
STATE CONTROLLER'S OFFICE
PERSONNEL AND PAYROLL SERVICES DIVISION
P.O. BOX 942850
SACRAMENTO, CA 94250-5878

DATE: June 19, 2026

LEAVE ACCOUNTING LETTER #26-004

TO: All Agencies in the California Leave Accounting System (CLAS)

FROM: Lisa Dean, Chief
Personnel and Payroll Services Division**RE: HOLIDAY CREDIT IN LIEU OF SATURDAY HOLIDAY**

The State Controller's Office will automatically post Holiday Credit in lieu of Saturday Holiday (HC12) hours on July 6, 2026, for the Independence Day holiday. Eligible full/part-time employees will receive the credit in the July 2026 leave period.

EMPLOYEES EXCLUDED FROM THE AUTOMATED PROCESS

The following groups are *not included* in the automated HC12 posting:

- Bargaining Unit 5 – California Highway Patrol
- Bargaining Unit 6 – Rank and File employees in 'posted' positions, or in Class Code 9001
- Bargaining Unit 7 – Class Codes 1662 – 1665
- Bargaining Unit 7 – Class Codes at 8979, 8989, and 8990 at Department of State Hospitals, Department of Developmental Services, Department of Parks and Recreation, and Military
- Bargaining Unit 8 – Department of Forestry and Fire Protection
- Department of Corrections and Rehabilitation – Division of Juvenile Justice, California Education Authority or Office of Correctional Education employees
- Department of Education – Special Schools' calendar year academic teachers
- California Highway Patrol – Class Codes 1662, 1663, 1664, and 1665
- Franchise Tax Board
- Judicial Council of California
- Office of Legislative Counsel
- State Lands Commission – Class Codes (8880 and 8889 only)

Employees who are temporarily separated or who had a non-qualifying July 2026 leave period will also be excluded.

DEPARTMENT ACTION REQUIRED

Departments must manually post the HC12 transaction for any excluded employee who is eligible for Independence Day Holiday Credit.

If an employee has Holiday Credit from a previous department, follow the Earned Benefit Transfer Procedure in the [CLAS Workbook](#) to transfer hours.

INTERMITTENT EMPLOYEES

Intermittent employees are not included in the automated posting because HC12 hours are based on the total hours worked during the holiday month.

Departments should key the HC12 Earnings ID into the pre-loaded Time and Attendance batches in the Payroll Input Process system at the same time regular pay is keyed for the applicable leave period.

QUESTIONS

If you have any questions regarding this letter, or if your department has questions or concerns about employees being included or excluded from this process, please contact the Leave Accounting Liaison Unit at (916) 327-0756.

All PPSD Contact Information:

- [PPSD Contacts and Additional Information](#)

Web Resources:

- [For HR Personnel](#)
- [For State Employees](#)

LD:MRV:CLAS