Chapter 1

ENROLLMENT OF EMPLOYEES IN THE FRS

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This Division of Retirement Employer Handbook is primarily intended for the employers of members of the FRS Pension Plan or the FRS Investment Plan. However, references to an FRS member in this Handbook will refer to a member of the FRS Pension Plan, unless stated otherwise. The division is responsible for processing contributions and maintaining service credit records for Investment Plan members, and for administering Investment Plan participants' disability benefits and Health Insurance Subsidy benefits. Procedures in this handbook should be well marked to indicate the difference in actions required of the employer with respect to Pension Plan vs. Investment Plan members.

I. PARTICIPATION

Membership in the Florida Retirement System (FRS) is mandatory for all employees who begin employment with an FRS participating agency on or after December 1, 1970, in a position that is not a temporary position[1]. Renewed membership was established in 1990 for elected officers and in 1991 for all members and is closed to retirees initially reemployed on or after July 1, 2010, through June 30, 2017. Effective July 1, 2017, FRS Pension Plan retirees are still ineligible for renewed membership. Retirees of the FRS Investment Plan, the State University System Optional Retirement Program (SUSORP), the Senior Management Service Optional Annuity Program (SMSOAP) or the State Community College System Optional Retirement Program (SCCSORP) who are employed on or after July 1, 2017, are eligible for renewed membership. These renewed members must participate in the FRS Investment Plan unless the position is covered by the SUSORP or the SCCSORP when the member is initially enrolled. All members of the FRS are also covered by Social Security under an agreement by the State of Florida with the U.S. Social Security Administration (see Page 1-74). All members of the FRS have the choice to participate in either the FRS Pension Plan or the FRS Investment Plan (which was established July 2002). Employer contributions, employee contributions and salaries, etc., of your employees participating in the Investment Plan will be reported to the division in the same manner as reported for your employees in the Pension Plan, using different codes. The conditions of membership are discussed in greater detail in this chapter. We encourage you to refer to the FRS Rules and Florida Statutes cited at the end of each section to locate additional information on a subject. Participation in one of the closed retirement systems is explained on Page 1-13.

Membership Classes

The five classes of membership in the FRS Pension Plan and the Investment Plan are:

- Regular Class (see Page 1-15)
- Special Risk Class (see Page 1-16)
- Special Risk Administrative Support Class (see Page 1-25)
- Elected Officers' Class (EOC) (see Page 1-27)
- Senior Management Service Class (SMSC) (see Page 1-31)

Anyone employed in a regularly established position (see Page 1-7) will belong to one of these classes unless covered by one of the closed systems outlined on Page 1-13 or a reemployed retiree who is not eligible for FRS membership. An employee can be a member of only one class at a time. If employed in two or more covered positions that belong to different classes (i.e., Regular, SMSC, Special Risk, Special Risk Administrative Support or EOC), the employee will be enrolled in only one class (see Page 1-52). The retirement contribution rates for each class are listed in Chapter 2, Part II. Renewed membership for reemployed retirees is covered on Page 1-63.

[1] Underlined terms are defined in the glossary in Chapter 15.

Plan Enrollment and Second Chance Transfer Option

New eligible employees are initially enrolled as members of the FRS Pension Plan by default[2] and have the opportunity to enroll in the FRS Investment Plan. Upon initial employment and enrollment[3], Alight Solutions (the third party administrator of the Investment Plan responsible for the educational and choice program) provides information to each new employee explaining the employee's option to participate in the Investment Plan instead of the Pension Plan. Effective January 1, 2018, new eligible employees with a choice between the Pension Plan and the Investment Plan are reported as Pension Plan members during the first election period until an active election is received or default membership occurs. If no active election is made with the eight calendar months after the month of hire, the default membership depends on the membership class covering the position held at the end of the eight calendar month. Special Risk Class members default to Pension Plan membership while members in all other classes default to Investment Plan membership. All FRS members also have a single additional opportunity to transfer on their own initiative into the opposite plan prior to termination[4].

Educational and Choice Information

Newly hired employees who have never been employed with an FRS participating employer will receive the education and choice information from Alight Solutions[5]. Any employee who was previously employed by an FRS participating employer and completed an active or default election to enroll in the FRS Pension Plan or Investment Plan will not receive the educational and choice information.

Renewed Membership Closed from 7/1/2010 through 6/30/2017

Reemployed retirees who initially return to work on or after July 1, 2010, through June 30, 2017, are not eligible for renewed membership and will not earn credit toward a second retirement. The closing of renewed membership includes the FRS Pension Plan, the FRS Investment Plan, the State University System Optional Retirement Program, the State Senior Management Optional Annuity Program and the State Community College Optional Retirement Program, and local senior managers covered by a separate arrangement with their employers.

Retirement Coverage for Dependent Special Districts and Other Dependent Governmental Entities

Dependent special districts and other dependent governmental entities must provide the same retirement coverage as the parent agency on which they are dependent. Effective July 1, 1996, dependent entities (within the jurisdiction of an independent participating agency) that, in error, were not providing FRS retirement coverage for their employees must provide such coverage, and all employees of such entities filling regularly established positions must be enrolled in the FRS. For service before July 1, 1996, retroactive enrollment and payment of contributions is not required of the employer; however, the affected employees are eligible to purchase such past service. If your agency is a parent agency, please

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[2] Some university employees are first enrolled in the State University System Optional Retirement Program (see Page 1-36).

[3] Between March 2002 and February 2003, existing members of the FRS Pension Plan could elect to transfer to the FRS Investment Plan if they wished, in different choice periods that varied based on the member's employer group (for more on choice periods, see Chapter 9, Part XV).

[4] For more on the second chance transfer opportunity, see Chapter 9, Part XV. Renewed members initially enrolled on or after July 1, 2017, are automatically enrolled in the retirement plan covering the position held; they do not have any election opportunities.

[5] For more on education and outreach, see Chapter 9, Part XV.

make certain all affected employees of entities dependent on you are enrolled in the FRS. Periodically, audits are conducted to ensure compliance with this provision and adjustments will be required back to July 1, 1996, for any governmental entities found to be in noncompliance. (The Department of Economic Opportunity determines the dependent or independent status of special districts, in accordance with Chapter 189, Florida Statutes.)

Optional Retirement Programs for Members in Certain Positions

Optional retirement programs are available for eligible employees in certain positions in lieu of participating in the FRS. These non-integrated defined contribution programs offer individual or group retirement contracts that provide retirement and/or death benefits for participants. These programs are closed to retirees initially reemployed on or after July 1, 2010, through June 30, 2017, and are:

- **State University System Optional Retirement Program (SUSORP)** –Membership in SUSORP is compulsory for faculty and Administrative and Professional positions not covered by career service in the State University System. If the employee fails to execute the enrollment Form ORP-16, and choosing a provider company during the 90-day SUSORP enrollment period to complete SUSORP enrollment, the employee will be defaulted to membership in the FRS Pension Plan. The employee can elect membership in the Investment Plan prior to the last day of the fifth month following the employee's month of hire (see Pages 1-33, 1-36 and 1-39). Retirees of the Investment Plan, SUSORP, SMSOAP, or SCCSORP employed in a SUSORP-covered position and initially enrolled on or after July 1, 2017, must be enrolled in the SUSORP unless already enrolled in the FRS Investment Plan or employed by a state university in a mandatory SUSORP participation position.
- **Senior Management Service Optional Annuity Program (SMSOAP)** –Available if employed in certain positions by state agencies, the legislative branch, the judicial branch, and the State Board of Administration (see Pages 1-31 and 1-43). The SMSOAP is closed to new members effective July 1, 2017.
- **State Community College System Optional Retirement Program (SCCSORP)** – Available for faculty and certain administrator positions in public community colleges covered by the Regular Class where a SCCSORP is established by a community college board of trustees under section 1001.64(20), Florida Statutes, and is implemented by the employing community college under section 1012.875, Florida Statutes (see Page 1-47). Retirees of the Investment Plan, SUSORP, SMSOAP, or SCCSORP employed in a SCCSORP-covered position and initially enrolled on or after July 1, 2017, must be enrolled in the SCCSORP unless already enrolled in the FRS Investment Plan.

The Division of Retirement is responsible for administering the SUSORP and the SMSOAP, but local community college boards of trustees may administer the individual SCCSORPs or in consortia with multiple community colleges.

Local Senior Managers, Option to Withdraw

In addition to the three optional retirement programs described above, local senior managers who are eligible for membership in the Senior Management Service Class may elect to withdraw from the Florida Retirement System under the provisions of section 121.055(1)(b)2., Florida Statutes (see Pages 1-28, 1-31, 1-35, and 1-35). (In such cases, local employers may provide coverage for these employees at their discretion.)

FRS Investment Plan for Employees, Generally

As of July 1, 2002, all current and future active and renewed FRS members may elect to participate in the FRS Investment Plan (a defined contribution plan) in lieu of the FRS Pension Plan (a defined benefit plan), except for DROP participants. In addition, employees participating in the Senior Management Service Optional Annuity Program (SMSOAP), and university employees who are eligible to participate in, but are not participating in, the State University System Optional Retirement Program (SUSORP), may elect to join the FRS Investment Plan. Beginning July 1, 2003, participants of the State Community College Optional Retirement Program (SCCSORP) may also elect to participate in this plan (see Page 1-47).[6]

See Chapter 9, Part XV, for specifics regarding the FRS Investment Plan, which is administered by the Florida State Board of Administration (SBA).

STATUTORY REFERENCE:
Sections 121.055 and 121.35, Florida Statutes

FRS RULE REFERENCE:
Sections 60V-4.002, Florida Administrative Code

[6] Local senior managers who withdrew from the FRS had a six month window from January 1, 2006, to June 30, 2006, to elect participation in either Pension Plan or the Investment Plan. SUSORP participants who were not mandatory SUSORP had a 12 month window from January 1, 2008, to December 31, 2008, to elect to participate in either the FRS Pension Plan or the Investment Plan.

II. REGULARLY ESTABLISHED POSITION

[Applicable to all employees of covered agencies]

An employee who is filling a full-time or part-time regularly established position, except for a retiree initially reemployed on or after July 1, 2010, through June 30, 2017, and Pension Plan retirees on or after July 1, 2010, is a compulsory member of the FRS, except that eligible positions in the State University System shall be initially enrolled in the SUSORP (see Page 1-33). See Page 1-9 for information on temporary positions. An employee filling a regularly established position shall be enrolled on the first day of employment, even if the employee is serving a probationary period. Effective July 1, 2017, FRS Pension Plan retirees are still ineligible for renewed membership. Retirees of the FRS Investment Plan, the SUSORP, the SMSOAP or the SCCSORP who are initially enrolled on or after July 1, 2017, are eligible for renewed membership. These renewed members must participate in the FRS Investment Plan unless the position is covered by the SUSORP or the SCCSORP when the member is initially enrolled

NOTE: Official court reporters are mandatory members of the FRS, whereas deputy court reporters (who are employees of the official court reporters are considered independent contractors) are not eligible for FRS membership. [See Williams v. Department of Management Services, App., (1st) 647 So. 2d 317 (1994)].

For State Agencies

A regularly established position in a state agency, including state universities, is a position authorized pursuant to section 216.262(1)(a) and (b), Florida Statutes, and compensated from either a salaries appropriation as provided in section 216.011(1)(dd), Florida Statutes, or a salaries account.

For Local Agencies

A regularly established position in a local agency (county agency, district school board, community college, or a participating city, special district, metropolitan planning district or charter school), other than a water management district operating pursuant to Chapter 373, is an employment position that will be in existence beyond six consecutive calendar months. The expected length of the position's existence, not the length of time an employee is anticipated to fill the position, determines membership in the FRS. When creating or establishing an employment position, the agency should determine if the position would exist beyond six consecutive months. If it will, it is a regularly established position. For retirement purposes, a position that exists for any part of a month is considered to be in existence for the entire month.

The following provisions shall apply to all members employed by a local agency:

- A member filling a regularly established position who performs additional duties for the same FRS employer is considered to be filling a regularly established position for the total employment, and the employer and the employee shall make the required retirement contributions.
- A member filling a regularly established position who performs additional duties in a temporary position for a different FRS employer shall have retirement contributions reported only for the regularly established position. The other employer does not report retirement contributions for the temporary position.

- A teacher filling a regularly established position who performs additional duties (beyond those contracted) for the same employer is considered to be filling a regularly established position for the total employment and the employer and the employee shall make the required retirement contributions.
- A teacher who is employed to teach during the summer session, but who did not fill a regularly established position during the preceding school year, is filling a temporary position. The employer and employee do not make retirement contributions for this summer employment.
- A person filling a regularly established position as a temporary replacement for a member on a leave of absence approved for more than six months shall be enrolled in the system upon employment; or, if the leave of absence is approved for six months or less and is subsequently extended beyond six months, such person shall be enrolled into the System effective with the date of the extension; or, if the leave of absence is open-ended (that is, the duration of the leave of absence is not documented), such person shall be enrolled as of the date of employment; otherwise, such person shall be considered a temporary employee and shall not be reported for retirement purposes.
- An employment position financed by grant moneys becomes a regularly established position if the position exists beyond six consecutive calendar months. If the position established by the grant will exceed six months, it is a regularly established position and is covered for FRS purposes from the date of employment.

With respect only to a water management district operating pursuant to Chapter 373, Florida Statutes, a regularly established position means a position authorized in the district's final adopted budget and compensated from salaries and benefits appropriation or account

STATUTORY REFERENCE:
Section 121.021, Florida Statutes

FRS RULE REFERENCE:
Sections 60S-1.004(4) and 60S-6.001(52), Florida Administrative Code

III. TEMPORARY POSITION

[Applicable to all employees of covered agencies]

For State Agencies

A temporary position in a state agency is an employment position, which is compensated from an OPS account as provided in section. 216.011(1)(dd), Florida Statutes.

