

# BENEFITS

## *at a glance*



For KPERS 3 Members  
Hired January 2015 & After

Throughout your career, you make contributions to KPERS. We invest the money and pay you interest. You also build retirement credits while you work. When you retire, KPERS pays you a guaranteed monthly benefit. You also have life insurance and disability benefits as part of KPERS while you are still working.

## RETIREMENT BENEFITS

### Your Contributions

You contribute 6% of your salary from each paycheck. It's automatic and pretax. Your contributions earn a guaranteed 4% annual interest, paid quarterly. There is also a possibility for additional interest, depending on KPERS' investment returns. You can withdraw your account balance if you leave employment.

### Vesting

After five years of service you are guaranteed a retirement benefit, even if you leave employment. This is called "vesting" your benefit.

### Retirement Benefits

There are two parts to the KPERS 3 cash balance plan—your contribution account and your retirement credits. While you make contributions, you also earn retirement credits quarterly based on how many years of service you have and a percent of your pay.

**Retirement credits are only available at retirement.**

Your retirement credit value and contribution account balance are used to calculate your benefit. KPERS will pay you a guaranteed monthly benefit for the rest of your life. You can also choose from different payment options if you want to leave a monthly benefit for someone after your death or have a regular cost-of-living increase.

### When Can You Retire?

- Age 65 with five years
- Age 60 with 30 years
- Reduced, early retirement beginning at age 55 with 10 years



### Questions?

Email: [kpers@kpers.org](mailto:kpers@kpers.org)

Toll-free: 1-888-275-5737

In Topeka: 785-296-6166

[kpers.org](http://kpers.org)

# New Hire To-Do List

- ✓ Learn more about your KPERS 3 cash balance retirement plan and how it works.
- ✓ Check out [kpers.org](http://kpers.org) for details about your other benefits.
- ✓ Set up your online access to keep track of your account at [kpers.org](http://kpers.org).
- ✓ Designate a beneficiary in your online account or with a paper form.
- ✓ Save on your own, because KPERS won't be enough.

## ADDITIONAL BENEFITS

### Disability Benefits

If you qualify, disability benefits are based on 60% of your annual salary. There is a 180-day waiting period.

### Basic Life Insurance and Death Benefits

Basic life insurance is equal to 150% of your salary. Your employer pays for the cost. KPERS also returns your contributions and interest. Your spouse may be eligible for a monthly benefit, instead of receiving your account balance.

### Job-Related Death

If you die from an on-the-job accident, there is an additional death benefit for your spouse.

### Optional Life Insurance

Many employers offer optional life insurance, including the State of Kansas. Check with your employer. You can get coverage for yourself, your spouse and children. Premiums are deducted from your pay.

New employees are eligible for guaranteed coverage within 31 days and can apply for regular coverage anytime by answering a few health questions.

#### Guaranteed coverage (no health questions)

	Member	Spouse	Child
Guaranteed Coverage Max	\$250,000	\$25,000	\$20,000
Annual open enrollment	up to \$50,000 increase	up to \$25,000	\$10,000 or \$20,000
New hire	up to \$250,000	up to \$25,000	\$10,000 or \$20,000
*Family status change	up to \$50,000 increase	up to \$25,000	\$10,000 or \$20,000

\*Within 31 days of marriage, divorce, birth, adoption or employment status change (member or spouse).

#### Anytime coverage (some health questions)

	Member	Spouse	Child
Choice of \$5,000 increments	\$5,000 min \$400,000 max	\$5,000 min \$100,000 max	only available w/new hire, open enrollment or family status change

In the interest of simplicity, certain generalizations have been made in this publication. Kansas law and the rules adopted by the KPERS Board of Trustees will control specific situations.

## KPERS won't be enough

KPERS and Social Security won't be enough for a sound retirement. You need to save on your own, too. The easiest way to save is through a tax-sheltered employer plan like a 457(b) deferred compensation or a 403(b) annuity plan. Check with your employer about options where you work.

The State of Kansas and many local public employers offer KPERS 457, a deferred compensation savings plan. Contributions are automatically deducted from your pay, and you can get started with as little as \$12 per pay period. Visit [kpers457.org](http://kpers457.org) for more info.

However you choose to save, the important thing is to start. The sooner you begin, the more time your money has to grow. Socking away even a sliver of your salary could have a big impact on your retirement.

