

Florida Retirement System (FRS)

Entering DROP

Deferred Retirement Option Program



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IMPORTANT NOTICE

The information in this document is intended to provide information on the Pension Plan retirement process through DROP. It does not include all details related to the retirement or DROP provisions under the Florida Division of Retirement. For specific retirement details, please refer to the Florida Retirement System Guide for Regular Class or Senior Management Service Class at www.frs.myflorida.com.

Florida Statutes Chapter 121, Florida Administrative Code Chapter 60S, and the Internal Revenue Code are the final governing authorities should any questions of interpretation arise.

WHAT IS DROP?

The Deferred Retirement Option Program (DROP) is a voluntary retirement program that is available only to Florida Retirement System (FRS) Pension Plan members who qualify for normal retirement. As a participant of DROP, you begin accumulating your retirement benefits while delaying your termination for up to 60 months from the date you first reach your normal retirement date or your eligible deferral date. While in DROP, you simultaneously earn a salary while your monthly retirement benefits are held in the FRS Trust Fund on your behalf. When you enter DROP, you are considered retired and thus stop earning retirement service credit. While you are participating in DROP, your monthly retirement benefits accumulate in the FRS Trust Fund and earn tax-deferred interest as you continue to work for an FRS employer. When you terminate your employment at the end of your approved DROP participation period, you receive your DROP payout and begin receiving your monthly retirement benefit, plus annual cost-of-living increases.

AM I ELIGIBLE TO JOIN DROP?

To participate in DROP, you must be vested and eligible for normal retirement based on your years of service or age as an active member of the FRS Pension Plan. We recommend contacting FRS at 1-844-377-1888 to verify your eligibility to participate in DROP.

NORMAL RETIREMENT

If you were initially enrolled in the FRS before July 1, 2011:

- Age 62 with at least six years of service but fewer than 30 years of service; or
- Any age before age 62 with 30 years of service
 - If you reach 30 years of service before age 57, you may be eligible to defer your DROP participation. Refer to the [DROP GUIDE](#) for more information.

If you were initially enrolled in the FRS on or after July 1, 2011:

- Age 65 with at least eight years of service but fewer than 33 years of service; or
- Any age before age 65 with 33 years of service.
 - If you reach 33 years of service before age 60, you may be eligible to defer your DROP participation. Refer to the [DROP GUIDE](#) for more information.

WHEN SHOULD I APPLY FOR DROP?

Your DROP application must be received by FRS no later than the last working day of the month you intend to begin DROP participation. You may apply up to six months in advance of your DROP start date.

Contact FRS at 1-844-377-1888 to determine your eligible DROP start and end dates and to request an estimate of your DROP benefits. It may take several weeks to receive the estimate of your benefits in the mail from FRS. Once you have this information you can proceed with the application process. Contact the Benefits & Wellness Office if you need to submit your DROP application for the current month and have not received your estimate from FRS.

CAN I JOIN DROP AFTER I BECOME ELIGIBLE?

If you apply after your normal retirement date or after your latest eligible deferral date, but within the first 12 months of your 60-month participation period, your eligible DROP participation will be reduced. There is a month-for-month reduction of DROP participation for each month you delay submitting your application to FRS. If you fail to submit your application within the 12-month election window, you will no longer be eligible to participate in DROP, unless you qualify for a deferral exception. Refer to the [DROP GUIDE](#) for more information.

Instructional Personnel, as defined by Florida Statute 1012.01(2), may qualify for additional Deferral Exceptions for entering DROP. Refer to the [DROP GUIDE](#) for more information.

I AM READY TO SUBMIT MY DROP APPLICATION. WHAT ARE MY NEXT STEPS?

1

Request a review of your eligibility and an estimate of your DROP benefits from the Division of Retirement by calling 1-844-377-1888

2

Review the [DROP GUIDE](#) & [BENCOR Special Pay Plan](#) handout

3

Complete the DROP application packet and return to the Benefits & Wellness Office, along with birth date verification, at least one month prior to your DROP participation start date, but no more than six months in advance.

Return completed packet to:

Teresa Cowley
(Elementary, Maintenance & Transportation Staff)
CowleyTe@collierschools.com or via fax 239-377-0384

Cynthia Cave
(Secondary & Administrative Center Staff)
CaveC@collierschools.com or via fax 239-377-0384

WHAT SHOULD I EXPECT AFTER SUBMITTING MY DROP APPLICATION?

