



## **DROP Retirement Forms – Please read the following information carefully...**

**What is DROP (Deferred Retirement Option Program)?** The program allows you to retire and begin accumulating your retirement benefits for up to 60 months, without terminating employment. Your FRS DROP Trust Account earns 1.3% interest, compounded monthly, plus cost of living adjustment (COLA) added every July 31. The first year COLA may be pro-rated.

To calculate your Benefit – FRS Website: [www.rol.frs.state.fl.us](http://www.rol.frs.state.fl.us) OR call FRS at 844-377-1888.

Check list for Deferred Retirement Option Program (DROP) Application

\_\_\_\_\_ DP-11, DP-ELE, FRS-11o and SA-1 must be notarized.

\_\_\_\_\_ Primary beneficiary **must** be listed regardless of option selected. If you are listing your spouse as a beneficiary, a copy of your **marriage license is required.**

\_\_\_\_\_ FRS-11o is not required until an estimate of benefits is sent to you from the Division of Retirement. **If you select option 3 or 4; a copy of Birth proof is also required.**

\_\_\_\_\_ Photocopy of your Certificate of Birth, or Driver’s License with a Star, or Passport must be included with your application (If available at this time and write your current name and Social Security number on the copy)

\_\_\_\_\_ PCS DROP Intent to Resign Form must be signed by you.

\_\_\_\_\_ All DROP forms: DP-11, DP-ELE, SA-1, FRS-11o (if you decided on the option), Certificate of Birth (or Driver’s License with a star or Passport) and PCS Intent to Resign must be returned to:  
Risk Management/Retirement Team, Administration Building, phone: 588-6214

### **How to select your DROP Date?**

#### **Dates for Instructional Staff only**

You may enter DROP any time after reaching your normal retirement date (age 62, 1<sup>st</sup> day of your Birthday month) or 30 years of service. You may participate in DROP for up to 60 months. The 12-month limitation period does not apply to instructional staff. DROP date example: 11/01/2019 – 10/31/2024

## **\*\*Dates for Administrators and Support (non-instructional)**

**employees** Dates to use for DROP:

Sample dates – 11/01/2019-10/31/2024

1<sup>st</sup> day of your **57<sup>th</sup> Birthday** Month, if you complete 30 years prior to age 57

**OR**

1<sup>st</sup> day of the month once you complete 30 years – After age 57, not to exceed age 62

**OR**

1<sup>st</sup> day of your **62<sup>nd</sup> Birthday** Month if Vested (6 years)

12-Month limitation period: Unless you enroll in DROP when you are Eligible, you will lose a month's retirement in DROP for every month you delay to Enroll. You have only 12 months from your eligibility date to enroll in DROP.

### **You may terminate from DROP anytime during the 5 years without penalty.**

### **How Do I Purchase Other Retirement Time?**

Contact the Florida Retirement System at 1-844-377-1888 for information about purchasing other retirement service credit, leave of absence, out of state time, and military service.

### **What Happens to my Sick/Vacation Time?**

**Sick Pay: Bencor 401(a)** Program is a mandatory tax deferred program that automatically tax defers a percent of your sick time based on your years in DROP;

1<sup>st</sup> year = 20%      2<sup>nd</sup> year = 25%      3<sup>rd</sup> year = 33%      4<sup>th</sup> year = 50%      5<sup>th</sup> year = 100%

Payroll will notify you at the end of July, until you terminate from DROP (minimum transfer is \$2,500 in value).

You will continue to accumulate additional Sick Time and Vacation Time.

**Vacation** may be completely tax deferred upon entering DROP and it will increase your retirement benefit. Maximum pay out on vacation is 60 Days during the full five years in DROP. These funds are paid to your Bencor 401(a) account.

**If you add the full 60 vacation days to your retirement calculation** upon entering the DROP program, you must use any new accumulated vacation time or lose it when you retire from DROP. However, if you had less than 60 days when you entered DROP, you will be paid the difference of the accumulated time to the maximum 60 days when you terminate from DROP.

Bencor phone #: 1-866-296-9712 (toll free)

Bencor Local phone #: 813-449-4344

**Pinellas County Schools**  
**Intent to Resign from DROP**

(submit completed form with DROP application)

Employee's Name: \_\_\_\_\_

Last 4 digits of social security number: \_\_\_\_\_

Department/School: \_\_\_\_\_ Position: \_\_\_\_\_

I, \_\_\_\_\_, hereby enter the DROP Program on  
\_\_\_\_/\_\_\_\_/\_\_\_\_ and will resign from DROP on \_\_\_\_/\_\_\_\_/\_\_\_\_.

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

**Complete this section if you are a 12 month employee**

Vacation time may be completely tax deferred upon entering DROP and it will increase your retirement benefits. The maximum payout of vacation is 60 days during the full five years in DROP. These funds are paid to a BENCOR 401(a) account.

**If the full 60 vacation days are deposited into the BENCOR account** upon entering DROP, any new accumulated vacation time must be used or it will be lost when you retire from DROP. However, if fewer than 60 days are deposited when you enter DROP, the difference of the accumulated time to the maximum 60 days will be deposited into the BENCOR account when you terminate from DROP.

