



Board of Retirement Regular Meeting

Sacramento County Employees' Retirement System

Agenda Item 15

MEETING DATE: February 21, 2024

SUBJECT: Administrative Appeals Policy

SUBMITTED FOR: ___ Consent X Deliberation and Action ___ Receive and File

RECOMMENDATION

Approve amendments to SCERS' Appeal of SCERS' Administrative Decision Policy.

PURPOSE

This item supports Strategic Management Plan goals regarding transparency, efficiency, and compliance with laws and regulations, and effective oversight of Plan administration.

DISCUSSION

In March 2018, the Board approved its Appeal of SCERS' Administrative Decision Policy, formalizing the traditional procedures for affording members due process when faced with an adverse administrative decision by Staff. The policy was renumbered in August 2018 and reaffirmed by the Board in May 2021.

Pursuant to SCERS' practice of reviewing and refreshing policies every three years, Staff has re-evaluated the policy to consider whether any amendments are necessary due to legal changes or practical experience. The resulting revisions are mostly cosmetic in nature, including a shortened policy title, but there are additional substantive recommendations as well. For example, the Chief Benefits Officer will be required to issue an Administrative Decision within 60 days of a request, rather than an unspecified "reasonable time." Additionally, should the Chief Benefits Officer consult with the Chief Executive Officer regarding the request, the CEO may issue the Administrative Decision directly, allowing for expedited Board Review if necessary. The proposed amendments are consistent with recent changes to other policies reviewed by General Counsel.

ATTACHMENTS

- Board Order
- Redlined version of policy with proposed amendments
- Clean version of policy with proposed amendments

Prepared by:

/s/

Jason R. Morrish
General Counsel

Reviewed by:

/s/

Eric Stern
Chief Executive Officer



Retirement Board Order

Sacramento County Employees' Retirement System

**Before the Board of Retirement
February 21, 2024**

AGENDA ITEM:

Administrative Appeals Policy

THE BOARD OF RETIREMENT hereby approves Staff's recommendation to approve amendments to SCERS' Appeal of SCERS' Administrative Decision Policy.

I HEREBY CERTIFY that the above order was passed and adopted on February 21, 2024 by the following vote of the Board of Retirement, to wit:

AYES:

NOES:

ABSENT:

ABSTAIN:

ALTERNATES
(Present but not voting):

James Diepenbrock
Board President

Eric Stern
Chief Executive Officer and
Board Secretary



ADMINISTRATIVE APPEALS POLICY ~~APPEAL OF SCERS'~~ ~~ADMINISTRATIVE DECISIONS~~ POLICY

PURPOSE

The purpose of this policy is to provide SCERS members and/or their related parties as defined herein with ~~due process~~ procedures and timelines for appeal ~~disputing matters in~~ SCERS' administrative decisions ~~affecting such persons~~.

SCOPE

The scope of this policy includes SCERS' administrative decisions related to:

1. Determinations of eligibility, and application of any required limitations or other changes thereto, pertaining to membership, pension amount, benefits payable, effective dates, service credit purchases, reciprocity and any other similar types of decisions related to the rights and benefits of SCERS members, their beneficiaries, survivors and/or their current or former spouses/registered domestic partners.

a. Determination of eligibility for disability retirement benefits is separately subject to Chapter 5 of SCERS Bylaws and SCERS Disability Retirement Procedures. Determinations regarding disability retirement benefits are not within the scope of this policy until they are granted by the Board.

2. The adjustment and correction of errors and omissions affecting SCERS' determinations, including collection or return of underpaid or overpaid member contributions or benefits and interest payable thereon.

~~1. Determination of eligibility, effective date, and amount of pension and other benefits payable from SCERS, and application of any required limitations or other changes thereto. However, determination of eligibility to apply for and be granted disability retirement benefits is subject to Chapter 5 of SCERS Bylaws and SCERS Disability Retirement Procedures. If and when granted, disability retirement benefits payable from SCERS are subject to this policy.~~

~~2. Determination of eligibility for SCERS membership.~~

~~3. Determination of eligibility, required amount, and maximum time for payment of additional member contributions for the purchase of permissive service credit.~~

~~4. The adjustment, correction, collection, or return by SCERS of underpaid or overpaid member contributions due to SCERS and underpaid or overpaid benefits from~~

~~SCERS, including application or waiver of interest thereon, pursuant to SCERS Bylaws and policies.~~

- ~~5. SCERS' correction of errors or omissions pursuant to SCERS Bylaws and policies.~~
- ~~6. Determination of eligibility for, and application of the rights and benefits of, reciprocity for SCERS members who are also members of one or more reciprocal public retirement systems in California.~~
- ~~7. Other similar types of administrative decisions not expressly enumerated above related to the rights and benefits of SCERS members, their beneficiaries and/or survivors, or their current or former spouses/registered domestic partners.~~

DEFINITIONS

As used in this policy, the terms below have the following meaning:

Administrative Decision – A determination made by SCERS in response to a written request, typically submitted by a member or Related Party in a form prescribed by SCERS, for ~~at the~~ commencement or change of benefits from SCERS, or the determination or modification of eligibility for or rights to benefits from SCERS.

