



TO: Chief Business Officers

FROM: Arthur Golovey, Director of Fiscal Services
College Finance and Facilities Planning Division

RE: Fiscal Year 2025-26 First Principal Apportionment

This memo describes the 2025-26 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](#).

Summary of Key Points

2025-26 First Principal (P1)

- Calculations reflect data and revenue estimates reported by districts and counties.
- Statewide enrollment growth needs exceed the growth budget, and proportional growth adjustments were applied. Fully funding enrollment growth remains a system budget request priority.
- The deficit factor is 3.04%, largely attributed to the timing of preliminary local revenue estimates, which historically increase as more complete data becomes available. Combined with the Administration's proposed \$88.7 million for the 2025-26 SCFF in the Governor's Budget, no deficit is expected at Recalculation.
- Starting in 2025-26, the Hold Harmless calculation reflects districts' 2024-25 Max Total Computational Revenue (TCR) without subsequent Cost of Living Adjustments (COLA).
- \$408.4 million in SCFF funds are deferred to 2026-27 and, contingent upon continued inclusion in the budget, are anticipated to be paid in July 2026.

2024-25 Recalculation (R1)

- Calculations reflect actual data and revenue amounts, rather than estimates.
- There is zero revenue deficit.

SCFF General Background

The SCFF consists of three principal components: the base allocation, the supplemental allocation, and the student success allocation, each calculated using the following parameters:

- Base allocation: Includes 1) the basic allocation, which is determined by 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 and a three-year average for credit FTES.

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- Supplemental allocation: Based on prior year data.
- Student success allocation: Based on an average of three prior years of data.

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

SCFF 2025-26 P1

At 2025-26 P1, SCFF calculations reflect district reported FTES estimates, supplemental and student success metric data reported as of January 15, 2026, county reported property tax, district reported enrollment fees, estimated 2025-26 Education Protection Account (EPA) resources, and available general fund.

FTES Allocation

Growth funding was applied for districts reporting FTES increases above the prior year base value (2024-25 Applied #3) that exceeded the available restoration balance. Statewide growth demand exceeded the available growth budget at 2025-26 P1. As a result, growth applied beyond districts' growth targets was proportionally adjusted to remain within the budget.

Growth will be reassessed at 2025-26 P2 with updated FTES data. The Chancellor's Office will continue to engage with stakeholders and work collaboratively with the Department of Finance and the Legislature to support fully funding enrollment growth.

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 stability protection. Declines in college or center FTES will not result in a reduction to revenue until the third year after the decline, and there is no 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 2025-26 P1 reflect metric data updates provided by districts through January 15, 2026.

Transfer data for 2024-25 is currently pending for students transferring to University of California (UC), out of state institutions, or private institutions after Fall 2024. SCFF calculations at 2025-26 P1 use the 2023-24 Transfer to a Four-Year University metric data as of March 11, 2025, in place of 2024-25 data. At 2025-26 P2, the 2024-25 transfer data will be available and incorporated.

Total Computational Revenue

The 2025-26 P1 Total Computational Revenue (Max TCR) consists of the highest of the following three TCR calculations for each district: (A) 2025-26 SCFF Calculated Revenue, (B) TCR Stability (2024-25 SCFF Calculated Revenue plus COLA), or (C) Hold Harmless (2024-25 Max TCR). At 2025-26 P1, the statewide SCFF Max TCR is \$10.1 billion.

Temporary Revenue Deficit

At 2025-26 P1, the revenue deficit for non-basic aid districts is 3.04%, compared to 0.18% at 2025-26 Advance. This increase is largely attributable to the timing of available revenues, particularly preliminary local revenue estimates. Although local revenue estimates reported at 2025-26 P1 are below the assumptions used in the 2025 Budget Act, these amounts have historically trended upward in subsequent apportionment periods as more complete data becomes available.

