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Management Bulletin 26-03

The purpose of this Management Bulletin is to notify California State Preschool Program contractors of the revised Schedule of Income Ceilings and updated Income Ranking Table.

Early Education Division

Subject: Revised State Median Income (SMI) Ceilings and Income Ranking Table for Fiscal Year (FY) 2026–27

Number: 26-03

Date: April 2026

Expires: June 30, 2027

Authority: *California Education Code (EC)* sections 8208, 8210, 8211, and 8213.

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

Purpose

The purpose of this Management Bulletin (MB) is to notify California State Preschool Program (CSPP) contractors of:

- The revised Schedule of Income Ceilings to be used to determine families' income eligibility for CSPP for FY 2026–27
- The updated Income Ranking Table to be used to determine a family's income ranking for purposes of enrollment priorities for CSPP based on income for FY 2026–27

This MB rescinds and replaces MB 25-05.

Policy

Effective July 1, 2026, CSPP contractors must use the revised Schedule of Income Ceilings when determining both initial and ongoing income eligibility for families in part- and full-day CSPP. Contractors must use the revised Income Ranking Table when determining enrollment priorities related to a family's income level.

Directives for Implementation

The following Schedule of Income Ceilings must be used for determining income eligibility for families initially certified or recertified on or after July 1, 2026. The schedule must also be used for determining maximum monthly income for 15 percent above the income eligibility threshold.

State Fiscal Year 2026–27 Schedule of Income Ceilings

Family Size	Family Yearly Income Ceiling (100% of SMI)	Family Monthly Income Ceiling (100% of SMI)	Maximum Monthly Income for 15% above Income Eligibility Threshold
1-2	\$100,510	\$8,376	\$9,632
3	\$113,708	\$9,476	\$10,897
4	\$136,044	\$11,337	\$13,038
5	\$157,811	\$13,151	\$15,124
6	\$179,578	\$14,965	\$17,210
7	\$183,659	\$15,305	\$17,601
8	\$187,741	\$15,645	\$17,992
9	\$191,822	\$15,985	\$18,383
10	\$195,903	\$16,325	\$18,774
11	\$199,985	\$16,665	\$19,165
12+	\$204,066	\$17,006	\$19,556

Source: 2024 American Community Survey Public Use Microdata Sample File

Note: Pursuant to the *EC*, Section 8213(c), the SMI for families of five (5) or more persons is calculated by multiplying the SMI for a family of four by the ratio for the appropriate family size used in the federal Low-Income Home Energy Assistance Program, and specified in federal regulations at paragraphs five (5), six (6), and seven (7) of subdivision (b) of Section 96.85 of Title 45 of the *Code of Federal Regulations*.

Effective July 1, 2026, contractors must use the revised [Income Ranking Table](#) (XLSX) when determining enrollment priorities for families. The revised Income Ranking Table is not provided for the purpose of determining eligibility for CSPP. Please note that this Income Ranking table goes to 100 percent of SMI (rank 100) and includes income up to 15 percent above the income threshold as well (rank 115). Because there are some cases where families are served whose income exceeds 100 percent of SMI in CSPP, the California Department of Education (CDE) has accounted for these situations in the updated table so contractors serving these families know how to prioritize them. As a result, please pay careful attention to the income and family size of the family and those indicators on the chart, along with the applicable statute, regulations, and MB guidance that apply to enrolling children in those families.

Contractors Submitting Data to the California Preschool Data Collection System

Beginning in the July 2026 reporting period, the updated SMI thresholds for FY 2026–27 will take effect for local educational agencies operating CSPP and reporting in the California Preschool Data Collection (CAPSDAC) system. LEAs reporting in CAPSDAC are school districts, charter schools, county offices of education, and school districts acting on behalf of one or more schools within the school district. The updated income boundaries will be reflected in CAPSDAC fields for “Family Size” and “Monthly Family Income.”

Families that have been certified under a previous fiscal year’s income rankings will continue to be able to be saved within the CAPSDAC.

Contractors Reporting to the Child Development Management Information System

The updated SMI thresholds for FY 2026–27 will take effect for contractors who are community-based programs in the Child Development Management Information System (CDMIS), beginning in the July 2026 CDD-801A Monthly Child Care Population Report (CDD-801A) reporting period. The updated income thresholds will be reflected in the CDD-801A reporting fields for “Family Size” and “Monthly Family Income.” Families that have been certified under a previous fiscal year’s income rankings will continue to be able to be saved within the CDMIS.

Background and Authority

The *EC* Section 8213(c) requires the California Department of Finance to annually recalculate the SMI based on the most recent census data and pursuant to the formula set forth in *EC* Section 8213 and provide the calculations to the CDE. The updated SMI calculations are used to revise the income ceilings used to determine a family’s initial and ongoing eligibility for services, as part of the certification and recertification process, and to update the Income Ranking Table used for determining priority for enrollment.

In accordance with *EC* Section 8213(a) and (b), for families to be eligible for CSPP services based on income, a family’s adjusted monthly income must be at or below 100 percent of the SMI adjusted for family size. Notwithstanding any other law, *EC* Section 8208 provides that a part-day and full-day CSPP may provide services to children in families whose income is no more than 15 percent above the income eligibility threshold. However, no more than 10 percent of children enrolled in this category can be from families whose income is within the 101–115 percent of the SMI bracket.

In addition, *EC* sections 8210 and 8211 require contractors to enroll families in priority order. The State Superintendent of Public Instruction adopts an Income Ranking Table, for purposes of determining enrollment priorities.

The *EC* sections 8210 and 8211 specify priorities for CSPP enrollment. The priorities for enrollment can also be found in the *California Code of Regulations*, Title 5 sections 17746 and 17747.

Resources

If you have programmatic questions related to this MB, please contact your assigned Early Education Division (EED), Program Quality Implementation (PQI) office regional consultant by accessing the [EED, PQI regional consultant directory web page](#).

If you have fiscal questions about the information in this email, please contact your assigned CDE Early Education Nutrition and Fiscal Services fiscal analyst by accessing the [fiscal analyst directory](#).

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: Tuesday, April 21, 2026