Board Review – The Board’s consideration of an Administrative Decision of SCERS’ Chief Executive Officer (CEO) that is disputed in writing by a member or Related Party.

CEO Review – The CEO’s consideration of an Administrative Decision of SCERS’ Chief Benefits Officer (CBO) that is disputed in writing by a member or Related Party.

Final Administrative Action - A determination by the Board on an ~~disputed~~ Administrative Decision submitted for Board Review. A Final Administrative Action is subject to Judicial Review.

Judicial Review – An inquiry into the validity of a Final Administrative Action of the Board ~~heard by the court without a jury~~ pursuant to California Code of Civil Procedure Sections 1094.5 and 1094.6; ~~provided the petition for writ of mandate is filed within the time limits specified in Code of Civil Procedure Section 1094.6~~ and as provided by Sacramento County Code Section 1.06.020.

Related Party – A member’s beneficiary, survivor, or authorized agent, or a member’s current or former spouse/registered domestic partner who has a community property interest in a SCERS’ member’s account and benefits.

PROCEDURE POLICY

A-1. Requests for ~~Benefit~~ Determinations

Requests for the determination or modification of rights and benefits of SCERS’ members and Related Parties ~~eligibility for, amount, commencement, change, or adjustment of benefits from SCERS, or determination or modification of a person’s rights to benefits from SCERS,~~ are typically made in writing in a form prescribed by SCERS. Such requests are processed by staff according to SCERS’ normal operating procedures.

B-2. Administrative Decision by Chief Benefits Officer (CBO)

~~In the event a request cannot be processed or approved as submitted, the~~ SCERS’ The CBO will make an Administrative Decision within a reasonable time within 60 calendar days of SCERS’ receipt of the written request and provide ~~a~~ written notice of SCERS’ determination in response to the request.

The CBO may, in his or her sole discretion, elect to consult with the CEO in making any Administrative Decision. In that circumstance, the Administrative Decision may be issued by the CEO, in which case any request for review by the member or Related Party will proceed as a Request for Board Review under Section 5, below.

C-3. Request for CEO Review

If the CBO’s determination is disputed, the member or Related Party may, within 60 calendar days’ ~~of the written~~ notice from the CBO, submit a written request for CEO

Review of the Administrative Decision, and ~~may~~shall include any additional documentation or explanation, including affidavits, with the request.

A member or Related Party may, within the 60-day period, submit a written request ~~for in writing~~ an extension of time to ~~file a request for~~ CEO Review. Any request for such an extension shall be granted at the sole discretion of the CEO upon a showing of good cause.

If a written request for either an extension of time or a request for CEO Review of a disputed CBO ~~Administrative Decision's determination~~ is not timely submitted timely to SCERS, the disputed matter shall be deemed ~~by SCERS to be~~ resolved and closed, and the CBO's Administrative Decision ~~will~~shall stand.

~~The CEO may, in his or her sole discretion, also submit a recommendation to the Board that the CBO's Administrative Decision be affirmed by the Board. The Board's decision on the recommendation is a Final Administrative Action.~~

D-4. CEO Review

Within 60 calendar days of SCERS' receipt of ~~a~~the written request, the CEO will review the disputed issue, the CBO's determination, any additional information submitted with the written request for CEO Review, and any other information pertinent to the disputed matter(s) as determined by the CEO. The CEO will make an Administrative Decision and provide written notice thereof in response to the request for CEO Review.

~~Alternatively, The CEO may, in his or her sole discretion, the CEO may decline to formally review the disputed issue and instead also submit the matter for Board Review a recommendation to the Board under Section 6, below that the CBO's Administrative Decision be affirmed by the Board. The Board's decision on the recommendation is a Final Administrative Action.~~

E-5. Request for Board Review

If the CEO's determination is disputed, the member or Related Party may, within 60 calendar days of written notice of the CEO's Administrative Decision, submit a written request for Board Review, which shall include any additional documentation or explanation, including affidavits, with the request.

