

February 20, 2025

FS 25-02 | Via Website and Email

TO: Chief Executive Officers
Chief Business Officers

FROM: Fiscal Services Unit
College Finance and Facilities Planning Division

RE: 2024-25 First Principal Apportionment

This memo describes the 2024-25 First Principal (P1) apportionment calculations for the Student Centered Funding Formula (SCFF) and various categorical programs. Associated exhibits are available on the Chancellor's Office [Fiscal Services Unit Apportionment Reports website](#).

SCFF General Background

The SCFF consists of three principal components – the base allocation, supplemental allocation, and student success allocation with the following parameters:

- The base allocation: consisting of 1) the basic allocation which relies on college and center size based on prior year data, and 2) the Full Time Equivalent Students (FTES) allocation which is based on current year FTES enrollment and a three-year average for credit FTES.
- The supplemental allocation, based on prior year data.
- The student success allocation, based on an average of three prior years of data.

Generally, the Chancellor's Office certifies apportionments three times per year with the Advance Apportionment (AD) released in July, First Principal (P1) and Recalculation (R1) in February, and Second Principal (P2) in June. Additional certification revisions are completed as necessary.

SCFF 2024-25 P1

At 2024-25 P1, SCFF calculations reflect district reported FTES estimates, supplemental and student success metric data reported as of January 15, 2025, county reported property tax, district reported enrollment fees, estimated 2024-25 Education Protection Account (EPA) resources, and available general fund.

FTES Allocation

If a district was opted-in to an optional Title 5 COVID-19 emergency conditions allowance in 2022-23, the emergency conditions allowance credit FTES is used as a data point in calculating the credit FTES three-year average.

Chancellor's Office, College Finance and Facilities Planning

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Growth has been applied to districts that reported an increase in FTES value above the prior year base value (2023-24 Applied #3) that exceeds the available restoration balance. Statewide growth need exceeded the statewide growth budget at 2024-25 P1. Growth applied beyond districts' growth targets was proportionally adjusted to not exceed the budget. Growth will be reassessed at 2024-25 P2 with updated FTES data.

Basic Allocation

Prior year FTES data is used to determine the current year basic allocation for college and center size. If a district's reported FTES for a college or center is below the prior year funding size, the prior three FTES data years are used to determine eligibility for a stability protection. If a district was opted-in to the COVID-19 emergency conditions allowance in prior years, the emergency conditions allowance FTES is used to determine stability funding size. Declines in college or center FTES will not result in a reduction to base revenue until the third year after the decline, and there is no base revenue reduction if the college or center FTES has been restored back to or above the pre-decline amount.

Supplemental and Student Success Allocations

The supplemental and student success allocations at 2024-25 P1 reflect metric data updates provided by districts through January 15, 2025.

Total Computational Revenue

The 2024-25 P1 Total Computational Revenue (Max TCR) consists of the highest of the following three TCR calculations for each district: (A) TCR calculated by formula in 2024-25, (B) TCR stability protection (2023-24 calculated TCR plus COLA), or (C) Hold Harmless (2017-18 TCR plus yearly COLAs). At 2024-25 P1, the statewide SCFF Max TCR is \$9.70. billion.

Temporary Revenue Deficit

The revenue deficit at 2024-25 P1 for non-basic aid districts increased to 7.12% compared to 4.72% at 2024-25 Advance September 2024. A significant part of the revenue deficit is attributable to the timing of available funding sources, mainly Education Protection Account (EPA) and local property tax revenues. The administration is anticipating an EPA budget that is roughly \$342 million higher than what is currently being used to calculate the SCFF. Ahead of 2024-25 P2, the Department of Finance will issue an updated estimate of transfers to the EPA account, at which time the SCFF will be processed reflecting latest EPA budget.

The administration anticipates property tax revenues will be roughly \$200 million higher than the estimates provided by counties for 2024-25 P1. Property tax revenues will be adjusted at each apportionment period to reflect the latest data. When timing of revenues is considered, the 2024-25 SCFF deficit is estimated to be around 1.5% to 2%. The Chancellor's Office will continue to collaborate with the Department of Finance and Legislature to fully fund the SCFF.

