Employees who are active members automatically receive basic life insurance coverage and death benefits. If your employer offers optional group life insurance (OGLI), this beneficiary section also applies to that benefit.

Employees complete a Designation of Beneficiary form (KPERS-7/99) to communicate how they want life insurance and death benefits paid. Some employees will submit the form to you to forward to KPERS, while others will send the form directly to KPERS. Either way is okay.

Benefits a Beneficiary Receives
1. Basic life insurance (150% of employee's annual salary)
2. Any optional group life insurance
3. Returned account balance or possibly a monthly benefit for spouse

Surviving Spouse Benefit Option

Designating Beneficiaries

Employer Checklist

☐ Have employees fill out and sign a Designation of Beneficiary form (KPERS-7/99). They can name different beneficiaries for retirement benefits and life insurance.

☐ Remind employees:
  • The designation of beneficiary becomes effective when KPERS receives it in our office. We will send the employee a confirmation letter.
  • Additions or changes to a beneficiary list can be made anytime by completing the form, which cancels the previous form.
  • When filling out a new form, **fill in beneficiaries that are not changing, in addition to new or changing beneficiaries.** Be sure the primary beneficiary is always completed.
  • Only a member can complete the form. Conservators, guardians and those with power of attorney can't name a beneficiary.
  • For employees who are members of more than one retirement plan (example: KPERS and KP&F), the designation will be for all plans.

☐ Mail or fax signed forms (see forms for address and fax number).
Who can employees name as beneficiary?

- A living person
- A trust
- Their estate
- Any combination of these options

If an employee chooses more than one beneficiary, each will share the benefit equally.

**What is a primary beneficiary?**

A primary beneficiary is a person, trust or estate named by a member to receive benefits after his or her death.

**What is a contingent beneficiary?**

A contingent beneficiary receives benefits if no primary beneficiary is living when a member dies. A contingent beneficiary will receive benefits only if no primary beneficiary survives the member.

**How to name a trust**

To name a trust as beneficiary, the employee provides the name of the trust (e.g., Employee Name, Trust #1) on the “Name” line of the form. To name an estate, the employee writes “Estate of (Employee Name)” or “My Estate.”

**Note:** Employees can name another primary or contingent beneficiary in addition to an estate or a trust, and each will share the benefit equally.

**Churches and other charitable organizations**

Churches or other charitable organizations cannot be directly named as KPERS beneficiaries. Employees can only name a person, a trust or an estate. Encourage employees to consult an estate planner if they would like to make provisions for these types of organizations after their death.

**Important things to know about the beneficiary form**

- KPERS maintains the official designation. You should not keep copies*. You can view an employee's beneficiaries on the EWP.
- KPERS cannot accept a form completed in pencil.
- A beneficiary’s full name, SSN and date of birth are critical so we can find the person in the future, maybe many years after the designation.
- KPERS cannot accept a form with white-out or cross-through marks in the beneficiary name.
- Each form must be signed and witnessed. And the signature dates for the member and witness must match.
- The witness must be a *disinterested* party and not one of the beneficiaries.

*Except Kansas Board of Regents members with KPERS life insurance and no other KPERS benefits.*
Life Events and Reviewing Beneficiaries

It is important that employees review their beneficiary designations whenever they have a significant life event. See Life/Career Event Checkup section.

- Marriage
- Retirement
- Leaving employment
- Divorce
- Death in the family
- Birth or adoption in the family

Surviving Spouse Benefit Option

Instead of receiving the account balance when a member dies, a spouse can receive a monthly benefit for life if the member meets certain criteria. To be eligible, the member must designate the spouse as sole primary beneficiary for retirement benefits.

Situation #1 If member was eligible to retire, spouse begins receiving a monthly benefit immediately.

Situation #2 If member was not yet eligible to retire but had ten years of service, spouse begins receiving a monthly benefit when member would have reached age 55. Ten years of service are required, not just vesting.

**Good to know:** A member can name contingent beneficiaries or separate beneficiaries for life insurance without affecting the surviving spouse benefit option. Inactive members are also eligible for this benefit.

Confirming Employee Beneficiaries

You can view employee beneficiaries on the employer web portal. See EWP How-To: View Beneficiary.