A member or Related Party may within the 60-day period request in writing an extension of time to file a request for Board Review upon a showing of good cause.

If a written request for either an extension of time or a request for Board Review of a disputed CEO ~~Administrative Decision's determination~~ is not timely submitted timely to SCERS, the disputed matter shall be deemed ~~by SCERS to be~~ resolved and closed, and the CEO's Administrative Decision ~~will~~shall stand.

~~The CEO may, in his or her sole discretion, also submit a recommendation to the Board that the CEO's Administrative Decision be affirmed by the Board. The Board's decision on the recommendation is a Final Administrative Action.~~

F-6. Board Review

Within 60 calendar days of SCERS' receipt of the written request for Board Review, the CEO will include an item for Board Review of an Administrative Decision in the agenda for a regular or special meeting of the Board, and provide the member or Related Party at least 30-~~day's~~day's ~~advance~~advance written notice of the time and place of the meeting, ~~that includes the item for Board Review and~~ during which the member or Related Party may address

the Board.

The agenda materials submitted to the Board will include the original request and any subsequent written documentation and requests submitted by the member or Related Party, and a staff recommendation for the Board's determination on the disputed matter(s) with relevant supporting documentation.

The Board's decision on the recommendation is a Final Administrative Action on any and all issues raised by the member or Related Party regarding the disputed Administrative Decision. There ~~will~~shall be no reconsideration of a Final Administrative Action.

G-7. Judicial Review

SCERS will send written notice of the Board's Final Administrative Action on a disputed Administrative Decision within 104 calendar days of the date the Board's decision was made. The notice shall ~~advise the member and/or Related Party include the following statement regarding the availability of Judicial Review by writ of mandate under the California Code of Civil Procedure. (writ of mandate):~~

~~"Pursuant to the Board of Retirement's Bylaws and policy, action to seek judicial review of this decision is governed by the provisions of Section 1094.6 of the Code of Civil Procedure of the State of California. You are advised that any such petition must be filed not later than the ninetieth (90th) calendar day following the date this written notice of the Board's decision was sent by SCERS."~~

~~Accompanying this statement will be a copy of the text of California Code of Civil Procedure section 1094.6 and Chapter 1.06 of the Sacramento County Code related to the Judicial Review of administrative decisions, as required by Section 1.06.040 of the Sacramento County Code.~~

AUTHORITY/BACKGROUND

~~California Government Code Sections 1085 et seq.~~

~~Sacramento County Code Chapter 1.06.040 Members are allowed to seek judicial review of a final administrative decision by the Board of Retirement under California Code of Civil Procedure Section 1094.6 on disputed matters. This policy affirms the current process and establishes the timeframe for completing SCERS' administrative review and determination of disputed Administrative Decisions, which may ultimately conclude with a Final Administrative Action of the Board that may be subject to judicial review if a member or Related Party files a timely petition for writ of mandate.~~

RESPONSIBILITIES

Executive Owner: Chief Executive Officer

POLICY HISTORY

| Date | Description |
|-------------------|-----------------------------|
| <u>01-17-2024</u> | <u>Board amended policy</u> |
| 05-19-2021 | Board reaffirmed policy |
| 08-01-2018 | Renumbered from 018 |
| 03-21-2018 | Board approved policy |



ADMINISTRATIVE APPEALS POLICY

PURPOSE

The purpose of this policy is to provide SCERS members and/or their related parties as defined herein with procedures and timelines for appealing SCERS' administrative decisions.

SCOPE

The scope of this policy includes SCERS' administrative decisions related to:

1. Determinations of eligibility, and application of any required limitations or other changes thereto, pertaining to membership, pension amount, benefits payable, effective dates, service credit purchases, reciprocity and any other similar types of decisions related to the rights and benefits of SCERS members, their beneficiaries, survivors and/or their current or former spouses/registered domestic partners.
 - a. Determination of eligibility for disability retirement benefits is separately subject to Chapter 5 of SCERS Bylaws and SCERS Disability Retirement Procedures. Determinations regarding disability retirement benefits are not within the scope of this policy until they are granted by the Board.
2. The adjustment and correction of errors and omissions affecting SCERS' determinations, including collection or return of underpaid or overpaid member contributions or benefits and interest payable thereon.

DEFINITIONS

As used in this policy, the terms below have the following meaning:

Administrative Decision – A determination made by SCERS in response to a written request, typically submitted by a member or Related Party in a form prescribed by SCERS, for a commencement or change of benefits from SCERS, or the determination or modification of eligibility for or rights to benefits from SCERS.

