

This is a message from the California Department of Education (CDE), Early Education Division (EED).

Initial Interim Guidance for the California State Preschool Program (CSPP) on 2022-23 Budget Changes

All Executive Directors, Program Directors and other interested parties:

The California Department of Education (CDE), Early Education Division (EED) is excited to share some information on investments enacted in the 2022–23 budget. While the EED unpacks the budget and works through implementation, we wanted to provide some interim guidance until Management Bulletins are posted for these changes.

The EED is also hosting a webinar to discuss the guidance below and other budget changes, including Universal PreKindergarten investments, and California State Preschool Program (CSPP) adjustment factors and the cost-of-living adjustment, tomorrow, July 15th at 1:00 p.m.

To join, please click the link below:

<https://us02web.zoom.us/j/83402474330>

Passcode: 206616

Effective July 1, 2022, the following initial interim guidance applies to CSPP:

- 1. 12-month eligibility has been increased to 24-month eligibility.** (The California *Education Code [EC]* Section 8208[b])
 - a. Contractors operating full-day CSPP must certify or recertify all families for 24 months beginning July 1, 2022.
 - i. Contractors must issue a Notice of Action (NOA) for each family that was enrolled on or after July 1, 2022 to notify the family that their 12-month eligibility has changed to 24 months of eligibility. If a child is no longer age-eligible for CSPP during the 24-month period, the contractor will notify the family of the date the child will be disenrolled from the CSPP.
 - ii. In the event that the eligibility period ends before the end of a program year, eligibility shall be extended until the end of the program year, as long as applicable age-eligibility requirements are met.
 - iii. If the child is age-eligible for CSPP for any additional program years beyond the initial 24-month eligibility, the contractor will

recertify the family within 50 days of the end of their 24-month eligibility.

- b. Contractors operating part-day CSPP must certify a child eligible for the remainder of the program year and the following program year when enrolling children, effective July 1, 2022, provided the child continues to meet age eligibility requirements.
 - i. Contractors must issue a NOA for each family currently enrolled for the 2022–23 program year to notify the family that their eligibility has changed from 12 months to 24 months.
 - ii. Contractors must note on the NOA any breaks in service (i.e. summer break).
 - iii. If the child is age-eligible for CSPP for any additional program years beyond the initial 24-month eligibility, the contractor will complete an initial certification for the family before the new program year.

2. Income eligibility has been increased to 100 percent of the state median income (SMI) with new definitions of countable income. (EC Section 8213)

- a. Contractors can enroll families, within income ranking order, with income up to 100 percent of the SMI beginning July 1, 2022.
- b. The CDE is currently developing a Management Bulletin which will include a revised Income Ranking Table. The table below can be used for income ceilings in the meantime, and will also be included in the Management Bulletin.

State Fiscal Year 2022–23 Schedule of Income Ceilings (100 percent of State Median Income)

Family Size	Family Monthly Income	Family Yearly Income
1-2	\$7,068	\$84,818
3	\$8,049	\$96,590
4	\$ 9,342	\$112,105
5	\$ 10,837	\$130,042
6	\$12,332	\$147,979
7	\$12,612	\$151,342
8	\$12,892	\$154,705
9	\$13,172	\$158,068

10	\$13,453	\$161,431
11	\$13,733	\$164,794
12+	\$14,013	\$168,158

- c. Payments made on behalf of a child pursuant to Section 11460, https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?sectionNum=11460.&lawCode=WIC, Section 1461.3, https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?sectionNum=11461.3.&lawCode=WIC, 11461.36, https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?sectionNum=11461.36.&lawCode=WIC, or 11461.4, https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?sectionNum=11461.4.&lawCode=WIC of the Welfare and Institutions Code shall not be included as income for purposes of determining eligibility for preschool.
 - d. Guaranteed income payments received by an individual shall not be included as income for purposes of determining eligibility for preschool. “Guaranteed income payments” mean unconditional, recurring, regular cash payments, whether publicly or privately funded, that are intended to support the basic needs of eligible recipients, including, but not limited to, payments provided through pilot programs and projects receiving funding from the California Guaranteed Income Pilot Program: https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?sectionNum=18997.&lawCode=WIC (Chapter 16 [commencing with Section 18997] of Part 6 of Division 9 of the Welfare and Institutions Code).
- 3. Children with exceptional needs are now categorically eligible for part-day and full-day CSPP.** (*EC* Section 8208[a][1][e] & [d][1][v])
- a. Children with exceptional needs has now been added as an eligibility category.
 - b. Only the children in the family who are children with exceptional needs may be enrolled under the eligibility criteria of this clause. Any other child in the family without exceptional needs may be enrolled based on any of the other eligibility categories. (Other current eligibility categories include: Current aid recipient; Income eligible; Experiencing Homelessness; Receiving child protective services, or at-risk thereof.)
 - c. Until June 30, 2024, the second priority for services for both part-day and full-day CSPP shall be given to all three- and four-year-old children with exceptional needs from families with incomes below the income eligibility threshold. (*EC* sections 8210 & 8211)
 - i. Within this priority category, children with exceptional needs from families with the lowest income according to the income ranking table, as published by the Superintendent at the time of enrollment, shall be enrolled first.

