

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

DATE: April 6, 2026

FISCAL YEAR-END LETTER #26-004
(Civil Service Only)

TO: All Agencies in the Uniform State Payroll System

FROM: Lisa Dean, Chief
Personnel and Payroll Services Division

RE: ANNUAL PAYROLL HEADER REPORT FORM PR421

The annual Payroll Header report that represents the current Fiscal Year (FY) 2025/2026 will be available April 6, 2026, on Mobius View. Use this form to change or delete Payroll Headers for FY 2026/2027.

To process the annual Payroll Header Report Form PR421 for FY 2026/2027, use the following instructions:

- On the right side of each Form PR421, under the heading "2026/2027 CURRENT HEADER DESCRIPTION," the 2025/2026 description will be printed with the Item Line showing the new Budget Act Year Information. The left side under the heading "CHANGES" will be blank. Note only changes or deletions to existing Payroll Headers.
- When deleting the entire Payroll Header, draw a diagonal line through the "2025/2026" CURRENT HEADER DESCRIPTION".
- New Payroll Headers can only be added via STD. 407 Payroll Header Change (see [Payroll Procedures Manual \(PPM\)](#) Section C204 for STD. Form 407 completion instructions).
- The pre-printed data on Form PR421 does not reflect changes in 2025/2026 Payroll Headers processed after April 6, 2026. Payroll Headers that will automatically terminate June 30, 2026, should be re-established for FY 2026/2027. These are not on Form PR421 and must be submitted on STD. 407 (see [Payroll Procedures Manual \(PPM\)](#) Section C204 for STD. Form 407 completion instructions).
- Entries on Form PR421 must be typed or clearly printed.
- Description lines must not exceed 30 characters per line (including spaces).
- To establish conformance for all Payroll Headers, the last three lines of the Payroll Header description must show Funding Source, Item Number (when applicable) and Program Code (when applicable).
- Payroll Header descriptions must reflect FI\$Cal program code schema. Refer to the Proposed Budget Act of 2026-27 and FI\$Cal Program Crosswalk to identify the correct program code (refer to attached Payroll Header Instructions Items of Appropriation – FY 2026-27). For

agencies continuing to use a clearing account (Program 99), the FI\$Cal program coding requirements also apply.

When changing the reporting unit, the Payroll Header must be deleted on Form PR421, and a new Payroll Header must be established via STD. 407 (see [Payroll Procedures Manual \(PPM\)](#) Section C209 for STD. 407 completion instructions).

- If the agency/reporting unit is Out-of-State, a notation must be made in the blank area under the agency/reporting unit on the STD. 407 or Form PR421.
- Ensure that the Authorized Signature line on the first Form PR421 for each different agency code is signed and the contact person and phone number are completed on each Form PR42.

If there are no changes to the PR421, do not return to the State Controller's Office.

By May 1, 2026, all Form PR421s with changes must be returned via email to ppsdpositioncontrol@sco.ca.gov with Form PR421 in the subject line, or via ConnectHR PR421 drop-down.

State Controller's Office
Payroll Header Instructions
Items of Appropriation
Fiscal Year 2026-27

The following are step-by-step instructions to confirm and/or change the payroll headers for Fiscal Year (FY) 2026-27 for the annual Payroll Header Report (407), Form PR421. When reviewing the 407s, which are subject to the Legacy and FI\$Cal Program coding structure, consult your departmental budget office for assistance.

Overview:

Payroll Header Report (407), Form PR421 report. Review the last three description lines for confirmation and/or changes. See the following example:

- Line 3 description for fund name should correspond to fund number on line 4 (General Fund = 0001).
- Line 4 references the legal spending authority for FY 2026-27 via Budget Act (B/A) Item.
- Line 5 references Legacy Program Code "10" cross-walked to FI\$Cal Program Code "0500".

STATE OF CALIFORNIA																					
OFFICE OF THE STATE CONTROLLER - PAYROLL SERVICES SECTION										CONTACT PERSON <u>CONNIE TACT - PERSON</u>											
DATE <u>4-06-2026</u>		PAYROLL HEADER REPORT (407)																			
FISCAL YEAR <u>2026/2027</u>		TELEPHONE <u>(999)999-9999</u> PAGE <u>1</u>																			
AGY	REPT UNIT	B.F.	EFF DATE	TRANS TYPE	TYPE CHNG	LINE NO.	FUND		AGENCY	FISCAL YEAR	M	REFERENCE ITEM	FEDERAL CAT NO	PROJ	C	CAT	PROG/ELEM	COMP	TASK	REV	REVENUE
051	420		07/2026			0	0001		0840	2026		001					10				
CHANGES												2026-2027 CURRENT HEADER DESCRIPTION									
						1	1 STATE CONTROLLER														
							2 ACCTG AND REPTG DIV														
							3 GENERAL FUND														
							4 ITEM 0840-001-0001 B/A 2026														
							5 PROGRAM 10-0500														
						7															

