

The Deferred Retirement Option Program (DROP) became effective July 1, 1998. The DROP is an alternative method for payout of retirement benefits for up to 60 months after a member reaches his/her normal retirement date. The DROP allows an employee to save (accumulate with interest) all retirement benefits payable during the DROP, while continuing employment and receiving a salary as if no retirement had occurred. Employees entering DROP must meet eligibility requirements and elect to participate in DROP within the timeline established in F.S. 121. The employee must determine a beginning and ending for DROP.

b. Terminal Pay Benefits – Sick Leave

If an employee is participating in DROP and has at least 50 days of accumulated sick leave, payment shall be distributed according to the following table.

Months in DROP	Number of Payments	Portion for Each Payment
01-12	1	Balance*
13-24	2	1/2, and balance*
25-36	3	1/3, 1/2, and balance*
37-48	4	1/4, 1/3, 1/2, and balance*
49-60	5	1/5, 1/4, 1/3, 1/2, and balance*
<u>* Extended DROP</u>	<u>5 (All but 50 days)</u>	<u>Month following the last date worked.</u>

Payments shall be as follows:

The first and all succeeding payments, other than the final payment, shall be in June, starting in the year the employee enters DROP. The final payment shall be in the month following the last date worked. (Example, the last day worked = June 30, final payment = July). If an employee enters and exits DROP and will not be employed in June of that year, then the remaining balance shall be paid in the month following last date worked. At no time when a payment is to be made, other than the final payment, shall the number of remaining days of sick leave be allowed to be less than 50. If that would be the case, then either a partial payment of NO payment shall be made.

c. Terminal Pay Benefits – Annual Leave

The payment shall be made in the last paycheck before the effective beginning date of DROP. If at the time the employee enters DROP, they do not have 60 days of annual leave, they may be paid for subsequent accumulated annual leave at time of final separation, but the total number of hours for all payments shall not exceed **60 days 500 hours.**

d. Extending DROP beyond 60 Months

1. The following DROP participants may be approved to extend their participation in DROP for up to 36 months beyond the 60-month maximum participation period (no more than 96 months total):