



TO: Chief Executive Officers
Chief Business Officers

FROM: Fiscal Services Unit
College Finance and Facilities Planning Division

RE: 2021-22 First Principal and 2020-21 Recalculation Apportionment Calculations

This memo describes the 2020-21 Recalculation and the 2021-22 First Principal (P1) apportionment calculations for the Student Centered Funding Formula (SCFF) and various categorical and other programs. Associated exhibits are available on the Chancellor's Office [Fiscal Services Unit Apportionment Reports website](#).

GENERAL BACKGROUND

The SCFF consists of three main components: the base allocation, supplemental allocation, and student success allocation. The base allocation consist of the basic allocation and the Full Time Equivalent Student (FTES) allocation. The basic allocation relies on prior year FTES data for the college and center size. The FTES allocation relies on primarily current year FTES data and the supplemental and student success allocations rely on prior year data. Generally, the Chancellor's Office certifies apportionments three times per year with the Advance Apportionment (Advance) in July, the First Principal (P1) and prior year Recalculation releases in February, Second Principal (P2) in June; however, additional certification revisions are completed as necessary.

2021-22 FIRST PRINCIPAL EXHIBITS

- Exhibit C (SCFF, First Principal by District)
- Exhibit A (District Monthly Payments by Program)
- Exhibit B-4 (County Monthly Payment Schedule)

BACKGROUND

At the P1 apportionment, the Chancellor's Office uses reported estimates and actuals for the major components of the SCFF in order to disburse the second payment schedule for February, March, April and May of the fiscal year.

The P1 apportionment provides an SCFF general apportionment certification that is based on the highest of the following:

- The 2021-22 SCFF by formula.
- The TCR stability revenue based on 2020-21 SCFF by formula plus 2021-22 COLA of 5.07%.
- The hold harmless revenue based on 2017-18 TCR, with the 2018-19 COLA of 2.71%, 2019-20 COLA of 3.26%, 2020-21 COLA of 0.00%, and the 2021-22 COLA of 5.07%, compounded.

Full-time equivalent student (FTES) values are calculated according to the reported 2021-22 P1 data including any statutory protections and emergency conditions allowances for COVID-19 or other incidents. To the extent that restoration and growth would be possible given these protections, these potential revenues are considered in the P1 calculations. Supplemental values are calculated from the 2020-21 headcounts submitted on January 17, 2022. Success values are calculated using the 2018-19 headcounts, 2019-20 headcounts, and 2020-21 headcounts to determine a three-year average.

The Exhibit C provides details on the calculations for each district's components of the SCFF and the various revenue sources (i.e., property taxes, enrollment fees, 2015-16 Full-Time Faculty Hiring, EPA, and General Fund) used by the Chancellor's Office to fund each district's TCR.

2020-21 RECALCULATION EXHIBITS

- Exhibit C (Recalculation by District)

BACKGROUND

The 2020-21 Recalculation includes the following updates:

- Updated full-time equivalent students (FTES) data, including any statutory protections and emergency conditions allowances for COVID-19 or other incidents.
- Updated offsetting revenues, including district reported property taxes, district reported student enrollment fees, and an updated annual certification of the Education Protection Account (EPA) from the Department of Finance (Finance).
- Other minor adjustments.

SCFF SUPPLEMENTAL AND SUCCESS DATA

The supplemental and success components of the SCFF are based on district reported data and determine over \$2 billion in funding. The supplemental component relies on three data points from the prior year. The success component relies on a prior year three-year average of 24 distinct categories of data. The P1 certification was based on updates provided through the last supplemental and success data validation cutoff of January 17, 2022. An additional validation period will end March 9, 2022 which will be used to finalize 2020-21 data. This final data set will be used to calculate 2021-22 Second Principal

Apportionment. This data set will also be used by Department of Finance to determine Budget Act funding for 2022-23 and be used as the basis for 2022-23 Advance apportionment. This data is subject to audit beginning in 2020-21.