As part of the 2026–27 Governor’s Budget, the Administration has proposed an additional \$88.7 million to support the 2025-26 SCFF. Based on current assumptions, incorporation of this proposal is expected to address the revenue deficit at the 2025-26 Recalculation Apportionment (R1). The Chancellor’s Office will continue to work collaboratively with the Department of Finance and the Legislature to support this outcome.

Deferral

As part of the 2025 Budget Act, \$408.4 million in SCFF funds are deferred to the 2026-27 fiscal year. These funds remain included in the Governor’s Budget and, assuming continued inclusion throughout the budget process, are anticipated to be paid in July 2026. The Chancellor’s Office will continue to advocate for the timely repayment of the deferral.

Table 1: 2025-26 P1 SCFF Components

SCFF Component	2025-26 P1 Amount (Statewide) (In Millions)
Basic Allocation	\$1,032
FTES Allocation	\$6,081
Supplemental Allocation	\$1,780
Student Success Allocation	\$1,074
SCFF Calculated Revenue (TCR A)	\$9,966
TCR Stability (TCR B)	\$9,943
Hold Harmless (TCR C)	\$9,855

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SCFF Component	2025-26 P1 Amount (Statewide) (In Millions)
2025-26 TCR (Max of A, B, or C)	\$10,129
Stability Protection Adjustment	\$76
Hold Harmless Protection Adjustment	\$86
Property Tax & ERAF	\$4,847
Less Property Tax Excess	(\$552)
Student Enrollment Fees	\$424
Education Protection Account (EPA)	\$1,304
State General Fund Allocation	\$3,830
Deficit Factor for non-basic aid districts	3.0364%
(Deficit)	(\$276)

Table 2: 2025-26 P1 TCR Status by Number of Districts

2025-26 P1 TCR Status	Number of Districts
SCFF Calculated Revenue (TCR A)	34
TCR Stability (TCR B)	25
Hold Harmless (TCR C)	13

2025-26 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 2024-25 R1

At 2024-25 R1, SCFF calculations were updated to reflect actual FTES data, updated offsetting revenues, including district reported property tax and student enrollment fees, and updated annual certifications of the Education Protection Account (EPA) and state general apportionment.

Growth has been applied to districts that reported an increase in FTES value above the prior year base value (2023-24 Applied #3) that exceeded the available restoration balance. At 2024-25 R1, statewide enrollment growth exceeded available budgeted growth funding. As a result, growth applied beyond districts’ growth targets was proportionally adjusted to remain within the budget.

The 2024-25 R1 Total Computational Revenue (Max TCR) consists of the highest of the following three TCR calculations for each district: (A) 2024-25 SCFF Calculated Revenue, (B) TCR Stability (2023-24 SCFF Calculated Revenue plus COLA), or (C) Hold Harmless (2017-18 TCR plus yearly COLAs). At 2024-25 R1, the statewide SCFF Max TCR is \$9.85 billion.

Table 3: 2024-25 R1 SCFF Components

SCFF Component	2024-25 R1 Amount (Statewide) (In Millions)
Basic Allocation	\$1,001
FTES Allocation	\$6,072
Supplemental Allocation	\$1,622
Student Success Allocation	\$1,025
SCFF Calculated Revenue (TCR A)	\$9,719
TCR Stability (TCR B)	\$9,510
Hold Harmless (TCR C)	\$8,790
2024-25 TCR (Max of A, B, or C)	\$9,855
Stability Protection Adjustment	\$33
Hold Harmless Protection Adjustment	\$102
Property Tax & ERAF	\$4,824
Less Property Tax Excess	(\$509)
Student Enrollment Fees	\$430

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SCFF Component	2024-25 R1 Amount (Statewide) (In Millions)
Education Protection Account (EPA)	\$1,627
State General Fund Allocation	\$3,482
Deficit Factor for non-basic aid districts	0.00%
(Deficit)	(\$0)

Table 4: 2024-25 R1 TCR Status by Number of Districts

2024-25 R1 TCR Status	Number of Districts
SCFF Calculated Revenue (TCR A)	46
TCR Stability (TCR B)	13
Hold Harmless (TCR C)	13

2024-25 R1 Exhibits

- Exhibit C (Statewide and District SCFF details)
- Exhibit D (Education Protection Account (EPA))

SCFF Funding Protections

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

Table 5: SCFF Funding Protections

Protection	Description
Hold Harmless (EDC 84750.4(h))	Starting in 2025-26, districts receive no less than their 2024-25 TCR, without subsequent annual cost of living adjustments (COLA).
TCR Stability Protection (EDC 84750.4(g)(4)(A))	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 three years.

