

KCPERS Policy

Policy #016 – Direct Deposit of Benefit Payments

Adopted: August 12, 2003

Amended: September 8, 2009

For members retired prior to September 1, 2003 benefit payments may be made either in the form of a check issued by our custodial bank and mailed via the US Postal Service or through direct deposit to a bank or credit union account designated by the member. For members retiring after September 1, 2003 benefit payments will only be made through direct deposit.

Mailed Checks

Our custodial bank mails checks to members via the US Postal Service three postal delivery days before the benefit payment date. The benefit payment date is the last working day of the month for the Police Plan and the first working day of the month for the Civilian Plan. Attached to the check is an “Earnings Statement” to inform members of their payment amount, tax deductions and other amounts withheld. A stop payment order and check reissue order will be placed for any check not received by the 10th of the month. Address changes can take effect with the next benefit payment for any change of address notification received in the KCPERS office by the 15th of the month.

Direct Deposit

Our custodial bank issues benefit payments by electronic funds transfer to any bank that is a member of the National Automated Clearing House Association including the KC Police Credit Union. Electronic funds transfers are made overnight and are available for posting to accounts on the benefit payment date. Individual banks may not post to members’ accounts until later on the benefit payment date. For each member on direct deposit our custodial bank will mail, via US Postal Service, an “Earnings Statement” to inform members of their payment amount, tax deductions and other amounts withheld. The earnings statement-mailing schedule is the same as the check-mailing schedule.

To enroll in direct deposit members complete an “Electronic Deposit Authorization Form” and provide KCPERS with a voided check. Once the member is receiving benefit payments, they can enroll in direct deposit or change banking information by completing the “Electronic Deposit Authorization Form” section on the back of a monthly Earnings Statement and submitting it to the KCPERS office. Any new or updated banking information must be signed and dated by the member and will be accepted by mail or fax or can be submitted in person. KCPERS cannot accept banking information over the phone or by e-mail.

Information received by the 15th of the month will be processed for the next benefit payment date. Information received after the 15th of the month may be processed for the next benefit payment date if time permits, otherwise will be processed in the following month.