

## **KCPERS Policy**

### **Policy #024 – Final Payment of Monthly Benefits**

**Adopted: September 20, 2011**

The Board of Trustees of the Police Retirement System adopts the following policy to provide guidance in the implementation of Section 86.1030-2 effective on 8/28/2011.

The term ‘processing deadline’ in this policy refers to the cut-off date, as determined by the benefit payment custodian, for the processing of monthly periodic benefit payments, including any changes, additions, or deletions to those payments.

#### **Notification of death received on or before processing deadline**

Upon receipt of the proper notification of the death of a member or eligible survivor in pay status, the benefit payable on the last business day of that month shall be stopped and no further payments shall be made to the deceased member or eligible survivor.

For a member with an eligible surviving spouse, the amount of monthly benefit due to the member and to the eligible spouse will be calculated for each as directed in 86.1030-2. The total of the prorated amounts, along with the supplemental benefit, will be paid to the surviving spouse as soon as practical after all the required paperwork is received by the retirement system.

For a member without an eligible surviving spouse or for an eligible survivor in pay status, the amount of monthly benefit due will be calculated as directed in 86.1030-2. The prorated amount due will be paid to the named beneficiary in the current month if all required paperwork is received within 3 days before the processing deadline. Otherwise, the prorated amount due will be paid to the named beneficiary in any later month that such paperwork is received prior to the processing deadline. No supplemental benefit will be paid to a named beneficiary.

#### **Notification of death received after processing deadline**

Upon receipt of the proper notification of the death of a member in pay status who has an eligible surviving spouse, the payment scheduled to such member at the end of that month will be paid without interruption. Any overpayment for the month of death will be subtracted from the amount of the eligible spouse’s benefit payable in the following month or, if later, as soon as practical after all the required paperwork is received by the retirement system.

Upon receipt of the proper notification of the death of a member without an eligible surviving spouse or the death of an eligible survivor in pay status, and the date of such death is prior to the last business day of the month, the payment scheduled to such member or eligible survivor at the end of that month will be reversed. After verifying that funds have been returned to the trust account, a prorated payment will be issued as outlined in 86.1030-2. The retirement system will make reasonable effort to recover payments that have been processed prior to receiving a notification of death.

Whenever the date of death occurs on or after the last business day of a month, the member or eligible survivor in pay status will be paid for the full month.