

Frequently Asked Questions

How old must I be to retire or go into DROP?

Pension Plan Retirement and DROP Retirement

- If you enrolled in FRS before July 2011, normal full retirement age is 62 with at least 6 years of creditable service or 30 years of creditable service, regardless of age.
- If you enrolled in FRS July 2011 or after, normal full retirement age is 65 with at least 8 years of creditable service or 33 years of creditable service, regardless of age.

If a member retires early from the pension plan, he or she will receive a 5% reduction for every year under their full retirement age. This penalty is permanent.

Investment Plan Retirement

- Can retire from the Investment Plan at any age as long as you have 1 year of service completed
- **Once you take a distribution (cash or a rollover) you are then considered a retiree with FRS regardless of your age.**

What is the difference between the FRS Pension Plan and the FRS Investment Plan?

- The FRS Pension Plan is a defined benefit plan which provides a guaranteed monthly pension check based on the option selected.
- The FRS Investment Plan, also known as the lump sum, is a defined contribution plan. You manage the investment of your retirement account. You assume the risk of loss and also the potential for gain on the money in your retirement account, based on your investment choices.
- Click [Here](#) for the plan comparison.

I am a new hire, how do I sign up for FRS?

- You are automatically enrolled in the Florida Retirement System(FRS), where you contribute 3% (set amount by FRS, cannot increase or decrease) of your paycheck
- If you had no other service credit history with FRS when you started with us, FRS gives you an 8-month new hire window to decide if you would like to participate in the pension plan or switch to the investment plan with them.
- If you do not let FRS know your decision, come that 8th month, you will automatically default over to the investment plan instead.
- FRS will be sending you a welcome brochure the following month after you receive your first paycheck from us with all the information you need for deciding which plan you would like to choose and how to finalize that choice and set up your FRS online account.

What is Deferred Retirement Option Plan (DROP)?

- DROP is a Deferred Retirement Option Program which is offered to employees who have reached normal retirement requirements. This program allows employees to continue working up to 8 years (96 months) while the monthly retirement benefit accumulates in 4% interest. You are enrolled in DROP for the maximum participation, but you can leave any time prior to your 8 year end date. Once you enter DROP, no additional years of service or salary increases will be used in the calculation of your benefit. Additionally, the 3% retirement contribution is no longer required.

Frequently Asked Questions

Does VCS allow the DROP Extension?

- Yes, but to qualify for the 2-year DROP extension you must fall under the Instructional positions, i.e. teachers, school counselors, academic coaches, social workers and psychologists.
- You must complete your full 8 years in DROP before you are allowed to apply for an Instructional DROP extension, which does need approval from your Principal and CHRO first.
- Currently the Instructional DROP extension with FRS is set to expire on 6/30/2029 but may be extended but it is not a guarantee right now.

How is my retirement pension check calculated?

- The monthly benefit is based on years of creditable service, average final compensation, and age at retirement.

What happens to my sick leave and annual leave when I retire?

- **Sick leave** is paid out based on number of hours X hourly rate of pay(administrators hourly rate of pay based on when they earned the sick leave) X percentage based on your consecutive years with VCS.

0.00 to 3 years	35%
3.01 to 6 years	40%
6.01 to 9 years	45%
9.01 to 12 years	50%
12.01 and over	100%

- **Annual Leave Pay (12 month employees only)**
 - 480 hours max (60 days x 8 hours) of annual leave is paid out upon termination or retirement.
 - If annual leave was paid out prior to DROP entry, those hours would decrease the maximum hours to be paid at DROP exit.
 - When you retire, accumulated sick leave and annual leave is paid out through Bencor which is a special pay plan so that Payroll taxes (Fica & Medicare) are eliminated for you and the district.
 - Sick Leave and DROP Participation: A percentage of sick leave balance is sent to Bencor in a tax deferred manner each anniversary of your participation in DROP.
 - If you retire without going into DROP, then all of your sick leave and annual leave is paid out through Bencor as noted above 4 – 8 weeks after your retirement.

When will I receive my first pension check or Investment Funds?

- You will receive your first pension check from FRS the last business day the month after your retirement date with VCS.
- 10% of your Investment plan funds are available to you after one full month of retirement if you are age 62/30 years of service or age 65/33 years of service. If not, then you must wait three full months to access your Investment funds with FRS.

Frequently Asked Questions

What is the Health Insurance Subsidy (H.I.S.) and how much will I receive?

- Effective July 1, 2023 - The FRS gives each retiree \$7.50 for every year of creditable service at retirement with a maximum of \$225. Investment Plan retiree's must be the definition of normal retirement by FRS(62/30 years of service or age 65/33 years of service) **and** take a distribution in order to eligible for the subsidy.
- It does not have to be VCS insurance to qualify. Some examples of insurance are medical, dental or vision. Proof of insurance at retirement is required.

How long will my school district benefits continue once I retire?

- If you work to the end of your contract, active employee benefits will end on 9/30.
- If you retire prior to your contract end date and you retire on the 1st-15th of the month. Your active employee benefits will end on the last day of the month you retired in. Example: retired on March 5th, benefits will end on March 31st.
- If you retire prior to your contract end and you retire on the 16th-31st of the month. Your active employee benefits will end on the last day of the following month. Example: retired on March 16th, benefits will end on April 30th.

Can I continue my benefits after retirement?

- Yes, if you are under 65 you can continue VCS group health insurance directly through FHC at the full premium rate.
- Dental/Vision is provided through Humana at any age.
- Life Insurance is provided through The Standard.
- Refer to the Retiree Benefits Guide for benefit details, rates, and enrollment [HERE](#)