWORKs) cash aid as described in *EC* Section 8253(b)
- Families of children enrolled in a part-day CSPP as described in *EC* Section 8253(c)
- Families with children who have been identified as at risk of abuse or neglect or who are receiving child protective services may be exempt from paying a family fee for up to 12 months if it is required by the child(ren)'s service plan as described in *EC* Section 8253(a) and the *California Code of Regulations*, Title 5 (5 *CCR*) Section 17735(a)
- Families with an adjusted monthly income below 75 percent of the state median family income as described in *WIC* Section 10290(e)(2)(B) or families that have an income level that, in relation to family size, is less than the first entry in the family fee schedule pursuant to 5 *CCR* Section 17735(c)

Directives for Implementation

For FY 2025–26, contractors are required to calculate and assess the applicable family fee at initial certification and recertification for all full-day CSPP families not exempt from family fees using the updated family fee schedule and issue a Notice of Action (NOA) at initial certification or recertification that includes the amount of the assessed family fee. Families enrolling in part-day CSPP must not be assessed a fee at initial certification or recertification.

Pursuant to the 5 *CCR* Section 17734, families enrolled in full-day CSPP with a certified need of **fewer than 130 hours per month will be assessed a part-time fee**, while families enrolled in full-day CSPP with a certified need of **130 hours or more per month will be assessed a full-time fee**. When a family has more than one child enrolled in CSPP and/or childcare programs administered by the California Department of Social Services (CDSS), the family fee must be assessed based on the family's child who is certified for the greatest number of hours.

Families who were initially certified or recertified based on an eligibility criterion other than income, and who are not otherwise exempt from family fees, are still required to be assessed a fee. These families are required to self-certify their income for the purpose of assessing the family fee.

As a reminder, families shall only be assessed one flat monthly family fee when they have more than one child enrolled in either a CSPP program administered by the California Department of Education (CDE), or a combination of a CSPP and a childcare program administered by the CDSS. When a contractor has families with children enrolled in both a CSPP administered by the CDE, and a childcare program administered by the CDSS, and those children are enrolled for the same amount of hours, the contractor may choose which contract the family fee assessment will be applied to. 5 *CCR* Section 17737 establishes a process in which families can receive credit for fees paid to other service providers when the contractor is unable to fulfill the family's entire certified need for care.

Family Fee Requirements for Currently Enrolled Families

Beginning July 1, 2025, and in accordance with 5 CCR 17756(b), contractors are required to notify all families annually when the updated family fee schedule has been released by the CDE and remind families that they can voluntarily request a reduction to their family fee based on the new family fee schedule. Pursuant to EC Section 8208(e)(4) and 5 CCR 17756, a family may voluntarily report income or other changes. This information shall only be used to reduce family fees, increase the family's services, or extend the period of the family's eligibility before recertification.

Contractors must use the FY 2025–26 Family Fee Schedule, included in this bulletin, and the new income information reported by the family to assess the family's new fee.

If the family fee has decreased, the contractor must issue a NOA in accordance with 5 CCR Section 17756, reflecting the new family fee.

If the recalculation results in a higher fee, no further action is required until the next certification.

Families on Delinquent Family Fee Plans

Contractors must follow the process outlined in 5 CCR Section 17739 for families with delinquent family fees accrued after October 1, 2023, including sending an NOA.

Contractor Reporting and Reimbursement

Contractors must report the amount of family fees assessed between July 1, 2025, and June 30, 2026, on the line *Family Fees for Certified Children* in the FY 2025–26 Enrollment, Attendance, and Fiscal Reports through the California Preschool Accounting Reporting Information System.

Contractors are reminded that family fees reported on the *Family Fees for Certified Children* line must be based on the amount of fees the contractor expects to collect in the report month, regardless of when the revenue is actually received. Reporting fees according to this directive will ensure the CDE is reimbursing contractors accurately.

In instances where a family has children enrolled in both a CSPP administered by the CDE, and a childcare program administered by the CDSS, with the same number of hours, the contractor has the discretion on where to report the assessed fee (i.e., to either the CDE or the CDSS contract). However, to ensure consistency from one report month to the next, contractors must have written policies or procedures on how they determine the program to which they report the family fee.

Background Authority

The EC Section 8213 requires the Department of Finance to update the State Median Income (SMI) annually.

The EC sections 8252 through 8254 refer to the state requirements for establishing a family fee schedule, the assessment of those fees, and the applicable exemptions.

The EC Section 8252(d) states that fees may only be assessed at initial certification and recertification.

The *EC* sections 8252(a) and (b) require the State Superintendent of Public Instruction to use the family fee schedule developed in conjunction with the CDSS, for families receiving preschool services and/or childcare and development services, pursuant to *WIC* Section 10290. Pursuant to *EC* sections 8332(b) and (d), the family fee schedule is subject to the approval of the Department of Finance and designed based on the most current SMI, adjusted for family size.

The *EC* Section 8252(j) provides that family fees accrued but uncollected prior to October 1, 2023, may be forgiven and not collected.

The 5 *CCR*, sections 17733 through 17740, set forth family fee requirements for full-day CSPP.

The 5 *CCR*, Section 17734(b) and (i), further require that the family fee schedule differentiate between full-time fees and part-time fees and that families be assessed a flat monthly fee.

Assessment of the monthly fee is based on the following factors:

- Hours of certified need, as documented on the application for services
- The family's adjusted monthly income
- Family size

The *WIC* Section 10290(e) caps the maximum family fee at 1 percent of a family's monthly income for families receiving CSPP services and provides that families with an adjusted monthly income below 75 percent of the SMI are not assessed a family fee.

Resources

If you have programmatic questions regarding the information in this MB, please contact your assigned Early Education Division (EED) Program Quality Implementation (PQI) Office Regional Consultant. The CDE, EED Consultant Regional Assignments directory web page can be accessed at <https://www.cde.ca.gov/sp/cd/ci/assignments.asp>.

If you have fiscal questions regarding the information in this MB, please contact your assigned CDE, Early Education Nutrition and Fiscal Services (EENFS) fiscal apportionment analyst. The CDE, EENFS Fiscal Apportionment Analyst Directory web page can be accessed at <https://www.cde.ca.gov/fg/aa/cd/faad.asp>.

This MB is mandatory only to the extent that it cites a specific statutory or regulatory requirement, and is not prescriptive, pursuant to *EC* Section 33308.5.

Questions: Early Education Division | 916-322-6233

Last Reviewed: Friday, June 6, 2025