

State of Kansas
Revised 2011 Voluntary Retirement Incentive Program
Effective August 2, 2011 through October 31, 2011

PURPOSE

To provide incentives for employees to retire in order to generate salary and benefit savings and effect budget reductions.

INTRODUCTON

The pay and benefits set forth in this document are available only to those eligible employees who sign a General Release Agreement indicating their voluntary participation in this Voluntary Retirement Incentive Program with a retirement date on or before October 31, 2011. Eligible employees may submit the signed and notarized General Release Agreement to agency Human Resource offices at any time prior to 5:00 pm (CDT) on October 14, 2011. Employees may revoke their General Release Agreement within seven (7) calendar days of submitting the General Release Agreement to their agency Human Resources Office.

Any individual considering the Voluntary Retirement Incentive Program is encouraged to meet with a Human Resources representative prior to submission of the General Release Agreement to confer on specific individual entitlements under the program. Employees are likewise encouraged to review the General Release Agreement with an attorney and/or financial advisor.

The State of Kansas reserves the right to limit the total number of participants in the Voluntary Retirement Incentive Plan in order to preserve the viability of a department's essential functions and the integrity of its financial resources. All applications for participation in this Voluntary Retirement Incentive Program will be considered on a first come, first served basis. This Voluntary Retirement Incentive Program may be modified or extended, with or without notice, at the discretion of the Governor.

ELIGIBILITY

In order to be eligible to apply for this Voluntary Retirement Incentive Program, participants must:

- 1) Be currently employed in the Executive Branch as a classified employee or as an unclassified employee whose salary is approved by the Governor;
- 2) Be eligible to retire under Regular KPERs Tier 1 or Tier 2, including early retirement, on or before October 31, 2011;
- 3) Agree to retire from the State of Kansas on or before October 31, 2011; and
- 4) Submit a signed and notarized General Release Agreement to the Human Resources office of the agency in which they work no later than October 14, 2011 at 5:00 pm (CDT).

This Voluntary Retirement Incentive Program is not available to employees covered under the Correctional KPERs plan or the Kansas Police & Firemen (KP&F) plan, employees from the Kansas Department of Labor whose positions are not funded by the State General Fund (SGF) and/or fee funds, and employees who have previously retired from the State of Kansas are not eligible to participate in this program. This Voluntary Retirement Incentive Program is only available to employees who are covered by the KPERs retirement plan and meet the eligibility requirements stated herein.

INCENTIVE

Employees who meet the eligibility requirements as set forth above and whose General Release Agreement is accepted by the State of Kansas are eligible to receive incentives as set forth below:

Option 1 – Post-Retirement Group Health Insurance (GHI) Coverage

An eligible employee may elect to continue GHI coverage and the State will pay the employer's share of the active State employee rates for the coverage and plan in which the employee is enrolled on August 1, 2011 toward the employee's GHI coverage on the retiree plan directly to the insurance carrier as follows:

- For up to 60 months if the employee is receiving member-only coverage or until the participant reaches the age of 65, whichever occurs sooner.
- For up to 42 months if the employee is receiving member-plus-dependent coverage, or until the participant reaches the age of 65, whichever occurs sooner.

OR

Option 2 – One-time Lump Sum Payment

An eligible employee may elect to receive a one-time, lump sum payment of \$6,500 at the time the employee retires. This payment is taxable wages but is not included as KPERS wages for the purposes of calculating KPERS final average salary.

DEADLINE FOR SIGNED PAPERWORK

Employees must sign a General Release Agreement indicating their participation in this Voluntary Retirement Incentive Program. Employees may submit the signed and notarized General Release Agreement to agency Human Resource offices at any time prior to 5:00 pm (CDT) on October 14, 2011. Employees may revoke their General Release Agreement within seven (7) calendar days of submitting the General Release Agreement to their agency Human Resources Office.

LAST DAY WORKED – RETIREMENT

Employees offering to participate in this Voluntary Retirement Incentive Program must have a last day worked no later than October 31, 2011.

OTHER BENEFITS

Compensatory Time and Vacation

Employees will be compensated for accrued unused compensatory time and vacation leave in accordance with the provisions of Kansas Administrative Regulation (K.A.R.) 1-9-13.

Deferred Compensation

Employees who wish to stop or change their contributions or have general questions regarding the Deferred Compensation Program should contact the Human Resources office of the agency in which they work as soon as possible.

Flexible Spending Accounts

Medical expenses incurred on or prior to an employee's last day of employment are eligible for reimbursements from the employee's medical flexible spending account. Employees must file their request for reimbursement by the end of the normal plan year for the State of Kansas.

KPERS

Employees with questions regarding the KPERS application process should contact the Human Resources office of the agency in which they work as soon as possible.

Sick Leave

Employees eligible to receive a payout for unused sick leave upon retirement pursuant to Kansas Statutes Annotated (K.S.A.) 75-5517 shall receive payouts in accordance with the provisions of that statute.

Voluntary Supplemental Benefits

Portability or continuation of voluntary supplemental benefits is in accordance with each plan. Information to help employees contact benefit vendors directly can be found at the following link: <http://www.sehbp.org/>

REEMPLOYMENT

Employees who accept the Voluntary Retirement Incentive Program are not eligible to return to employment with the State of Kansas for five (5) years from the date of retirement, including as a contractor, unless otherwise authorized by the Governor or the Governor's designee. This restriction does not apply to elected positions.