\_\_\_\_\_ **I request all of my vacation to be paid and included in my retirement calculation.**

\_\_\_\_\_ **I have \_\_\_\_\_ vacation days available and I want \_\_\_\_\_ vacation days paid out and included in my retirement calculation.**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Date**

**Florida Retirement System Pension Plan  
Application for Service Retirement and the  
Deferred Retirement Option Program (DROP)**

PO BOX 9000 Tallahassee, FL 32315-9000  
Local Phone: 850-907-6500 Toll Free: 844-377-1888 FAX: 850-410-2010

All of the following are **required** before you can retire and become a DROP participant.

1. A properly completed Form DP-ELE, Notice of Election to Participate in the Deferred Retirement Option Program (DROP) and Resignation of Employment (if you have not previously submitted one). If you are dually employed with one or more Florida Retirement System (FRS) employer(s), **each** employer must complete the employer's portion of a Form DP-ELE and Form DP-11.
2. A properly completed Application for Service Retirement and the DROP, Form DP-11. The DP-11 must be signed in the presence of a notary public and approved by your employer. Since your DROP participation cannot be retroactive, you should send the DP-11 to the Division of Retirement prior to the first day of the month your DROP will begin even if you do not have the other required documents. The DP-11 will be accepted up to six months before your DROP participation date.
3. A properly completed Option Selection for Members, Form FRS-11o. An explanation of the options is on the attached page titled "What Retirement Option Should You Choose."
4. A properly completed Spousal Acknowledgment Form, Form SA-1. You must complete and sign the top portion in the presence of a notary. If you are married and select option 1 or 2, your spouse should complete the bottom portion in the presence of a notary.
5. A check payable to the Florida Retirement System for any amount you owe, or a written statement that you do not wish to claim the service. Please put your social security number on the face of the check. You may roll over funds from a qualified plan (IRA, deferred compensation, etc.) to pay the amount due. Form PRO-1, Pretax Direct Rollover, must be received with the payment.
6. Proof of your birth date. If you select Option 3 or 4, you must also submit birth date verification for your beneficiary. We will accept legible photocopies of **one** of the following (except for i):
  - a. Copy of a birth certificate
  - b. Delayed birth certificate
  - c. Valid, unexpired U.S. passport
  - d. Census report more than 30 years old
  - e. Life Insurance policy more than 30 years
  - f. Letter from the Social Security Administration stating the date of birth it has established for the payment of benefits
  - g. Certificate of Naturalization
  - h. Florida driver's license issued after January 1, 2010 that indicates compliance with the federal REAL ID Act
  - i. In the absence of one of the above, a copy of **two** of the following documents:
    - (1) Birth certificate of child, showing age of parent (limit one)
    - (2) Baptismal certificate more than 30 years old
    - (3) Hospital record of birth
    - (4) School record at time of entering grammar school
7. A copy of your marriage certificate if you selected option 3 or 4 and name your spouse as your joint annuitant.
8. A final certification of your earnings by your employer for the last four months of your employment. **Your employer is aware of this requirement.**
9. A Statement of Military Eligibility will be mailed to you if you claim military service and the form is needed.
10. A Beneficiary Designation, Form FST-12, if designating more than one beneficiary; otherwise complete the **Beneficiary Designation** section of Form DP-11.

**Florida Retirement System Pension Plan  
Application for Service Retirement and the  
Deferred Retirement Option Program (DROP)**



PO BOX 9000 Tallahassee, FL 32315-9000  
Local Phone: 850-907-6500 Toll Free: 844-377-1888 FAX: 850-410-2010

Member Name \_\_\_\_\_ Member SSN \_\_\_\_\_  
Position Title \_\_\_\_\_ Birth Date \_\_\_\_\_  
Home Phone \_\_\_\_\_ Work Phone \_\_\_\_\_  
Home Mailing Address \_\_\_\_\_ Present FRS Employer(s) \_\_\_\_\_  
\_\_\_\_\_ Email \_\_\_\_\_  
\_\_\_\_\_

I have resigned my employment on the date stated below and elect to participate in the DROP in accordance with s. 121.091(13), Florida Statutes (F.S.). My DROP participation cannot exceed a maximum of 60 months from the date I first reach my normal retirement date as determined by the Division of Retirement.

I understand I must terminate all employment with FRS employers to receive a monthly retirement benefit and my DROP benefit under Chapter 121, F. S. If I fail to terminate my employment in accordance with s. 121.021(39)(b), F.S., on my DROP termination date, my retirement will be null and void and my FRS membership shall be established retroactively to the date I began DROP. Termination requirements for elected officials are different as specified in s 121.091(13)(b)(4), F.S. Participation in the DROP does not guarantee my employment for the DROP period. I cannot add service, change options, change my type of retirement or elect the Investment Plan after the DROP begin date. I have read and understand the DROP Accrual Distribution information provided with this form.

**Beneficiary Designation:** All previous beneficiary designations are null and void. To designate more than one primary beneficiary, attach a Beneficiary Designation Form, FST-12.

<u>Primary</u>		<u>Contingent</u>	
Name _____	Relation _____	Name _____	Relation _____
SSN _____	DOB _____	SSN _____	DOB _____
Phone _____		Phone _____	
Address _____		Address _____	

DROP begin date: \_\_\_\_/01/\_\_\_\_ DROP termination and resignation date \_\_\_\_\_

**Member Signature:** (sign in the presence of a Notary) \_\_\_\_\_

**Notary:** State of \_\_\_\_\_, County of \_\_\_\_\_. The above named person who has sworn to and subscribed before me this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_ and is personally known \_\_\_\_\_ or has produced \_\_\_\_\_ as identification.

