

Personnel Management and Services
Nelson E. Diaz, Deputy Superintendent

**SUBJECT: REQUEST TO EXPAND THE SENIOR MANAGEMENT SERVICE CLASS (SMSC)
OF THE FLORIDA RETIREMENT SYSTEM (FRS)**

By statutory provision, Florida Statute 121.055, the Senior Management Service Class (SMSC) of the Florida Retirement System (FRS) has expanded to permit inclusion of a limited number of local agency positions which must be:

- nonelective managerial or policy making positions;
- filled by employees who are not subject to continuing contracts and are serving at the pleasure of the employer without civil service protection; and
- heads of organizational units, or positions with responsibility to effect or recommend personnel, budget, expenditure, or policy decisions in their areas of responsibility.

Benefits to the employee include 2% value for each year of service inclusive of the right to upgrade prior eligible service since February 1987, (as opposed to 1.6% for regular FRS service) and vesting after 7 years of SMSC service, rather than the 10 years required by regular FRS. Upgrading of prior service February, 1987, would be available for purchase by each eligible employee with no cost to the school system. The SMSC contribution rate effective July 1, 1999, is 12.13% of salary, 1.98% over the 10.15% rate for equal FRS employees.

It is recommended that the 35 positions, 22 incumbents, in pay grades 50 through 56, plus the School Board Attorney, be designated for inclusion into the SMSC, effective July 1, 1999. The positions recommended for inclusion do not include any positions filled by staff members who have retired and have returned to work with Miami-Dade County Public Schools. Those individuals who have retired under the State of Florida's Deferred Retirement Option Program (DROP) are not eligible to join the SMSC, even though their positions are being designated as SMSC positions. The cost to provide SMSC coverage for employees in these positions from July 1, 1999 to June 30, 2000, would be approximately \$51,827. The appropriation for this item will be included in the General Fund of the 1999-2000 Tentative Budget to be recommended for adoption on July 26, 1999.

A notice of intent is required to be published once a week for two consecutive weeks in a newspaper of general circulation before designating a position to be included in the SMSC. This notice of intent has been published in *The Miami Daily Business Review* June 8 and June 15, 1999.

RECOMMENDED: That The School Board of Miami-Dade County, Florida, authorize the enrollment of personnel employed in designated positions into the Senior Management Service Class of the Florida Retirement System, effective July 1, 1999. The appropriation for this item will be included in the General Fund of the 1999-2000 Tentative Budget to be recommended for adoption on July 26, 1999.