FUNDING PROTECTIONS

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

Hold Harmless (ECS 84750.4(h))	Districts receive no less than their 2017-18 TCR plus applicable cumulative annual cost of living adjustments. This protection has been extended to 2024-25.
Stability Protection (ECS 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. This protection is similar to the former FTES stability protection provided under SB 361, however is based on total SCFF TCR.
SB 361 Rate Protection (ECS 84750.4(g)(2))	Commencing in 2020-21, funding based on current FTES and Basic Allocation eligibility using rates in place in 2017-18. This protection does not currently benefit any districts.
FTES Restoration protection	Ability to restore FTES that have declined in the previous 3 years. This protection is converted to a funding amount to provide flexibility.
Basic Allocation Protection	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.
Emergency Conditions Allowances (Title 5 58146)	Emergency conditions protection from apportionment declines due to a variety of factors including natural disasters and pandemic.

SCFF DASHBOARD

Since adoption of the SCFF in the 2018-19 state budget, the Chancellor’s Office has collaborated with system partners to develop tools and resources to support SCFF implementation. In early 2021, the Chancellor’s Office released the SCFF Dashboard, a three-phase project to empower districts to analyze and use data for local implementation. Phase 2 of the SCFF Dashboard provides details around the supplemental and student success funding allocations and student counts within each of those portions of the formula for 2018-19 through 2020-21. While funding allocations are based on three-year averages in the

student success portion of the formula, the Dashboard allows users to view one year data or three-year average data. Phase 2 also includes an evaluation of funding protections including the minimum revenue guarantee/hold harmless detailing whether the protection amount or the amount as a percent of TCR has increased or decreased. Many of the pages in the Dashboard allow users to compare between two different districts or a single district to the statewide average. This provides context about whether district outcomes are similar to other districts with similar characteristics. A subsequent data release in Phase 2 was released earlier this year to provide information about race and ethnicity in the supplemental and student success funding allocations. Phase 3 of the dashboard is anticipated to be available in spring of 2022 and will provide districts with SCFF projections and a budget planning tool.

EDUCATION PROTECTION ACCOUNT

The 2021-22 EPA funding was updated in June 2021 to a total of \$1.276 billion. See the second quarter EPA payment exhibit (will be posted in March) on our website for additional details.

CONTACTS

For general questions regarding the apportionment payments send an email to apportionments@cccoco.edu.

For questions regarding the Student Centered Funding Formula send an email to scff@cccoco.edu.

For specific program questions, please contact the appropriate staff identified in the Program Contacts list on the [Apportionment Reports](#) website under the Categorical Program Contacts tab.

**California Community Colleges
2021-22 First Principal
Southwestern CCD**

Exhibit C - Page 1

Total Computational Revenue and Revenue Sources						
Total Computational Revenue (TCR)						
I. Base Allocation (FTES + Basic Allocation)	\$ 73,565,366					
II. Supplemental Allocation	20,382,450					
III. Student Success Allocation	10,246,298					
	<u>104,194,114</u>					
	Student Centered Funding Formula (SCFF) Calculated Revenue (A) \$ 104,194,114					
	2020-21 SCFF Calculated Revenue + COLA (B) 105,665,360					
	Hold Harmless Revenue (C) 103,203,541					
	Stability Protection Adjustment 1,471,246					
	Hold Harmless Protection Adjustment -					
	2021-22 TCR (Max of A, B, or C) \$ 105,665,360					
Revenue Sources						
Property Tax	\$ 33,616,494					
Less Property Tax Excess	-					
Student Enrollment Fees	4,882,864					
Education Protection Account (EPA)	19,166,541					
State General Fund Allocation	44,454,548					
<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:50%;">Calculation: Funded FTES x \$100 min or \$1,611.39 max</td> <td style="width:20%;">Funded FTES: 15,008.59</td> <td style="width:10%;">x</td> <td style="width:15%;">Rate: \$1,277.04</td> <td style="width:5%;"></td> </tr> </table>		Calculation: Funded FTES x \$100 min or \$1,611.39 max	Funded FTES: 15,008.59	x	Rate: \$1,277.04	
Calculation: Funded FTES x \$100 min or \$1,611.39 max	Funded FTES: 15,008.59	x	Rate: \$1,277.04			
State General Fund Allocation						
General Fund Allocation	\$ 43,561,314					
Full-Time Faculty Hiring (FTFH) Allocation (2015-16 Funds Only)	893,234					
Total State General Fund Allocation	\$44,454,548					
Adjustment(s)	-					
Total State General Fund Allocation	\$44,454,548					
	Available Revenue \$ 102,120,447					
	2021-22 TCR (Max of A, B, or C) 105,665,360					
	Revenue Deficit Percentage 3.3548%					
	Revenue Deficit \$ (3,544,913)					

