

Summer Pay, Optional Life & Retirement

Questions & Answers for Schools



Summer Pay

Q We are paying a lump sum to a resigning, **non-licensed** employee in June. Do we include this pay in summer pay?

A No. Include this pay on the regular June report.

Q Am I supposed to submit a pay period report for **each month** separately?

A If you're paying someone **over 12 months**, then you'll need to submit a report for each month, like usual. If you're paying summer months in one **lump sum**, do so on a regular pay period report.

Q Would you please explain the "**No Summer Pay**" button?

A Use "No Summer Pay" on your regular pay reports for employees who **do not work** during the summer but who will come back in the fall. This will help ensure employees will receive service credit even if they don't get paid over the summer.

Q Can I report July and August pay in **June** but pay those invoices in July and August?

A If you're paying a **lump sum** in June, the total amount will be owed in June. If you'll continue paying regularly in July and August, you can submit the checks separately.

Q If I have teachers who take a lump sum for summer pay, but then decide to do **summer school**, will I need to create an **off-cycle payroll** in July for summer school pay?

A Yes. Summer school is considered **extra-duty**. Remember, off-cycle pay dates **can't be the same** as regular pay dates. Adjustments can also be used to report extra-duty pay. Typically we suggest creating an off-cycle pay date if you will be submitting **more than 12** individual adjustments.



Q We pay licensed and non-licensed staff for summer school. Does **off-cycle** pay work for both?

A Yes.

Optional Life (OGLI)

Q Is it ok to pay premiums in July and August, instead of paying all 3 in June?

A Pay premiums in the coverage months in which premiums were deducted from pay. If the employee was paid in a **lump sum** in June for June, July and August, then **deduct, report and pay** all of those premiums in June.

Q When adding July and August premiums to the June report for different members, will I need to **change the month** to July for the July premium and August for the August premium?

A On the June premium report, everybody will have the June coverage month. If you're prepaying for July and August, you also will have a **separate entry** for those months. Select that you are paying July and August premiums in June, and then the June premium report will **recalculate** the "Total Due" to include the premium you should have collected.

Q How do I pay OGLI for employees who are getting a **lump sum**?

A For employees receiving summer lump-sum pay in May, include **all summer premiums** on the May premium report and pay them. If an employee gets paid over 12 months, deduct, report and pay for each month, like usual.

Q Do I pay all **non-licensed** school OGLI premiums in June for July and August?

A **Follow your payroll** deductions/pay-period reporting. If July and August wages are reported in June, then deduct/report premiums ahead of time, too. If pay was not lumped, deduct and report OGLI premiums for each month.

Q Our pay dates are on the first business day of the month. Our 9-month employees receive checks October – June. Would I submit prepaid OGLI premiums for June – September on June 1?

A Yes. For 9-month employees, deduct, report and submit premiums for all months employees are not working (summer) with last payroll (June). You would choose "August" from the Summer Pay drop-down menu. This will bill the employer for June, July and August OGLI premiums after the system calculates total premium due.

Q Should we collect June, July and August OGLI premiums when the employee returns to work in September?

A **Do not** withhold summer OGLI premiums like this. If summer premiums are **not** being collected in advance, and the employee passes away during the summer, it might cause issues with an OGLI death. Premiums must continuously be collected and paid to KPERS for appropriate coverage.

- Q **** KBOR ONLY **** When do we **start collecting** OGLI summer premiums for June, July, and August?
- A For KBOR agencies only, KPERS wants you to start **collecting** June premiums in March, July premiums in April, and August premiums in May.
- Q I have a teacher retiring June 1, July 1 or August 1. Do I **deduct premiums** through the end of August?
- A For teachers, only deduct OGLI premiums through the **month prior** to their retirement date. (Ex: Retire June 1: only withhold premiums through May. Retire July 1: only withhold premiums through June.
- Q If I **prepay** an employee's OGLI premiums for July and August, and the employee **does not come back** August 1, do I need to refund the August premium?
- A If the employee last worked in May, premiums paid for June, July and August **need to be refunded**. OGLI coverage lasts through the end of the month in which the employee last worked. KPERS will not generate a refund of premium overpayments until the employee's **end date is submitted** and September's OGLI **premium report is generated**. Contact KPERS OGLI specialist to report this at OGLI_FS@kpers.org.

Retirement

- Q Can a 9-month, non-licensed employee, who normally takes pay over 12 months, be paid over the summer months and wait until **9/1 to retire**? If so, what would be the **last day** on payroll?
- A Yes, this employee can be **paid over summer** and retire on 9/1. The last day on payroll for this type of employee is the last day before the **retirement date** (8/31). For a 9- or 10-month employee who is paid over 9 or 10 months, the last day on payroll is the **last day compensated**.
- Q Do I take KPERS out of the lump sum for a non-licensed employee who is paid over **12 months** and retiring in **June**?
- A Yes, deduct KPERS contributions out of the lump sum. You need to pay **all money due** to a non-licensed employee before retirement.
- Q Would you clarify the **1993 rule** for withholding?
- A Check the **membership date and position type**. If it's before 7/1/1993, withhold on all pay (for licensed, must be at the end of the contract). If the membership date is on or after 7/1/1993, withhold only on regular pay (not payouts).
- Q Can we **change the contract end date** to 5/31 for someone who is retiring 6/1 instead of 7/1?
- A No. The contract end date never changes. You can change the **last day on payroll**, however.
- Q Do we withhold/report KPERS contributions for **unused leave payout** to a teacher retiring June 1?
- A No. Withhold and report unused leave only at the **end of the teacher's contract** and only if the membership date is **before 7/1/1993**.

- Q If a licensed employee **retires 6/1**, but his or her **contract ends 7/31**, should I take KPERS out through 5/31? If yes, would I then pay June and July paychecks normally and NOT deduct KPERS?
- A All money should be paid in a lump sum within one pay cycle **after the retirement date**. KPERS should only be deducted from pay January through May.
- Q If we pay our sick-leave pay on our regular payday, can we report it with that payroll or does it need to be an **off-cycle** pay?
- A If paid with regular pay, report it with **regular pay**. No off-cycle needed unless it's a separate check issued later.
- Q If a paraprofessional retires May 31 but has a June paycheck for May hours, do I wait to certify retirement **after** the June 15 check?
- A You can if you prefer. But if you know the final-pay and year-to-date amounts, you can go ahead and do the **certification earlier**.
- Q My teacher's last workday is 5/15, but the **contract** runs until August 31. So **what months** will I deduct KPERS from the pay check?
- A If the May check is for **May work** and the retirement date is 6/1, deduct KPERS through May 31. Enter August 31 as the contract end date on the certification.
- Q Is it ok to pay **June 1 licensed retirees** all summer pay, sick leave and retirement incentives on the **June 15** check?
- A Yes. Deduct KPERS contributions from all wages through May 31. **Do not** deduct KPERS contributions from wages for June, July and August. **Do not** deduct KPERS contributions from lump-sum payouts (sick leave, retirement incentive).
- Q Do I need to deduct KPERS contributions from and report an employee's early retirement incentive pay?
- A No, early retirement incentive pay is **not reported**. Early notification bonuses **are** reported.
- Q If a non-licensed member **does not return** from summer break, will their third-quarter service be deleted?
- A Yes. The last day worked was in the second quarter. **Refund** third-quarter employee contributions.
- Q We pay out sick leave in June after regular payroll. Would I use the **off-cycle** for this pay?
- A If you don't pay sick leave on **regular pay date**, then you'll need to create an off-cycle to pay it later.