Employees can see their beneficiaries in their online account.

Kansas statute does not allow KPERS to disclose employee information like beneficiary designation to anyone other than the employee. The one exception is if the employee has died, and then only to the actual beneficiary.
What if an Employee Doesn’t Name a Beneficiary?

KPERS asks all members to name a beneficiary. If a member doesn’t, KPERS follows a line of descendants by Kansas law.

- Spouse
- Dependent* children
- Dependent* parents
- Non-dependent children
- Non-dependent parents
- Estate of the deceased member

*A dependent is a parent or child who relies on the member for at least half of his or her support.

Naming a Minor Child as a Beneficiary

If a member names a minor child as a beneficiary, lump-sum benefit amounts less than $10,000 will be paid out under the Kansas Uniform Transfer to Minors Act. KPERS will send the guardian or custodian a form to complete and the benefit is paid to that individual on behalf of the minor. If the benefit is $10,000 or more, Kansas law requires a conservator be appointed to receive the benefit on the child’s behalf.

Beneficiaries and Divorce

It’s important for employees going through a divorce to check their beneficiaries. Divorce does not cancel a beneficiary designation, even if the member remarries. Members need to complete a new designation form to remove an ex-spouse as a beneficiary.

If a member has a qualified domestic relations order, KPERS will only accept forms that comply with the QDRO. See QDRO Requirements and Forms.

Employee FAQs

Q: Can a person I named as beneficiary be a witness to my signature?
A: No.

Q: Do the dates next to the member and witness signatures on the beneficiary form have to be the same date?
A: Yes. If the dates are not the same, you’ll need to complete a new form.

Q: Can I name my church or another charitable organization as a beneficiary?
A: No. You can only name a person, a trust or an estate.
Q: Should I name the trustee of my trust as the beneficiary?
A: No. You should name the trust, not the trustee. If you name a trust as beneficiary, provide the name and address (e.g., John Doe Trust #1, Sixth National Bank, Collingwood, Kansas 67834).

Q: Can I name a funeral home as my beneficiary?
A: No. Only retired members can designate a funeral home for their $4,000 death benefit.

### Life/Career Event Checkup

<table>
<thead>
<tr>
<th>Life/Career event</th>
<th>Employer checklist</th>
</tr>
</thead>
<tbody>
<tr>
<td>New employee</td>
<td>Have them complete Designation of Beneficiary form (KPERS-7/99).</td>
</tr>
<tr>
<td>Transferring</td>
<td>Ask them if a change of beneficiaries is needed.</td>
</tr>
<tr>
<td>Significant life change (marriage, divorce, death, birth, adoption)</td>
<td>Remind them to review beneficiaries.</td>
</tr>
<tr>
<td>Leaving Employment</td>
<td>Remind them to keep beneficiary designations up to date while inactive.</td>
</tr>
<tr>
<td>Retiring</td>
<td>Inform them retirees have a different form (KPERS-7/99R) with different options.</td>
</tr>
</tbody>
</table>
An Ounce of Prevention
Avoid Common Problems

<table>
<thead>
<tr>
<th>Problem</th>
<th>Prevention</th>
</tr>
</thead>
<tbody>
<tr>
<td>KPERS receives only the first page of a faxed beneficiary form.</td>
<td>When faxing, confirm that all pages have been transmitted.</td>
</tr>
<tr>
<td>Member completed contingent beneficiary and left primary beneficiary blank.</td>
<td>This cancels any previous designations and leaves the member with no primary beneficiary. Be sure the member’s primary beneficiary is always completed, even when the only change is the contingent beneficiary.</td>
</tr>
<tr>
<td>Member and witness signatures have different sign dates.</td>
<td>This makes the beneficiary form invalid. Double check that signature dates match.</td>
</tr>
<tr>
<td>Forms completed in pencil.</td>
<td>Forms in pencil are not acceptable. Confirm that all forms are completed in ink.</td>
</tr>
<tr>
<td>Member has crossed out a beneficiary name and re-written because of a mistake.</td>
<td>KPERS cannot accept this form. Have the employee start over with a new form.</td>
</tr>
</tbody>
</table>