- 4. Part-day and full-day CSPP contractors must reserve a percentage of their enrollment for children with exceptional needs.** (*EC Section 8208[c] & [d][2]*)
 - a. Beginning July 1, 2022, and until June 30, 2023, at least **five percent** of a CSPP contracting agency's funded enrollment shall be reserved for children with exceptional needs.
 - b. Beginning July 1, 2023, to June 30, 2024, at least 7.5 percent of a CSPP contracting agency's funded enrollment shall be reserved for children with exceptional needs.
 - c. Beginning July 1, 2024, at least 10 percent of a CSPP contracting agency's funded enrollment shall be reserved for children with exceptional needs and serve those children.
 - d. Funded enrollment is defined as the number of subsidized children funded to be enrolled, based on the maximum reimbursable amount, contract rate, inclusive of any adjustment factors, and approved program calendar, by a CSPP contractor
 - e. Agencies will be fully funded for the percentage of enrollment, inclusive of the exceptional needs adjustment factor for that enrollment, to ensure funding is available to enroll children with exceptional needs within the percentage of enrollment set aside at any point during the fiscal year. An agency not meeting the requirement to fill the percent of funded enrollment with children with exceptional needs must conduct community outreach to special education partners to recruit additional children with exceptional needs into their programs.
 - f. Beginning July 1, 2026, any agency not meeting the requirement described in paragraph (c) may be put on a conditional contract unless they have applied for and been approved for a waiver from CDE.
- 5. A hold harmless provision for CSPP contractors was enacted for fiscal year (FY) 2022–23.** (*EC Section 8245.5*)
 - a. CSPP contractors shall be reimbursed the lesser of 100 percent of the CSPP contract's maximum reimbursement amount (MRA) or net reimbursable program costs if either of the following applies:
 - i. The program is open and operating in accordance with their approved program calendar, and remains open and offering services throughout the program year, or
 - ii. The program is closed by a local or state public health order or guidance due to the COVID-19 pandemic
 - b. CSPP contractors that are required to close due to a local or state public health order or guidance related to the COVID-19 pandemic must submit a current distance learning plan, and provide distance learning services for all children and families enrolled that are unable to receive in-person services.
 - c. CSPP contractors providing services through a Family Childcare Home Education Network (FCCHEN) must reimburse providers based on the maximum certified hours of services for all families, including families certified for a variable schedule, regardless of attendance.

- d. CSPP contractors that are closed for reasons not due to a local or state public health order or guidance related to the COVID-19 pandemic, or an approved non-COVID-19 emergency closure, will not be reimbursed for those days of closure and must submit a program narrative change and revised FY 2022–23 program calendar to their assigned EED Program Quality Implementation (PQI) office regional consultant.
- 6. Family fees are waived for CSPP families in the FY 2022–23.** (EC Section 8252[h])
- a. CSPP contractors must continue to assess family fees at initial enrollment, and reassess family fees at recertification, however for FY 2022–23 the assessed fee shall not be collected from the family.
 - b. CSPP contractors providing services through a FCCHEN must reimburse providers for the full amount of the family’s certified hours of services without deducting family fees.
 - c. CSPP contractors must include on the NOA issued to families at initial enrollment, and at recertification, all of the following:
 - i. The amount of the assessed family fee
 - ii. The family fee is waived through June 30, 2023
 - iii. The family fee will begin being collected July 1, 2023

The CDE, EED will be releasing Management Bulletins with additional guidance, including updates to Child Development Provider Accounting Reporting Information System (CPARIS) reporting, where applicable for the above provisions in the near future. Additionally, the CDE expects to allocate funding provided in the 2022–23 budget through contract amendments in Fall 2022.

If you have programmatic questions regarding the information in this email, please contact your assigned EED, PQI office regional Consultant. The CDE, EED Consultant Regional Assignments directory can be accessed at the following link:
<https://www.cde.ca.gov/sp/cd/ci/assignments.asp>.

If you have fiscal questions about the information in this email, please contact your assigned CDE Early Education Nutrition and Fiscal Services (EENFS) fiscal analyst. The fiscal analyst directory can be accessed at the following link:
<https://www.cde.ca.gov/fg/aa/cd/faad.asp>.