

CHAPTER 6.00 – HUMAN RESOURCES

DEFERRED RETIREMENT OPTION PROGRAM (“DROP”)

6.531

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 60 or 96 months 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.

- (1) 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.
- (2) Benefits Payable – Sick Leave: Employees will be paid terminal pay for accumulated sick leave at termination of employment, or, if service is terminated by death, to his/her beneficiary. Payment will be made as per Board Policy 6.912.
- (3) Sick leave will be earned during DROP as prescribed by state statutes. Accumulated sick leave earned during DROP participation will be paid to the employee at the end of their DROP participation at the current daily rate of pay.
- (4) It is in the intent of this policy that an individual entering DROP will be allowed to use sick leave which was accrued prior to their retirement and entrance into DROP.
- (5) Benefits Payable – 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 made in the last paycheck prior to the effective beginning date of DROP.
 - (a) 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.

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- (b) 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 lump-sum payment allowed by Board Policy.

STATUTORY AUTHORITY:

1001.41; 1012.22; 1012.23, F.S.

LAWS IMPLEMENTED:

121.091; 1001.43, F.S.

HISTORY:

ADOPTED:
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