\_\_\_\_\_  
Signature of Notary Public

\_\_\_\_\_  
Print, Type or Stamp Commissioned Name of Notary Public

**Employer Certification:** This is to certify that the above named member will be enrolled as a DROP Participant on the date stated and will terminate his or her employment on the date stated.

**For educational agencies only:** I certify that the member's position of \_\_\_\_\_ meets the definition of instructional personnel under Section 1012.01(2), Florida Statutes.

Authorized Personnel Signature: \_\_\_\_\_ Agency Number: \_\_\_\_\_  
Agency Phone: \_\_\_\_\_ Date: \_\_\_\_\_

**Florida Retirement System Pension Plan  
Notice of Election to Participate in the Deferred Retirement Option  
Program (DROP) and Resignation of Employment**



PO BOX 9000 Tallahassee, FL 32315-9000  
Local Phone: 850-907-6500 Toll Free: 844-377-1888 FAX: 850-410-2010

Member Name \_\_\_\_\_  
Position Title \_\_\_\_\_  
Home Phone \_\_\_\_\_  
Home Mailing Address \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Member SSN \_\_\_\_\_  
Birth Date \_\_\_\_\_  
Work Phone \_\_\_\_\_  
Present FRS Employer(s) \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Resignation From Employment to Participate in the DROP:**

I elect to participate in the DROP in accordance with s 121.091(13), Florida Statutes (F.S.), as indicated below, and resign my employment on the date I terminate from the DROP. I understand that the earliest date my participation in the DROP can begin is the first date I reach normal retirement date as determined by law and that my DROP participation cannot exceed a maximum of 60 months from the date I reach my normal retirement date, although I may elect to participate for less than 60 months. Participation in the DROP does not guarantee my employment for the DROP period.

I understand that I must terminate all employment with FRS employers to receive a monthly retirement benefit and my DROP benefit under Chapter 121, F. S. Termination requirements for elected officers are different as specified in s.121.091(13)(b)4., F. S. I cannot add service, change options, change my type of retirement or elect the Investment Plan after my DROP begin date. I have read and understand the DROP Accrual and Distribution information provided with this form.

**DROP begin date:** \_\_\_\_\_ /01/ \_\_\_\_\_ **DROP termination and resignation date:** \_\_\_\_\_

**Member Signature:** (sign in the presence of a Notary) \_\_\_\_\_

**Notary:** State of \_\_\_\_\_, County of \_\_\_\_\_. The above named person who has sworn to and subscribed before me this \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_ and is personally known \_\_\_\_\_ or has produced \_\_\_\_\_ as identification.

\_\_\_\_\_  
Signature of Notary Public

\_\_\_\_\_  
Print, Type or Stamp Commissioned Name of Notary Public

**Employer Certification:** This is to certify that the above named member will be enrolled as a DROP Participant on the date stated and will terminate his or her employment on the date stated.

**For educational agencies only:** I certify that the member's position of \_\_\_\_\_ meets the definition of instructional personnel under Section 1012.01(2) Florida Statutes.

Authorized Personnel Signature: \_\_\_\_\_  
Agency Phone: \_\_\_\_\_

Agency Number \_\_\_\_\_  
Date \_\_\_\_\_

**Florida Retirement System Pension Plan  
Option Selection for FRS Members**



PO BOX 9000 Tallahassee, FL 32315-9000  
Local Phone: 850-907-6500 Toll Free: 844-377-1888 FAX: 850-410-2010

Member Name \_\_\_\_\_ Member SSN \_\_\_\_\_

A member must select one of the following retirement options prior to receipt of their first monthly retirement benefit.

**I select:**

\_\_\_\_\_ Option 1: A monthly benefit payable for my lifetime. Upon my death the monthly benefit will stop and my beneficiary will receive only a refund of any contributions I have paid which are in excess of the amount I have received in benefits. This option does not provide a continuing benefit to my beneficiary.

\_\_\_\_\_ Option 2: A reduced monthly benefit payable for my lifetime. If I die within a period of ten years after my retirement date, my designated beneficiary will receive a monthly benefit in the same amount as I was receiving for the balance of the 10-year period. No further benefits are then payable.

\_\_\_\_\_ Option 3: A reduced monthly benefit payable for my lifetime. Upon my death, my joint annuitant, if living, will receive a lifetime monthly benefit payment in the same amount as I was receiving. (Exception: The benefit paid to a joint annuitant under age 25, who is not your spouse, will be your option one benefit amount. The benefit will stop when your joint annuitant reaches age 25, unless disabled and incapable of self-support, in which case the benefit will continue for the duration of the disability.) No further benefits are payable after both my joint annuitant and I are deceased.

**The social security number of my joint annuitant is \_\_\_\_\_.**

\_\_\_\_\_ Option 4: An adjusted monthly benefit payable to me while both my joint annuitant and I are living. Upon the death of **either my joint annuitant or me**, the monthly benefit payable to the surviving person (my joint annuitant or me) **is reduced to two-thirds** of the monthly benefit payable while we were both living. (Exception: The benefit paid to a joint annuitant under age 25, who is not your spouse, will be your option one benefit amount. The benefit will stop when your joint annuitant reaches age 25, unless disabled and incapable of self-support, in which case the benefit will continue for the duration of the disability.) No further benefits are payable after both my joint annuitant and I are deceased.