For Local Agencies

A temporary position in a local agency, other than a water management district operating pursuant to Chapter 373, is:

- An employment position which will not exist beyond six consecutive calendar months (see Page 1-10 for information on positions extended beyond six months);or
- An employment position listed below, regardless of whether it will exist beyond six consecutive calendar months:

1. **Student Positions** — positions filled by persons who are bona fide students in an accredited educational or vocational program and who perform service for a public employer in a temporary position set aside strictly for students. The position cannot be filled by anyone other than a student.
2. **Work-Study Positions** — positions filled by students participating in the Federal work-study program.
3. **Temporary Instructional Positions —** positions established with no expectations of continuation beyond one semester or trimester at a time for persons to teach in a community college, public school, or vocational institution; such positions may include paper graders, tutors, note takers, and lab tutors at community colleges.
4. **Substitute Teacher Positions —** positions filled by persons who are not on contract and who are called to work intermittently to substitute teach.
5. **On-Call Positions** — positions filled by employees who are called to work for brief periods and whose work ceases when the work is completed. (If an employee has a work schedule and works consistently month after month, the employee is considered to be filling a regularly established position and should be enrolled in the FRS from the date of employment.)
6. **CETA and JTPA Positions, and Enrollees of the Senior Community Service Employment Program** — positions provided for in rule 60S-1.004(4)(c)7.a. and 8.a., Florida Administrative Code.
7. **Non-salaried Elective Positions** — elective office positions in which the elected officials receive no compensation, but receive expenses, such as per diem, a stipend, or an honorarium.
8. **Temporary Non-instructional Community College Positions** — effective July 1, 1991, non-instructional positions filled by employees paid from an OPS budget account for not more than 2,080 hours of total service within a single community college. (Any such person who is employed beyond 2,080 total aggregate hours within a community college shall thereafter be an employee filling a regularly established position and a compulsory member of the FRS regardless of the budget from which paid.)

9. **Temporary Emergency Positions** — positions established on a temporary basis as a result of a state of emergency as declared by the Governor due to a disaster caused by destructive storms, winds, floods fires, earthquakes, freezes, or other similar emergencies.

10. **Foreign Exchange Teachers —** instructional positions in grades K-12 filled by exchange teachers on a J-1 visa when participating in an exchange visitor program designated by the United States Department of State.

Records documenting the intended length of a temporary position and the dates of employment of an employee in such position must be maintained by the agency.

When an employment position is extended beyond six consecutive calendar months, with the exception of positions described under items one through ten above, it becomes a regularly established position. You should enroll the employee and all subsequent employees in the FRS and begin to make necessary employer and employee contributions on the first day of the seventh calendar month or on the first day of the month following the month in which the decision is made to extend the position beyond six months, if earlier. When a temporary position extends beyond the six months and there is no documentation substantiating that the position was originally established as a temporary position to last for six months or less, the employee filling such position will be enrolled from the initial date of employment, and employer and employee, if required, retirement contributions shall be due retroactively to that date.

With respect only to a water management district operating pursuant to Chapter 373, Florida Statutes, a temporary position means a position not authorized in the district's final adopted budget, and designated as a temporary position by the district.

If you have questions concerning an employee's eligibility for membership in the FRS, please contact the Division of Retirement. You may call the division toll-free at 877-377-1266 or 850-907-6540, or email enrollment@dms.fl.gov.

STATUTORY REFERENCE:
Section 121.021(11), (12), (52) and (53), Florida Statutes

FRS RULE REFERENCE:
Section 60S-1.004(4) and (5), Florida Administrative Code

IV. ENROLLMENT OF MEMBERS

[Applicable to all employees of covered agencies]

A. GENERAL

Each member in the FRS must be enrolled in one of the five classes of membership as described in this section: Regular Class, Special Risk Class, Special Risk Administrative Support Class, Elected Officers' Class, or Senior Management Service Class unless a reemployed retiree who is not eligible for renewed membership.

- Except for certain university and college employees (see Page 1-33), each FRS-eligible employee will be initially reported in the FRS Pension Plan during the election period/ Prior to January 1, 2018, members who do not make an active election during the election period participate in the Pension Plan by default, but will also be given an opportunity to transfer to the FRS Investment Plan – (see Page 1-12).
- Except for certain university and college employees (see Page 1-33), each FRS-eligible employee will be initially reported in the FRS Pension Plan during the election period. On or after January 1, 2018, members who do not make an active election during the election period participate in the Investment Plan by default except for positions covered by the Special Risk Class participate in the Pension Plan by default. Members will be given a second election opportunity to transfer to the other plan – (see Page 1-12).
- The procedures for enrolling reemployed retirees who are not eligible for renewed membership are found on Page 1-63.

Member enrollment will be accomplished using the information provided on the monthly retirement report as described in Chapter 3. An active member can designate a beneficiary online by logging in to FRS Online and selecting beneficiary, or the member can use Form BEN-001, Beneficiary Designation Form. The FRS maintains a database containing the employee's name, Social Security number, gender, date of birth, home address, retirement plan, beneficiary information, salaries, and employer and employee contributions. The primary purpose of the database is to establish a member's basic retirement record, to assure that correct contributions are submitted and credited to the employee under the correct Social Security number, and to facilitate the accurate calculation of retirement benefits when the member ultimately applies for retirement benefits. We must receive accurate and complete information on your payroll report.

Position Number/Class Code Required —Members enrolled in the Special Risk Class, Special Risk Administrative Support Class, Senior Management Service Class (also DROP participants filling SMSC positions), and Elected Officers' Class, reemployed retirees in the Elected Officers' Class and the Senior Management Service Class, and participants of the Senior Management Service Optional Annuity Program, and the State University System Optional Retirement Program must have position number and/or class code information included with your report.

Position Number/Class Code Not Required — Members enrolled in the Regular Class, reemployed retirees in the Regular Class, participants in the DROP (not filling SMSC positions), and participants in the Community College Optional Retirement Program do not need position number and/or class code information included with your report.

Members enrolling in the Special Risk and Special Risk Administrative Support Classes in positions that have not been preapproved must submit the appropriate application for membership. Payrolls that do not include complete information on a member will be listed on the Contributions Report, and your agency

will be asked to provide complete data. Please note that the steps required to correct this situation can be very time consuming for both the reporting unit and the division.

Questions regarding the membership class of a member should be directed to the Division of Retirement. You may call the division toll-free at 877-377-1266 or 850-907-6540, or email enrollment@dms.fl.gov.

FRS Investment Plan

Members' Choice Opportunity — Except for certain university employees (see Page 1-33) and retirees initially reemployed on or after July 1, 2010, through June 30, 2017, each new employee will be enrolled by default in the FRS Pension Plan, but will be given the opportunity to transfer from the FRS Pension Plan to the FRS Investment Plan by the end of the fifth month following the employee's month of hire or the end of a leave of absence.

Effective January 1, 2018, each new employee, except for Special Risk Class members, will be reported under the Pension Plan during the initial election period until an active election is received or enrolled by default in the FRS Investment Plan, but will be given a second election opportunity to transfer from the FRS Investment Plan to the FRS Pension Plan. Special Risk Class members will continue to default into the FRS Pension Plan if they do not make an active election.

- After determining the appropriate class for each new employee, you should report the employee as a member of the FRS Pension Plan during the initial election period and as a member of the Pension Plan or Investment Plan depending upon the member's active election or default membership.
- The third party administrator (Alight Solutions) will mail a New Employee FRS Enrollment Kit (new hire kit) to the member's address on file and include the member's Personal Identification Number and plan choice deadline date within 30-60 days of employment. If the employee is initially enrolled on or after January 1, 2018, the member will have until the end of the eighth month of the date of hire to notify Alight Solutions of their choice to be a member of either the Pension Plan or the Investment. Members initially enrolled in the FRS prior to January 1, 2018, had five months to make an election.
- If the employee elects to enroll or defaults into in the FRS Investment Plan, all employer and employee contributions to date will be transferred to the member's individual Investment Plan account.
- Regardless of whether the member initially chooses the FRS Pension Plan or the FRS Investment Plan, the member may make a second and final election to join the other plan as soon as the initial election becomes effective (see Chapter 9, Part XV, for more on the second-chance transfer opportunity).

Members of Closed Retirement Systems

An employee who has not retired and was a member of a closed retirement system (TRS or SCOERS) in a public agency position held prior to the reemployment in your FRS agency may be eligible to elect membership in the FRS. The following guidelines, which are based upon the circumstances of the member's termination and reemployment, should be followed in determining the correct plan for such members:

- **Compulsory Member of TRS or SCOERS** — A closed retirement system member who terminates employment (with or without receiving a refund of contributions) and is reemployed in a covered position within 12 months of termination must remain in the closed retirement system. A closed retirement system member who is on an approved leave of absence must remain in the closed retirement system. (A leave of absence does not constitute termination of employment.)
- **Compulsory Member of the FRS —** A closed retirement system member who terminates employment, receives a refund of the retirement contributions, and is reemployed in a covered position 12 or more months after termination, is a compulsory member of the FRS.
- **Option to Remain in the TRS or SCOERS or Transfer to the FRS —** A closed retirement system member who terminates employment, does not receive a refund of the retirement contributions, and is reemployed in a covered position 12 or more months after termination, may elect to remain in that system or transfer to the FRS.
- A member of TRS or SCOERS is not eligible to participate in the FRS Investment Plan, unless first electing membership in the FRS Pension Plan, if eligible.

Proof of Termination

The division may require proof that an employee was terminated. Proof of employment termination may consist of, but is not limited to, the following:

- A copy of the member's resignation.
- A copy of the advertised vacancy for the member's position.
- Evidence of payments to the member for unused annual and sick leave, or loss of unused annual and sick leave due to termination.

When a new employee is hired, the employer (reporting unit) must question the individual to determine whether there may have been previous employment that was covered by a closed retirement system. If the individual is uncertain about past membership and/or whether contributions were left on deposit, the employer should contact the Division of Retirement. You may call the division toll-free at 877-377-1266 or 850-907-6540, or email enrollment@dms.fl.gov.

To Enroll in a Closed System

The Enrollment Section will determine if the member should remain in the closed retirement system, be enrolled as a compulsory FRS member, or be allowed to transfer to the FRS. If an option to transfer is available, the Form BLE-1, Ballot for Member of an Existing Retirement System, should be completed, signed and dated by the member. The member will elect either to remain in the closed retirement system or to transfer to the FRS. A copy of the ballot should be submitted to the division. The employer must also enroll the member on the payroll report and report appropriate contributions for the selected retirement plan for the member. Current contribution rates can be obtained from the Division of Retirement. You may call the division toll-free at 877-377-1266 or 850-907-6540, or email contributions@dms.fl.gov. Contribution rates for closed retirement systems can also be found in Rate Tables 7 and 8 under Chapter 2, Part II.

Election to remain in the closed retirement system or transfer to the FRS should be made on the first day of reemployment or as soon as possible thereafter. It should be emphasized to the employee that failure to submit an election in writing within six months of reemployment would result in compulsory membership in the FRS, effective with the date of initial reemployment. Once made, an election may not be revoked.

Enrollment of DROP Participants

FRS members who choose to retire and participate in the Deferred Retirement Option Program (DROP) will be enrolled automatically in the program and the retirement plan will be updated upon receipt of Form DP-11, Application for Service Retirement and the DROP. Employees participating in DROP should be reported on your payroll under the appropriate DROP plan (position number for your SMSC positions and class code information on EOC and Special Risk Class positions are required to be submitted with your report). Beneficiary information will be submitted on the DROP application or Form FST-12. Please see Chapter 9, Part XIV, for additional information on DROP.

STATUTORY REFERENCE:
Section 121.051(1), Florida Statutes

FRS RULE REFERENCE:
Section 60S-1.004(2), Florida Administrative Code

B. REGULAR CLASS

The Regular Class is for employees who are required to participate in the FRS but are not eligible to participate in one of the other retirement classes. These employees should be enrolled in the FRS through your payroll report (position number and/or class code information are not required to be submitted with your report for members of this class).

Enroll in Regular Class

- Submit FRS Pension Plan contribution and payroll reports under Plan Code HA, except as noted.
- Submit FRS Investment Plan contribution and payroll reports under Plan Code PA.

See Page 1-52 for information on employees who are employed in more than one position where each position qualifies for a different class of membership.

FRS RULE REFERENCE:
Section 60S-1.004, Florida Administrative Code

C. Special Risk Class

The Special Risk Class is limited to certain law enforcement officers, firefighters (including firefighters in fire prevention and/or training positions), correctional officers, emergency medical technicians and paramedics, community-based correctional probation officers, specified state-level professional health care employees, youth custody officers, and certain forensic workers who are employed by a law enforcement agency or medical examiner's office, who meet the criteria for membership.

Legislative Intent

In creating this class, the Legislature recognized that Special Risk Class positions are physically demanding and require extraordinary agility and mental acuity. The Legislature has recognized that, due to the physical and mental limitations of age, Special Risk Class members should be eligible to retire earlier than regular members. To that end, the Legislature enacted an earlier retirement age requirement for these members and credited their service at a higher rate than regular members earn so they could retire with benefits roughly equivalent to benefits of regular members who could be expected to work longer.

Membership Criteria

Members of the FRS who fulfill the requirements listed below are eligible for Special Risk Class membership. Administrative support personnel, including but not limited to those whose primary duties are in accounting, purchasing, legal and personnel, are not eligible for Special Risk Class membership. The criteria used to determine membership in the Special Risk Class for members who are filling law enforcement, correctional officer, firefighter, emergency medical technician, or paramedic positions, community-based correctional probation officer positions, specified state-level professional health care positions, and certain positions working in forensic disciplines for a law enforcement agency or medical examiner's office are as follows:

Law Enforcement Officers

Any law enforcement officer requesting Special Risk Class membership must be certified, or be required to be certified, in accordance with section 943.1395, Florida Statutes.

In addition, the officer must hold one of the following law enforcement positions:

- Sheriff* or elected police chief (excluded from certification requirements);
- Law enforcement officer whose duties require the pursuit, apprehension, and arrest of law violators or suspected law violators;
- Active member of a bomb disposal unit whose primary responsibility is the location, handling, and disposal of explosive devices; or
- Command officer or supervisor of a Special Risk Class member or members whose duties require the pursuit, apprehension and arrest of law violators or suspected law violators, or command officer or supervisor of members of a bomb disposal unit.

***NOTE:** A person elected or appointed as sheriff on or after July 1, 1990, shall be a compulsory member of the Elected Officers' Class unless the person elects membership in the Special Risk Class or withdraws from the FRS. The division must be notified in writing of the member's decision within six months of assuming office. Failure to do so will result in compulsory membership in the EOC. See Page 1-27 for additional information.

Firefighters

Any firefighter requesting Special Risk Class membership must be certified, or required to be certified, in accordance with section 633.35, Florida Statutes.

In addition, the member must hold one of the following firefighting positions:

- Firefighter whose duties and responsibilities include on-the-scene fighting of fires or, effective October 1, 2001, fire prevention or firefighter training responsibilities*****; or
- Fire personnel whose duties and responsibilities include direct supervision of firefighting units or, effective October 1, 2001, fire prevention or firefighter training; or
- Firefighter employed by the Division of Forestry of the Department of Agriculture and Consumer Services as a fixed-wing pilot whose duties and responsibilities include aerial firefighting surveillance; or
- Command officer or supervisor of Special Risk Class members who are fire personnel as described above.

