



# DROP

## CONDITIONS AND PROVISIONS OF THE RETIREMENT PROCESS

I am aware of, understand and accept the following conditions consequent to my joining DROP:

- Employees enrolled in the Defer Pay Plan Option, who join DROP, will receive a one-time lump sum payment of the monies deferred up to the DROP begin date. Please note that this payment is taxed based on the IRS guidelines for lump sum payments and may result in a higher withholding percentage.
- The DROP resignation is binding and irrevocable once it is accepted by the Board. Employees will not be allowed to void their DROP participation.
- Full-time employees will have insurance coverage through the end of their retirement month. Except for 10-month employees who work and/or receive pay through the last day of school, insurance coverage will extend through the end of summer.
- In accordance with District Payroll Procedures, an employee who is **not returning** after the holiday is to be terminated on his/her last workday prior to the holiday, and is not eligible for holiday pay. However, using any type of paid leave after a holiday/recess renders an employee eligible for holiday/recess pay.
- All employees eligible to earn sick days, except those in the **AFCSE** bargaining unit, will have a portion of their sick days deposited in the District's Terminal Leave Retirement Plan (TLRP) each fiscal year in June after the 1<sup>st</sup> year of participation, presently administered by BENCOR. Participation in the TLRP is mandatory; however, a balance of 21 sick days must remain after any terminal **pay contributions are made**.
- Employees terminating prior to their pre-selected DROP end date will have 100% of their remaining eligible sick-leave balance paid into the aforementioned Plan, subject to contribution limits. Any excess amount will be paid in cash, subject to all applicable taxes.
- **Maximum vacation payout is 60 days, any days in excess of this difference (which are not used) will be lost. The FRS mandatory 3% contribution rate will be deducted for days paid out at the beginning of DROP.**
- Sick Leave rate \_\_\_\_\_ (Approximately) FRS Career Years \_\_\_\_\_

Employee Sick days will be paid out based on the chart below.

Years of Service	1 - 3	4 - 6	7 - 9	9.10 - 12	12.10+
% of Payout	35%	40%	45%	50%	100%

- Health Insurance Subsidy (HIS) \$5 for each year of service, up to \$150.00 per month (subject to Legislative funding).
- I was informed about the FRS Investment Plan (IP). For details call 1-866-446-9377.

\_\_\_\_\_  
Employee Personal Email Address

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Employee name

\_\_\_\_\_  
Employee Number

# Regular/IP

## CONDITIONS AND PROVISIONS OF THE RETIREMENT PROCESS

I am aware of, understand and accept the following conditions consequent to filing for regular retirement or Investment Plan retirement:

- In accordance with District Payroll Procedures, an employee who is **not returning** after the holiday is to be terminated on his/her last workday prior to the holiday, and is not eligible for holiday pay. However, using any type of paid leave after a holiday/recess renders an employee eligible for holiday/recess pay.
- Full-time employees will have insurance coverage through the end of their retirement month. Except for 10-month employees who work and/or receive pay through the last day of school, insurance coverage will extend through the end of summer.
- Except for AFCSME, eligible employees with sick and/or vacation balance worth \$1000.00 or more, will rollover into a tax shelter administered by BENCOR and subject to contribution limits. Any excess to the contribution limits will be subject to all applicable taxes.
- **The FRS mandatory 3% contribution rate will be deducted for vacation days paid out.**
- Sick Leave rate \_\_\_\_\_ FRS Career Years \_\_\_\_\_  
(Approximately)

Employee Sick days will be paid out based on the chart below.

Years of Service	1 - 3	4 - 6	7 - 9	9.10 - 12	12.10+
% of Payout	35%	40%	45%	50%	100%

- Health Insurance Subsidy (HIS) \$5 for each year of service, up to \$150.00 per month (subject to Legislative funding).
- I was informed about the FRS Investment Plan (IP). For details call 1-866-446-9377.

\_\_\_\_\_  
Employee Personal Email Address

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Employee name

\_\_\_\_\_  
Employee Number