



Agenda Item 8n

August 19, 2015

ITEM NAME: Proposed Decision – In the Matter of the Application for Death Benefits Payable on Account of J.D. JONES by SHARON RENEE JONES, LUTRICE MONIQUE JONES, ROXIA ANN FLENTROY, ROLISA M. JONES, J.D. JONES III, and FLORIA JONES, Respondents, and KATHLEEN STRICKLAND, Respondent.

PROGRAM: Benefit Services Division

ITEM TYPE: Action

PARTIES' POSITIONS

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

Respondent Kathleen Strickland (Respondent Strickland) argues that the Board of Administration should adopt the Proposed Decision.

Respondents Sharon Renee Jones, Lutrice Monique Jones, Roxia Ann Flentroy, Rolisa Jones and J.D. Jones III (Respondent Children) argue that the Board of Administration should adopt the Proposed Decision.

Respondent Floria Jones argues that the Board of Administration should 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

Decedent J.D. Jones (Decedent) filed a service retirement election application on July 2, 2004, electing the Option 1 monthly allowance and designated Respondent Strickland as his beneficiary for the lump sum Option 1 Return of Contributions Benefit and Retired Death Benefit. CalPERS later received an undated post-retirement lump sum beneficiary designation from Decedent, again naming Respondent Strickland as his beneficiary. CalPERS notified Decedent that the post-retirement lump sum beneficiary designation could not be processed because it did not contain his signature or social security number.

Decedent was married to Respondent Floria Jones on March 29, 1965. A petition for dissolution of marriage was filed by Decedent against Respondent Floria Jones on January 27, 1993.

From November 1999 to June 2010, Decedent lived with Respondent Strickland.

Decedent was survived by five adult children: Respondents Sharon Renee Jones, Lutrice Monique Jones, Roxia Ann Flentroy, Rolisa M. Jones, and J.D. Jones III (Respondent Children).

CalPERS initially determined that Respondent Strickland was Decedent's death benefit beneficiary. Respondent Children were notified that they were not included in the beneficiary designation. Respondent Children appealed this determination. CalPERS later determined that Respondent Floria Jones was entitled to fifty percent of the Option 1 Return of Contributions Benefit and the Prorated Allowance Benefit, and that Respondent Strickland was entitled to the non-community property portion of these benefits and the entire portion of the Retired Death Benefit. Respondent Children did not contest this determination. The matter was heard by the Office of Administrative Hearings on June 11, 2015. A Proposed Decision was issued on June 25, 2015, denying the appeal.

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 June 25, 2015, concerning the appeal of Sharon Renee Jones, Lutrice Monique Jones, Roxia Ann Flentroy, Rolisa M. Jones, and J.D. Jones III; 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 June 25, 2015, concerning the appeal of Sharon Renee Jones, Lutrice Monique Jones, Roxia Ann Flentroy, Rolisa M. Jones, and J.D. Jones III, 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 June 25, 2015, concerning the appeal of Sharon Renee Jones, Lutrice Monique Jones, Roxia Ann Flentroy, Rolisa M. Jones, and J.D. Jones III, 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 appeal of Sharon Renee Jones, Lutrice Monique Jones, Roxia Ann Flentroy, Rolisa M. Jones, and J.D. Jones III, 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 appeal of Sharon Renee Jones, Lutrice Monique Jones, Roxia Ann Flentroy, Rolisa M. Jones, and J.D. Jones III.

BUDGET AND FISCAL IMPACTS: Not applicable

ATTACHMENTS

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

DONNA RAMEL LUM
Deputy Executive Officer
Customer Services and Support