

The Deferred Retirement Option Program (DROP) as defined in Chapter 121, Florida Statutes, is an alternative method of deferred payment of retirement benefits for up to ninety-six (96) after an eligible member of the Florida Retirement System reaches his/her normal retirement date but wishes to continue employment with a Florida Retirement System employer. In order to participate, the employee must submit a binding letter of resignation, establishing a deferred termination date. DROP will allow the participant to defer all retirement benefits payable during the DROP period. Upon termination of DROP, the participant will receive the DROP benefits and their regular retirement benefits under Chapter 121, Florida Statutes.

- I. Participation in DROP - All members of the Florida Retirement System are eligible for DROP. Members electing to participate in DROP must meet the eligibility and timeline requirements outlined in Florida Statute.
- II. DROP participation may be extended beyond the initial 96 calendar-month period if the instructional and administrative personnel's termination date is before the end of the school year. Instructional and administrative drop personnel may have DROP extended until the last day of the last calendar month of the school year in which their original DROP termination date occurred if their DROP termination date is other than the last day of the last calendar month of the school year.
- III. Statutorily defined instructional personnel in grades K-12, authorized by the school superintendent, may extend DROP participation for up to an additional 24 month beyond the 96-month period.
- IV. Benefits Payable

All leave accumulation payments valued at \$1,000 or more will automatically be paid into the employer approved Bencor Program.

- A. Sick Leave - Employees will be paid terminal pay for accumulated sick leave at retirement, or, if service is terminated by death, to his/her beneficiary. Effective 07/01/2022, employees that choose to participate in the Florida Retirement System DROP Program will receive payment for accrued sick leave during their DROP election period prorated as follows:

After Completing:

Year 1

20% of balance of terminal sick leave

Year 2	25% of balance of terminal sick leave
Year 3	33% of balance of terminal sick leave
Year 4	50% of balance of terminal sick leave
Year 5 or termination	100% of balance of terminal sick leave

The first payment is made at the end of the fiscal year on June 30<sup>th</sup> after your first-year anniversary in DROP with subsequent payments paid annually on June 30<sup>th</sup>. Your final payment will be made at the time you receive your final check. The calculation will be based on the number of years of service in Bradford County at the time an employee elects to enter the DROP.

No distribution may be made if the employee's balance of sick leave drops below twenty (20) days.

1. Sick leave will be earned during DROP as prescribed by Florida Statutes. Accumulated sick leave earned during DROP participation will be paid according to policy 6.320.
- B. Annual Leave - Employees electing to participate in DROP shall be entitled to terminal pay for accrued annual leave as required by state law, Board policy and/or union contract. Upon election to participate in DROP, and the employee's election to receive a lump sum payment of accrued annual leave, payment shall be calculated according to Policy 6.280.
1. Annual leave earned prior to entering DROP which exceeds the maximum lump sum payment allowed by Board policy may be used during DROP; however, the employee shall not be entitled to compensation at the end of DROP for any unused portion of the accumulated leave.
  2. Employees will earn annual leave during the DROP period as prescribed by Florida Statute, Board policy and/or union contract. Annual leave accumulated during DROP participation will not be paid to the employee at the end of DROP participation, except to the extent the employee has earned additional annual leave which combined with the original payment does not exceed the maximum 480-hour lump sum payment allowed by Board policy.

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- a. Employees have the option to be paid annual leave at DROP enrollment for payment at their current rate of pay up to 480 hours.
- b. If annual leave payment is taken at the time an employee enters DROP, the amount will be calculated in their final certification of earnings. The Division of Retirement will include that amount when calculating the employee's retirement benefit.
- c. The employee may choose to extend his/her employment status through the last day of accrued vacation leave.

**STATUTORY AUTHORITY:****1001.41, 1012.22, 1012.23, F.S.****LAW(S) IMPLEMENTED:****121.091, 1001.43, F.S.****HISTORY:****ADOPTED: \_\_\_\_\_****REVISION DATE(S): 04/11/2022, 11/13/2023****FORMERLY: NEW**