California Department of Education
Official Letter

July 14, 2026

Dear County and District Superintendents:

2025–26 Lottery Fourth Quarter Accrual
2026–27 Lottery Revenue Projections

The following Lottery accrual and revenue projections are offered for your information as you prepare year-end statements and update your budgets.

2025–26 Fourth Quarter Accrual

Based on the California State Lottery Commission's (CSLC) year-end projections for fiscal year 2025–26, the California Department of Education (CDE) estimates Lottery revenues to be $200.41 per unit of average daily attendance (ADA) for non-Proposition 20 (unrestricted revenues) and $95.27 per ADA for Proposition 20 revenues.

As of June 30, 2026, the total amounts apportioned through the third quarter are $165.549772667 per ADA in non-Proposition 20 unrestricted revenues and $61.292410315 per ADA in Proposition 20 revenues. The CDE recommends accruals for the fourth quarter to be $34.86 per ADA for the unrestricted Lottery apportionment and $33.98 per ADA for the Proposition 20 apportionment. In summary:

2025–26 Quarterly Apportionment	2025–26 Funding Rate Non-Prop 20	2025–26 Funding Rate Prop 20
1st	$79.474034383	$0.000000000
2nd	$54.731028573	$27.993636892
3rd	$31.344709711	$33.298773423
4th (Estimated)	$34.857223514	$33.982390786

Total (Estimated)	**$200.406996181**	**$95.274801101**

If funds are owed to the state for prior year adjustments, these amounts will be offset against the apportionment and should be taken into consideration when booking the fourth quarter accrual. Amounts due are listed under the Accounts Receivable Balance column of the Master Register and are broken down by non-Proposition 20 and Proposition 20. The third quarter State Controller's Office (SCO) Master Register on the SCO's web page at https://www.sco.ca.gov/ard_payments_lottery.html provides information on amounts due.

2026–27 Lottery Revenue Projections

The CSLC is projecting total Lottery sales of $9.36 billion for 2026–27 and estimates that this level of sales will result in $1.98 billion for education. Based on these projections, the CDE estimates that the lottery will provide the following estimated rates:

2026–27 Estimated Funding Rate Non-Prop 20	2026–27 Estimated Funding Rate Prop 20	2026–27 Estimated Funding Rate Total
$190.00	$84.00	$274.00

We will monitor actual sales each quarter and advise you of any changes to the projection. The CDE requests that county superintendents of schools inform LEAs immediately of this information.

If you have any questions regarding this subject, please contact the Categorical Allocations and Audit Resolution Office by email at CAAR@cde.ca.gov.

Sincerely,

Keith Smith, Education Fiscal Services Administrator
School Fiscal Services Division

KS:cm

Last Reviewed: Tuesday, July 14, 2026