***NOTE:** Under Florida retirement law, firefighters approved for Special Risk Class membership must be employed solely within the fire department of the employer or agency of state or local government, and must be employed on a full-time or part-time basis.

Correctional Officers

Any correctional officer requesting Special Risk Class membership must be certified, or be required to be certified, in compliance with section 943.1395, Florida Statutes.

In addition, the officer must hold one of the following correctional officer positions:

- Correctional officer whose primary duty and responsibility is the custody and physical restraint, when necessary, of prisoners or inmates within a prison, jail, or other criminal correctional or detention facility, while on work detail, or while being transported outside the facility; or
- Supervisor or command officer of Special Risk Class members whose primary duties and responsibilities are the custody and physical restraint of prisoners and inmates, whether in a prison, jail, or other criminal detention facility; or
- Superintendent or assistant superintendent of a correctional or detention facility that maintains custody of prisoners or inmates and employs correctional officers. The superintendent is the person directly in charge of the day-to-day operations of a specific correction or detention facility. The assistant superintendent is the one person whose responsibility includes direct line authority from the superintendent over all subordinate employees for the day-to-day operations at the facility. If no single employee in a correctional facility has such responsibility, then, for retirement purposes, there is no assistant superintendent at that facility.

EMTs and Paramedics

Effective October 1, 1999, any emergency medical technician or paramedic requesting Special Risk Class membership must be certified in accordance with section 401.27, Florida Statutes and be employed by a licensed Advance Life Support (ALS) or Basic Life Support (BLS) employer. In addition, the member's primary duties and responsibilities must include:

- On-the-scene emergency medical care; or
- Effective October 1, 2001, direct supervision of emergency medical technicians or paramedics.

Community-Based Correctional Probation Officers

Effective January 1, 2001, any community-based correctional probation officer requesting Special Risk Class membership must be certified, or be required to be certified, in compliance with section 943.1395, Florida Statutes. In addition, the officer must hold one of the following community-based correctional probation officer positions:

- Community-based correctional probation officer whose primary duty and responsibility is the supervised custody, surveillance, control, investigation, and counseling of assigned inmates, probationers, parolees, or community controllees within the community; or
- Supervisor or command officer of Special Risk Class members whose primary duties and responsibilities are the supervised custody, surveillance, control, investigation, and counseling of assigned inmates, probationers, parolees, or community controllees within the community; or
- Probation and parole circuit or deputy circuit administrator.

Correctional or Forensic Health Care Employees

Effective January 1, 2001, any professional health care bargaining unit or non-unit member requesting Special Risk Class membership must be an employee of the Department of Corrections or the Department of Children and Family Services who spends at least 75 percent of the time performing duties which involve contact with patients or inmates in a correctional or forensic facility or institution. In addition, the member must be employed in one of the following job classes:

- Dietitian (class codes 5203 and 5204).
- Public health nutrition consultant (class code 5224).
- Psychological specialist (class codes 5230 and 5231).
- Psychologist (class code 5234).
- Senior psychologist (class codes 5237 and 5238).
- Regional mental health consultant (class code 5240).
- Psychological services director - DCF (class code 5242).
- Pharmacist (class codes 5245 and 5246).
- Senior pharmacist (class codes 5248 and 5249).
- Dentist (class code 5266).
- Senior dentist (class code 5269).
- Registered nurse (class codes 5290 and 5291).
- Senior registered nurse (class codes 5292 and 5293).
- Registered nurse specialist (class codes 5294 and 5295).
- Clinical associate (class codes 5298 and 5299).
- Advanced registered nurse practitioner (class codes 5297 and 5300).
- Advanced registered nurse practitioner specialist (class codes 5304 and 5305).
- Registered nurse supervisor (class codes 5306 and 5307).
- Senior registered nurse supervisor (class codes 5308 and 5309).
- Registered nursing consultant (class codes 5312 and 5313).
- Quality management program supervisor (class code 5314).

- Executive nursing director (class codes 5320 and 5321).
- Speech and hearing therapist (class code 5406); or
- Pharmacy manager (class code 5251).

Youth Custody Officers

Effective July 1, 2001, through June 30, 2014, any member requesting Special Risk Class membership as a youth custody officer must be employed as a youth custody officer by the Department of Juvenile Justice in addition to meeting the following criteria:

- Be certified, or be required to be certified, in accordance with section 943.1395, Florida Statutes.
- Have primary duties and responsibilities consisting of supervised custody, surveillance, control, investigation, apprehension, arrest, and counseling of assigned juveniles within the community.

Forensic Workers (LE/ME)

Effective October 1, 2005, through June 30, 2008, to qualify for Special Risk Class membership as a forensic worker employed by a law enforcement agency or medical examiner's office, the member must also meet the following criteria:

- The member must work in a forensic discipline recognized by the International Association for Identification and must qualify for active membership in this association; and
- The member's primary duties and responsibilities must include the collection, examination, preservation, documentation, preparation, or analysis of physical evidence or testimony, or both, or the member must be the direct supervisor, quality management supervisor, or command officer of one or more individuals with such responsibilities.

Effective July 1, 2008, to qualify for Special Risk Class membership as a forensic worker must be employed by a law enforcement agency or medical examiner's office, the member must also meet the following criteria:

- The member must be employed by the Department of Law Enforcement in the crime laboratory or by the Division of State Fire Marshal in the forensic laboratory in one of the following classes:
  - Forensic technologist (class code 8459).
  - Crime laboratory technician (class code 8461).
  - Crime laboratory analyst (class code 8463).
  - Senior crime laboratory analyst (class code 8464).
  - Crime laboratory analyst supervisor (class code 8466).
  - Forensic chief (class code 9602); or
  - Forensic services quality manager (class code 9603).
- The member must be employed by a local government law enforcement agency or medical examiner's office and must spend at least 65 percent of the time performing duties that involve the collection, examination, preservation, documentation, preparation, or analysis of human tissues or fluids or physical evidence having potential biological, chemical, or radiological hazard or contamination, or use chemicals, processes, or materials that may have carcinogenic or health-damaging properties in the analysis of such evidence, or the member must be the direct supervisor of one or more individuals having such responsibility.

Special Risk Class Membership for Non-Special Risk Class Positions After Recovery from a Qualifying Injury

Effective June 1, 2010, special risk member is expanded to include a Special Risk Class member employed in law enforcement, firefighting, or criminal detention who:

- Suffers a qualifying in-line-of-duty injury,
- Reaches maximum medical improvement on or after August 1, 2008, and
- Returns to work in a non-special risk position with the same employer at the time of the accident.

Special Risk Class membership is retained only for as long as the member remains employed by the employer at the time of the accident.

The qualifying in-line-of-duty injury includes total and permanent loss of use of at least two limbs or 75 percent loss of motor function in at least two limbs due to a physical injury to the brain.

An employer is not required to create a position to accommodate a member under these circumstances and this bill does not create new rights not already provided under current state or federal law.

State Agencies

Enrollment in Special Risk Class

The Department of Management Services specifies the classes of positions established in state government that satisfy the criteria for Special Risk Class membership. If the employee is filling an approved Special Risk Class position, you should enroll the employee as a member of the Special Risk Class on your payroll report.

To Enroll:

- The employee will be enrolled in the FRS based on the information on your payroll report.
- Include the employee's class code on the payroll report.
- Submit FRS Pension Plan contribution and payroll report under Plan Code HB.
- Submit FRS Investment Plan contribution and payroll report under Plan Code PB.

Change of Position

If an employee changes positions, you should indicate the new class code number of the new position on the payroll report. The new class code should be provided if:

- A Special Risk Class member is promoted or reassigned to another preapproved Special Risk Class position designated under the same criteria (i.e., Correctional Officer I to Correctional Officer II); or
- A Special Risk Class member changes from one type of position to another (designated under different criteria, such as changing from a law enforcement officer to a correctional officer).

Local Agencies

Position Approval

For local government participating agencies, the position held by an employee must be approved by the Division of Retirement as a position in the Special Risk Class.

To apply, the local agency employer should complete and submit the following:

- Form FRS-400, Application for Special Risk Membership Law Enforcement/ Correctional Officers:
- Form FRS-405, Application for Special Risk Membership Firefighters/Fire Prevention/Fire Training/Paramedics/EMTs; or
- Form FRS-410, Application for Special Risk Class Membership Forensic Discipline from October 2005 through June 2008; or
- Form FRS-415, Application for Special Risk Class Membership Forensic Discipline, effective July 1, 2008.
- Current job description of the member's duties showing the percentage of time spent performing each duty.

Enrollment in Special Risk Class

In the event the application for Special Risk Class membership is denied, the member of the local employer may appeal to the State Retirement Commission.

To enroll a member in a position approved for Special Risk Class membership, the local agency employer should:

- Submit FRS Pension Plan contribution and payroll report under Plan Code HB, with the appropriate class code; or
- Submit FRS Investment Plan contribution and payroll report under Plan Code PB, with the appropriate class code.

Change of Position

If the local Special Risk Class member is promoted or reassigned to another preapproved Special Risk Class position based upon the same set of criteria or another set of criteria, you should report the appropriate class code on your payroll report. If the member changes to a position that is not preapproved for the Special Risk Class, you must apply as described above.

Dual Employment

See Page 1-52 for information on employees who are employed in more than one position where each position qualifies for a different class of membership.

Class Codes for Local Employees in Special Risk Class

After January 1, 2001, the following class codes should be used when enrolling local government employees in the Special Risk Class. If an employee holds a position with the same title exactly as listed below and meets the criteria for Special Risk Class membership, it is not necessary for the agency to submit an application for Special Risk Class membership. Enroll the member in the Special Risk Class by including the appropriate class code on your payroll report. Members filling positions not included in the listing below must submit an application for Special Risk Class membership and must be approved by the division in order to be eligible for membership in the class.

LAW ENFORCEMENT

POSITION	CLASS CODE
Airport Police Officer	02501
Bailiff	
Career Deputy	
Deputy Detective	
Deputy/Law Enforcement	
Deputy/Road Patrol	
Deputy Sheriff	
Deputy Sheriff I, II, III	
Deputy Sheriff Patrol	
Detective	
In-House Deputy	
Investigator	
Investigator I, II, and III	
Judicial Support Officer	
Law Enforcement/Airplane Pilot	
Law Enforcement Corporal/Corporal Law Enforcement	
Law Enforcement Deputy	
Law Enforcement Detective	
Law Enforcement Lieutenant/Lieutenant Law Enforcement	
Law Enforcement Sergeant/Sergeant Law Enforcement	
Patrol Deputy	
Patrol Officer	
Patrolman	
Police Officer	
Police Officer III	
Policeman	
Reserve Deputy	
Road Deputy	
School Police Officer	
School Resource Officer	
Security Specialist	
Security Officer	
Warrant Deputy I	
Warrant Officer I and II	

LAW ENFORCEMENT

POSITION	CLASS CODE
Elected Police Chief County Sheriff (Special Risk Class)	02503

CORRECTIONS

POSITION	CLASS CODE
Bailiff Corrections Counselor Corrections Deputy Correctional Officer I, II, and III Court Deputy Deputy Corrections Detention Officer Detention Corporal/Corporal Detention/Correctional Corporal Detention Deputy Detention Lieutenant/Lieutenant Detention/Correctional Lieutenant Detention Sergeant/Sergeant Detention/Correctional Sergeant Jailer Jailer/Correctional Officer Jail Deputy	03501

FIREFIGHTING

POSITION	CLASS CODE
Airport Firefighter Aviation Firefighter Battalion Chief Company Fire Captain Driver/Engineer Driver/Operator Emergency Specialist Engineer Firefighter Firefighter I, II, and III Firefighter/Driver Fire Medic Fire Medic I, II and III Firefighter/Paramedic Firefighter/EMT Fire Rescue Lieutenant Fire Safety Specialist II Fire Service Technician Fire Service Technician/Paramedic Lieutenant Rescue Firefighter	04501

PARAMEDICS/EMTS	
POSITION	**CLASS CODE**
Charge Paramedic Emergency Medical Technician EMT I and II Firefighter/EMT Fire Medic I, II and III Fire Rescue Lieutenant Paramedic Paramedic I and II	**05501**

Retroactive Coverage

Membership in the Special Risk Class may be claimed retroactively for service performed without the required certification or temporary waiver from October 1, 1978, through June 30, 1982**,** if:

- The member was removed from the Special Risk Class in October 1978 because the member did not have the required certification due to changes in the Special Risk Class criteria;
- The member obtained the appropriate certification and approval for Special Risk Class membership prior to June 30, 1982;
- The agency verifies the member met all other Special Risk eligibility criteria; and
- The member or employer pays the difference between contributions actually paid and the Special Risk Class contributions due during the period, plus interest.

NOTE: Unless otherwise permitted to upgrade previous service within the purview of the class (see Chapter 7, Part III, relating to Special Risk Class upgraded service), members who became eligible for the Special Risk Class on or after October 1, 1999, cannot claim service as Special Risk service before the position's effective date of inclusion in the Special Risk Class.

Questions regarding Special Risk Class membership should be directed to the Division of Retirement. You may call the division toll-free at 877-377-1266 or 850-907-6540, or email enrollment@dms.fl.gov.

STATUTORY REFERENCE:
Sections 121.051 and 121.0515, Florida Statutes

FRS RULE REFERENCE:
Sections 60S-1.005, 1.0051, 1.0052, and 1.0053, Florida Administrative Code

D. Special Risk Administrative Support Class

The 1982 Legislature established the Special Risk Administrative Support Class for Special Risk Class members who are employed in or reassigned to a position that provides administrative support for a special risk employer, but whose positions do not continue to meet the criteria for Special Risk Class membership. This class provides retirement credit at the same percentage values that are provided for members of the Regular Class (ranging from 1.60 percent to 1.68 percent per year of service, depending on the member's normal retirement date), rather than the values granted to members of the Special Risk Class. However, a member can count this service toward the earlier special risk retirement date (see Chapter 9, Part I).

NOTE: To count such administrative support service toward the special risk normal retirement date, a member must have at least the number of years required to vest in Special Risk Class service or special risk-related service before retirement. Special risk-related service may include: Service earned as a member of the Highway Patrol Pension System; service earned in the High Hazard Class of the State and County Officers and Employees' Retirement System; service earned in the State and County Officers and Employees' Retirement System that satisfies the criteria of a Special Risk Class position; service as a correctional counselor between December 1, 1970, and September 30, 1979; or past service with a city or special district that has been purchased as, or been upgraded to, Special Risk Class service.