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SCFF Component	2024-25 P1 Amount (Statewide) (In Millions)
FTES Allocation	\$5,851
Basic Allocation	\$1,001
Supplemental Allocation	\$1,617
Student Success Allocation	\$1,029
SCFF Calculated Revenue (TCR A)	\$9,497
TCR Stability (TCR B)	\$9,510
Hold Harmless Revenue (TCR C)	\$8,790
2024-25 TCR (Max of A, B, or C)	\$9,702
Stability Protection Adjustment	\$71
Hold Harmless Protection Adjustment	\$135
Property Tax & ERAF	\$4,636
Less Property Tax Excess	(\$516)
Student Enrollment Fees	\$427
Education Protection Account (EPA)	\$1,053
State General Fund Allocation	\$3,470
Statewide Deficit Factor	6.51%
(Deficit)	(\$632)

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2024-25 P1 TCR Status	Number of Districts
SCFF Calculated Revenue (TCR A)	30
TCR Stability (TCR B)	26
Hold Harmless Revenue (TCR C)	16

2024-25 P1 Exhibits

- Exhibit A (District Monthly Payments by Program)
- Exhibit B4 (County Monthly Payment Schedule)
- Exhibit C (Statewide and District SCFF details)
- Educational Revenue Augmentation Fund (ERAF) Memo
- ERAF and Property Tax Distribution by County and District

SCFF 2023-24 R1

At 2023-24 R1, SCFF calculations were updated with actual FTES data, offsetting revenues, including district reported property tax, district reported student enrollment fees, and an updated annual certification of the Education Protection Account (EPA), and other minor adjustments.

Growth has been applied to districts that reported an increase in FTES value above the prior year base value (2022-23 Applied #3) that exceeds the available restoration balance. Statewide growth need exceeded the statewide growth budget at 2023-24 R1. Growth applied beyond districts' growth targets was proportionally adjusted to not exceed the budget.

The 2023-24 R1 Total Computational Revenue (Max TCR) consists of the highest of the following three TCR calculations for each district: (A) TCR calculated by formula in 2023-24, (B) TCR stability protection (2022-23 calculated TCR plus COLA), or (C) Hold Harmless (2017-18 TCR plus yearly COLAs). At 2023-24 R1, the statewide SCFF Max TCR is \$9.57 billion.

SCFF Component	2023-24 R1 Amount (Statewide) (In Millions)
FTES Allocation	\$5,964
Basic Allocation	\$986

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SCFF Component	2023-24 R1 Amount (Statewide) (In Millions)
Supplemental Allocation	\$1,434
Student Success Allocation	\$1,025
SCFF Calculated Revenue (TCR A)	\$9,409
TCR Stability (TCR B)	\$9,387
Hold Harmless Revenue (TCR C)	\$8,697
2023-24 TCR (Max of A, B, or C)	\$9,569
Stability Protection Adjustment	\$70
Hold Harmless Protection Adjustment	\$90
Property Tax & ERAF	\$4,579
Less Property Tax Excess	(\$454)
Student Enrollment Fees	\$413
Education Protection Account (EPA)	\$867
State General Fund Allocation	\$4,163
Deficit Factor	0.00%
(Deficit)	(\$0)

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2023-24 R1 TCR Status	Number of Districts
SCFF Calculated Revenue (TCR A)	35
TCR Stability (TCR B)	26
Hold Harmless Revenue (TCR C)	11

SCFF Funding Protections

There are several funding protections applicable under the SCFF, summarized below.

Protection	Description
Hold Harmless (EDC 84750.4(h))	Districts receive no less than their 2017-18 TCR plus applicable cumulative annual cost of living adjustments through 2024-25. The 2022 Budget Act extended the Hold Harmless protection in a modified form. Starting in 2025-26, the Hold Harmless provision will no longer reflect cumulative COLAs over time. A district's 2024-25 TCR will represent its new "floor," below which it cannot drop.
Stability Protection (EDC 84750.4(g)(4)(A))	Commencing in 2020-21, declines in the SCFF TCR (excluding the hold harmless) are applicable in the year after the decline and include any applicable COLA.
FTES Restoration Protection (EDC 84750.4(d)(2)(D))	Ability to restore FTES that have declined in the previous 3 years.
Basic Allocation Protection (Title 5 § 58776)	Declines in college and center basic allocation tiers are effective 3 years after the initial decline. Increases or new colleges or centers are eligible for funding in the year following the increase or establishment.