**The social security number of my joint annuitant is \_\_\_\_\_.**

**COMPLETE AND RETURN FORM SA-1**

I understand I must terminate all employment with FRS employers to receive a retirement benefit under Chapter 121, Florida Statutes. I also understand that I **cannot** add service, change options or change my type of retirement (Regular, Disability or Early) once my retirement becomes final. My retirement becomes final when any benefit payment is cashed, deposited or when my Deferred Retirement Option Program (DROP) participation begins.

**Member Signature:** (sign in the presence of a Notary) \_\_\_\_\_

**Notary:** State of Florida, County of \_\_\_\_\_, The above named person who has sworn to and subscribed before me this \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_ and is personally known \_\_\_\_\_ or has produced \_\_\_\_\_ as identification.

\_\_\_\_\_  
Signature of Notary Public

\_\_\_\_\_  
Print, Type or Stamp Commissioned Name of Notary Public

**Florida Retirement System Pension Plan  
Spousal Acknowledgment Form**



PO BOX 9000 Tallahassee, FL 32315-9000  
Local Phone: 850-907-6500 Toll Free: 844-377-1888 FAX: 850-410-2010

Member Name: \_\_\_\_\_ Member SSN: \_\_\_\_\_

**CHECK ONE OF THE FOLLOWING:**

MARRIED: \_\_\_\_\_ YES \_\_\_\_\_ NO      IF YES AND YOU SELECTED OPTION 1 OR 2,  
YOUR SPOUSE MUST ALSO COMPLETE BOX 2.

**Notarized Signature of Member:** \_\_\_\_\_

1 **Notary:** State of Florida, County of \_\_\_\_\_. The above named person who has sworn to and  
subscribed before me this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_ and is personally known \_\_\_\_\_ or  
produced \_\_\_\_\_ as identification.

\_\_\_\_\_  
Signature of Notary Public - State of Florida

\_\_\_\_\_  
Print, Type or Stamp Commissioned Name of Notary Public

SPOUSAL ACKNOWLEDGMENT: I, \_\_\_\_\_ being the spouse of the above named  
member, acknowledge that the member has selected either Option 1 or 2.

**Notarized Signature of Spouse:** \_\_\_\_\_

2 **Notary:** State of Florida, County of \_\_\_\_\_. The above named person who has sworn to and  
subscribed before me this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_ and is personally known \_\_\_\_\_ or  
produced \_\_\_\_\_ as identification.

\_\_\_\_\_  
Signature of Notary Public - State of Florida

\_\_\_\_\_  
Print, Type or Stamp Commissioned Name of Notary Public

**The following is an explanation of all four Florida Retirement System Options:**

- Option 1: A monthly benefit payable for my lifetime. Upon my death, the monthly benefit will stop and my beneficiary will receive only a refund of any contributions I have paid which are in excess of the amount I have received in benefits. This option does not provide a continuing benefit to my beneficiary.
- Option 2: A reduced monthly benefit payable for my lifetime. If I die within a period of ten years after my retirement date, my designated beneficiary will receive a monthly benefit in the same amount as I was receiving for the balance of the 10-year period. No further benefits are then payable.
- Option 3: A reduced monthly benefit payable for my lifetime. Upon my death, my joint annuitant, if living, will receive a lifetime monthly benefit payable in the same amount as I was receiving. (Exception: The benefit paid to a joint annuitant under age 25, who is not your spouse, will be your option one benefit amount. The benefit will stop when your joint annuitant reaches age 25, unless disabled and incapable of self-support, in which case the benefit will continue for the duration of the disability.) No further benefits are payable after both my joint annuitant and I are deceased.
- Option 4: An adjusted monthly benefit payable to me while both my joint annuitant and I are living. Upon the death of either my joint annuitant or me, the monthly benefit payable to the survivor is reduced to two-thirds of the monthly benefit received when both were living. (Exception: The benefit paid to the joint annuitant under age 25, who is not your spouse, will be your option one benefit amount. The benefit will stop when your joint annuitant reaches age 25, unless disabled and incapable of self-support, in which case the benefit will continue for the duration of the disability.) No further benefits are payable after both my joint annuitant and I are deceased.



# FLORIDA RETIREMENT SYSTEM PENSION PLAN TERMINATION AND REEMPLOYMENT AFTER RETIREMENT

Toll Free: 844-377-1888    Locally: 850-907-6500    Email: [Retirement@dms.fl.gov](mailto:Retirement@dms.fl.gov)

To begin receiving a retirement benefit, including the Deferred Retirement Option Program (DROP) payout, you must terminate all employment relationships with all FRS-participating employers. If you are dually employed with one or more FRS-participating employers, you must terminate from all positions, even if one of those positions is not an FRS-covered position. You must terminate from all positions that include, but are not limited to:

- full time work
- part time work
- other personal services (OPS)
- election poll work
- substitute teaching
- adjunct instructing
- contractual services
- third-party companies providing services to FRS-participating employers

**You are subject to the following termination requirement and reemployment restriction in the first 12 calendar months from your service retirement effective date or following your DROP termination date:**

## **TERMINATION REQUIREMENT: 1st through 6th calendar months**

**During the first six calendar months** from your service retirement effective date or following your DROP termination date, you cannot provide services (through paid or unpaid arrangements) in any capacity to an FRS-participating employer. Providing services to an FRS-participating employer in any capacity during this six-calendar month period will cancel your retirement and you and your FRS-participating employer will be held jointly and severally liable for repayment of all retirement benefits received, which include any DROP accumulation or payout. This means that each party can be held fully responsible for the repayment of the total amount of retirement benefits. **There are no exceptions to the six-calendar month termination requirement.**

