

State of Kansas
Voluntary Retirement Incentive Program
Agency Frequently Asked Questions (FAQ's)

NOTE – Please see the FAQ's that were provided to employees as part of the announcement of the Voluntary Retirement Incentive Program for information on eligibility, the incentives provided and other general questions.

What is the agency's role in assisting employees who are eligible for the Voluntary Retirement Incentive Program? State of Kansas Human Resources staff will be responsible for the following:

- Ensuring communication of the appropriate information related to the Voluntary Retirement Incentive Program to all employees who may be eligible to participate in the program;
- Assisting employees with questions and referring employees to staff from KPERs or who administer the State Employee Health Benefits Plan in KDHE when appropriate;
- Accepting signed and notarized General Release Agreements from employees who are applying to participate in the Voluntary Retirement Incentive Program and logging them in the order in which they are received; and
- Processing the necessary employee transactions in SHARP in accordance with the guidelines for the Voluntary Retirement Incentive Program.

What information should HR staff and/or supervisors provide to employees regarding the Voluntary Retirement Incentive Program? HR staff and/or supervisors should not provide any guidance, persuasion, opinion, or recommendation to employees regarding the program itself or an employee's decision to participate or not participate in the program. The following types of questions should *not* be answered:

- What would you do?
- Should I accept this offer?
- What do you think?
- If I don't take this, will I be laid off?
- Is this really just a one-time offer?

Employees should be referred to the language in the General Release Agreement that advises participants to consult with an attorney and financial or tax advisor prior to determining whether to participate in the Voluntary Retirement Incentive Program. Any reports of supervisors or managers attempting to persuade or advise an employee concerning this decision are to be reported to your Human Resources office.

How will my agency pay the costs of continued GHI coverage offered through the Voluntary Retirement Incentive Plan? These costs will be paid from the savings in salary and wages generated by the employee retirements that occur as a result of this plan. Agencies should work with the Division of the Budget to determine savings and make arrangements for the payments to the appropriate State Employee Health Benefits Plan funds.

Exactly how much will agencies be responsible for paying as part of the continued GHI coverage offered through this program? Agencies will be responsible for paying the amount that it paid for the coverage that the employee received as an active employee as of August 1, 2011 toward the employee's GHI coverage as a retiree. For the 2010 plan year, this amount is \$542.24 per month for single coverage, and \$793.20 per month for member-plus-dependent coverage. These specific amounts may change in future years, and the amount that the State of Kansas provides as part of the incentives offered through this program will be adjusted accordingly.

How does an agency enter a retirement in the SHARP Job Data field for employees who participate in the Voluntary Retirement Incentive Program? The new Action/Reason code VRE should be used to enter the retirement of an employee retiring under the Voluntary Retirement Incentive Program. This Action/Reason code is only available during the eligibility period for the Voluntary Retirement Incentive Program and will be used to monitor an employee's eligibility for returning to employment with the State of Kansas. Employees retiring under the Voluntary Retirement Incentive Program are not eligible to return to employment with the State of Kansas in any capacity (employee or contractor) for a period of 5 years.

How does an agency enter the lump sum payout for an employee who chooses Option 2? On the employee's final timesheet, the new earnings code VRI, (TRC = VRI) which is an amounts-only code, should be entered with the flat amount of \$6,500.

Is there a limit on the number of employees who can take advantage of the retirement incentive package? The number of employees taking advantage of the program will be tracked to determine fiscal impact. The State of Kansas reserves the right to limit the total number of participants in the 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.

Will my agency be able to fill positions vacated as a result of the Voluntary Retirement Incentive Program? In general, in order to accomplish the savings that are the goal of this program, positions vacated as a result of retirements associated with the Voluntary Retirement Incentive Program are not to be filled for a period of at least three years from the date of retirement.

What if one or more of the positions that are vacated as a result of the Voluntary Retirement Incentive Program are mission critical? Is there any way that agencies can fill these positions? Yes. Positions that are deemed to be essential or vital to the operations of the State of Kansas may be exempted from the three year restriction on re-filling and may authorized to be filled.

What is the process for agencies to obtain such an exemption? Who determines whether positions are essential or vital to the operations of the State of Kansas? Information on this process will be provided to agencies soon.