

TO: Chief Executive Officers
Chief Business Officers

FROM: Fiscal Services Unit
Office of Institutional Supports & Success
College Finance and Facilities Planning Division

RE: 2021-22 Second Principal Apportionment and 2020-21 Recalculation

This memo describes the 2021-22 Second Principal (P2) and 2020-21 Recalculation (R1) 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](#).

GENERAL BACKGROUND

The SCFF consists of three components: the base allocation, supplemental allocation, and student success allocation. The base allocation relies primarily on college and center size based on prior year data and current year Full Time Equivalent Student (FTES) enrollment. The supplemental allocation is based on prior year data, and the student success allocation is 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.

2021-22 P2

At 2021-22 P2, the updated SCFF calculations reflect district reported FTES estimates (including an optional Title 5 COVID-19 emergency conditions allowance), supplemental and student success metric data reported as of March 10, 2022, county reported property tax, district reported enrollment fees, updated EPA resources, and estimated available state general fund. The 2021-22 P2 TCR consists of the highest of the following three TCR calculations for each district: (A) TCR calculated by formula in 2021-22, (B) TCR stability protection (prior year calculated TCR plus COLA), or (C) Hold Harmless (2017-18 TCR plus yearly COLAs). Net offsetting property tax and enrollment fee revenues increased by \$89.5 and \$3.4 million from P1 to P2, respectively.

The statewide TCR decreased from P1 by \$132,937 to \$7,859,919,243. There was a general fund deficit at P1 of 3.066% (\$240.9 million), which has been eliminated at P2.

The 2021-22 P2 apportionment includes the following updates from P1:

- Updated FTES data from April 15, 2022, CCFS-320 Apportionment Attendance Report.
- Updated supplemental and student success data as of March 10, 2022.
- Updated offsetting revenues, including county reported property taxes, district reported student enrollment fees, and an updated annual certification of the Education Protection Account (EPA).
- Growth funding narrowed to only include districts that had an increase in reported FTES from the prior year to the current year.
- Added two centers approved in the prior fiscal year 2020-21:
 - Los Angeles Community College District – South Gate Educational Center
 - Riverside Community College District – Ben Clark Training Center
- Other minor adjustments.

EXHIBITS

- Exhibit A (District Monthly Payments by Program)
- Exhibit B-4 (County Monthly Payment Schedule)
- Exhibit C (Statewide and district SCFF detail)
- Educational Revenue Augmentation Fund (ERAF) Memo
- ERAF and Property Tax Distribution by County and District
- Education Protection Account (EPA) Exhibit B-4b

EDUCATION PROTECTION ACCOUNT

The 2021-22 EPA funding allocation was updated by the Department of Finance in June 2022 from \$1,276 million to \$1,954 million. This resulted in an increase of \$677.9 million in 4th quarter payments. State general fund payments were subsequently adjusted to reflect the increase in EPA payments in June. Further adjustments to state general fund payments will be made at R1.

See the 4th quarter EPA payment exhibit on our [website](#) for additional details.

CATEGORICAL PROGRAMS

In addition to the 39 programs that certified district allocations at 2021-22 P1, the following programs certified at P2:

- College and Career Access Pathways (CCAP) Instructional Materials for Dual Enrollment, \$2,500,000
- LGBTQ+, \$10,000,000
- Part-Time Faculty Health Benefits, \$392,000
- Part-Time Faculty Office Hours, \$23,744,502.

2020-21 R1 JUNE REVISION

The 2020-21 R1 June revision includes minor adjustments to the prior certification related to revised FTES data. The statewide Total Computational Revenue (TCR) at 2020-21 R1 is \$7,497,461,859. The following exhibits are revised in June 2022:

- Exhibit D (District Monthly Payments by Program)
- Exhibit C (Statewide and district SCFF detail)
- Education Protection Account (EPA) Exhibit B-4b

Contacts

For questions regarding the SCFF please email scff@cccco.edu. For questions regarding specific categorical programs, please contact the appropriate staff specified in the Program Contacts list on our [website](#). For general questions regarding this memo, please contact the Fiscal Services Unit at apportionments@cccco.edu.