Eligibility Criteria

To be eligible for this class, the member must meet each of the following criteria:

- The member must be employed by an agency whose primary purpose is law enforcement, firefighting, corrections, or emergency medical care or, if the employer has multiple responsibilities, the member must be employed by a unit of the agency whose primary purpose is law enforcement, firefighting, corrections or emergency medical care;
- The member must be employed or reassigned to a special risk administrative support position for training and/or career development, or to fulfill a critical agency need;
- The member must have participated in the Special Risk Class of the FRS;
- The member must remain certified by the appropriate authority; and
- The member must be subject to reassignment to a special risk position at any time.

Apply

To apply, complete and submit the following:

- Application for Special Risk Administrative Support Class (Form FRS-404).
- Current job description.
- Copy of appropriate certificate.

Enroll in Special Risk Admin. Support Class

To enroll a member in a position approved for Special Risk Administrative Support Class membership:

- Submit FRS Pension Plan contribution and payroll report under Plan Code HJ, with the appropriate class code, or
- Submit FRS Investment Plan contribution and payroll report under Plan Code PJ, with the appropriate class code.

Retroactive Coverage

Membership in the Special Risk Administrative Support Class may be claimed retroactively at no cost for certain service performed from October 1, 1978, through June 30, 1982, if:

- The member was removed from the Special Risk Class in October 1978 as a result of the change in the Special Risk Class criteria; or
- The member was reassigned or reemployed for training and/or career development, or to fill a critical agency need; and
- The member filled a position that met the requirements of the Special Risk Administrative Support Class during the retroactive period; and
- The member submits an Application for Special Risk Administrative Support Class, Form FRS-404, to the division.

NOTE: Unless otherwise permitted to upgrade previous service within the purview of the class (see Chapter 7, Part III, relating to Special Risk Class upgraded service), members who became eligible for the Special Risk Administrative Support Class on or after October 1, 1999, cannot claim service as Special Risk Administrative Support service prior to the position's effective date of entrance into the Special Risk Administrative Support Class.

See Page 1-52 for information on employees who are employed in more than one position where each position qualifies for a different class of membership.

Questions regarding the Special Risk Administrative Support Class should be directed to the Division of Retirement. You may call the division toll-free at 877-377-1266 or 850-907-6540, or email enrollment@dms.fl.gov.

STATUTORY REFERENCE:
Sections 121.051 and 121.0515, Florida Statutes

FRS RULE REFERENCE:
Sections 60S-1.0054 and 2.0041, Florida Administrative Code

E. ELECTED OFFICERS' CLASS

The following holders of state and local elective office, whether assuming elective office by election, reelection, or appointment, are compulsory members of the Elected Officers' Class (EOC), unless they elect to retain membership in a different class or plan or to withdraw from the FRS completely as provided on Page 1-28.

State Officers

Under section 121.052(2)(a), (b), and (c), Florida Statutes, the class includes any Governor, Lieutenant Governor, Cabinet Officer, Legislator, Supreme Court Justice, District Court of Appeal Judge, Circuit Judge, or State Attorney assuming office on or after July 1, 1972, any County Court Judge assuming office on or after October 1, 1974, and any Public Defender assuming office on or after July 1, 1977.

County Officers

Under section 121.052(2)(d), Florida Statutes, the class includes any constitutional county elected officer assuming office on or after July 1, 1981, including any sheriff, tax collector, property appraiser, supervisor of elections, clerk of the circuit court, county commissioner, school board member, elected school board superintendent, or on or after July 1, 1986, any elected officer of any entity with countywide jurisdiction who, pursuant to general or special law, exercises the power and duties of a constitutionally elected county officer.

Officers of Consolidated Local Government Chartered as Municipality

In 2002, section 121.052(2)(d), Florida Statutes, was amended to expressly include the sheriff and circuit court clerk of the City of Jacksonville unless the sheriff or clerk chose to remain in the local retirement system[7]. Since February 2004, the mayor, property appraiser, tax collector, supervisor of elections, and council members of Jacksonville may also choose to participate in the FRS Elected Officers' Class or the local retirement system[8]. Existing elected officials were given until August 31, 2004,[9] to elect to participate in the EOC. Future elected officials have six months from the date of their election to choose to participate in the FRS or the local retirement system. (To enroll in the FRS Elected Officers' Class, future members must submit Form EOC-1 to the Enrollment Section of the Bureau of Enrollment and Contributions.) Former elected officers of the consolidated local government may also choose to participate in the FRS.

Public Service Commissioners

Under section 121.052(2)(e), Florida Statutes, the class includes any public service commissioner assuming office on or after July 1, 1972, but before July 1, 1979.

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[7] Effective June 1, 2002, the Florida Legislature enacted Chapter 2002-273, Laws of Florida, to specifically authorize FRS participation by the sheriff and circuit court clerk in a consolidated government with countywide jurisdiction — the Consolidated City of Jacksonville — unless the sheriff or clerk elected to participate in the local retirement system.

[8] Because conflicting language in the Jacksonville charter appeared to require all employees and officers of the City of Jacksonville to participate in the local plan, in November 2003, a question was posed to the Attorney General regarding eligibility of the Mayor, Sheriff, Clerk of Courts, Tax Collector, Property Appraiser, and Supervisor of Elections for membership in the FRS Elected Officers' Class. In Attorney General's Opinion 2003-46, a finding was made that, like the sheriff and circuit court clerk, Florida law authorizes these officers to participate in the FRS Elected Officers' Class or to choose to participate in the city's plan.

[9] This deadline applied to any affected elected official who was serving in such office in February 2004 (the month that the City of Jacksonville was notified of this option by the division).

Municipal and Special District Elected Officers

Employers that join the FRS for their elected officers effective on or after January 1, 2010, can cover them under the Elected Officers' Class when they add the employee group.[10] The elected officers of those municipalities and special districts that elected this option are now compulsory members of the EOC.

If you have questions, contact the Division of Retirement. You may call the division toll-free at 877-377-1266 or 850-907-6540, or email enrollment@dms.fl.gov.

Participation and Withdrawal

Participation in the EOC is compulsory for any officer described on Page 1-27 unless the officer elects membership in another class or withdraws from the FRS as follows:

- Any elected sheriff may elect to be a member of the Special Risk Class in lieu of the EOC by notifying the division in writing within six months of assuming office.
- Any elected officer elected on or after July 1, 1997, may elect to be a member of the SMSC in lieu of the EOC by notifying the division in writing or on Form EOC-1, Ballot Form for Employees of Elected Officers' Class, within six months of assuming office.[10] As a member of the SMSC, a state elected officer may transfer from the SMSC to the Senior Management Service Optional Annuity Program (SMSOAP) within 90 days of becoming a member of the SMSC, and a county, city, or special district elected officer may elect to withdraw from the FRS altogether within 90 days of becoming a member of the SMSC.
- Any elected officer may elect to withdraw from the FRS by notifying the division in writing or on Form EOC-1 within six months of assuming office.
- Any elected officer who is or becomes dually employed and is a member of the FRS or one of the closed retirement systems may elect membership in any system, plan, or class for which the elected officer is eligible. Upon becoming dually employed, the elected officer has six months to notify the division in writing of the decision.
- Any elected officer who fails to notify the division of the desire to withdraw from the FRS or participate in another class for which the elected officer is eligible within the six-month period will be a compulsory member of the EOC.

An officer elected or appointed will be enrolled in the EOC effective upon the date the officer assumes office.

NOTE: Reelected members of the EOC are not required to notify the division unless they wish to withdraw from the FRS altogether, or to change to a different plan or class for which they may be eligible.

See Page 1-52 for information on employees who are employed in more than one position where each position qualifies for a different class of membership.

[10] Under section 121.052(2)(f) and (3)(e), Florida Statutes, the governing body of a municipality or special district had the option to elect to designate all of its elected positions for inclusion in the EOC for elected officers actively holding office before each respective window period. Window periods were provided from July 1, 1997, through December 31, 1997, from July 1, 2001, through December 31, 2001, and from July 1, 2009, to December 31, 2009.

To Enroll in the EOC

- Complete and submit Form EOC–1, Ballot Form for Employees of Elected Officers' Class.
- Report officer on the agency's monthly retirement report under the appropriate retirement plan codes and class codes, as shown in the following tables.

Retirement Plan Codes

NON-RETIRED EOC MEMBERS WHO ELECT TO JOIN THE EOC

Elective Office	Retirement Plan Code	Investment Plan Code
Judges	HC	PC
Legislators	HE	PE
Governor/Lt. Governor/Cabinet Members	HG	PG
State Attorney, Public Defender	HH	PH
County, City and Spec. District Elected Officers	HI	PI

NON-RETIRED EOC MEMBERS WHO ELECT TO JOIN THE EOC

Elective Office	Retirement Plan Code	Investment Plan Code
Judges	HP	PP
Legislators	HP	PP
Governor/Lt. Governor/Cabinet Members	HP	PP
State Attorney, Public Defender	HP	PP
County, City and Spec. District Elected Officers	HQ	PQ

NON-RETIRED EOC MEMBERS WHO OPT OUT OF SMSC FOR SMSOAP
(for state employees only)

Elective Office	Retirement Plan Code
Judges	OM
Legislators	OM
Governor/Lt. Governor/Cabinet Members	OM
State Attorney, Public Defender	OM

NON-RETIRED EOC MEMBERS WHO OPT OUT OF SMSC TO WITHDRAW
(for local officers only)

Elective Office	Retirement Plan Code
County, City and Spec. District Elected Officers	HO

Class Codes

The following class codes should be used when enrolling and reporting officers in the EOC for both the Pension Plan and the Investment Plan

EOC CLASS CODES FOR FRS PENSION PLAN OR INVESTMENT PLAN

Position	Class Code
Tax Collector	01002
Property Appraiser	01003
Supervisor of Elections	01004
Clerk of Circuit Court	01005
County Commissioner	01006
District School Board Member	01007
Elected District School Superintendent	01008
Elected Officer with countywide jurisdiction*	01009
Sheriff (Elected Class)**	01012

* An elected officer who pursuant to general or special law exercises powers and duties that, except for such law, would be exercised by a constitutional elected officer.

** Class code for this group changed in September 2001 (the prior code was 01001).

Miscellaneous Provisions

- Membership in the EOC is compulsory for retirees elected or appointed to EOC positions on or after July 1, 1990, through June 30, 2010 (see Page 1-63).
- The division will make any adjustments to a member's account necessary due to a withdrawal from the FRS or election of another eligible class.

STATUTORY REFERENCE:
Section 121.052, Florida Statutes

FRS RULE REFERENCE:
Section 60S-1.0055, Florida Administrative Code

F. SENIOR MANAGEMENT SERVICE CLASS

1. State Agencies

State Executive and Legislative Branch Employees

Membership in the SMSC shall be compulsory for the following positions:

- Effective February 1, 1987, positions assigned to the Senior Management Service with a state agency;
- Effective January 1, 1990, certain legislative managers (selected by the Speaker of the House of Representatives and President of the Senate), the Auditor General and the managerial staff selected by the Auditor General, and the Executive Director of the Ethics Commission;
- Effective January 1, 1991, certain managerial positions with the State Board of Administration - senior managers who have policy-making authority as determined by the Governor, Chief Financial Officer, and Attorney General, acting as the State Board of Administration;
- Effective July 1, 1996, the following positions with the Department of Military Affairs: Adjutant General, Assistant Adjutant General-Army, Assistant Adjutant General-Air, State Quartermaster, Director of Military Personnel, Director of Administration, and additional directors as designated by the agency head, not to exceed a total of ten positions;
- Effective July 1, 1999, judges of compensation claims with the Office of the Judges of Compensation Claims in the Department of Labor and Employment Security; and
- Effective June 1, 2002, county health department directors and county health department administrators of the Department of Health.

Retirement Plan Options for State Senior Managers

A state employee who is appointed or employed in one of the eligible SMSC positions may elect membership in the SMSC or elect to withdraw from the SMSC within 90 days of employment to participate in the SMSOAP (see Page 1-43 for additional information on the SMSOAP). Upon initial employment, a senior manager may also elect to participate in the FRS Investment Plan prior to the end of the fifth month following the date of hire. Participation in the SMSOAP or the SMSC is irrevocable as long as the member remains in an eligible position. The SMSOAP allows eligible employees to choose among retirement annuity contracts purchased by the State from designated insurance companies, in lieu of FRS membership. Employees who elect to participate in either the FRS Pension Plan or the FRS Investment Plan are allowed one opportunity, after the initial choice and prior to retirement, to transfer to the other plan.

Any member eligible for membership in the SMSC who is a member of a closed retirement system may elect to remain in the current retirement plan, transfer to the SMSC, or elect to join the SMSOAP. This election must be made in writing and filed with the personnel office of the employer and the division within 90 days after employment begins in an SMSC position.

Any state employee participating in the Special Risk Class or Special Risk Administrative Support Class who is also eligible for membership in the SMSC may elect to transfer to the SMSC, join the SMSOAP, or, if the SMSC position is eligible, remain in the Special Risk Class or Special Risk Administrative Support Class. This election must be made in writing and filed with the personnel office of the employer and the division within 90 days after employment begins in an SMSC position.

FRS Investment Plan Option

Within the first 60 to 90 days of enrollment as a SMSC-eligible senior manager, Alight Solutions will contact the member and provide the information and forms necessary for the member to elect to enroll in the FRS Investment Plan. For more information on enrollment in the FRS Investment Plan, call the MyFRS help line for employers at 866-377-2121.

To Enroll State Agency Employees in SMSC

- Report the employee on your monthly retirement report under Plan Code HM if the employee chooses to be a member of the SMSC in the FRS Pension Plan. Include the approved position number that the division provided to your agency.
- Report the member on your monthly retirement report under Plan Code PM if the employee elects participation in the FRS Investment Plan and chooses to be a member of the SMSC**.** The approved position number, which the division provided to your agency, should be included.

STATUTORY REFERENCE:
Section 121.055, Florida Statutes

FRS RULE REFERENCE:
Section 60S-1.0057, Florida Administrative Code

Judicial Branch Employees

Effective January 1, 1994, the following judicial employees are included in the SMSC: State Courts Administrator and Deputy State Courts Administrators, Clerk of the Supreme Court, Marshal of the Supreme Court, Executive Director of the Justice Administrative Commission, Capital Collateral Regional Counsels, Clerks of the District Courts of Appeals, Marshals of the District Courts of Appeals, and the Trial Court Administrator.

Effective June 1, 2002, the Chief Deputy Court Administrator in each judicial circuit is included in the SMSC.

Effective January 1, 2001, the following judicial employees are included in the SMSC: Assistant State Attorneys, Assistant Statewide Prosecutors, Assistant Public Defenders, and Assistant Capital Collateral Regional Counsels. These employees are not permitted to join the SMSOAP.