Protection	Description
Basic Allocation Protection (Title 5 § 58776)	Declines in college and center basic allocation tiers are effective three 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 and district planning. The [SCFF Dashboard](#) provides a suite of analytics and visualizations related to the California Community Colleges funding formula, including the following interfaces:

- SCFF Data Trends and Insights: Provides analysis of trends in the SCFF supplemental and student success counts, funding protections, and race and ethnicity outcomes. This data is updated each year after Recalculation and was last updated in May 2025.
- SCFF Resource Estimator: Provides districts with a planning tool to estimate SCFF funding. Data is updated after each apportionment period and was last updated in July 2025.

The SCFF Resource Estimator allows users to adjust assumptions related to general enrollment, low-income student enrollment, student success metrics, and cost of living adjustments to generate projected funding levels for future years. The SCFF Resource Estimator is intended to support outyear planning and will be updated with 2025-26 P1 data in the coming weeks.

Categorical Programs

Allocations for 58 categorical programs totaling over \$2.9 billion were certified. The following exhibits summarizing these allocations can be found on our [website](#):

2025-26 P1:

- Exhibit A (District Monthly Payments by Program)
- Exhibit B4 (Monthly Payment Schedule by County)
- Adjustment Report – 2024-25 Adjustments at 2025-26 P1
- Exhibit A/B4 (Apprenticeship Training and Instruction, Local Education Agencies)
- Exhibit B4 (Statewide Community College)

2024-25 R1:

- Exhibit D (District Adjustments by Program)
- Exhibit A/B4 (Apprenticeship Training and Instruction, Local Education Agencies)
- Exhibit B4 (Reimbursement, Vocational Education (Perkins))

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

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The Chancellor's Office will continue to provide updates as additional data becomes available through subsequent apportionment periods.

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.

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Exhibit C - Page 1**

Total Computational Revenue and Revenue Sources

Total Computational Revenue (TCR)			
I. Base Allocation (FTES + Basic Allocation)		\$	102,955,003
II. Supplemental Allocation			33,989,999
III. Student Success Allocation			13,657,714
	Student Centered Funding Formula (SCFF) Calculated Revenue (A)	\$	150,602,716
	2024-25 SCFF Calculated Revenue + COLA (B)		144,410,943
	Hold Harmless Revenue (C)		141,164,167
	Stability Protection Adjustment		-
	Hold Harmless Protection Adjustment		-
	2025-26 TCR (Max of A, B, or C)	\$	150,602,716
Revenue Sources			
Property Tax & ERAF		\$	44,478,018
Less Property Tax Excess			-
Student Enrollment Fees			5,741,992
Education Protection Account (EPA)	Minimum of at least \$100 x Funded FTES	Funded FTES: 15,935.05	x Rate: \$1,370.79
State General Fund Allocation			21,843,537
			73,966,304
State General Fund Allocation			
General Fund Allocation	\$	72,901,267	
Full-Time Faculty Hiring (FTFH) Allocation (2015-16 Funds Only)		1,065,037	
	Subtotal State General Fund Allocation	\$73,966,304	
Adjustment(s)		-	
	State General Fund Allocation (Includes Deferral to be Paid in 2026-27)	\$73,966,304	Available Revenue \$ 146,029,851
	State General Fund Certification (Exhibit A)	\$66,075,076	2025-26 TCR (Max of A, B, or C) 150,602,716
	Deferral Amount	\$7,891,228	3.0364% Revenue Deficit \$ (4,572,865)

