

Personnel Management and Services  
Nelson E. Diaz, Deputy Superintendent

**SUBJECT: REPORT ON THE IMPACT OF THE DEFERRED RETIREMENT OPTION PROGRAM (DROP) ON MIAMI-DADE COUNTY PUBLIC SCHOOLS**

The Deferred Retirement Option Program (DROP) was approved by the 1997 Legislature and became effective on July 1, 1998. The DROP is a program under which eligible members of the Florida Retirement System (FRS), the Teacher's Retirement System, and the State and County Officers and Employees' Retirement System may elect to participate, have their retirement benefits deposited monthly in the FRS Trust Fund (earning interest, tax deferred), while the members simultaneously continue to work for up to five additional years, but not earn additional credit for retirement. At the end of the DROP period, the employee terminates employment, receives and/or rolls over the accumulated DROP monies, and begins receiving the FRS monthly retirement benefits directly (in the same amount as determined at retirement, plus annual cost-of-living increases).

The report entitled *Impact of the Deferred Retirement Option Program (DROP), Miami-Dade County Public Schools, October 1999*, being submitted to the Board provides an analysis of projected retirements/resignations and identifies the critical needs the district will face in filling positions in various categories—administrative, instruction, and student services—especially for the 2003-2004 school year. This situation is compounded by the fact that other school districts in the state of Florida will be competing with Miami-Dade County Public Schools for new employees, because these districts will also have staff participating in DROP. The recommendations in this report are offered for consideration in the planning and preparation for a smooth transition in the operation of the school system, as hundreds of experienced employees leave the system under DROP.

A copy of the report will be provided to School Board Members under separate cover, and will be available for inspection by the public in the Office of Board Recording Secretary, and the Citizen Information Center.

RECOMMENDED: That The School Board of Miami-Dade County, Florida receive the report *Impact of the Deferred Retirement Option Program (DROP), Miami-Dade County Public Schools, October 1999*.

NED/vh