Item Name: Proposed Decision – In the Matter of the Appeal to Purchase Service Credit Prior to Membership of LESTER E. EATON, Respondent, and COUNTY OF SUTTER, Respondent.

Program: Employer Account Management Division

Item Type: Action

Parties' Positions

Staff argues that the Board of Administration should adopt the Proposed Decision, as modified. Respondent Lester E. Eaton’s (Respondent Eaton) position is included in Attachment C, if any. Respondent County of Sutter’s (Respondent County) position is included in Attachment C, if any.

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 Eaton served as a Reserve Correctional Officer for Respondent County from July 11, 2003 to November 19, 2005. Respondent Eaton submitted a "Request for Service Credit Cost Information - Service Prior to Membership" form to CalPERS requesting information for the cost of service credit for the period of July 11, 2003 to November 19, 2005. CalPERS determined that Respondent Eaton was not eligible to purchase service credit for this period, because he served as a volunteer and was not compensated for services rendered. Respondent Eaton appealed this determination. The matter was heard by the Office of Administrative Hearings on November 13, 2018. A Proposed Decision was issued on March 6, 2019, affirming CalPERS’ determination and denying the appeal.

Alternatives

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

RESOLVED, that the Board of Administration of the California Public Employees’ Retirement System, pursuant to Government Code section 11517 (c)(2)(C) which authorizes the Board
to “make technical or other minor changes in the proposed decision, “hereby modifies the Proposed Decision, by replacing the date on page two, paragraph three, at line four from “July 11, 2013,” to “July 11, 2003” so that the comma following the date is removed, and hereby adopts as its own Decision the Proposed Decision dated March 6, 2019, concerning the appeal of Lester E. Eaton; RESOLVED FURTHER that this Board Decision shall be effective 30 days following mailing of the Decision.

B. 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 6, 2019, concerning the appeal of Lester E. Eaton; RESOLVED FURTHER that this Board Decision shall be effective 30 days following mailing of the Decision.

C. 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 6, 2019, concerning the appeal of Lester E. Eaton, 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.

D. 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 6, 2019, concerning the appeal of Lester E. Eaton, 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.

E. 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 Lester E. Eaton, 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 Lester E. Eaton.

**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