Last three description lines in example:

- Line 3 – Fund Name
- Line 4 – B/A (Item with Fund Number (0001)
- Line 5 – Legacy Program 10 cross walked to FI\$Cal Program 0500

Instructions for Obtaining Agency Budget Information for Fiscal Year 2026-27:

1. To determine the correct program coding for the payroll header description, refer to the proposed B/A item.
2. To search for the proposed B/A item, refer to the following:
 - Proposed FY 2026-27 Budget Act Book, or
 - California Legislative Information website:
<http://leginfo.legislature.ca.gov/faces/billSearchClient.xhtml>.

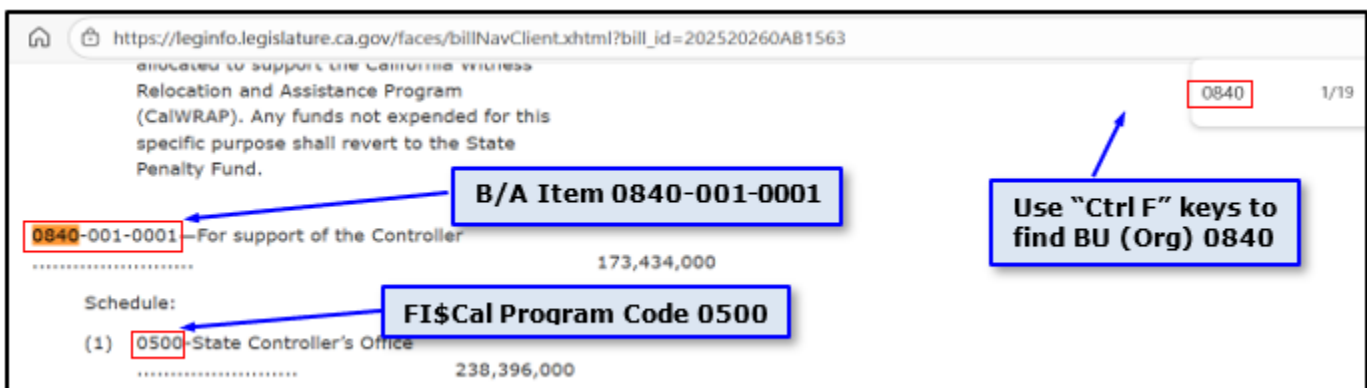
- Select the “Bill Information” tab
 1. Enter Bill Number: “1563” or “879”.
 2. Select House: Assembly (for Bill 1563) or Senate (for Bill 879).



3. To locate the Agency’s applicable B/A Item number:

- Use the Control “F” key find feature.
 - Enter agency’s four-digit organization code.

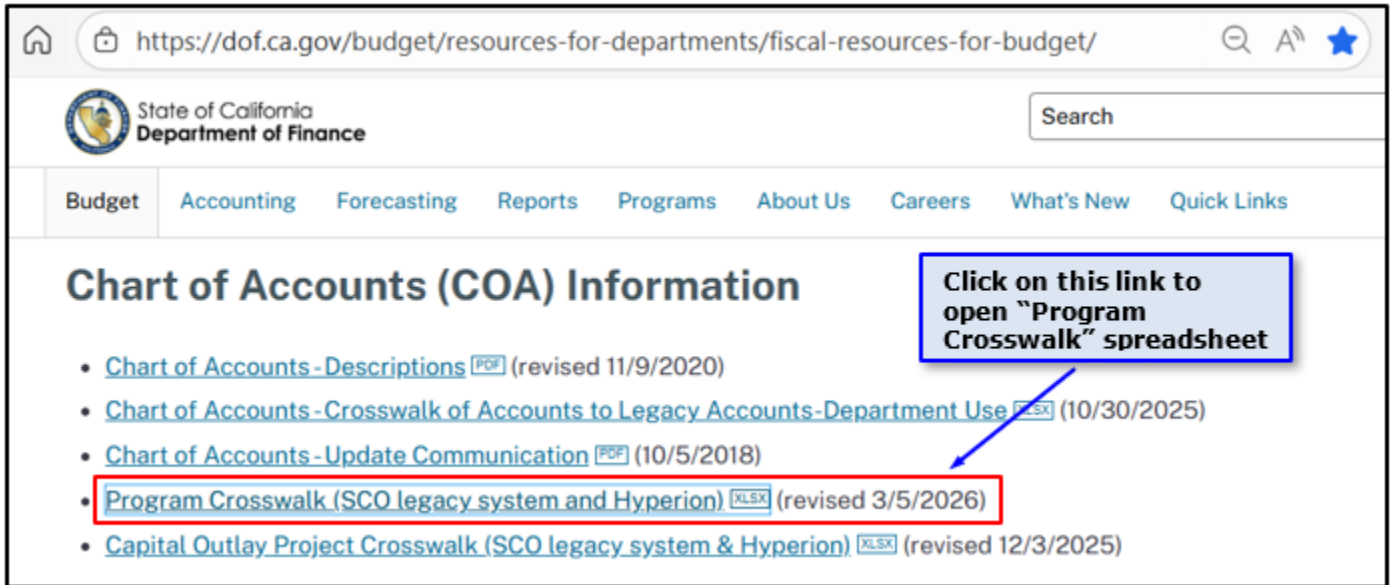
Note: The B/A Item program numbers are reflected under the agency’s appropriation under “Schedule”:



Department of Finance (DOF) – FI\$Cal Program Crosswalk to the SCO Legacy System:

4. The FI\$Cal Program Crosswalk identifies the Legacy Programs for each B/A Item.

- Refer to the DOF <https://dof.ca.gov/budget/resources-for-departments/fiscal-resources-for-budget/> webpage.
- Scroll down to “Chart of Accounts (COA) Information” section.
- Select the “Program Crosswalk (SCO legacy system and Hyperion)” link shown in the following:



5. The following steps show how to locate the Legacy to FI\$Cal program coding using information from procedure step 3, “To locate the Agency’s applicable B/A Item number”:
 - Step 1: In the Business Unit column, locate the four-digit Agency Organization Code (0840).
 - Step 2: In the FI\$Cal Program column, locate the B/A (FI\$Cal) Program Code (0500).
 - Step 3: In the Legacy Program column, locate the corresponding Legacy Program Code (10).

Note: Some Legacy Program Codes may also have additional “Element-Component-Task” coding.

Business Unit	Legacy Program	Legacy Element	Legacy Component	Legacy Task	FI\$Cal Program	Long Program Description	Program Description (30-Character limit)	Short Program Description (10-Character Limit)
0840	10				0500	State Controller's Office	State Controller's Office	State Cont
0840	10				0500100	Accounting and Reporting	Accounting and Reporting	Accounting
0840	10				0500200	Audits	Audits	Audits
0840	10				0500300	Personnel/Payroll Services	Personnel/Payroll Services	Personnel/
0840	10				0500400	Unclaimed Property	Unclaimed Property	Unclaimed
0840	10				0500500	Disbursements	Disbursements	Disburseme
0840	10					Departmental Administration	Departmental Administration	DeptAdmin
0840	20					Loan Repayments	Loan Repayments	Loan Repay
0840	30	01				Administration - Total	Administration - Total	Administra
0840	30	02				Administration - Distributed	Administration - Distributed	Administra
0840						Revenue Transfers	Revenue Transfers	Revenue Tr
0840					9920	Loan Transfers	Loan Transfers	Loan Trans
0840					9990	Unscheduled Items of Appropriation	Unscheduled Items of Approp	Unschedule

- Legacy Program Code 99 Clearing Accounts crosswalk to FI\$Cal Program 9999:

Business Unit	Legacy Program	Legacy Element	Legacy Component	Legacy Task	FI\$Cal Program	Long Program Description	Program Description (30-Character limit)	Short Program Description (10-Character Limit)
0500	99				9999	Clearing Account	Clearing Account	Clearing A

Instructions to Confirm and/or Change Payroll Header Description:

- In the Payroll Header Report (407), verify that the “Current Header Description” matches the B/A item (appropriation string), as identified in procedure steps 1 thru 5 above.
 - The Fund Name (e.g., General Fund, etc.) should be on a line between Lines 3 and 5.
 - The B/A Item as identified in step 3 above should be on the next line after the Fund Name.
 - The Legacy to FI\$Cal Program Coding as identified in step 5 above should be on the next line after the B/A Item information.
 - Acceptable clearing account description format: Clearing Account 99-9999, Program 99-9999, or PGM 99-9999.

Note: If any changes are required, list them in the “CHANGES” section. Please refer to the example below.

STATE OF CALIFORNIA																							
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FISCAL YEAR <u>2026/2027</u>																							
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							FUND	SUB															
051	420		07/2026			0	0001		0840	2026		001					10						
CHANGES										2026/2027 CURRENT HEADER DESCRIPTION													
						1																	
						2	LOCAL GOVT PROGRMS AND SERV DIV																
						3																	
						4																	
						5	PROGRAM 10 LGPSD-0500																
						6																	
						7																	

Changing current header description for lines 2 and 5.

For questions, please email: payrollaccounting@sco.ca.gov.

All PPSD Contact Information:

- [PPSD Contacts and Additional Information](#)

Web Resources:

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

LD:CL:KV:PC:SACS: