

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

DATE: April 10, 2026

PAYROLL LETTER #26-004

TO: All Agencies/Campuses in the Uniform State Payroll System

FROM: Lisa Dean, Chief
Personnel and Payroll Services Division**RE: PAYROLL DEDUCTION – CANCELLATION**

The State Controller's Office (SCO) completed the annual audit of participation levels in the State's Voluntary Miscellaneous Payroll Deduction Program. Deduction organizations must maintain minimum participation levels to participate in this program.

Effective with the March 2026 pay period, SCO is no longer withholding the deduction codes listed below from employee pay warrants:

DEDUCTION CODE	DEDUCTION NAME	EARNINGS DESCRIPTION
021-013	CSU Monterey Bay- Athletics	GYM FEES-MB
051-006	Central State Credit Union	CNTRL ST CU
051-033	SAFE Federal Credit Union	SAFE FED CU
051-087	First City Credit Union	1ST CITY CU

Effective with the June 2026 pay period, SCO will no longer withhold the deduction codes listed below from employee pay warrants:

DEDUCTION CODE	DEDUCTION NAME	EARNINGS DESCRIPTION
051-098	SESLOC Federal Credit Union	SESLOC CU

These actions are being taken per [California Government Code Section 1153\(f\)](#), which provides for the cancellation of deductions that are not administratively feasible to maintain. Deduction organizations are aware of the payroll deduction cancellations. No actions from agencies or campuses are necessary to implement these cancellations. Revisions to the [Payroll Procedures Manual \(PPM\)](#) are forthcoming.

Please direct questions regarding this payroll letter to Payroll Deductions Program via email at deductionsprogram@sco.ca.gov.

PPSD and CSU Contact Information:

- [PPSD Contacts and Additional Information](#)

- [Campus Information Retrieval System \(CIRS\) | Contact Email](#)

Web Resources:

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

LD:WV:LM:SACS