

AGENCY PROGRAM DESCRIPTIONS

Administration: Administration			
Subprogram History			
<p>The Kansas Public Employees Retirement System (KPERS) was created by an act of the 1961 Kansas Legislature. The Act provides that the purpose of the Retirement System is "...to provide an orderly means whereby employees of participating employers who obtain retirement age may be retired from active service without prejudice and without inflicting a hardship upon the employees retired and to enable such employees to accumulate reserves for themselves and their dependents to provide for old age, death, and termination of employment and for the purpose of effecting economy and efficiency in the administration of governmental affairs."</p> <p>The 1965 Legislature established the Kansas Police and Firemen's Retirement System (KP&F) and assigned the administration of that System to the Board of Trustees of the Kansas Public Employees Retirement System (KPERS). On January 1, 1971, the Kansas School Retirement System (KSRS) was merged into the Kansas Public Employees Retirement System by act of the Legislature. On July1, 1975, the Kansas Judges Retirement Board was abolished and all the powers, duties and functions of that board were transferred to the Board of Trustees of the Kansas Public Employees Retirement System. Retirement plan design and administration is contained in K.S.A. 74-4920 et. seq.</p> <p>In addition to serving as the pension plan for State and local governmental employees, KPERS offers basic group life insurance and long-term disability benefits. The KPERS Death and Disability Benefits Program came into existence on January 1, 1966 under the provision of K.S.A. 74-4927. The cost of the plan is paid from a special reserve called the "group insurance reserve" and the statutory employer rate for this is benefit is 1.0 percent of their covered payroll. KPERS contracts with The Standard to underwrite the group life insurance benefits. Disability Management Services, Inc. is the third-party administrator for the disability program.</p>			
Consequences of Not Funding This Subprogram			
<p>KPERS administers the collection of employer and employee contributions, oversees the investment management of the KPERS Trust Fund and pays all benefits owed to KPERS members and their beneficiaries. Failure to fund the program would result in an inability for the agency to complete statutory required functions and ultimately be a breach of fiduciary duty to KPERS members.</p>			
Statutory Basis			
KSA 74-4920 eq. seq.			
Mandatory/Discretionary	MOE/Match Requirement	Program Priority	Subprogram Priority
Mandatory	No	1	1

Deferred Compensation: Deferred Compensation			
Subprogram History			
The Kansas Deferred Compensation Plan is a voluntary, tax-deferred retirement savings program for state employees. In addition, many local public employers offer the plan to their employees. The Plan was administered by the Kansas Department of Administration and the Deferred Compensation Oversight Committee from 1980 to 2007. Following a 2006 study of the Plan, the Secretary of Administration and the KPERS Board of Trustees recommended transferring Plan administration to KPERS. During the 2007 legislative session, the Kansas Legislature passed, and the Governor signed HB 2385 to implement this recommendation effective January 1, 2008. KPERS' administration of the Plan provides State and local employees with coordinated retirement education and planning information and facilitates an increased emphasis on personal savings for retirement.			
Consequences of Not Funding This Subprogram			
Not funding the deferred compensation plan would result in an inability for the agency to carry out the statutory required duty to administer the deferred compensation plan.			
Statutory Basis			
KSA 74-49b01 et seq.			
Mandatory/Discretionary	MOE/Match Requirement	Program Priority	Subprogram Priority
Mandatory	No	1	1
Subprograms Without Narrative Data			

AGENCY PERFORMANCE MEASURES

			2022 Actuals	2023 Actuals	2024 Actuals	2025 Actuals	2026 Estimate	2027 Estimate
Administration: Administration								
Goal	Type	Measure						
	Outcome	Administrative cost per member and annuitant	\$63.00	\$72.00	\$74.00	\$75.00		
		Administrative expenses as percentage of benefit payments	100.00%	100.00%	100.00%	1.38%	1.54%	1.65%
		Administrative expenses as percentage of Trust Fund assets	0.00%	0.00%	0.00%	0.11%	1.22%	1.28%
		Average amount of time to answer phone calls (in seconds)	34	34	35	90		
		Benefit Payments, Including Refunds (in billions)	\$2.11	\$2.19	\$2.28	\$2.37	\$2.48	\$2.60

			2022 Actuals	2023 Actuals	2024 Actuals	2025 Actuals	2026 Estimate	2027 Estimate
	Outcome	Investment related expenses as percentage of Trust Fund assets	0.00%	0.00%	0.00%	0.19%	0.17%	0.17%
		KPERS portfolio rate of return	-5%	7.00%	10.00%	10.30%	7.00%	7.00%
		Percentage of monthly retirement benefit payments initiated by the last working day of the month	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
		Percentage of valid retirement applications processed within 30 calendar days	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
		Percentage of workable retirement estimates completed within 30 calendar days of receipt	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
		Total Trust Fund Assets (in billions)	\$24.29	\$25.64	\$27.16	\$29.26	\$31.30	\$33.49
		Deferred Compensation: Deferred Compensation						
Goal	Type	Measure						
	Outcome	Percentage of active members from participating employers in all retirement systems that also participate in KPERS 457	32.00%	44.00%	43.00%	43.00%		
		Total participating members (actively deferring)	13,081	13,891	14,319	14,806		
Ensure that the plan is administered and operated according to its terms and to keep the plan compliant with federal as well as applicable state laws.	Outcome	Total 457 Plan assets (in billions)	\$1.26	\$1.38	\$1.54	\$1.67		
Footnotes								