### **Examples of violations:**

- You terminate from all FRS-participating employment on June 10 and apply to begin receiving your monthly retirement benefit in July. Your service retirement effective date is July 1, and your six-calendar month termination requirement is from July through December. You become employed part-time with an FRS-participating employer in September. This employment voids your retirement. Your retirement will be cancelled, and you and your employer will be held jointly and severally liable for repayment of any retirement benefits paid to you during that time.
- You are dually employed with two FRS-participating employers and are in DROP. You work for your primary employer in a regularly established position, and with your other employer as an adjunct, a non-reported position. You terminate employment with your primary employer and exit DROP on August 31. You receive your DROP payout and begin receiving your monthly retirement benefit in September. Your six-calendar month termination requirement is from September through February. You never terminated your other position, an adjunct with an FRS-participating employer. This employment voids your DROP. Your retirement will be cancelled, and you and your employer will be held jointly and severally liable for repayment of any retirement benefits paid to you, including your entire DROP payout.

# FLORIDA RETIREMENT SYSTEM PENSION PLAN TERMINATION AND REEMPLOYMENT AFTER RETIREMENT

Toll Free: 844-377-1888    Locally: 850-907-6500    Email: [Retirement@dms.fl.gov](mailto:Retirement@dms.fl.gov)

## REEMPLOYMENT RESTRICTION: 7<sup>th</sup> through 12<sup>th</sup> calendar months

**During the 7<sup>th</sup> through 12<sup>th</sup> calendar months** from your service retirement effective date or following your DROP termination date, you may provide services to an FRS-participating employer if, and only if, you suspend your monthly retirement benefits. If your benefits are not suspended, you and your employer will be held jointly and severally liable for repayment of all retirement benefits received during the months in which you provided services. An exception to the reemployment restriction is provided for retired law enforcement officers reemployed as school resource officers in accordance with section 121.091(9)(f), Florida Statutes.

### Example of a suspension of benefits:

- You terminate from all FRS-participating employers on February 15 and apply to begin receiving your monthly retirement benefit in March. Your service retirement effective date is March 1. Your 7<sup>th</sup> calendar month of retirement is September and your 12<sup>th</sup> calendar month is February. You become reemployed with an FRS-participating employer in October. You notify the division of your reemployment in October and the division suspends your monthly retirement benefits from October through February. Your retirement benefits will resume in March.

**If you provide services to an FRS-participating employer during the 7<sup>th</sup> through 12<sup>th</sup> calendar months from your service retirement effective date or following your DROP termination date, you must notify the division by submitting a [Form FR-23, Florida Retirement System Pension Plan Notification of Reemployment for Suspension of Retirement Benefits](#).** You can obtain this form from our website, [frs.myflorida.com](http://frs.myflorida.com), or by contacting the division using the information provided above.

Beginning with the 13<sup>th</sup> calendar month from your service retirement effective date or following your DROP termination date, there are no restrictions on working for an FRS-participating employer.

If you retired under the disability provisions of the FRS and become employed with any employer, whether public or private, your disability benefit will be discontinued. There are no reemployment exceptions for disability retirees.

For more information about the effects of reemployment on your retirement benefits, visit our website, [frs.myflorida.com](http://frs.myflorida.com), where you can view our "[READY.SET.RETIRE.](#)" guide that further explains the FRS reemployment provisions.

If you have any further questions about reemployment after retirement, you may contact the division using the information provided above. When emailing the division, include your full name, the last four digits of your Social Security number, your date of birth, and contact information.

## BENCOR Special Pay Plan Overview



The BENCOR Special Pay Plan is a retirement program consisting of two parts, the *first part* satisfying the requirements under **Section 401(a)** of the Federal tax law, the *second part* following the dictates of **Section 403(b)**. Together, these two parts are offered by BENCOR, Inc. as one Plan to help governmental units, as well as you as an employee, save up to 7.65% of Social Security and Medicare taxes on certain forms of “special pay” (as described below) contributed to the first and second parts of the Plan. The Plan also results in the *deferral* of your income taxes on that same special pay that is contributed under both parts of the Plan; income taxes are not imposed until you actually withdraw money from the Plan. The Social Security and Medicare tax savings are *permanent* because these taxes are not imposed on withdrawals from the Plan.

## Frequently Asked Questions

**Who participates in the Plan?** To be eligible for the Plan, you must be in a category of employment designated as *covered by board policy*. If you are covered by such policy, then you will participate if you (i) are retiring, separating from service or entering into DROP, and (ii) have accumulated at least \$2,500 in “special pay” (sick leave pay, annual leave-vacation pay, incentive pay, etc.).

**What should I do to set up my account?** Your employer establishes your Plan account for you. Once your account is created, you should log on to your account to:

- 1) select your statement delivery preference (electronic/paper) under **Statements/Forms**; and
- 2) designate the person(s) who should receive the funds in your account in the event of your death by using the **Beneficiaries link** under the **gear icon**.

**How is my account invested?** The Plan offers a full array of investment options in which you may choose to invest amounts contributed to your account. If you do not choose investment options, your account will be invested automatically in your plan’s default option, which may or may not be the best option for your circumstances. Therefore, it is very important for you to log on to your account at [www.bencorplans.com](http://www.bencorplans.com) as soon as possible to obtain information about all the available investments and choose the options that are appropriate for your objectives and preferences.