FRS will send you a confirmation letter once your application has been received. It may take up to four months for FRS to process and approve your DROP application. Once approved, you can expect to receive another letter from FRS that your application was approved, along with a final calculation of your benefits.

FREQUENTLY ASKED QUESTIONS

Will I still contribute 3% to my retirement?

No. Once you join DROP, the Payroll Department will be notified to discontinue the 3% deduction from your paycheck. You may still notice a contribution to FRS on your paystub. This is a mandatory contribution CCPS is required to make on behalf of an employee in the DROP program, not a deduction from your paycheck.

What happens to my sick and vacation leave while in DROP?

For information concerning sick and vacation leave, visit <https://www.collierschools.com/Page/555> or review the [BENCOR Special Pay Plan](#) handout.

What about coverage through Medicare?

Prior to your 65th birthday, you will want to start researching your health insurance options through Medicare. You can do so online at www.medicare.gov or by visiting your local Social Security Office. If you are actively employed by CCPS upon your 65th birthday, and you have the CCPS medical coverage, you may continue this coverage as a retiree. The CCPS medical coverage will remain primary to any Medicare coverage. Upon retiring, you may continue the medical coverage through CCPS indefinitely, provided premiums remain current. However, your coverage as a CCPS retiree will become secondary to Medicare once you become eligible for Medicare. Refer to the Summary Plan Description found at <https://www.collierschools.com/Page/5318> for more information on Coordination of Benefits with Medicare.

Can I participate in DROP beyond 60 months?

If your position is considered Instructional Personnel, as defined by Florida Statute 1012.01(2), you may be eligible to extend DROP participation up to 36 months. Refer to the [DROP GUIDE](#) or contact FRS directly at 1-844-377-1888 for more information.

If your position is considered Administrative, as defined by Florida Statute 1012.01(3), you may be eligible to extend DROP beyond your initial 60-month participation period to the last working day of the same school year. Refer to the [DROP GUIDE](#) or contact FRS directly at 1-844-377-1888 for more information.

CAN I BE REEMPLOYED AFTER MY DROP PARTICIPATION ENDS?

Below are the FRS guidelines on termination requirements and reemployment limitations. Reemployment within the first 12 months of your retirement is at the discretion of CCPS.

After you retire under the FRS, you can work for any private employer or public employer not participating in the FRS, or for any employer in another state, without affecting your FRS benefit.

There are certain termination requirements and reemployment limitations that affect your retirement benefit if you are employed with a FRS participating employer during the first 12 calendar months after your effective retirement date without DROP participation or after your DROP termination date.

TERMINATION REQUIREMENT:

- In order to satisfy your employment termination requirement, you must terminate all employment relationships with all participating FRS employers for the first 6 calendar months after your termination date/retirement date.
- Termination requirement means you cannot remain employed or become employed with any FRS covered employer in a position covered or non-covered by retirement for the first 6 calendar months following your termination date/retirement date.
- This includes but is not limited to: part-time work, temporary work, other personal services (OPS), substitute teaching, adjunct professor or non-Division approved contractual services.

REEMPLOYMENT REQUIREMENT:

- You may return to work for a participating FRS employer during the 7th – 12th calendar months following your termination date/retirement date, but your monthly retirement benefit will be suspended for those months you are employed. There are no reemployment limitations after the 12th calendar month following your termination date/retirement date.
- If you fail to meet the termination requirement, you will void (cancel) your retirement and DROP participation and you must repay all retirement benefits received (including accumulated DROP benefits).

ADDITIONAL INFORMATION

FRS Online

All employees should create an FRS online account. To access your online account, visit the Division of Retirement's website at www.frs.myFlorida.com, then click on the blue icon for "FRS Online" in the top right-hand corner.



FRS Online is a tool all members are encouraged to use, whether you are active, terminated, or retired. You can create and view estimates of your benefits, view a service history summary, update beneficiary designations, view the current Member Annual Statement, and so much more. Retired members can print a pension income verification letter, adjust federal tax withholdings, authorize or change direct deposit information, and change your mailing address.

CONTACT INFORMATION

Benefits & Wellness Office

w: www.collierschools.com/benefits

e: benefits@collierschools.com

p: (239) 377-0340

f: (239) 377-0384

Florida Retirement System (FRS)

w: www.frs.myflorida.com

p: (844) 377-1888

Teresa Cowley

(Elementary, Maintenance & Transportation Staff)

e: CowleyTe@collierschools.com

p: (239) 377-0352

Cynthia Cave, Supervisor

(Secondary & Administrative Center Staff)

e: CaveC@collierschools.com

p: (239) 377-0370