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	2023-24 Applied #3	2024-25 Applied #3	2025-26 Restoration	2025-26 Decline	2025-26 Adjustment	2025-26 Applied #1	2025-26 Applied #2	2025-26 Growth	2025-26 Funded
Credit	14,688.02	15,128.77	-	-	-	15,128.77	14,981.86	199.48	15,181.33
Incarcerated Credit	67.18	204.95	-	-	2.25	207.20	207.20	-	207.20
Special Admit Credit	189.50	248.21	-	-	0.24	248.45	248.45	31.37	279.82
CDCP	67.15	84.80	-	-	6.72	91.52	91.52	-	91.52
Noncredit	167.97	190.50	-	-	(15.32)	175.18	175.18	-	175.18
Total FTES=>>>	15,179.82	15,857.23	-	-	(6.11)	15,851.13	15,704.21	230.84	15,935.05
Total Values=>>>		\$86,896,415	\$0	\$0	\$0	\$86,896,415			
Change from PY to CY=>>>		\$3,000,544							

variable	j = g x l 2025-26 Applied #2 Revenue	k = h x l 2025-26 Growth Revenue	l 2025-26 Rate \$*	m = j + k 2025-26 Total Revenue
Credit	\$81,144,653	\$ 1,080,401	\$5,416.20	\$82,225,054
Incarcerated Credit	1,573,745	-	\$7,595.29	1,573,745
Special Admit Credit	1,887,069	238,246	\$7,595.29	2,125,315
CDCP	695,121	-	\$7,595.29	695,121
Noncredit	800,093	-	\$4,567.26	800,093
Total	\$86,100,681	\$1,318,647		\$87,419,328

n 2025-26 Applied #0	o = f + h 2025-26 Applied #3	p = n - o 2025-26 Unfunded FTES	q = p x l 2025-26 Unfunded FTES Value
15,638.78	15,328.25	310.53	\$ 1,681,897
207.20	207.20	-	-
279.82	279.82	-	-
91.52	91.52	-	-
175.18	175.18	-	-
16,392.50	16,081.97	310.53	\$ 1,681,897

Total Value=>>> \$89,896,959

Section Ib: 2025-26 FTES Emergency Conditions Allowance (ECA)

variable	r ECA FTES	s Reported 320 2025-26 P1 FTES	t ECA Applied	n = s + t 2025-26 Applied #0
Credit	-	15,638.78	-	15,638.78
Incarcerated Credit	-	207.20	-	207.20
Special Admit Credit	-	279.82	-	279.82
CDCP	-	91.52	-	91.52
Noncredit	-	175.18	-	175.18
Total	-	16,392.50	-	16,392.50

Definitions:	PY: 2024-25	CY: 2025-26
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				
variable	v	w	y	z = (v + w + y) x l
FTES Category	2022-23	2023-24	2024-25	Total \$
Credit	-	-	-	\$ -
Incarcerated Credit	-	-	-	-
Special Admit Credit	-	-	-	-
CDCP	-	-	-	-
Noncredit	-	-	-	-
Total	-	-	-	\$ -

Section Id: FTES Growth Authority			
variable	aa	ab	ac = aa x ab
FTES Category	% target	2024-25 Applied #3 FTES	2025-26 Growth FTES
Credit	1.36%	15,128.77	205.02
Incarcerated Credit	1.36%	204.95	2.78
Special Admit Credit	1.36%	248.21	3.36
CDCP	1.36%	84.80	1.15
Noncredit	1.36%	190.50	2.58
Total		15,857.23	214.89

Total Growth FTES Value =>>> \$ 1,180,571

Section Ie: Basic Allocation

District Type/FTES	Funding Rate	Number of Colleges	Basic Allocation
Single College Districts			
≥ 20,000	11,096,910.43	-	\$0
≥ 10,000 & < 20,000	8,877,528.70	1	8,877,529
< 10,000	6,658,143.47	-	-
Multi-College Districts			
≥ 20,000	8,877,528.70	-	-
≥ 10,000 & < 20,000	7,767,836.95	-	-
< 10,000	6,658,143.47	-	-
Additional Rural \$	2,117,699.79	-	-
		Subtotal	\$8,877,529