**What is contributed to the Plan?** Contributions to the Plan consist of accumulated special pay that otherwise would be paid to you in cash at retirement or other separation from service. If you enter DROP, contributions are made to the Plan in each year of the DROP period leading up to your actual retirement date. The amount contributed each year depends upon the number of years in your separation period. For example, an employee participating for a period of five (5) years who has accumulated Sick Leave Pay, will have that Terminal Sick Leave Pay deposited as follows:

Year 1	20% of balance of terminal sick leave
Year 2	25% of remaining balance of terminal sick leave
Year 3	33% of remaining balance of terminal sick leave
Year 4	50% of remaining balance of terminal sick leave
Year 5	100% of remaining balance of terminal sick leave

Employees terminating prior to end date of their DROP will be paid 100% of their eligible sick leave balance per policy. Allowing employees to shelter their terminal pay in this fashion maximizes the terminal pay that can be sheltered. If the yearly sick pay contribution exceeds the amount of the contribution limit (see Contribution Limits above) the excess amount will be rolled into the next plan year.

In addition to these employer-made contributions of special pay, you also may choose to “roll over” into the Plan monies invested in other eligible retirement plans or traditional IRAs, thereby consolidating your retirement savings in one place.

**Is there a limit on the amount of Special Pay that can be contributed to the Plan?** Yes. For 2021, the IRS limits contributions to the 401(a) part of the Plan on behalf of any participant to the *lesser* of \$58,000 or 100% of the participant's includible compensation for the most recent period counted as a year of service. If the amount of special pay exceeds the applicable limit for the 401(a) part of the Plan, any excess is contributed automatically to the 403(b) part of the Plan, again up to a maximum of \$58,000 for 2021, or 100% of the participant's compensation for the year, if less. In total, therefore, if a participant has other current compensation of at least \$58,000, up to \$116,000 of special pay may be contributed to the Plan. If a participant's other current compensation is less than \$58,000, a different calculation applies, but a significant portion of special pay still may be contributed to the Plan.

Your employer will not contribute more to the Special Pay Plan on your behalf than is permitted by law. Any amount that cannot be contributed to the Plan will be retained until the next plan year or paid to you as current taxable compensation, as applicable. Please consult your tax advisor or your BENCOR representative regarding your specific Plan contribution limits.

**May I still make elective deferrals to another 403(b) or 457(b) plan?** You still may elect to defer money into any other plans for which you are eligible, subject to all applicable limits imposed by Federal tax law, but no elective employee contributions may be made to the BENCOR Special Pay Plan.

**Can I withdraw money from my account?** Your account is always 100% vested and belongs only to you. The balance of your account is available for withdrawal at any time *after* your termination of employment, or upon total disability or death. In the case of your death, the beneficiary(ies) you name under the Plan will be able to withdraw your account balance. Funds may be withdrawn in one or more cash distributions, which are taxable for the year of withdrawal, or in the form of a direct rollover to an IRA or other eligible retirement plan, which results in continued deferral of your income tax obligation. To request a withdrawal, log on to your account at [www.bencorplans.com](http://www.bencorplans.com) and submit your request electronically or download a Distribution Request Form. Additional information about income taxes and rollovers is provided online and with the form.

**Are my funds taxable and are there any penalties when I withdraw my funds?** Income taxes are imposed for the year of withdrawal. Income taxes are deferred in the case of a rollover to an IRA or other eligible retirement plan, although rollovers to a "ROTH" IRA are currently taxable. The Special Tax Notice included with the Distribution Request Form provides general information about the taxation of distributions from the Plan. For specific tax information, consult an independent tax advisor.

An additional 10% tax (early withdrawal penalty) may apply to withdrawals taken prior to the attainment of age 59 ½ if you retire or otherwise separate from service prior to the year in which you turned age 55. Your employer has chosen to "make whole" those employees who fall within this category *if* they request all of their funds in cash from the Plan Administrator within the specified period of separation from employment. This normally would require a make-up of 2.35% (10% penalty minus 7.65% previous savings on Social Security and Medicare taxes). However, individuals who have met their FICA salary limit before retiring would receive an 8.55% (10% penalty minus 1.45% savings) reimbursement for amounts over the FICA limit.

Your account is subject to the IRS Required Minimum Distribution rules after you reach age 70 ½ (age 72 for participants who reach age 70 ½ after 12/31/19) or retire, whichever is later, or following your death, if earlier.

**Can I borrow from my account?** You may be eligible to borrow up to 50% of your account balance. The minimum loan amount is \$1,000. The amount available to borrow is affected by any other Plan loans you have received. An initiation fee of \$75 is deducted from your account each time you take a loan. A quarterly loan maintenance fee of \$6.25 also applies but not in the quarter the loan is issued. There is a maximum of two (2) loans allowed. Please visit [www.bencorplans.com](http://www.bencorplans.com) to view loan availability and request a loan.

**Will I receive statements?** Statements showing your account activity and ending balance are provided after the close of each calendar quarter.

**Are there any fees?** There are no administrative fees charged to your account unless your balance is less than \$1,000 *and* no contributions have been made to your account for more than two years. At that time, if you do not elect a distribution, a monthly maintenance fee will apply.



