



## Consent

### Agenda Item 6a6

May 15, 2013

**ITEM NAME:** Proposed Decision – In the Matter of the Application for Payment of Benefits Upon the Death of Elsie M. Smith by ALFRED SMITH, Respondent, and JUNE C. COLLINS, Respondent.

**PROGRAM:** Benefit Services Division

**ITEM TYPE:** Action Consent

#### **PARTIES' POSITIONS**

Staff argues that the Board of Administration should adopt the Proposed Decision.

Respondent Alfred Smith argues that the Board of Administration should decline to adopt the Proposed Decision. Respondents June Collins, Glenn Smith, Ginger Smith and Marie Smith argue that the Board of Administration should decline to adopt the Proposed Decision

#### **STRATEGIC PLAN**

This item is not a specific product of either the Strategic or Annual Plans. The determination of administrative appeals is a power reserved to the Board of Administration.

#### **PROCEDURAL SUMMARY**

Respondent Alfred L. Smith submitted an application for Post-Retirement Survivor Benefits upon the death of his wife, Elsie Smith. There were two benefits at issue: (1) a \$2000.00 Retired Death Benefit; and (2) a \$25,118.62 Option 1 Death Benefit. When Elsie retired, she had designated a daughter of Elsie and Alfred, Respondent June Collins, as beneficiary of her Retired Death Benefit. She had also designated her four children as her Option 1 beneficiaries. After reviewing beneficiary designations, CalPERS denied Respondent's application for benefits. This matter was heard by the Office of Administrative Hearings on January 30, 2013. A Proposed Decision was issued on March 1, 2013, denying Respondent Smith any interest in the \$2000.00 Retired Death Benefit, but awarding him a 50% interest of \$12,559.31 in the Option 1 Death Benefit, which was his community property interest.

## **ALTERNATIVES**

- A. For use if the Board decides to adopt the Proposed Decision as its own Decision:

RESOLVED, that the Board of Administration of the California Public Employees' Retirement System hereby adopts as its own Decision the Proposed Decision dated March 1, 2013, concerning the application of Alfred L. Smith; RESOLVED FURTHER that this Board Decision shall be effective 30 days following mailing of the Decision.

- B. For use if the Board decides not to adopt the Proposed Decision, and to decide the case upon the record:

RESOLVED, that the Board of Administration of the California Public Employees' Retirement System, after consideration of the Proposed Decision dated March 1, 2013, concerning the application of Alfred L. Smith, hereby rejects the Proposed Decision and determines to decide the matter itself, based upon the record produced before the Administrative Law Judge and such additional evidence and arguments that are presented by the parties and accepted by the Board; RESOLVED FURTHER that the Board's Decision shall be made after notice is given to all parties.

- C. For use if the Board decides to remand the matter back to the Office of Administrative Hearings for the taking of further evidence:

RESOLVED, that the Board of Administration of the California Public Employees' Retirement System, after consideration of the Proposed Decision dated March 1, 2013, concerning the application of Alfred L. Smith, hereby rejects the Proposed Decision and refers the matter back to the Administrative Law Judge for the taking of additional evidence as specified by the Board at its meeting.

- D. Precedential Nature of Decision (two alternatives; either may be used):

1. For use if the Board wants further argument on the issue of whether to designate its Decision as precedential:

RESOLVED, that the Board of Administration of the California Public Employees' Retirement System requests the parties in the matter concerning the application of Alfred L. Smith, as well as interested parties, to submit written argument regarding whether the Board's Decision in this matter should be designated as precedential, and that the Board will consider the issue whether to designate its Decision as precedential at a time to be determined.

2. For use if the Board decides to designate its Decision as precedential, without further argument from the parties.

RESOLVED, that the Board of Administration of the California Public Employees' Retirement System, hereby designates as precedential its Decision concerning the application of Alfred L. Smith.

#### **ATTACHMENTS**

- Attachment A: Proposed Decision
- Attachment B: Staff's Argument
- Attachment C: Respondent(s) Argument(s)

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DONNA RAMEL LUM  
Deputy Executive Officer  
Customer Services and Support