

**TO:** Chief Executive Officers  
Chief Business Officers

**FROM:** Fiscal Services Unit  
College Finance and Facilities Planning Division

**RE:** 2024-25 Second Principal Apportionment

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This memo describes the 2024-25 Second Principal (P2) 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 Student (FTES) allocation which is based on current year FTES enrollment and a three-year average for credit FTES.
- The supplemental allocation is based on prior year data.
- 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.

## **SCFF 2024-25 P2**

At 2024-25 P2, SCFF calculations reflect district reported FTES estimates as of April 20, 2025, supplemental and student success metric data reported as of March 11, 2025, county reported property tax and district reported enrollment fees as of April 15, 2025, updated 2024-25 Education Protection Account (EPA) resources, and available general fund. These estimates do not reflect pending considerations attributable to the 2024-25 fiscal year that are subject to the final enactment of the 2025-26 Budget Act.

Notably, there was an increase in EPA, property tax, and enrollment fee revenues at 2024-25 P2 which closed the 2024-25 SCFF revenue deficit reflected in prior apportionment periods.

## **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. All other FTES categories are calculated using current year estimates reported at 2024-25 P2.

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 of \$28.1 million at 2024-25 P2. Growth applied beyond districts' growth targets was proportionally adjusted to not exceed the budget. Growth will be reassessed at 2024-25 R1 when final FTES are reported.

### **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 P2 reflect metric data updates provided by districts through March 11, 2025. Aside from any pending audit adjustments, this is the final data set used for calculating the 2024-25 supplemental and student success allocations.

### **Total Computational Revenue**

The 2024-25 P2 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 P2, the statewide SCFF Max TCR is \$9.74 billion.

<b>SCFF Component</b>	<b>2024-25 P2 Amount (Statewide) (In Millions)</b>
FTES Allocation	\$5,924
Basic Allocation	\$1,001
Supplemental Allocation	\$1,622
Student Success Allocation	\$1,025
SCFF Calculated Revenue (TCR A)	\$9,572
TCR Stability (TCR B)	\$9,510

SCFF Component	2024-25 P2 Amount (Statewide) (In Millions)
Hold Harmless Revenue (TCR C)	\$8,790
2024-25 TCR (Max of A, B, or C)	\$9,737
Stability Protection Adjustment	\$40
Hold Harmless Protection Adjustment	\$126
Property Tax & ERAF	\$4,732
Less Property Tax Excess	(\$523)
Student Enrollment Fees	\$432
Education Protection Account (EPA)	\$1,627
State General Fund Allocation	\$3,469
Deficit Factor	0.00%
(Deficit)	(\$0)

2024-25 P2 TCR Status	Number of Districts
SCFF Calculated Revenue (TCR A)	40
TCR Stability (TCR B)	16
Hold Harmless Revenue (TCR C)	16

## Education Protection Account (EPA)

The Fiscal Year (FY) 2024-25 EPA funding allocation was updated by the Department of Finance in June 2025 from \$1.053 billion to \$1.627 billion, an increase of \$574 million. See the 4th quarter EPA exhibits on our [website](#) for payment details.

### 2024-25 P2 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

## 2023-24 R1 June 2025 Revision

The 2023-24 SCFF was processed to reflect audit adjustments to SCFF data, resulting in updated 2023-24 State General Apportionment and EPA certifications.

## 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. <b>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.</b>
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 a comparison of the prior funding formula (SB 361) and SCFF. Data was last updated February 2023 and will no longer be updated.
- SCFF Data Trends and Insights: 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 May 2025.

- SCFF Resource Estimator: Provides districts with a planning tool to estimate funding amounts. This data is updated after each apportionment period. Data last updated March 2025.

The SCFF Resource Estimator allows users to modify assumptions regarding 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 five-year estimates. The SCFF Resource Estimator will be updated with 2024-25 P2 data in the coming weeks.

## **Categorical Programs**

A total of 68 programs certified their district allocations at 2024-25 P2 totaling over \$3 billion. The following exhibits pertaining to 2024-25 P2 program allocations can be found on our [website](#):

- Exhibit A, B4, D (District Monthly Payments by program)
- Adjustment Report June 2025
- Exhibit A, B4 (Apprenticeship Training and Instruction, Local Education Agencies)
- Exhibit B4 (Statewide Community College)
- Exhibit B4 (Reimbursement, Vocational Education (Perkins))

Additional information regarding 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](mailto:scff@cccco.edu).

For general questions regarding apportionment payments please email [apportionments@cccco.edu](mailto:apportionments@cccco.edu).

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