## Welcome to the BENCOR Special Pay Plan

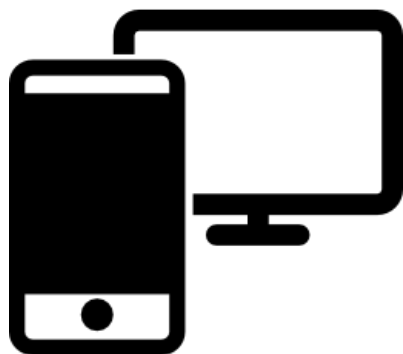
Pinellas County Schools provides the BENCOR Special Pay Plan as an important retirement benefit for all eligible employees. This letter provides general information about the plan and outlines available resources for you to get more detailed information.



## Key Features of your Special Pay Plan

- All eligible employees are automatically enrolled in the program.
- Contributions of "special pay" are based on your accumulated sick, vacation or other leave/incentive pay.
- All contributions permanently save up to 7.65% in Social Security and Medicare taxes.
- Income taxes are deferred on contributions to the plan until you withdraw the money.
- Contributions are 100% vested to you.

## Where Can You Get More Information?



### 1. **Your Employer's Benefits Department**

Access *Frequently Asked Questions* and plan videos through your employer's Retirement Services department website.

### 2. **Online**

[www.bencorplans.com](http://www.bencorplans.com)

Click on **Participant Login**, select your State, County and Employer then click on **Log In**.

For first time users, click on **New User** and follow the prompts.

For returning users, enter your User ID and Password, select Participant from the drop-down menu and **Login**.

### 3. **BENCOR National Participant Service Center 866-296-9712**

(M-F 9:00 a.m. - 6:00 pm ET)

### 4. **Your local BENCOR Advisors:**

**David Ellis      813-449-4344**



## Easy access to your account

*Your plan website is the first step for anything you want to know about your account. Use it to sign in to your account, find information about your retirement plan benefits, and learn more about saving for your future.*

[www.bencorplans.com](http://www.bencorplans.com)

### Online

Click on **Participant Login**, select your State, County and Employer then click on **Log In**.

For first time users, click on **New User** and follow the prompts.

For returning users, enter your User ID and Password.

Once you have signed in, you can review the current status of your account, make changes, and access tools to help you personalize your retirement strategy. From the main menu, scroll over the four tabs- **Dashboard**, **Transactions**, **Statements/Forms** and **Support** - and select the action you want to take from the drop- down lists.

### Check Account Balance

- Balance automatically appears on My Dashboard page (in the Dashboard menu at the top of the screen).
- For account balance by fund, review "My Portfolio" on My Dashboard.

### Review Investment Performance

- To get performance and fee details for all the funds in your plan, simply click on the fund name on any page. This will display performance, as well as links to the fund fact sheet and prospectus.

### Change Future Investment Allocations (new contributions)

- To choose or change how new contributions will be invested, in the Transaction menu, click "Manage Investments" then "Change Elections".

### Transfer Between Investment Options (current assets)

- To transfer balances between individual or groups of funds in the Transactions menu, click "Manage Investments" then "Transfer Funds".


### Request a New Loan or View Existing Loans

- To request a new loan in the Transactions menu, click "Request a Loan".
- To view existing loans in the Transactions menu, click "View Loans".

### Request a Distribution

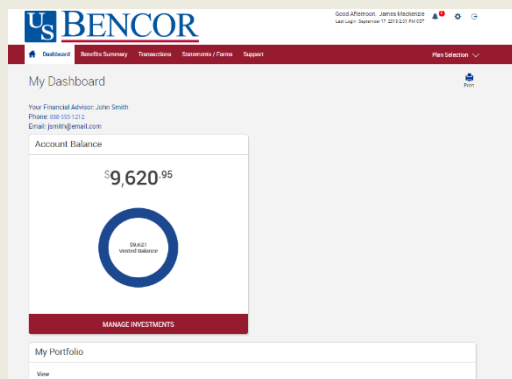
- From the Transactions menu, select "Request a Distribution".
- When the page loads, click on the "here" link to submit your request.

### Forms and Beneficiary Information

- To locate forms and beneficiary information, in the Forms & Reports menu, select "Forms". You can also update your Beneficiary information online by selecting the gear icon  in the upper right of the screen.

### Customer service

- From the Support menu, select "Live Chat" to talk with a Client Care Manager, or "Contact Us" for email and phone information.



*When you enter a change, a confirmation will be sent the following business day. Changes that are completed prior to 4 p.m. ET will be valued using the market closing unit values for that day. Changes completed after 4 p.m. ET will be valued using the market closing unit values for the following business day.*

# Easy access to your account

## Call 866-296-9712

### First-Time Callers

- Call 866-296-9712, option 3
- Enter your Social Security number.
- Enter your Personal Identification Number (PIN) - last four digits of your Social Security number.

866-296-9712



### Frequent Users

- Call 866-296-9712, option 3.
- Enter your Social Security number.
- Choose the account you wish to access.
- Enter your PIN.

### Check Account Balance

- Personal account information, press 1; then
- For balance information, press 1.

### Review Investment Performance

- Personal account information, press 1; then
- For current investment rates of return, press 2.

### Change Future Investment Allocations (*new contributions*)

- Personal account information, press 1; then
- For investment information, press 2.

Confirmation sent the following business day.

*Please note that this allocation change impacts only your future contributions.*

### Transfer Between Investment Options (*current assets*)

- Personal account information, press 1; then
- To transfer between funds, press 3.

Confirmation sent the following business day.

*Please note that changing current allocations does not change how your future contributions will be invested.*

### Customer Service

- From the main menu, for customer service, press 1.



## FREQUENTLY ASKED RETIREMENT QUESTIONS FOR PAYROLL

### **WHAT PERCENTAGE OF SICK TIME DO I GET PAID WHEN I RETIRE?**

The retirement percentage used to calculate the value of remaining sick time is based on years of service in Pinellas County Schools only per Board policy. The current percentages are:

- 6-9 years – 40%
- 10-14 years – 65%
- 15-19 years – 70%
- 20-24 years – 80%
- 25-29 years – 90%
- 30 + years – 100%

### **HOW CAN I ESTIMATE WHAT MY SICK TIME IS WORTH?**

The formula to estimate the value if your sick leave is:

- Annual salary divided by contract days = daily rate of pay
- Daily rate of pay times sick days remaining = total sick pay
- Total sick pay times retirement percentage = sick pay value

For example: 10-month (198-day) teacher with an annual salary of \$50,000 who has 100 sick days remaining at retirement after working in Pinellas for 27 years.

- \$50,000 divided by 198 days = \$252.53 daily rate
- \$252.53 times 100 days = \$25,253 total sick pay
- \$25,253 time 90% for 27 years = \$22,727.70 sick pay value transferred to Bencor

### **HOW DOES THE SICK TIME TRANSFER TO BENCOR WORK WHEN I AM IN DROP?**

The same calculation above is done on June 30th each year you are in DROP except only a portion of your remaining sick days is valued and if the total is over \$2,500 it is transferred to Bencor each July. Employees in DROP will continue to earn sick leave and vacation, if applicable, while in DROP. If you leave DROP early your entire balance of sick leave at the time of separation will be valued and transferred to Bencor if greater than \$2,500. The percentage of sick days transferred each July while in DROP is:

- Year 1 – 20%
- Year 2 – 25%
- Year 3 – 33%
- Year 4 – 50%
- Year 5 – 100%

For example: 10-month (198-day) teacher with an annual salary of \$50,000 who has 100 sick days remaining at the end of the first year in DROP and has completed 27 years in Pinellas.

- \$50,000 divided by 198 days = \$252.53 daily rate
- 100 days times 20% for 1 year in DROP = 20 days
- \$252.53 times 20 days = \$5,050.60 total sick pay
- \$5,050.60 time 90% for 27 years = \$4,545.54 sick pay value transferred to Bencor after year 1
- Sick leave balance is reduced by 20 days



## **WHAT HAPPENS TO MY SICK TIME IF I LEAVE IN THE MIDDLE OF THE YEAR?**

You are paid for all time you have earned. All employees are given 4 days up front and if you leave before the end of the year, we back out anything you have not earned. The following shows when you stop accruing...

<b>MONTHS YOU WORK</b>	<b>WHEN YOU START &amp; STOP ACCRUING</b>
11.5 & 12 month	July – Feb, 4-day advance represents accrual for Mar - June
11 month	Aug – Feb, 4-day advance represents accrual for Mar - June
10 month	Aug – Jan, 4-day advance represents accrual for Feb - May
9 month	Aug – Dec, 4-day advance represents accrual for Jan - Apr

## **WHAT HAPPENS IF I HAVE MORE THAN 60 VACATION DAYS (for 12-month employees only)?**

12-month employees may earn up to a maximum of 62 vacation days but we can only payout up to 60 days of vacation in an employee's career per Florida Statue. Any time earned above 60 days is use it or lose it. You may choose to have the value of up to 60 days transferred to Bencor when you enter DROP. The value of vacation leave transferred when entering DROP counts toward the highest 5 year AFC calculation. If 60 days was not transferred when entering DROP the difference between the days transferred and the 60 day maximum can be transferred when retiring from DROP. For example, you had 45 days transferred when entering DROP and earned another 20 vacation days while in DROP. We can only transfer 15 more days to Bencor at the end of DROP to equal the 60 day maximum and the 5 remaining days earned is use it or lose it.

60 days = 450 hours for 7.50 hours/day employees

60 days = 480 hours for 8.00 hours/day employees

62 days = 465 hours for 7.50 hours/day employees

62 days = 496 hours for 8.00 hours/day employees

## **HOW WILL MY PAY BE AFFECTED BECAUSE OF EQUALIZED PAY?**

Equalized pay divides your annual salary by the number of checks paid in a school year so you receive the same pay when we are closed for Thanksgiving, winter break, spring break and other non-paid days during the school year. Depending on when you retire, we will calculate your final pay by comparing the pay you should receive for the days you worked with the equalized pay you received so far that school year. When you fill out your paperwork, it is best to contact payroll for more information.

## **WHAT DATE SHOULD I USE FOR RETIREMENT SO I DON'T OWE MONEY BACK?**

Because we have equalized pay it is difficult to give an exact date. It is safe to say that if your retirement date is prior to winter break you will not have your last check adjusted for any overpayment.

## **DO I STILL GET PAID IN THE SUMMER IF I RETIRE ON THE 12 MONTH OPTION PLAN?**

If your retirement date is on or after the last day of school then you will still receive your summer checks. If you want to be paid in a lump sum you need to contact Personnel to request the payout. All retirements prior to the end of school will receive a lump sum payout in their last paycheck.

## **WHEN CAN I EXPECT TO RECEIVE PAYMENT OF MY SICK/VACATION PAYOUT?**

We will process your sick/vacation payout usually within two weeks of your retirement date. We have to make sure you didn't use any leave time in the last pay period before retirement. A letter with detailed calculations will be sent when we process the paperwork and send your money to Bencor or issue a check if the value is less than \$2500.