Since January 1, 2002, Assistant Attorneys General have been included in the SMSC. These employees are not permitted to join the SMSOAP.

NOTE: These employees are not permitted to join the SMSOAP.

Since January 1, 1994, the public defender and state attorney in each of the 20 judicial circuits have been permitted to designate additional positions in their offices to be included in the SMSC (see Page 1-35 for additional information).

University Presidents and Members Appointed to University Executive Service

A member appointed to the Executive Service of the State University System or to the Presidency of a state university is eligible for membership in the SMSC (see Page 1-36 for additional enrollment instructions). If you are appointed to the Executive Service of the State University System or to the Presidency of a state university, you will be automatically enrolled in the SUSORP at the beginning of your employment. If you fail to elect membership in the SUSORP and select a provider company within 90 days of your eligible employment you will be automatically enrolled in the FRS If the member elects membership in the SMSC, the effective date of membership in the SMSC will be the first date of employment in an SMSC eligible position. Participation in the SUSORP or the SMSC is irrevocable as long as the member remains in an eligible position.

See Chapter 7, Part III, relating to SMSC upgraded service, for information on upgrading SMSC service and Page 1-52 for information on employees who are employed in more than one position in different classes of membership.

STATUTORY REFERENCE:
Section 121.055, Florida Statutes

FRS RULE REFERENCE:
Section 60S-1.0057, Florida Administrative Code

2. Local Agencies

Community College Presidents, Superintendents, and County/City Managers

Compulsory Membership

Effective January 1, 1990, Community College Presidents, Appointed District School Superintendents, County Managers (Administrators) and City Managers (Administrators) of participating local governments became compulsory members of the SMSC of the FRS. In lieu of participation in the SMSC, as of July 1, 1999, such members may withdraw at any time from the FRS altogether. Such senior managers are no longer required to participate in a lifetime monthly annuity as a condition of withdrawing from the FRS. In addition, employers who established such annuities before July 1, 1999, are no longer required to fund these annuities with contributions equal to the SMSC retirement contribution rate and are permitted to change the terms of the annuity. The decision to withdraw from the FRS is irrevocable[11] for as long as the affected employee holds such a position.

Closed System Members

Any member eligible for membership in the SMSC who is a member of a closed retirement system may elect to remain in the current retirement plan, transfer to the SMSC, or withdraw at any time from the FRS altogether in lieu of SMSC membership.

Compulsory Local Agency Employees

To Enroll in SMSC or Withdraw from the FRS

1. For compulsory SMSC employees who wish to remain in the FRS, the member should complete and submit Form SMS-3, and the agency should:
   - Report members who elect to participate in the FRS Pension Plan on the monthly retirement report under Plan Code HM, and include the member's approved position number on the form.
   - Report members who elect to participate in the FRS Investment Plan on the monthly retirement report under Plan Code PM, and include the member's approved position number on the form.
2. For compulsory SMSC employees who elect to withdraw from the FRS altogether (whether from their date of employment or at a later date), the member should complete Form SMS-3, and the agency should report these employees on the monthly retirement report under Plan Code HO and include the member's approved position number. (Even though no contributions will be reported to the FRS for these employees, salary information is needed to monitor maximum compensation limits, total qualified positions for SMSC, etc.)

[11] Notwithstanding this provision, , the 2005 Florida Legislature established a six-month window of opportunity for any SMSC-eligible local manager who had withdrawn from the FRS to re-enroll in the FRS from January 1, 2006, through June 30, 2006.

Optional Designation of SMSC Eligibility

Effective January 1, 1994, participating local governments, community college boards of trustees, and certain Judicial Branch employers may designate a limited number of additional positions to be included in the SMSC. Employers must publish a notice of intent once a week for two consecutive weeks in a newspaper of general circulation before designating a position to be included. Each designated position must be:

- A nonelective managerial or policymaking position;
- Filled by an employee who is not subject to a continuing contract and serves at the pleasure of the employer without civil service protection; and
- Filled by an employee who is head of an organizational unit or has responsibility to effect or recommend personnel, budget, expenditure, or policy decisions in the areas of responsibility.

To designate a local agency position, the employer must complete and submit Form SMSD-1, designating the position to the SMSC. Once a local agency position is designated, it remains in the SMSC as long as it satisfies the above criteria.

Designation Limits

Local Government Positions — Effective July 1, 2000, each local government agency may designate up to ten additional qualified positions (in addition to the city or county manager or appointed school superintendent) to be included in the SMSC. If the agency has 100 or more regularly established positions, it can also designate one additional senior management position for every 100 regularly established positions, as long as the number of additional positions does not exceed 1 percent of the regularly established positions in the local agency.

Community College Positions — Each community college may designate ten additional qualified positions (in addition to community college presidents) to be included in the SMSC. In addition, if the community college has 100 or more regularly established positions, it can also designate one additional senior management position for every 100 regularly established positions, as long as the number of additional positions does not exceed 1 percent of the regularly established positions in the community college.

Judicial Branch Positions — The office of each public defender and state attorney may designate at least one additional qualified position in the office for membership in the SMSC. If the office of the public defender or state attorney has 200 or more regularly established positions, it can also designate one additional senior management position for every 200 regularly established positions, as long as the additional number does not exceed 0.5 percent of the regularly established positions in such office.

See Chapter 7, Part III, for information on upgrading SMSC service.

STATUTORY REFERENCE:
Sections 121.055 and 121.35, Florida Statutes

FRS RULE REFERENCE:
Section 60S-1.0057, Florida Administrative Code

G. STATE UNIVERSITY SYSTEM OPTIONAL RETIREMENT PROGRAM

The State University System Optional Retirement Program (SUSORP) is a defined contribution plan qualified under section 403(b) of the Internal Revenue Code. There are five SUSORP investment provider companies offering annuities and mutual fund products. SUSORP benefits are determined by performance of the members investment choices funded by employer contributions and employee contributions.

A SUSORP eligible employee must complete the required forms for SUSORP or actively opt-out of SUSORP to participate in the FRS. Upon completion of the SUSORP enrollment form and signing a contract with an investment provider, employees are immediately vested.

SUSORP Eligibility

Eligibility to participate in SUSORP is limited to employees filling the following university positions:

- Instructional and research faculty positions that are exempt from career service under the provisions of section 110.205(2)(d), Florida Statutes.
- Administrative and Professional positions that are exempt from career service under the provisions of section 110.205(2)(d), Florida Statutes.
- The Chancellor of the State University System and the president of each state university.

SUSORP Reporting

To ensure the prompt disbursement of the employee's investment contributions, employer must initially enroll employees in the SUSORP beginning with their first day of employment in the SUSORP-eligible position.

SUSORP Member previously employed at a Florida University

SUSORP members who change employment from one state university to another state university begin a new 90-day window and should initially be enrolled in SUSORP. These employees need to do the complete SUSORP enrollment process again. Investment provider company contacts are university-specific so the employee must complete the enrollment process to continue participating in the SUSORP.

Complete SUSORP Member Enrollment Process Employee

An employee must complete the enrollment process to participate in the SUSORP within the first 90 days of employment at a university to be eligible for a SUSORP benefit. Completing the enrollment process requires:

1. The employee and the employer to complete Form ORP-ENROLL-1 and submit it to the Division of Retirement (division) within 90 days of employment; and
2. The employee must execute a contract with at least one investment provider company to establish a SUSORP account.

The Form ORP-ENROLL-1 requires the employees to choose at least one investment provider company and indicate the level of voluntary employee contributions.

Default Election to FRS

If an employee does not complete the enrollment process for the SUSORP within the first 90 days of employment:

1. The employee will be deemed to have elected membership in the FRS Pension Plan. To participate in the FRS Investment Plan an active election must be made by the last day of the fifth month following the employee's date of hire.
2. Similarly, an employee who terminates employment before executing an investment provider company contract and notifying the division will also be deemed a default member of the FRS Pension Plan.

Active Election for FRS

Initially hired employees may participate in either the FRS Pension Plan or the FRS Investment Plan. FRS membership will be retroactive to the date of eligibility, and all appropriate contributions will be transferred to the FRS and HIS Trust Funds.

A SUSORP-eligible employee must actively elect membership in the FRS by completing the Form ELE-1 or Form ELE-1 EZ. To participate in the FRS Investment Plan an election must be made by the last day of the fifth month or the employee will be deemed to have elected membership in the FRS Pension Plan.

Mandatory SUSORP Participation

An employee in a faculty position at a college with a faculty practice plan is a mandatory SUSORP member and cannot elect to participate in the FRS.

1. The employee and the employer to complete Form ORP-MAND-1 (SUSORP Mandatory Participation Form) and submit it to the division, and
2. Select one investment provider company (at least) and execute a contract to establish an account to accept the contributions.

Legislation initially included University of Florida (J. Hillis Miller Health Center) and the University of South Florida (Medical Center at USF), however, three universities have been added: Florida International University, University of Central Florida and Florida State University. Section 121.051, F.S., states: Effective July 1, 2008, any person appointed to a faculty position, including clinical faculty, in a college at a state university that has a faculty practice plan authorized by the Board of Governors may not participate in the Florida Retirement System. A faculty member so appointed shall participate in the optional retirement program for the State University System notwithstanding s. 121.35(2)(a).

Previous FRS Investment Plan Participation

If an active FRS Investment Plan member is employed in an SUSORP-eligible position, the member cannot be automatically enrolled under a SUSORP plan code.

If an active FRS Investment Plan member wishes to participate in the SUSORP rather than remain in the FRS Investment Plan, the member must have a one-time second election transfer opportunity available and use it to first move to the FRS Pension Plan:

- The employee may make the one-time second election by submitting Form ELE-2 to the Plan Administrator (see Chapter 9, Part XV).

- Upon receipt of this form, the division will compute the cost for the member to return to (or "buy back" into) the FRS Pension Plan.
- Once the 'buy back' procedures are finalized, the employee may submit Form ORP-ENROLL-1 to enroll in the SUSORP.
- As long as the employee begins the 'buy back' procedure within 90 days of entering the SUSORP eligible position, SUSORP membership will be allowed.

  NOTE: If the employee has exercised his or her one-time FRS second election transfer opportunity as described above to participate in the SUSORP, whenever the employee is no longer employed in an SUSORP-eligible position, by default the employee becomes a member of the FRS Pension Plan. The employee must remain in the FRS Pension Plan unless later employed in another SUSORP-eligible position.

The employer and the employee are required by law to contribute a percentage of the employee's retirement eligible salary. The total contribution is divided as follows:

- Both employee and employer contributions as a percentage of pay is contributed to the employee's provider company investment account(s); and
- An employer contribution percentage goes for administrative costs; and
- The employer contributes a percentage of pay that is transferred to the FRS Trust Fund to pay any unfunded actuarial liability (if applicable). This employer funding requirement is not part of the SUSORP benefit.

The division will place SUSORP contributions submitted on behalf of an employee in the SUSORP Trust Fund; however, the contributions will not accrue interest for the member until the member has completed the SUSORP enrollment process by submitting an enrollment form to the division and executing an investment provider company contract.

If an SUSORP-eligible employee actively elects FRS membership or is defaulted to FRS membership as described on Page 1-38, FRS membership will be retroactive to the date of eligibility and all appropriate contributions will be transferred to the FRS and HIS Trust Funds.

Voluntary Employee Contributions

In addition to required employer and employee contributions, the SUSORP member may choose to contribute voluntary employee contributions as a percentage of the adjusted gross taxable income (not to exceed the contribution rate paid by the employer to the member's provider company account(s), less the administrative cost to the SUSORP account.) Any voluntary employee contributions will be treated as an Internal Revenue Code section 403(b) contribution and will be excluded from federal income tax but will be subject to Social Security (see Page 1-74). Employees are responsible for ensuring that their individual tax-deferred contributions do not exceed federal maximum amounts and/or salary percentages.

Selecting an Additional Investment Provider Company or Change in Voluntary Employee Percentage

To start or stop future contributions to an investment provider company or to change the percentage of employee voluntary contributions, the SUSORP member and the employer must complete Form ORP-CHANGE-1 (Change Form) and submit it to the division.

If selecting a new investment provider company, contact the company and execute a new contract. Notify your former SUSORP provider company of the changes to the percentage of pay being deposited with that company.

The Form ORP-CHANGE-1 cannot transfer investment funds from one investment provider company to another investment provider company. The member should contact the investment provider company and request a "Contract Exchange" form.

Hardship Distributions or Loans

Neither hardship distributions nor loans are allowed from an SUSORP account for any portion based on required employer and employee contributions and related earnings. SUSORP contributions, including employee contributions, are not payable for employee hardships, unforeseeable emergencies, loans, medical expenses, educational expenses, purchase of a principal residence, payments necessary to prevent eviction or foreclosure on an employee's principal residence.

Distributions are only allowed for

1. requested distribution for retirement,
2. a mandatory de minimis distribution authorized by the administrator, or
3. a required minimum distribution (RMD) pursuant to the Internal Revenue Code.

Non-Retirement Distributions

Refunds of employee voluntary contributions and Required Minimum Distributions (RMD) are non-retirement distributions.

Refunds of Employee Voluntary Contributions

1. Member and Employer completes the Form ORP-REFUND-1 (Application for Refund of Voluntary Employee Contributions Only).
2. Member terminates employment for three full calendar months.

Required Minimum Distribution (RMD) Regulations

Terminated members age 70 ½ who have not started taking SUSORP retirement distributions are subject to the IRS Required Minimum Distributions (RMD) regulations.

- The RMD does not apply if the SUSORP member is still employed.
- Since the RMD is not a retirement distribution, although the member must be terminated, the member is not subject to reemployment limitations.

Under federal law (see section 401(a)(9), Internal Revenue Code, as applied by section 1.403(b)-3, Code of Federal Regulations), benefits from SUSORP and similar plans cannot be deferred beyond April 1 of the year after the beneficiary reaches 70-1/2 years of age. These 1987 regulations are based on the Tax Reform Acts of 1984 and 1986.

SUSORP Retirement Distributions

SUSORP retirement benefits are payable by the designated investment provider company according to terms of the members investment contract(s) applicable to the member. Retirement benefits are subject to withholding taxes as required by the Internal Revenue Service (IRS). The benefits are only payable to a vested member in the program; or the designated beneficiary or beneficiaries; or the estate.

Benefits funded by employer and employee contributions are payable to the member as provided in their investment contract in the following methods:

1. A lump-sum distribution to the member; or
2. A lump-sum direct rollover distribution where all accrued benefits, plus interest and investment earnings, are paid from the member's account directly to an eligible retirement plan on behalf of the member; or
3. Periodic distributions; or
4. A partial lump-sum payment where a portion of the accrued benefit is paid to the member and the remaining amount is transferred to an eligible retirement plan on behalf of the member; or
5. Other distribution options as provided in the member's SUSORP contract.

Benefits funded by employer and employee contributions are payable to the member's beneficiary or beneficiaries as follows:

1. A lump-sum distribution payable to the beneficiary or beneficiaries or to the deceased member's estate;
2. An eligible rollover distribution on behalf of the surviving spouse of the deceased member, where all accrued benefits, plus interest and investment earnings, are paid from the deceased member's account directly to an eligible retirement plan on behalf of the surviving spouse;
3. Other distribution options as provided for in the member's optional retirement program contract; or
4. A partial lump-sum payment where a portion of the accrued benefit is paid to the deceased member's surviving spouse or other designated beneficiaries, less withholding taxes remitted to the IRS, if any, and the remaining amount is transferred directly to an eligible retirement plan, as described in section 402(c)(8)(B) of the Internal Revenue Code, on behalf of the surviving spouse. The member or the surviving beneficiary must specify the proportions.

SUSORP Retirement Requirements

Like other FRS retirees, SUSORP members must be separated from employment with all FRS employers to be eligible for retirement. SUSORP members must meet the definition of termination, as provided in section 121.021(39), Florida Statutes, to finalize retirement.

How to Retire

Any distribution funded by mandatory employer and mandatory employee contributions and related earnings, other than (a) a Required Minimum Distribution (RMD) or (b) a De Minimis distribution is a retirement, including direct rollovers to a non-SUSORP fund.

1. The member must complete the Form ORP-RETIRE-1 and submit to his or her last SUSORP or FRS employer.
2. The member must request the necessary investment provider company documents to designate how distributions will paid.
3. The members must complete and return the investment provider company documents to the investment provider company (do not submit the investment provider company documents to the division).
4. The member must wait to satisfy the definition of termination before becoming be eligible for a retirement distribution.
5. The member must remain off all FRS employer payrolls for six months after the month of distribution.

Section 121.021(39)(a)2. F.S., states: For retirements effective on or after July 1, 2010, if a member is employed by any [FRS] employer within the next six calendar months, termination shall be deemed not to have occurred.

Early Retirement Date Termination

The member must terminate employment from all FRS employers for three full calendar months. The member will be eligible for a retirement distribution beginning the fourth full calendar month after termination.

Normal Retirement Date Distributions

Up to 10 percent of the member's SUSORP account may be distributed to a member who has been terminated for one calendar month if the member has reached the requirements for FRS normal retirement date as provided in section 121.021(29), Florida Statutes.

- Eligible for up to 10 percent of assets beginning the second calendar month after termination.
- Eligible for the remaining 90 percent of assets beginning the fourth full calendar month after termination.
- SUSORP members must still cease all employment relationships with FRS employers for three full calendar months to be maintain eligibility for the 10 percent distribution and become eligible for the remaining 90 percent retirement distribution.

Normal Retirement Date

If hired before July 1, 2011, normal retirement date is:

- Age 62 or
- 30 years of creditable service, regardless of age.

If hired after July 1, 2011, normal retirement date is:

- Age 65; or
- 33 years of creditable service, regardless of age.

Termination Example for Retirement Benefit

SUSORP members are considered retired when a distribution is received. The following is an example of three calendar months to satisfy the termination for retirement: An employee who terminated on June 16 would not be eligible to receive the employer-funded SUSORP retirement benefits until October 1. For example:

June	Month of termination
July, August & September	Three calendar months
October	First month eligible for retirement benefit

Reemployment Restrictions

Reemployment restrictions begin on the first day of the month after the distribution is received.

October	Month of retirement distribution
November – April	First six; no reemployment
May – October	Seventh – twelfth month suspend receipt of benefits.
November	Reemployment with FRS employer allowed

Employment After Retirement in a SUSORP Position

If a SUSORP member, including a mandatory member at colleges with faculty practice plans, returns to employment after a distribution, the employee is covered under the provisions of section 121.091(9)(c), Florida Statutes and the employer must make the contributions equal to the unfunded actuarial liability (UAL) portion of the employer contribution required of active members in addition to the contributions required in section 121.76, Florida Statutes.

Retirees initially reemployed on or after July 1, 2010, through June 30, 2017, are not eligible for renewed membership in the SUSORP or the FRS; however, HIS contributions are required and UAL contributions are required on the salaries of these reemployed retirees when UAL contributions are required on active FRS members.
Effective July 1, 2017, FRS Pension Plan retirees are still ineligible for renewed membership. Retirees of the FRS Investment Plan, the SUSORP, the SMSOAP or the SCCSORP who are employed on or after July 1, 2017, are eligible for renewed membership. These renewed members must participate in the FRS Investment Plan unless the position is covered by the SUSORP or the SCCSORP when the member is initially enrolled.

For more information about SUSORP, please contact:

- **Division of Retirement, Enrollment Section** - Determines member eligibility, enrolls members, establishes investment provider company selections, receives and balances monthly payroll reports from FRS employers and answers employer questions about monthly reporting requirements. You may call this section toll-free at 877-377-1266 or 850-907-6540, or email enrollment@dms.fl.gov.
- **Division of Retirement SUSORP Unit** - Accumulates, balances, and transmits contributions for biweekly payrolls; contribution adjustments, and liaisons with SUSORP provider companies and Florida State Board of Administration. You may call this unit toll-free at 877-378-7677 or 850-778-7696, or email orpdata@dms.fl.gov.

STATUTORY REFERENCE:
Section 121.35, Florida Statutes

FRS RULE REFERENCE:
Sections 60S-1.0057, Florida Administrative Code

H. SENIOR MANAGEMENT SERVICE OPTIONAL ANNUITY PROGRAM

The Senior Management Service Optional Annuity Program (SMSOAP) is a defined contribution plan qualified under section 401(a), IRC, available only to senior-level managers employed with the State of Florida, the Florida State Board of Administration, the Legislature, the Auditor General and the managerial staff, the Executive Director of the Ethics Commission, and Judicial Branch employees who are eligible for membership in the Senior Management Service Class (SMSC)[12]. The SMSOAP is closed to new members effective July 1, 2017; members who have not distributed and become retired may continue to participate. Active members enrolled prior to July 1, 2017, may continue to participate.

SMSOAP Eligibility and Plan Options

If the employee is initially enrolled prior to July 1, 2017, and is employed in an eligible senior management position with one of these state agencies, within 90 days of appointment, the employee may choose to participate in the SMSOAP in lieu of membership in the SMSC or may elect to transfer to the FRS Investment Plan as described in Chapter 9, Part XV. The employee may not be an active member of any FRS class of the Pension or Investment Plans or a closed retirement system and the SMSOAP simultaneously. Once the period for exercising an option has expired, the retirement plan choice is irrevocable for as long as the employee is in an eligible SMSC position.[13] (Senior managers with a local employer are not eligible to participate in the SMSOAP, but may elect to withdraw from the FRS altogether. See Page 1-34 for additional information.) If the member elects to participate in the Investment Plan, the member may elect at any time to transfer back to the Pension Plan, subject to the conditions provided by law.

Options for Reemployed SMSOAP Retirees

Effective July 1, 1997, through June 30, 2010, reemployed SMSOAP retirees may participate in the Pension Plan, the Investment Plan, or, if they are reemployed in an eligible position, may participate in the SMSOAP. See Page 1-63 for additional information on renewed membership. Retirees initially reemployed on or after July 1, 2010, through June 30, 2017, are not eligible for renewed membership and cannot participate in the SMSOAP. Effective July 1, 2017, FRS Pension Plan retirees remain ineligible for renewed membership. Retirees of the FRS Investment Plan, the SUSORP, the SMSOAP or the SCCSORP who are employed on or after July 1, 2017, are eligible for renewed membership. These renewed members must participate in the FRS Investment Plan unless the position is covered by the SUSORP or the SCCSORP when the member is initially enrolled

Excluded from Participation

The following Judicial Branch positions are covered by the SMSC but are not permitted to participate in the SMSOAP: Assistant State Attorneys, Assistant Statewide Prosecutors, Assistant Public Defenders, Assistant Capital Collateral Regional Counsels, and Assistant Attorneys General.

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[12] See Page 1-31 for additional information on the SMSC.

[13] SMSOAP participants actively employed were given a one-time irrevocable opportunity to transfer back into the FRS Pension Plan between July 1, 2002, and September 30, 2002.

SMSOAP Contributions

The employer and the employee are required to contribute a percentage of the employee's salary on behalf of each SMSOAP participant. This percentage is set by statute and includes the portion that would otherwise go to the health insurance subsidy. The rate is different from the SMSC blended rates applicable to the FRS Pension and Investment Plans.

The SMSOAP contributions submitted on behalf of an employee will be placed in a holding account and will not accrue interest until the member has executed an investment contract and notified the division. It is therefore in the employee's best interest to make this decision as soon as possible. Once a provider company has been selected, the funds will be transferred from the holding account to the company or companies the member selected. The employee may elect to contribute a voluntary amount of the adjusted gross taxable income, not to exceed the contribution to the participant's account paid by the employer.

Hardship Distributions or Loan

Neither hardship distributions nor loans are allowed from an SMSOAP account for any portion based on required employer and employee contributions and related earnings. (Hardship distributions or loans from SMSOAP proceeds based solely on optional employee contributions may be permitted.)

Under the SMSOAP, benefits are payable only to participants in the program or their beneficiaries. Like other FRS retirees, SMSOAP participants must be separated from employment with all FRS employers to be eligible to receive a distribution and meet the definition of termination, as provided in section 121.021(39), Florida Statutes, after receiving a distribution. SMSOAP participants must be separated from all employment with FRS participating employers for three calendar months to be eligible to receive a distribution. However, up to 10 percent of the SMSOAP account may be distributed to a member who has been terminated for just one calendar month if the member has met the requirements for normal retirement as provided in section 121.021(29), Florida Statutes. SMSOAP participants must be separated from all employment relationships with FRS employers for six calendar months beginning the month after receiving the initial distribution to meet the definition of termination. Such benefits will be paid by the designated company in accordance with the terms of the annuity contract or contracts applicable to the participant. Benefits funded by employer and required employee contributions are payable as:

- A lifetime annuity to the participant, beneficiary, or estate;
- Effective July 1, 2000, and after, a lump-sum direct rollover distribution whereby all accrued benefits, plus interest and investment earnings, are paid from the participant's account directly to the custodian of an eligible retirement plan, as defined in section 402(c)(8)(B) of the Internal Revenue Code, on behalf of the participant;
- A lump-sum payment to the beneficiary upon the death of the participant; or
- A cash-out of a de minimis account* upon the request of a former participant who has been terminated for a minimum of six months from the employment that entitled him/her to SMSOAP participation.

***NOTE:** A de minimis account is an account with a provider company containing employer and required employee contributions and accumulated earnings of not more than $5,000. A cash-out for a de minimis account must be a complete liquidation of the account balance with that company and may be subject to the tax and penalty provisions of the IRS. Receiving a required de minimis distribution does not make the SMSOAP participant a retiree.

If a SMSOAP participant returns to employment after receiving a distribution (retired), the employee is covered under the provisions of section 121.091(9)(c), Florida Statutes. There are no exceptions to the reemployment limitations during the seventh through the twelfth months after receiving the initial distribution. The participant cannot continue to access funds from the SMSOAP account or an annuity purchased with funds from the SMSOAP account during the limitation period while employed by an FRS employer, regardless of whether the employment is covered by retirement. The employer must make the contributions equal to the unfunded actuarial liability portion of the employer contribution required of active members in addition to the contributions required in section 121.76, Florida Statutes. A retiree initially reemployed on or after July 1, 2010, through June 30, 2010, is not eligible for renewed membership but the employer must pay the UAL contribution owed for active SMSC members on the salaries of these reemployed retirees. Effective July 1, 2017, FRS Pension Plan retirees are still ineligible for renewed membership. Retirees of the FRS Investment Plan, the SUSORP, the SMSOAP or the SCCSORP who are employed on or after July 1, 2017, are eligible for renewed membership. These renewed members must participate in the FRS Investment Plan unless the position is covered by the SUSORP or the SCCSORP when the member is initially enrolled.

Enroll in SMSOAP

SMSOAP is closed to all newly hired employees after July 1, 2017. To enroll a continuing SMSOAP member within the first 90 days of employment with your agency:

- The senior manager must complete and submit Form OAP-CHANGE, to continue participation in SMSOAP.
- The employing agency must report the member on the monthly retirement report and include the approved position number

Continued Participation in SMSOAP

SMSOAP is closed to all newly hired employees after July 1, 2017. To enroll a continuing SMSOAP member within 90 days of employment with your agency, Form OAP-CHANGE should be completed and mailed to the division if the employee wishes to continue participation in the SMSOAP in lieu of the SMSC. Each eligible employee must, in conjunction with the employer, indicate the following information on Form OAP-CHANGE:

- The company or companies and the percentage of the total employer and required employee contribution to be contributed to each for the participant's annuity.
- The percentage of salary, if any, to be deducted from the employee's salary as a voluntary employee contribution and the company or companies and percentage of the total employee contribution to be contributed to each.
- The signature of the employee electing to continue participation in SMSOAP and the date the election was made.
- The employee must also submit to the employer a copy of the annuity contract form verifying that a new contract has been executed.

For more information about SMSOAP, please contact:

- **Division of Retirement** - Determines participant eligibility, enrolls participants and establishes provider company selections, coordinates positions included in the SMSOAP; receives and balances monthly payroll reports from FRS participating employers and answers employer questions about monthly reporting requirements. You may call the division toll-free at 877-377-1266 or 850-907-6540, or email enrollment@dms.fl.gov.
- **SMSOAP Section** - Accumulates, balances, and transmits contributions for biweekly payrolls; contribution adjustments, and liaisons with provider companies and Florida State Board of Administration. You may call this section toll-free at 877-378-7677 or 850-488-2784, or email orpdata@dms.fl.gov.

STATUTORY REFERENCE:
Section 121.055, Florida Statutes

FRS RULE REFERENCE:
Sections 60S-1.0057, 60V-1.004, 1.005, 2.003, and 2.004, Florida Administrative Code

I. STATE COMMUNITY COLLEGE SYSTEM OPTIONAL RETIREMENT PROGRAM

Since January 1, 1996, community colleges are authorized to provide an optional retirement program, known as the State Community College System Optional Retirement Program (SCCSORP) — a defined contribution plan qualified under section 403(b) of the Internal Revenue Code — for certain community college employees and certain charter technical career center employees whose charter school is sponsored by a community college. Upon establishing such an optional retirement program, the community college is responsible for administering the program in accordance with state and federal statutes. Since all community college employees filling regularly established positions are compulsory members of the FRS, the division is responsible for notifying eligible employees and processing plan elections for those who choose to participate in the SCCSORP in lieu of the FRS. (Community college senior managers have other options, as described below.)

SCCSORP Eligibility

Membership in the SCCSORP is limited to:

- Employees who are eligible for or are members of the Regular Class of the FRS Pension Plan. (Community college presidents and employees in any other positions designated for inclusion in the SMSC are not eligible for the SCCSORP, but they may elect to participate in the FRS Pension Plan or the FRS Investment Plan and can withdraw from the FRS altogether. See Page 1-34 for additional information.)
- Effective July 1, 2007, employees who are eligible for or are renewed members of the Regular Class of the FRS Pension Plan. Retirees initially reemployed on or after July 1, 2010, through June 30, 2017, are not eligible for renewed membership in the SCCSORP or the FRS. Effective July 1, 2017, FRS Pension Plan retirees remain ineligible for renewed membership. Retirees of the FRS Investment Plan, the SUSORP, the SMSOAP or the SCCSORP who are employed and initially enrolled on or after July 1, 2017, are eligible for renewed membership. These renewed members must participate in the FRS Investment Plan unless the position is covered by the SUSORP or the SCCSORP when the member is initially enrolled.
- Employees who are employed in full-time community college positions classified in the Accounting Manual for Florida's Public Community Colleges as:
  - (i) Instructional employees, or
  - (ii) Executive Management, Instructional Management, or Institutional Management, if a community college determines that recruiting to fill a vacancy in the position is to be conducted in the national or regional market, and the duties and responsibilities of the position include either the formulation, interpretation, or implementation of policies or the performance of functions that are unique or specialized within higher education and that frequently involve the support of the mission of the community college.

Except for a one-time opportunity to transfer to the FRS as described on Page 1-50, participation in the SCCSORP is irrevocable for as long as the employee remains in an eligible position with the community college. However, if a participant becomes ineligible to continue participating in the SCCSORP, the employee becomes a member of the FRS Pension Plan (see note on Page 1-48) unless initially enrolled on or after July 1, 2017, as a renewed member in which case the employee becomes a member of the Investment Plan.

Election Window

On July 1, 2003, the election window for SCCSORP was expanded from 60 to 90 days. An employee who is hired in a SCCSORP-eligible position or whose original election period was scheduled to end on or after that date has 90 days to file an election to participate in the SCCSORP in lieu of the FRS, provided that the election is made within 90 days of:

- The date the community college activates the program; or
- The employee's date of hire or qualifying employment status change.

An employee who fails to elect participation in the SCCSORP within the prescribed enrollment period will remain in the FRS. This election window does not apply to renewed SCCSORP member initially enrolled on or after July 1, 2017.

NOTE: Effective July 1, 2003, enrollment in the SCCSORP is retroactive to the date of hire. (For more on this provision, see Page 1-50.)

Special Provisions for Members of the FRS Investment Plan

When an FRS Investment Plan participant becomes employed in an SCCSORP-eligible position, if the participant wishes to participate in the SCCSORP rather than remain in the FRS Investment Plan, the participant must first use the one-time second election transfer opportunity, if available, to move to the FRS Pension Plan by submitting Form ELE-2 to the Plan Administrator (see Chapter 9, Part XV). Upon receipt of this form, the division will compute the cost to the member to return to the FRS Pension Plan. Once the 'buy back' procedures are finalized, the employee may submit Form OCC-1 to enroll in the SCCSORP. As long as the employee begins the 'buy back' procedure within 90 days of entering the SCCSORP-eligible position, SCCSORP membership will be allowed.

NOTE: When a covered employee is no longer employed in a SCCSORP-eligible position, by default the employee becomes a member of the FRS Pension Plan except for renewed SCCSORP members initially enrolled July 1, 2017, or after. Therefore, any such employee who exercised the one-time second election transfer opportunity as described above must remain in the FRS Pension Plan unless the employee is later employed in another SCCSORP-eligible position.

SCCSORP Contributions

Employer

The employer and the employee are required to contribute on behalf of each SCCSORP participant a percentage of the employee's salary as required by law under sections 121.051(2)(c)1. and 1012.875(4)(a), Florida Statutes (see Chapter 2, Part II, for current SCCSORP rates). This contribution rate includes a health insurance subsidy contribution set effective July 1, 2001, that would otherwise be paid to the Health Insurance Subsidy Program Trust Fund if participating in the FRS. Any contributions paid by the employer and the employee to the FRS Trust Fund during the 90-day enrollment period through the month of the employee plan change will be transferred to the community college for deposit in the employee's SCCSORP account.

Employee

In addition to required employer and employee contributions, the employee may choose to contribute a voluntary amount to the account by salary reduction a portion of the gross taxable income not to exceed the total contribution paid by the employer, less the administrative fee, to the participant's account. Effective July 1, 2003, the sponsoring community college may accept for deposit in participant account(s) contributions in the form of rollovers or direct trustee-to-trustee transfers by or on behalf of participants. Any optional employee contribution will be treated as a qualified contribution under section 403(b) of the Internal Revenue Code.

Hardship Distributions or Loans

Neither hardship distributions nor loans are allowed from a SCCSORP account for any portion based on required employer and required employee contributions and related earnings. (Hardship distributions or loans from SCCSORP proceeds based solely on voluntary employee contributions may be permitted.)

General Provisions

Any contribution that is processed will be excluded from federal income tax.
Contributions to SCCSORP by a college or a program participant are in addition to, and have no effect upon, contributions required for Social Security (see Page 1-74). The employee and employer are both responsible for ensuring that the employee's individual tax-deferred contributions do not exceed federal maximum amounts. Both the employee and employer are subject to the federal law that limits the amount of salary that may be applied towards retirement (see Chapter 9, Part II, Average Final Compensation).

SCCSORP Benefits

Under section 403(b) of the Internal Revenue Code, benefits for SCCSORP participants and their beneficiaries are provided through contracts with designated providers and accrue in individual accounts that are participant-directed, portable, and funded by employer and employee contributions and earnings thereon. Effective July 1, 2003, SCCSORP benefits are payable in accordance with the terms of applicable contracts, and are payable in the form of a lump-sum distribution to the participant; a lump-sum direct rollover distribution to an eligible retirement plan on behalf of the participant; periodic distributions; a partial lump-sum payment and partial rollover distribution; or such other distribution options as are provided for in the participant's SCCSORP contract. (Before July 1, 2003, benefits were paid only through lifetime annuity contracts.) Like other FRS retirees, SCCSORP members must meet the definition of termination, as provided in section 121.021(39), Florida Statutes, beginning the month after receiving the initial distribution and terminated from all employment relationships with FRS-covered employers for three calendar months to be eligible to receive a distribution. However, up to 10 percent of the SCCSORP account may be distributed to a member who has been terminated for just one calendar month if the member has met the requirements for normal retirement as provided in section 121.021(29), Florida Statutes.

Enroll in SCCSORP or FRS

To enroll, an eligible employee must first select SCCSORP or FRS (either the FRS Pension Plan or the FRS Investment Plan), and:

- To participate in SCCSORP, the employee must, within 90 days after becoming eligible to participate, complete and file Form OCC-1 with the division and the community college and complete and file an application for an individual contract or certificate with a provider company.
- To participate in the FRS, the employee must be enrolled through your payroll report.

Form OCC-1

If the employee completes the process to participate in the SCCSORP, Form OCC-1, Ballot/Enrollment Form for Community College Optional Retirement Program Employees, must be completed and filed with the division and the community college, and an application for an individual annuity contract or certificate must be completed and filed with a provider company within the 90-day deadline outlined previously in the Election Section.

Effective Date

Effective July 1, 2003, if program eligibility results from initial employment, the employee will be enrolled in the SCCSORP retroactive to the first day of eligible employment. If program eligibility results from a change in status to a SCCSORP-eligible position, the employee will be enrolled in the program on the first day of the first full calendar month that the change in status is effective. Each program participant will be fully and immediately vested in SCCSORP upon the issuance of a program contract. Reemployed retirees whose eligibility results from initial employment on or after July 1, 2010, through June 30, 2017, cannot be enrolled in the SCCSORP (or the FRS); however, the employer must make the contributions equal to the unfunded actuarial liability portion of the employer contribution required of active FRS Regular Class members in addition to the contributions required in section 121.76, Florida Statutes. Effective July 1, 2017, FRS Pension Plan retirees remain ineligible for renewed membership. Retirees of the FRS Investment Plan, the SUSORP, the SMSOAP or the SCCSORP who are employed and initially enrolled on or after July 1, 2017, are eligible for renewed membership. These renewed members must participate in the FRS Investment Plan unless the position is covered by the SUSORP or the SCCSORP when the member is initially enrolled.

Through June 30, 2003, while in certain cases a newly hired employee might be enrolled as of the date of hire, in general, participation in the SCCSORP began the first day of the next full calendar month following completion and filing of forms. (Any service before the division received the required forms was credited as FRS service.)

Transfer of FRS Credit Earned During Enrollment Period

Effective July 1, 2003, through December 31, 2008, any SCCSORP participant who has service credit in the FRS Pension Plan for the period between the first eligibility to transfer to SCCSORP and the actual transfer date may transfer to the SCCSORP account(s) a sum representing the present value under the pension plan for this period of service credit. Upon such transfer, service credit earned during this period is nullified for purposes of entitlement to a future benefit under the FRS Pension Plan.

Plan Transfer Opportunity

Effective July 1, 2003, any community college employee participating in the SCCSORP, except for renewed SCCSORP members initially reenrolled July 1, 2017, or after will have one opportunity to choose to transfer from the SCCSORP to the FRS Pension Plan or the FRS Investment Plan, as follows:

- If the employee elects to move to the FRS Pension Plan, the employee will receive service credit under the pension plan equal to the years of service under the SCCSORP, upon paying the required cost. The division will calculate the cost for the transfer as provided by section 121.051(2)(c)3., Florida Statutes, using a formula and methodology certified by the FRS consulting actuary. The cost formula will credit the employee with any service already maintained under the FRS Pension Plan.
- If the employee chooses to move to the FRS Investment Plan, any contributions, interest, and earnings creditable to the employee under the SCCSORP will be kept by the employee in the SCCSORP account(s), and the applicable provisions of section 121.4501(4), Florida Statutes, will govern the election. All future contributions will go to the employee's FRS Investment Plan account(s).

To transfer from SCCSORP to the FRS Pension Plan or FRS Investment Plan, the employee should complete Form OCC-2.

STATUTORY REFERENCE:

Sections 121.051(2) and 1012.875, Florida Statutes

J. DUAL EMPLOYMENT

A member may not participate in more than one Florida state-administered retirement system, plan or class of membership simultaneously. A member who is employed simultaneously in two or more covered positions belonging to different classes (i.e., Regular, SMSC, Special Risk, Special Risk Administrative Support, or EOC) shall be determined to have membership in only one class, based on the following:

Elected Officers

Upon becoming dually employed, the elected officer will have six months to elect membership in any system or class for which the elected officer is eligible. The officer must select from the following alternatives and must notify the division of the decision in writing with a copy to the employer.

- The officer may elect to be a member of the EOC and have only the employment in the elective position reported for retirement purposes. (Salary earned in a nonelective position will not be reported; however, Social Security contributions will be required.)
- An officer who is dually employed in EOC and Regular Class positions may elect to participate in the Regular Class and have salaries reported for both elective and nonelective positions. (Both employers are responsible for enrolling and reporting the officer as a Regular Class member.)
- If eligible for any class other than the EOC or the Regular Class, the officer may choose to participate in such other class; in that case, contributions, service credit, and AFC will be based on salary earned in the other class position(s) only.
- An elected officer who is no longer dually employed will become a compulsory member of the EOC. The division should be notified at such time.

Nonelected Officers/ Employees

If the member is employed simultaneously in two or more positions covered by different classes other than the EOC, the employee shall be a member of the class in which employed more than 50 percent of the time.

If the employment is split equally, the member may choose any class of membership for which the member is eligible, even though both positions may be full-time positions. The member's choice, which must be made in writing, will be final as long as the member is employed equally in two positions. Based on the member's choice:

- If the member elects to participate in the Regular Class, the member shall have retirement contributions made on the total salary received for all covered employment.
- If the member elects to participate in the Senior Management Service, Special Risk, or Special Risk Administrative Support Class, the member shall have retirement contributions made only on the salary received in the designated class of membership.

Social Security for Dually Employed Members

Social Security contributions[14] are required for both positions an employee fills as a dually employed member even though retirement contributions may only be required for one of the positions.

Please direct your questions concerning dual employment to the Division of Retirement. You may call the division toll-free at 877-377-1266 or 850-907-6540, or email enrollment@dms.fl.gov.

STATUTORY REFERENCE:
Section 121.052, Florida Statutes

FRS RULE REFERENCE:
Sections 60S-1.0055 and 1.008, Florida Administrative Code

[14] Although Social Security coverage is a part of an FRS member's overall benefit package, the division has no control over Social Security or Medicare benefit payments and possible limitations on those benefits. (For more on Social Security coverage, see Page 1-74.)

V. INSTITUTE OF FOOD AND AGRICULTURAL SCIENCES

[Applicable Only to Selected University of Florida Employees]

Plan Options for IFAS Employees

Institute of Food and Agricultural Sciences (IFAS) employees who are jointly employed and compensated by both the University of Florida and a county agency on or after January 1, 1993, are compulsory participants of the SUSORP (see Page 1-36). The employee must execute investment contract(s) and complete the SUSORP portion of Form ORP-16 within 90 days of employment unless the member elects membership in the FRS. If, within 90 days of employment, an IFAS employee elects to participate in the FRS in lieu of SUSORP, the FRS portion of Form ORP-16 must be completed and forwarded to the division.

Enroll in SUSORP or FRS

- Eligible employee selects SUSORP or FRS.
- If SUSORP, the employee selects the investment company or companies and submits Form ORP-16.
- If FRS, the employee submits Form ORP-16 and is enrolled through your payroll report.

IFAS Class Codes

Effective October 1, 1999, the following class codes should be used when reporting IFAS employees:

POSITION	CLASS CODE
County Extension Director IV, Home Economics Agent IV, and Extension Agent IV	09122
County Extension Director III, Home Economics Agent III, and Extension Agent III	09123
County Extension Director II, Home Economics Agent II, and Extension Agent II	09124
County Extension Director I, Home Economics Agent I, and Extension Agent I	09125

IFAS Employees in SUSORP

If an IFAS employee is a member of SUSORP and the total salary is paid through the University, the county will not make any retirement contributions to the FRS and/or SUSORP. If the employee is jointly employed and compensated by the University and a county agency, both will be responsible for making contributions to the FRS and/or SUSORP. The University will send a copy of Form ORP-16 to the appropriate county agency for any dually employed IFAS employee who is a member of SUSORP. The division will notify the county agency of the effective date of SUSORP membership. Any change to the SUSORP account must be made on a Form ORP-16 and submitted to the division.