SCFF Dashboard

Since the adoption of the SCFF, the Chancellor's Office has collaborated with system partners to develop tools and resources to support SCFF implementation. The [SCFF Dashboard](#) provides analytics and visualizations about the California Community Colleges funding formula. There are three dashboard interfaces:

- Prior Formula Comparison to SCFF: Presents an analysis and comparison of the prior funding formula (SB 361) and SCFF. This data is updated each year after Recalculation. Data last

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updated February 2023 and will no longer be updated.

- Analysis of Counts and Patterns Across the SCFF: Provides analysis and trends in the SCFF supplemental and student success counts, funding protections, and race and ethnicity analyses. This data is updated each year after Recalculation. Data last updated June 2024.
- SCFF Resource Estimator: Provides districts with a planning tool to estimate funding amounts. This data is updated after each apportionment period. Data last updated September 2024.

The SCFF Resource Estimator, allows users to modify assumptions about levels of general enrollment, low-income student enrollment, and student success, in addition to cost of living adjustments to generate projections of funding levels in future years. The SCFF Resource Estimator is designed to provide outyear estimates. The SCFF Resource Estimator will be updated with 2024-25 P1 data in the coming weeks.

Categorical Programs

A total of 62 categorical programs certified their district allocations at 2024-25 P1 totaling over \$2.8 billion. The following exhibits pertaining to 2024-25 P1 categorical program allocations can be found on our [website](#):

- Exhibit A (District Monthly Payments by program)
- Exhibit A/B4 (Apprenticeship Training and Instruction, Local Education Agencies)
- Exhibit A/B-4 (Statewide Community College)

Additional information regarding categorical programs can be found in the Compendium of Allocations and Resources (the Compendium) on the [Budget News](#) web page.

Contacts

For questions regarding the SCFF please email scff@cccco.edu.

For general questions regarding apportionment payments please email apportionments@cccco.edu.

For questions regarding specific categorical programs, please contact the appropriate staff specified in Appendix B: Summary of Categorical Program Accounting of the Compendium on the [Budget News](#) web page.

California Community Colleges
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Southwestern CCD
Exhibit C - Page 1

Total Computational Revenue and Revenue Sources									
Total Computational Revenue (TCR)									
I. Base Allocation (FTES + Basic Allocation)								\$	96,954,235
II. Supplemental Allocation									27,940,024
III. Student Success Allocation									13,094,468
						Student Centered Funding Formula (SCFF) Calculated Revenue (A)	\$		137,988,727
						2023-24 SCFF Calculated Revenue + COLA (B)			133,977,509
						Hold Harmless Revenue (C)			120,286,976
						Stability Protection Adjustment			-
						Hold Harmless Protection Adjustment			-
						2024-25 TCR (Max of A, B, or C)	\$		137,988,727
Revenue Sources									
Property Tax & ERAF								\$	42,680,893
Less Property Tax Excess									-
Student Enrollment Fees									6,556,997
Education Protection Account (EPA)						Minimum of at least \$100 x Funded FTES	Funded FTES: 15,306.75	x	Rate: \$1,105.80
State General Fund Allocation									16,926,150
									62,004,762
State General Fund Allocation									
General Fund Allocation								\$	60,963,670
Full-Time Faculty Hiring (FTFH) Allocation (2015-16 Funds Only)									1,041,092
						Subtotal State General Fund Allocation			\$62,004,762
Adjustment(s)									-
						State General Fund Allocation (Includes Deferral to be Paid in 2025-26)			\$62,004,762
						State General Fund Certification (Exhibit A)			\$57,644,734
						Deferral Amount			\$4,360,028
								Available Revenue	\$ 128,168,802
								2024-25 TCR (Max of A, B, or C)	137,988,727
						7.1165%	Revenue Deficit	\$	(9,819,925)