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	2019-20 Applied #3	2020-21 Applied #3	2021-22 Restoration	2021-22 Decline	2021-22 Adjustment	2021-22 Applied #1	2021-22 Applied #2	2021-22 Growth	2021-22 Funded
Credit	14,688.02	14,688.02	-	-	-	14,688.02	14,688.02	-	14,688.02
Incarcerated Credit	30.98	30.98	-	-	-	30.98	30.98	-	30.98
Special Admit Credit	189.50	189.50	-	-	-	189.50	189.50	-	189.50
CDCP	50.82	50.82	-	-	-	50.82	50.82	-	50.82
Noncredit	49.27	49.27	-	-	-	49.27	49.27	-	49.27
Total FTES=>>>	15,008.59	15,008.59	-	-	-	15,008.59	15,008.59	-	15,008.59
Total Values=>>>		\$63,647,274	\$0	\$0	\$0				
Change from PY to CY=>>>		\$0							

variable	j = g x l 2021-22 Applied #2	k = h x l 2021-22 Growth Revenue	l 2020-21 Rate \$	m = j + k 2021-22 Total Revenue	n 2021-22 Applied #0	o = f + h 2021-22 Applied #3	p = n - o 2021-22 Unfunded FTES	q = p x l 2021-22 Unfunded FTES Value
Credit	\$61,869,705	\$ -	\$4,212.26	\$61,869,705	14,688.02	14,688.02	-	-
Incarcerated Credit	182,998	-	\$5,906.97	182,998	30.98	30.98	-	-
Special Admit Credit	1,119,371	-	\$5,906.97	1,119,371	189.50	189.50	-	-
CDCP	300,192	-	\$5,906.97	300,192	50.82	50.82	-	-
Noncredit	175,008	-	\$3,552.03	175,008	49.27	49.27	-	-
Total	\$63,647,274	\$0		\$63,647,274	15,008.59	15,008.59	-	-
Total Value=>>>					\$63,647,274			

Section Ib: 2021-22 FTES Modifications						Definitions:
FTES Selected COVID protection (yes) 2019-20 R1	r 2019-20 Applied #0	s Reported 320 CY 21-22 P1 FTES	t Emergency Conditions Allowance (ECA) COVID-19	u Other	n = s + t + u 2021-22 Applied #0	20-21 App#3: 20-21 App#1 plus 20-21 Growth, is the base for 21-22 21-22 App#0: Reported R1 FTES with COVID-19 and other ECA and statutory protections. These FTES are used in the calculations of the 21-22 funded FTES.
Credit	14,688.02	12,021.74	2,666.28	-	14,688.02	21-22 App#1: Base for 21-22 plus any restoration, decline or adjustment
Incarcerated Credit	30.98	82.12	(51.14)	-	30.98	21-22 App#2: FTES that will be funded not including growth
Special Admit Credit	189.50	202.78	(13.28)	-	189.50	21-22 App#3: 21-22 App#1 plus Growth and will be used as the base for 22-23
CDCP	50.82	51.78	(0.96)	-	50.82	21-22 Adjustment: Alignment of FTES to available resources.
Noncredit	49.27	44.27	5.00	-	49.27	Change Prior Year to Current Year: 21-22App#0 value minus 20-21 App#3 value and is the sum of CY restoration, decline, growth and unapplied values
Total	15,008.59	12,402.69	2,605.90	-	15,008.59	

Section Ic: FTES Restoration Authority				
variable	v	w	y	z = (v + w + y) x l
FTES Category	2018-19	2019-20	2020-21	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	2020-21 Applied #3 FTES	2021-22 Growth FTES
Credit	0.12%	14,688.02	18
Incarcerated Credit	0.12%	30.98	0
Special Admit Credit	0.12%	189.50	0
CDCP	0.12%	50.82	0
Noncredit	0.12%	49.27	0
Total		15,008.59	18.17
Total Growth FTES Value =>>>			77,074.00