Board Review – The Board's consideration of an Administrative Decision of SCERS' Chief Executive Officer (CEO) that is disputed in writing by a member or Related Party.

CEO Review – The CEO's consideration of an Administrative Decision of SCERS' Chief Benefits Officer (CBO) that is disputed in writing by a member or Related Party.

Final Administrative Action - A determination by the Board on an Administrative Decision submitted for Board Review. A Final Administrative Action is subject to Judicial Review.

Judicial Review – An inquiry into the validity of a Final Administrative Action of the Board pursuant to California Code of Civil Procedure Sections 1094.5 and 1094.6 and as provided by Sacramento County Code Section 1.06.

Related Party – A member's beneficiary, survivor, or authorized agent, or a member's current or former spouse/registered domestic partner who has a community property interest in a SCERS' member's account and benefits.

PROCEDURE

1. Requests for Determinations

Requests for the determination or modification of rights and benefits of SCERS' members and Related Parties are typically made in writing in a form prescribed by SCERS. Such requests are processed by staff according to SCERS' normal operating procedures.

2. Administrative Decision by Chief Benefits Officer (CBO)

The CBO will make an Administrative Decision within 60 calendar days of SCERS' receipt of the written request and provide written notice of SCERS' determination in response to the request.

The CBO may, in his or her sole discretion, elect to consult with the CEO in making any Administrative Decision. In that circumstance, the Administrative Decision may be issued by the CEO, in which case any request for review by the member or Related Party will proceed as a Request for Board Review under Section 5, below.

3. Request for CEO Review

If the CBO's determination is disputed, the member or Related Party may, within 60 calendar days' notice from the CBO, submit a written request for CEO Review of the Administrative Decision, and shall include any additional documentation or explanation, including affidavits, with the request.

A member or Related Party may, within the 60-day period, submit a written request for an extension of time to request CEO Review. Any request for such an extension shall be granted at the sole discretion of the CEO upon a showing of good cause.

If a written request for either an extension of time or a request for CEO Review of a disputed CBO Administrative Decision is not timely submitted to SCERS, the disputed matter shall be deemed resolved and closed, and the CBO's Administrative Decision will stand.

4. CEO Review

Within 60 calendar days of SCERS' receipt of a written request, the CEO will review the disputed issue, the CBO's determination, any additional information submitted with the written request for CEO Review, and any other information pertinent to the disputed matter(s) as determined by the CEO. The CEO will make an Administrative Decision and provide written notice thereof in response to the request for CEO Review.

Alternatively, in his or her sole discretion, the CEO may decline to formally review the disputed issue and instead submit the matter for Board Review under Section 6, below.

5. Request for Board Review

If the CEO's determination is disputed, the member or Related Party may, within 60 calendar days of written notice of the CEO's Administrative Decision, submit a written request for Board Review, which shall include any additional documentation or explanation, including affidavits, with the request.

A member or Related Party may within the 60-day period request in writing an extension of time to file a request for Board Review upon a showing of good cause.

If a written request for either an extension of time or a request for Board Review of a disputed CEO Administrative Decision is not timely submitted to SCERS, the disputed matter shall be deemed resolved and closed, and the CEO's Administrative Decision will stand.

6. Board Review

Within 60 calendar days of SCERS' receipt of the written request for Board Review, the CEO will include an item for Board Review of an Administrative Decision in the agenda for a regular or special meeting of the Board, and provide the member or Related Party at least 30 days' written notice of the time and place of the meeting, during which the member or Related Party may address the Board.

The agenda materials submitted to the Board will include the original request and any subsequent written documentation and requests submitted by the member or Related Party, and a staff recommendation for the Board's determination on the disputed matter(s) with relevant supporting documentation.

The Board's decision on the recommendation is a Final Administrative Action on any and all issues raised by the member or Related Party regarding the disputed Administrative Decision. There will be no reconsideration of a Final Administrative Action.

7. Judicial Review

SCERS will send written notice of the Board's Final Administrative Action on a disputed Administrative Decision within 14 calendar days of the date the Board's decision was made. The notice shall advise the member and/or Related Party regarding the availability of Judicial Review by writ of mandate under the California Code of Civil Procedure.

AUTHORITY

California Government Code Sections 1085 *et seq.*
Sacramento County Code Chapter 1.06

RESPONSIBILITIES

Executive Owner: Chief Executive Officer

POLICY HISTORY

| Date | Description |
|------------|-------------------------|
| 01-17-2024 | Board amended policy |
| 05-19-2021 | Board reaffirmed policy |
| 08-01-2018 | Renumbered from 018 |
| 03-21-2018 | Board approved policy |