Supporting Sections									
Section Ia: FTES Data and Calculations									
variable	a	b	c	d	e	f = b + c + d + e	g = f (except credit = (a + b + f)/3)	h	i = g + h
FTES Category	2022-23 Applied #3	2023-24 Applied #3	2024-25 Restoration	2024-25 Decline	2024-25 Adjustment	2024-25 Applied #1	2024-25 Applied #2	2024-25 Growth	2024-25 Funded
Credit	14,688.02	14,688.02	-	-	-	14,688.02	14,688.02	117.63	14,805.65
Incarcerated Credit	30.98	67.18	-	-	31.06	98.25	98.25	30.47	128.72
Special Admit Credit	189.50	189.50	-	-	(36.59)	152.91	152.91	-	152.91
CDCP	50.82	67.15	-	-	37.47	104.62	104.62	-	104.62
Noncredit	49.27	167.97	-	-	(53.12)	114.85	114.85	-	114.85
Total FTES====>	15,008.59	15,179.82	-	-	(21.18)	15,158.65	15,158.65	148.10	15,306.75
Total Values====>		\$80,918,828	\$0	\$0	\$0				
Change from PY to CY====>		\$10,872,013							

variable	j = g x l 2024-25 Applied #2 Revenue	k = h x l 2024-25 Growth Revenue	l 2024-25 Rate \$*	m = j + k 2024-25 Total Revenue
FTES Category				
Credit	\$77,764,598	\$ 622,768	\$5,294.42	\$78,387,366
Incarcerated Credit	729,433	226,252	\$7,424.53	955,685
Special Admit Credit	1,135,285	-	\$7,424.53	1,135,285
CDCP	776,754	-	\$7,424.53	776,754
Noncredit	512,757	-	\$4,464.58	512,757
Total	\$80,918,827	\$849,020		\$81,767,847

n 2024-25 Applied #0	o = f + h 2024-25 Applied #3	p = n - o 2024-25 Unfunded FTES	q = p x l 2024-25 Unfunded FTES Value
16,698.77	14,805.65	1,893.12	\$ 10,022,994
128.72	128.72	-	-
152.91	152.91	-	-
104.62	104.62	-	-
114.85	114.85	-	-
17,199.87	15,306.75	1,893.12	\$ 10,022,994

Total Value====> \$91,790,841

Section Ib: 2024-25 FTES Emergency Conditions Allowance (ECA)				
variable	r ECA FTES	s Reported 320 2024-25 P1 FTES	t ECA Applied	n = s + t 2024-25 Applied #0
FTES Category				
Credit	-	16,698.77	-	16,698.77
Incarcerated Credit	-	128.72	-	128.72
Special Admit Credit	-	152.91	-	152.91
CDCP	-	104.62	-	104.62
Noncredit	-	114.85	-	114.85
Total	-	17,199.87	-	17,199.87

Definitions:	PY: 2023-24	CY: 2024-25
PY App#3: PY App#1 plus PY Growth, is the base for CY.		
CY App#0: Reported FTES with any ECA or statutory protections. These FTES are used in the calculations of the CY funded FTES.		
CY App#1: Base for CY plus any restoration, decline or adjustment.		
CY App#2: FTES that will be funded not including growth. Includes Credit 3-year average.		
CY App#3: CY App#1 plus Growth. Used as the base for the following year.		
CY Adjustment: Alignment of FTES to available resources.		
Change Prior Year to Current Year: CY App#0 value minus PY App#3 value and is the sum of CY restoration, decline, growth and unapplied values		

Section Ic: FTES Restoration Authority				
<i>variable</i>	v	w	y	$z = (v + w + y) \times l$
FTES Category	2021-22	2022-23	2023-24	Total \$
Credit	-	-	-	\$ -
Incarcerated Credit	-	-	-	-
Special Admit Credit	-	-	-	-
CDCP	-	-	-	-
Noncredit	-	-	-	-
Total	-	-	-	\$ -

Section Id: FTES Growth Authority			
<i>variable</i>	aa	ab 2023-24	ac = aa x ab 2024-25
FTES Category	% target	Applied #3 FTES	Growth FTES
Credit	0.14%	14,688.02	21.26
Incarcerated Credit	0.14%	67.18	0.10
Special Admit Credit	0.14%	189.50	0.27
CDCP	0.14%	67.15	0.10
Noncredit	0.14%	167.97	0.24
Total		15,179.82	21.97
Total Growth FTES Value =>>> \$ 116,977			