FTES	Funding Rate	Number of Centers	Basic Allocation
State Approved Centers			
≥ 1,000	\$2,219,381.74	3	\$6,658,146
Grandparented Centers			
≥ 1,000	2,219,381.74	-	-
≥ 750 & < 1,000	1,664,535.87	-	-
≥ 500 & < 750	1,109,690.00	-	-
≥ 250 & < 500	554,845.87	-	-
≥ 100 & < 250	277,424.68	-	-
		Subtotal	\$6,658,146

Total Basic Allocation \$15,535,675
 Total FTES Allocation 87,419,328
Total Base Allocation \$102,955,003

Section II: Supplemental Allocation

Supplemental Allocation - Point Value \$1,280.76	Points	2024-25 Headcount	Rate	Revenue
AB540 Students	1	753	\$1,280.76	\$964,410
Pell Grant Recipients	1	9,013	1,280.76	11,543,459
Promise Grant Recipients	1	16,773	1,280.76	21,482,130
		Totals	26,539	\$33,989,999

Section III: Student Success Allocation

All Students - Point Value \$755.21	Points	2022-23 Headcount	2023-24 Headcount	2024-25 Headcount	Three Year Average	Rate = Point Value x Points	Revenue
Associate Degrees for Transfer	4	826	917	989	910.67	\$ 3,020.86	\$2,750,993
Associate Degrees	3	689	715	750	718.00	2,265.64	1,626,731
Baccalaureate Degrees	3	0	0	0	0.00	2,265.64	0
Credit Certificates	2	158	187	193	179.33	1,510.43	270,870
Transfer Level Math and English	2	641	607	658	635.33	1,510.43	959,625
Transfer to a Four Year University*	1.5	778	883	883	848.00	1,132.82	960,632
Nine or More CTE Units	1	2,308	2,770	2,794	2,624.00	755.21	1,981,682
Regional Living Wage	1	2,077	1,197	1,455	1,576.33	755.21	1,190,469
	All Students Subtotal	7,477	7,276	7,722	7,491.67		\$9,741,002
Pell Grant Recipients - Point Value \$190.49							
Associate Degrees for Transfer	6	513	593	673	593.00	\$ 1,142.95	\$677,772
Associate Degrees	4.5	439	443	463	448.33	857.22	384,318
Baccalaureate Degrees	4.5	0	0	0	0.00	857.22	0
Credit Certificates	3	93	83	100	92.00	571.48	52,576
Transfer Level Math and English	3	323	314	324	320.33	571.48	183,063
Transfer to a Four Year University*	2.25	446	473	473	464.00	428.61	198,874
Nine or More CTE Units	1.5	1,327	1,594	1,642	1,521.00	285.74	434,608
Regional Living Wage	1.5	814	467	507	596.00	285.74	170,300
	Pell Grant Recipients Subtotal	3,955	3,967	4,182	4,034.67		\$2,101,511
Promise Grant Recipients - Point Value \$190.49							
Associate Degrees for Transfer	4	658	724	809	730.33	\$ 761.97	\$556,491
Associate Degrees	3	571	586	587	581.33	571.48	332,219
Baccalaureate Degrees	3	0	0	0	0.00	571.48	0
Credit Certificates	2	122	135	136	131.00	380.98	49,909
Transfer Level Math and English	2	395	383	395	391.00	380.98	148,965
Transfer to a Four Year University*	1.5	586	617	617	606.67	285.74	173,348
Nine or More CTE Units	1	1,716	2,039	2,019	1,924.67	190.49	366,634
Regional Living Wage	1	1,321	771	863	985.00	190.49	187,635
	Promise Grant Recipients Subtotal	5,369	5,255	5,426	5,350.00		\$1,815,201
	Total Headcounts	16,801	16,498	17,330	16,876.33		\$13,657,714

*2023-24 transfer data used for 2025-26 P1 in place of 2024-25 data. See memo for additional details.