

ATTACHMENT B

STAFF'S ARGUMENT

STAFF'S ARGUMENT TO ADOPT THE PROPOSED DECISION

Monica Stinson (Respondent) worked for California Department of Corrections and Rehabilitation (CDCR), R.J. Donovan Correctional Facility, from August 25, 2008, through August 13, 2009. By virtue of this employment, Respondent was a state safety member of CalPERS.

Respondent terminated her membership with CalPERS on December 29, 2009, when she requested and received a refund of her contributions.

Respondent re-established membership in CalPERS on October 26, 2010, through her employment as a Licensed Vocational Nurse (LVN) with CDCR, Folsom State Prison. Respondent's last day of employment with CDCR, Folsom State Prison, was July 1, 2015.

Respondent terminated her membership with CalPERS on July 2, 2015, when she requested and received a refund of her contributions. Subsequently, Respondent re-established membership in CalPERS on July 3, 2017, through her employment with Department of State Hospital (DSH), Coalinga, Secure Treatment Facility. Respondent worked for DSH Coalinga through August 1, 2017.

On April 1, 2020, Respondent applied for Industrial Disability Retirement (IDR) from her position as an LVN with CDCR, Folsom State Prison. On her application, Respondent indicated her last day of work at CDCR, Folsom State Prison, was July 1, 2015.

On May 1, 2020, CalPERS staff told Respondent that she will need to re-deposit 3.252 years of service credit for CalPERS to process her IDR application. CalPERS also advised Respondent that her "earliest retirement date . . . would be the day after her service credit purchase packet is received by CalPERS."

By email to CalPERS on May 7, 2020, Respondent inquired why she was required to redeposit the previously refunded contributions for her IDR application to be granted. Respondent's email states:

You stated that my application for continuous IDR payments was approved on condition that I redeposit the withdrawn funds of 2015. You also said that my request for the application to be back dated to 2015 as per government code 21153 was denied. Could you please explain why. You also stated that the effective date would be the service credit purchase date and not the employment separation date of 07 /01/2015. Could you please kindly explain the government code that informed your decision.

On June 24, 2020, CalPERS staff answered Respondent's inquiry about her IDR effective date, stating that pursuant to Government Code section 21050, the earliest retirement date she can elect would be the day after her credit purchase election is received by CalPERS.

On June 29, 2020, CalPERS received Respondent's election to purchase 3.252 years of service credit.

On July 8, 2020, CalPERS approved Respondent's IDR application. CalPERS set June 30, 2020, as the effective retirement date, one day after Respondent submitted her service credit purchase packet.

Respondent subsequently requested that CalPERS set her retirement date retroactive to July 1, 2015, which is the date she separated from her employment with CDCR, Folsom State Prison.

By letter dated October 1, 2020, CalPERS denied Respondent's request. CalPERS explained that pursuant to Government Code section 21050, subdivision (d)(1) an election to redeposit previously refunded contributions and interest would be effective on "the earlier of the member's retirement date, or the first day of the month following approval . . . of the election."

Respondent appealed this determination and exercised her right to a hearing before an Administrative Law Judge (ALJ) with the Office of Administrative Hearings (OAH). A hearing was held on December 8, 2025. Respondents did not appear at the hearing, and a default was taken as to Respondent, CDCR Folsom State Prison, and DSH, Coalinga.

Prior to the hearing, CalPERS explained the hearing process to Respondent and the need to support her case with witnesses and documents. CalPERS provided Respondent with a copy of the administrative hearing process pamphlet, answered Respondent's questions, and clarified how to obtain further information on the process.

At hearing, CalPERS presented testimony from an analyst who works in the disability retirement processing and appeals unit. The analyst testified that he is assigned to disability retirements and death benefits and his duties include reviewing disability applications and supporting documentation. He explained that a member may choose to redeposit previously refunded contributions to accrue service credits for purposes of service retirement. Such redepositing has no bearing on an IDR application because IDR has no required minimum service credit.

In the analyst's experience, it is not common for an applicant to list a previous CalPERS-covered employer and previous last date worked, instead of the most recent employer and most recent last date worked, on an IDR application. For some unknown reason, CalPERS staff "did not catch" that Respondent used a previous last date worked, and they did not ask for a corrected IDR application. The analyst stated that he

believed CalPERS “made a mistake” in approving Respondent’s IDR application with inaccurate information.

After considering all the evidence, the ALJ held that Respondent’s effective date of retirement is April 1, 2020, pursuant to Government Code section 21252, subdivision (a). The ALJ determined that CalPERS incorrectly found that Respondent was not a member when she applied for disability retirement. The ALJ concluded that CalPERS erred in using Government Code section 21050 to determine Respondent’s effective retirement date. The ALJ further concluded that because Respondent applied for IDR benefits more than 9 months after separating from employment, her effective retirement date should be April 1, 2020 – the first date of the month she applied.

For all the above reasons, staff argues that the Board of Administration should adopt the Proposed Decision.

March 18, 2026

Austa Wakily
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