Section Ie: Basic Allocation

District Type/FTES	Funding Rate	Number of Colleges	Basic Allocation	FTES	Funding Rate	Number of Centers	Basic Allocation	
Single College Districts				State Approved Centers				
≥ 20,000	6,742,506.62	-	\$0	≥ 1,000	\$1,348,501.11	3	\$4,250,610	
≥ 10,000 & < 20,000	5,394,005.51	1	5,667,482	Grandparented Centers				
< 10,000	4,045,502.28	-	-	≥ 1,000	1,348,501.11	-	-	
Multi-College Districts				≥ 750 & < 1,000	1,011,375.57	-	-	
≥ 20,000	5,394,005.51	-	-	≥ 500 & < 750	674,250.03	-	-	
≥ 10,000 & < 20,000	4,719,754.42	-	-	≥ 250 & < 500	337,125.54	-	-	
< 10,000	4,045,502.28	-	-	≥ 100 & < 250	168,563.83	-	-	
Additional Rural \$	1,286,718.94	-	-	Subtotal				
			Subtotal				\$4,250,610	
							Total Basic Allocation	\$9,918,092
							Total FTES Allocation	63,647,274
							Total Base Allocation	\$73,565,366

Section II: Supplemental Allocation

Supplemental Allocation - Point Value \$948	Points	2020-21 Headcount	Rate	Revenue
AB540 Students	1	739	\$948	\$736,091
Pell Grant Recipients	1	6,540	948	6,514,256
Promise Grant Recipients	1	13,184	948	13,132,103
		Totals		\$20,382,450

Section III: Student Success Allocation

All Students - Point Value \$587.3413	Points	2018-19 Headcount	2019-20 Headcount	2020-21 Headcount	Three Year Average	Rate = Point Value x Points	Revenue
Associate Degrees for Transfer	4	782	845	968	865.00	\$2,349.37	\$2,032,201
Associate Degrees	3	694	726	740	720.00	\$1,762.02	1,268,657
Baccalaureate Degrees	3	0	0	0	-	\$1,762.02	0
Credit Certificates	2	187	163	137	162.33	\$1,174.68	190,690
Transfer Level Math and English	2	444	609	551	534.67	\$1,174.68	628,064
Transfer to a Four Year University	1.5	748	866	904	839.33	\$881.01	739,463
Nine or More CTE Units	1	2,261	2,418	2,367	2,348.67	\$587.34	1,379,469
Regional Living Wage	1	1,848	2,096	1,752	1,898.67	\$587.34	1,115,165
All Students Subtotal		6,964	7,723	7,419	7,368.67		\$7,353,709
Pell Grant Recipients - Point Value \$148.1487							
Associate Degrees for Transfer	6	450	535	607	530.67	\$888.89	\$471,705
Associate Degrees	4.5	420	446	452	439.33	\$666.67	292,890
Baccalaureate Degrees	4.5	0	0	0	-	\$666.67	0
Credit Certificates	3	94	89	78	87.00	\$444.45	38,667
Transfer Level Math and English	3	211	306	246	254.33	\$444.45	113,037
Transfer to a Four Year University	2.25	410	461	512	461.00	\$333.33	153,667
Nine or More CTE Units	1.5	1,295	1,446	1,377	1,372.67	\$222.22	305,038
Regional Living Wage	1.5	598	661	586	615.00	\$222.22	136,667
Pell Grant Recipients Subtotal		3,478	3,944	3,858	3,760.00		\$1,511,671
Promise Grant Recipients - Point Value \$148.1487							
Associate Degrees for Transfer	4	605	667	793	688.33	\$592.59	\$407,903
Associate Degrees	3	556	585	608	583.00	\$444.45	259,112
Baccalaureate Degrees	3	0	0	0	-	\$444.45	0
Credit Certificates	2	151	125	115	130.33	\$296.30	38,617
Transfer Level Math and English	2	283	420	352	351.67	\$296.30	104,198
Transfer to a Four Year University	1.5	564	623	672	619.67	\$222.22	137,704
Nine or More CTE Units	1	1,750	1,900	1,866	1,838.67	\$148.15	272,396
Regional Living Wage	1	1,057	1,210	993	1,086.67	\$148.15	160,988
Promise Grant Recipients Subtotal		4,966	5,530	5,399	5,298.33		\$1,380,918
Total Headcounts		15,408	17,197	16,676	16,427.00		\$10,246,298