Section Ie: Basic Allocation

District Type/FTES	Funding Rate	Number of Colleges	Basic Allocation	FTES	Funding Rate	Number of Centers	Basic Allocation
<u>Single College Districts</u>				<u>State Approved Centers</u>			
≥ 20,000	10,847,419.78	-	\$0	≥ 1,000	\$2,169,483.61	3	\$6,508,452
≥ 10,000 & < 20,000	8,677,936.16	1	8,677,936	<u>Grandparented Centers</u>			
< 10,000	6,508,449.14	-	-	≥ 1,000	2,169,483.61	-	-
<u>Multi-College Districts</u>				≥ 750 & < 1,000	1,627,112.28	-	-
≥ 20,000	8,677,936.16	-	-	≥ 500 & < 750	1,084,740.95	-	-
≥ 10,000 & < 20,000	7,593,193.50	-	-	≥ 250 & < 500	542,371.33	-	-
< 10,000	6,508,449.14	-	-	≥ 100 & < 250	271,187.37	-	-
<u>Additional Rural \$</u>	2,070,087.77	-	-	Subtotal			
		Subtotal	\$8,677,936	\$6,508,452			
				Total Basic Allocation			
				\$15,186,388			
				Total FTES Allocation			
				81,767,847			
				Total Base Allocation			
				\$96,954,235			

Section II: Supplemental Allocation

Supplemental Allocation - Point Value \$1251.96	Points	2023-24 Headcount	Rate	Revenue
AB540 Students	1	722	\$1,251.96	\$903,916
Pell Grant Recipients	1	7,820	1,251.96	9,790,339
Promise Grant Recipients	1	13,775	1,251.96	17,245,769
Totals		22,317		\$27,940,024

Section III: Student Success Allocation

All Students - Point Value \$738.23	Points	2021-22 Headcount	2022-23 Headcount	2023-24 Headcount	Three Year Average	Rate = Point Value x Points	Revenue
Associate Degrees for Transfer	4	874	826	917	872.33	\$ 2,952.94	\$2,575,947
Associate Degrees	3	739	689	715	714.33	2,214.70	1,582,037
Baccalaureate Degrees	3	0	0	0	0.00	2,214.70	0
Credit Certificates	2	160	158	187	168.33	1,476.47	248,539
Transfer Level Math and English	2	593	641	607	613.67	1,476.47	906,060
Transfer to a Four Year University	1.5	913	778	883	858.00	1,107.35	950,108
Nine or More CTE Units	1	2,143	2,308	2,770	2,407.00	738.23	1,776,931
Regional Living Wage	1	2,055	2,077	1,196	1,776.00	738.23	1,311,105
All Students Subtotal		7,477	7,477	7,275	7,409.67		\$9,350,727
Pell Grant Recipients - Point Value \$186.21							
Associate Degrees for Transfer	6	557	513	593	554.33	\$ 1,117.26	\$619,333
Associate Degrees	4.5	462	439	443	448.00	837.94	375,398
Baccalaureate Degrees	4.5	0	0	0	0.00	837.94	0
Credit Certificates	3	82	93	83	86.00	558.63	48,042
Transfer Level Math and English	3	273	323	314	303.33	558.63	169,451
Transfer to a Four Year University	2.25	501	446	473	473.33	418.97	198,313
Nine or More CTE Units	1.5	1,211	1,327	1,594	1,377.33	279.31	384,709
Regional Living Wage	1.5	832	814	465	703.67	279.31	196,544
Pell Grant Recipients Subtotal		3,918	3,955	3,965	3,946.00		\$1,991,790
Promise Grant Recipients - Point Value \$186.21							
Associate Degrees for Transfer	4	707	658	724	696.33	\$ 744.84	\$518,655
Associate Degrees	3	599	571	586	585.33	558.63	326,984
Baccalaureate Degrees	3	0	0	0	0.00	558.63	0
Credit Certificates	2	118	122	135	125.00	372.42	46,552
Transfer Level Math and English	2	333	395	383	370.33	372.42	137,919
Transfer to a Four Year University	1.5	690	586	617	631.00	279.31	176,247
Nine or More CTE Units	1	1,584	1,716	2,039	1,779.67	186.21	331,391
Regional Living Wage	1	1,361	1,321	769	1,150.33	186.21	214,203
Promise Grant Recipients Subtotal		5,392	5,369	5,253	5,338.00		\$1,751,951
Total Headcounts		16,787	16,801	16,493	16,693.67		\$13,094,468
Total Student Success Allocation							\$13,094,468