

### DEFERRED RETIREMENT OPTION PLAN (DROP)

FLORIDA STATUTE 121.021 ESTABLISHED A DEFERRED RETIREMENT OPTION PLAN (DROP) FOR SCHOOL DISTRICT EMPLOYEES. ELIGIBILITY REQUIREMENTS AND RETIREMENT BENEFIT LEVELS ARE ESTABLISHED BY THE FLORIDA LEGISLATURE. CURRENTLY, EMPLOYEES MAY WORK FOR THE SCHOOL BOARD FOR A MAXIMUM OF FIVE YEARS AFTER ENROLLING IN DROP. THE RULES LISTED BELOW SHALL GOVERN SPECIFIED EMPLOYEE BENEFITS FOR SUCH EMPLOYEES.

Authority: F.S. 1001.41  
 F.S. 121.021  
 IR Code 401 (a)  
 Policy Adopted: 7/12/98  
 New Policy Adopted 10/17/00

#### RULES:

##### 1. Sick Leave:

- a. Employees who are enrolled in DROP will continue to earn sick leave and may use it pursuant to the provision of F.S.231.40.
- b. Employees who are enrolled in DROP shall receive payment for his/her accumulated, unused sick leave pursuant to the provisions of Board Policy #4305. Said payment will be equal to the percentage of the time left under their DROP option multiplied by the value of the balance of the employee's accrued sick leave days as illustrated below:

DROP Participant	60 months (maximum allowable)
• 1 <sup>st</sup> Year in DROP	20% of balance of sick leave
• 2 <sup>nd</sup> Year in DROP	25% of balance of sick leave
• 3 <sup>rd</sup> Year in DROP	33.33% of balance of sick leave
• 4 <sup>th</sup> Year in DROP	50% of balance of sick leave
• 5 <sup>th</sup> Year in DROP	100% of balance of sick leave

- c. Employees who enrolled in DROP between July 1, 1998 and June 30, 1999, and who are still participating in DROP will have accumulated unused sick leave paid into the plan for the July 1, 1999/June 30, 2000 plan year subject to a one-time catch up provision which will allow 45% of unused sick leave to be paid into the plan subject to plan limits.
- d. For those employees who are eligible for SBBC's Terminal Pay Pension Plan, these amounts will be contributed to the plan, subject to plan limits. Excess amounts, if any, will be paid after applicable withholding in the final year of employment.

**DEFERRED RETIREMENT OPTION PLAN (DROP)**

2. Vacation Leave:
  - a. Employees who are eligible to earn vacation leave who enroll in DROP have the option to immediately receive a lump-sum payment for their accrued vacation leave or to receive it at the conclusion of their DROP program when they actually terminate from the Board. For those employees who are eligible for SBBC's Terminal Pay Plan, these amounts will be contributed to the plan, subject to plan limits. Excess amounts will be paid after applicable withholding.
  - b. Employees described in section 2 above will continue to earn and may use vacation leave pursuant to the provisions of Board Policy #4480 or the employee's bargaining unit contract, whichever is applicable. However, such employees will not be eligible for a second lump-sum payment upon termination from the School Board for vacation leave earned with the Board while they were enrolled in DROP except to the extent the employee has earned additional vacation leave which combined with the original payment does not exceed the maximum lump-sum payment authorized by the Board.
3. The Superintendent is authorized to develop procedures necessary to implement this policy.