

6Hx19-2.531 PAYMENT OF ACCUMULATED VACATION (ANNUAL) LEAVE TO ELIGIBLE EMPLOYEES ELECTING TO PARTICIPATE IN THE DEFERRED RETIREMENT OPTION PLAN (DROP)

The purpose of this Board Rule is to establish Board policy for the payment of accumulated vacation(annual) leave to employees who are eligible to enter the Florida Retirement Systems Deferred Retirement Option Plan..

College employees who meet the requirements established by the Florida Retirement System (FRS) for entry into DROP, have at least six (6) years of employment at the College, and have elected to participate in DROP may choose to receive payment of accumulated vacation leave either at the time the employee enters DROP or at the conclusion of the DROP period. In accordance with FRS policies, any vacation leave payment which the employee elects to receive at the end of the DROP period will NOT be included in the employee's Average Final Compensation calculation for purposes of determining retirement benefits.

When the annual leave lump sum payment paid to the DROP participant is less than 500 hours (the maximum allowed by District Board of Trustees Rule 6Hx19-2.53, *Terminal Pay on Retirement or Death* Section III), the DROP participant may receive a second lump-sum payment at the end of DROP period not to exceed the difference between the hours initially paid and the maximum 500 hours. The payment of any additional accumulated vacation leave will not impact the DROP participant's FRS benefit calculation. The eligible portion of the terminal payment of vacation leave for DROP participants, as determined by IRS rules, will be deposited in the Board approved 401(a) Qualified Retirement Plan in accordance with the College's Plan document.

The College shall not be obligated to continue the employment of a DROP participant for any particular period of time. The DROP participant's continued employment shall be subject to all of the terms and conditions of the participant's employment contract, if any, and the rules and policies of the College.

Rule Adopted: *9/15/98; 10/20/98; 7/17/01; 6/18/02; ■09/02/08

Effective Date: *9/15/98; *9/15/98; 7/17/01; 6/18/02; ■09/02/08

Legal Authority:

General Authority: Florida Statutes: 1001.64; 1001.65; 1012; 121

Other References:

Law Implemented: Florida Statutes: 1001.64(1)(2)(4)(18)(21)(43)(44); 1001.65(1)(3)(16)(25); 1012.87; 121.091(13)

Proposer: Katherine M. Johnson, President

*Emergency Adoption

vPresident's Cabinet Approval - Non-Substantive/Editorial