A participant of the SUSORP may contribute by way of salary reduction or deduction a voluntary percentage of the gross salary not to exceed the required percentage contributed by the employer to the participant's account. Any voluntary employee contribution will be treated as a section 403(b), IRC, contribution. Any contribution that is processed will be excluded from federal income tax withholding, but will be subject to Social Security (see Page 1-74). If the employee elects to make voluntary employee contributions to the SUSORP account(s), both the University and the county must deduct the same percentage of employee contributions from the salary.

Retired IFAS Employees

Since June 18, 1999, IFAS employees receiving an IFAS supplemental benefit are not considered renewed members of the FRS upon reemployment with an FRS employer and should be enrolled in the FRS as new FRS members. In addition, such IFAS employees are no longer subject to the employment-after-retirement limitations described in section VIII (see Page 1-60). However, an exception to the reemployment law states that an IFAS employee must not be entitled to a benefit from a state-supported retirement system or from Social Security based on service as a cooperative extension employee at the institute. Therefore, if a retired IFAS participant is reemployed in such a position, the participant is no longer eligible to receive the supplement.

IFAS Consolidation into the FRS

Effective July 1, 2007, the Institute of Food and Agricultural Sciences Supplemental Retirement Program, as established under section 121.40, Florida Statutes, was consolidated under the Florida Retirement System as a closed retirement system. IFAS participants are not eligible for FRS membership. The FRS received the assets from the former IFAS Trust Fund and assumed all liabilities related to the payment of supplemental monthly benefits to retired employees of the institute and their surviving beneficiaries. In addition, the FRS assumed all obligations in regard to funding and administering benefits accrued for the benefit of retired employees of the institute and their surviving beneficiaries.

STATUTORY REFERENCE:

Sections 121.35 and 121.40, Florida Statutes

VI. ENROLLMENT/CHANGE PROCEDURES FOR CURRENT EMPLOYEES

In some agencies the same office performs personnel and payroll functions. In other agencies, the personnel office is separate from the payroll office. The following information will be required of the payroll office to correctly report employee salaries and contributions to the FRS. Occasionally, it becomes necessary to correct information already reported to the FRS. This section explains how name changes, plan changes, and beneficiary changes are made. Please see Page 1-13 for procedures to be used in hiring employees who may have participated in a closed retirement system (Teachers' Retirement System, State and County Officers and Employees' Retirement System, etc.).

All information reported for an employee should be made using the name and Social Security number that appears on the employee's Social Security card.

Name Change

When there is a change in the member's name, you should report the change on your monthly payroll report. Employees should be reminded to reconsider their beneficiary designation when changing their name. The employee should also go to the local Social Security office and complete Form SS-5 to correct Social Security records. A new number will not be assigned; only the name will be changed.

Plan or Class Change

When a member changes to the Regular Class from another plan, the change in plan should be reflected on your payroll report. If the member changes from the Regular Class to another class or from a position in a class other than the Regular Class to a new position or class and there is a preapproved position number and/or class code number, the change should be reflected on your payroll report. If there is not a preapproved position and/or class code, the member needs to submit the appropriate application for membership to the division. The exception to this procedure is when a member elects to retire and participate in DROP, in which case the member needs only to be reported under the appropriate DROP plan on your payroll report. When there is a plan change, the contribution rate must also be changed to the correct rate for the new plan. Please see Chapter 9, Part XIV, for additional information on DROP.

Beneficiary Designation

It is important for members to keep their beneficiary designation up to date. When a member is enrolled in the FRS, the member should name a beneficiary or beneficiaries to receive any benefits that may be payable upon the member's death if the member dies before retirement. After retirement, benefits paid to beneficiaries are determined by the retirement option selected by the member.

Form BEN-001, Beneficiary Designation Form, is the form used by active employees to designate beneficiaries (Form FST-12, Beneficiary Designation Form, must be used for retirees and DROP participants). Active members can change their beneficiaries online through their FRS Online account. The member should log in and select beneficiary. Some members who die before retirement will not have any benefits payable to a beneficiary (i.e., nonvested members with no personal contributions on deposit).

A member may designate a beneficiary:

- **Sequentially -** Beneficiaries named sequentially will, if eligible, receive any benefits payable in the order listed. The primary beneficiary, if living, receives all benefits. The first contingent beneficiary would be eligible if the primary beneficiary predeceased the member.
- **Jointly** - When beneficiaries are designated jointly, each person listed will, if eligible, receive benefits in proportion to the percentage indicated by the member. The total must equal 100 percent.

The member must select one of the above beneficiary designations to specify who is to receive any benefits payable if the member dies before retirement. If more than one section is completed, the beneficiary designation is invalid and a copy will be returned to the member.

As stated in section 121.091(8), Florida Statutes – When the member does not specifically name a beneficiary, benefits will be paid first to the current living spouse. If there is no surviving spouse, benefits will be paid equally to the living children, if eligible. If there are no surviving children, benefits will be paid to the member's parents, if eligible. If there are no living parents, benefits will be paid to the legal representative of the member's estate. Delays could occur in a payment to a beneficiary under this requirement since the eligible beneficiary must be identified and verified before making a payment.

A member may name any person, organization, trust, or estate, or may designate that benefits be paid according to section 121.091(8), Florida Statutes (see above). Only a person who qualifies as a joint annuitant will be eligible to receive lifetime monthly retirement benefits (the member must have been vested at the time of death or have been within one year of being vested and have sufficient additional creditable service the joint annuitant can purchase - see Chapter 11, Part II, for additional information). (See Chapter 15 for the definition of joint annuitant.)

If the beneficiary does not qualify as a joint annuitant, the only benefit payable in the event of the member's death is a refund of any contributions made to the system by the member.

Designate a Trust for Joint Annuitant

A person designated as a beneficiary, with benefits to be paid through a trust, must qualify as a joint annuitant. To designate a trust, Form BEN-001 should be completed as follows:

SEQUENTIALLY (In order named) - Benefits paid to the First Named Beneficiary.

*Brown, Mary J.	Daughter	05/01/86	F
Primary Beneficiary	Relation	Date of Birth	Sex

*Benefits to be deposited in a trust on behalf of the designated beneficiary.

Change of Beneficiary

The member may change a designated beneficiary at any time. The most current designation on file at the division determines who will receive any benefits payable in the event the vested member dies prior to retirement.

Automatic Designation of Spouse as Beneficiary

Effective January 1, 1999, the current spouse of a member who dies before retirement will automatically be the member's beneficiary, regardless of the person previously named by the member, unless the member designates a different beneficiary after the most recent marriage.

Questions concerning the designation of beneficiaries for active members should be directed to the Division of Retirement. You may call the division toll-free at 877-377-1266 or 850-907-6540, or email enrollment@dms.fl.gov.

See Chapter 9, Part VIII, for beneficiary information for retirees and DROP participants.

STATUTORY REFERENCE:
Section 121.091(7), Florida Statutes

FRS RULE REFERENCE:
Sections 60S-4.008, Florida Administrative Code

VII. CHANGE OF UNIT STATUS - TRANSFER, MERGER, OR CONSOLIDATION

Some units may experience a change in their reporting status due to transfer, merger, or consolidation with another governmental body. Other units, such as hospitals sold to nonprofit or private organizations, may no longer be eligible to participate in the FRS. Any unit considering changes such as these should contact the Division of Retirement no fewer than 60 days prior to the effective date of the action under consideration, to determine the implications of the anticipated change. You may call the division toll-free at 877-377-1266 or 850-907-6540, or email enrollment@dms.fl.gov.

Any city, independent special district, or hospital which took the necessary action to revoke its membership in the FRS effective January 1, 1996, will continue to pay retirement contributions to the FRS for as long as covered employees hired prior to January 1, 1996, remain employed with them.

It should also be remembered that changes in your retirement coverage status might also have an effect on the Social Security coverage for the unit and its employees. Because the division is the state agency responsible for administering Social Security coverage for Florida governmental units (see Page 1-74), it is important that the division be contacted if any change in reporting status is contemplated.

STATUTORY REFERENCE:
Sections 112.0515 and 121.081, Florida Statutes

FRS RULE REFERENCE:
Section 60S-1.0075, Florida Administrative Code

VIII. EMPLOYMENT AFTER RETIREMENT LIMITATIONS

After terminating employment and retiring under the FRS Pension Plan, the Teachers' Retirement System (TRS) or State and County Officers' Retirement System (SCOERS), or concluding DROP, a retiree may work for any private employer or any public employer not in the FRS without affecting the FRS retirement benefits as long as they are not providing paid or unpaid services to FRS participating employers. However, such retirees are subject to certain limitations with respect to their employment with any FRS employer during their first 12 calendar months of retirement or after their DROP termination as highlighted below:

Termination Requirement

Any member retiring from the FRS, TRS, or SCOERS (or concluding DROP participation) must end all employment relationships with all FRS employers and meet the definition of termination, as provided in section 121.021(39), following the effective retirement date or DROP termination date[15]. The termination requirement is six calendar months. If this termination requirement is not met, the member will void the retirement and membership in the FRS will be reinstated. If retiring through DROP, the member will also forfeit the DROP accumulation. Any retirement benefits received must be repaid and the member will be required to reapply for retirement to establish a later retirement effective date and, if the reinstated member desires and remains eligible, a new DROP enrollment date. (For more on the termination requirement, see Chapter 13, Part III, section A.)

Restriction on Reemployment

Members cannot receive both retirement benefits and salary from an FRS employer during the seventh through twelfth months after retirement or conclusion of DROP. FRS Investment Plan members cannot receive further distributions if reemployed by an FRS-covered employer during the seventh through twelfth months after retirement.

Exceptions

Effective March 9, 2018, there is one exception to the restrictions on reemployment limitations after retirement. If you are a retired law enforcement officer, you may be reemployed as a school resource officer by an employer that participates in the FRS during the seventh through twelfth calendar months after your retirement date or after your DROP termination date and receive both your salary and retirement benefits.

Consequences: Suspension and Repayment of Benefits

If any retiree (or terminating DROP participant) is reemployed in violation of these restrictions, retirement benefits must be suspended for the balance of the restricted period, and the member and/or the employer must repay any benefits inappropriately received. To minimize agency liability, the employer should notify the Division of Retirement. You may call the division toll-free at 877-377-1266 or 850-907-6540, or email enrollment@dms.fl.gov. The division will notify the affected member, with a copy to the employing agency, of the benefits overpaid and the amount due the FRS Trust Fund. (For more on consequences for violation, see Chapter 13, Part III, section D.)

> **NOTE:** There are no limits on receiving your FRS benefits while working for an FRS employer after a member has been retired or has been out of DROP for 12 calendar months.

[15] An exception to delay termination may apply in the case of elected officers (see Chapter 13, Part III, section C).

Disability Retirees

Disability retirees must discontinue their disability benefits if gainfully employed with any employer, public or private. However, since the statute relating to disability retirement[16] was not amended when the Florida Legislature established joint and several liability for repayment of benefits received in violation of the reemployment provisions of section 121.091(9), Florida Statutes, employing FRS agencies of disability retirees are not held jointly and severally liable for failure to discontinue disability benefits. Even so, participating employers are expected to help disability retirees who seek employment to understand the impact that taking such employment would have on their retirement benefits.

Independent Contractors

Independent contractors are not subject to the reemployment limitations because they are not employees of the agency. However, to avoid contributing to a situation that could require repayment of benefits, before entering into a contract with a retiree as an independent contractor, a copy of the contract should be submitted to the Division of Retirement to determine if the contract adequately establishes an independent contractor relationship and not an employee-employer relationship. You may call the division toll-free at 877-377-1266 or 850-907-6540, or email enrollment@dms.fl.gov. (See Page 1-70 and Chapter 13, Part III, section C, for more information on reemployment exceptions.)

Reemployed Retirees in Regularly Established Positions

From July 1, 1985, through June 30, 1991[17], retirees reemployed in regularly established positions were required to be reported for both unfunded actuarial liability contributions for retirement (under Plan Code HL) and Social Security (see Page 1-74). This requirement applied regardless of the employee's effective date of retirement or date of reemployment. Therefore, even if the employee retired and was reemployed before July 1, 1985, contributions under Plan Code HL would have been mandatory during this period.

Effective July 1, 1991[17], through June 30, 2010, reemployed retirees are enrolled in the FRS with renewed membership and are reported under different retiree plan codes, not under Plan Code HL (see Page 1-63 and Chapter 13, Part IV, for more on renewed membership).

Retirees with an initial reemployment in a regularly established position that occurs on or after July 1, 2010, through June 30, 2017, will not be eligible for renewed membership and will not earn creditable service toward a subsequent retirement benefit; however, the employer must make the contributions equal to the unfunded actuarial liability portion of the employer contribution required of active members in addition to the contributions required in section 121.76, Florida Statutes. This restriction from renewed membership includes retirees of the FRS Pension Plan, the FRS Investment Plan, the SUSORP, the SMSOAP, the SCCSORP, and local government senior managers covered by a separate arrangement with their employers. For information on completing the IRS W-2 Form, for reemployed retirees who are not eligible for renewed membership, see Chapter 9, Page 9-37.

Effective July 1, 2017, FRS Pension Plan retirees remain ineligible for renewed membership. Retirees of the FRS Investment Plan, the SUSORP, the SMSOAP or the SCCSORP who are employed on or after July 1, 2017, are eligible for renewed membership. These renewed members must participate in the

[16] See section 121.091(4), Florida Statutes.

[17] Renewed membership became compulsory for retired elected officials covered by the Elected Officers' Class effective July 1, 1990. The full contribution rate paid included the unfunded actuarial liability contribution effective July 1, 1990.

FRS Investment Plan unless the position is covered by the SUSORP or the SCCSORP when the member is initially enrolled.

STATUTORY REFERENCE:

Sections 121.021(11), (39), (50) and (60), 121.091(4), (9) and (13), 121.093, and 121.094, Florida Statutes

FRS RULE REFERENCE:

Section 60S-4.012, Florida Administrative Code

IX. RENEWED MEMBERSHIP

From July 1, 1991, [18] through June 30, 2010, any retiree of a state-administered retirement system who is reemployed in a regularly established position with a covered employer is enrolled as a renewed member and, upon vesting again, is eligible for an additional retirement benefit based on service as a renewed member.

Renewed members who are eligible for membership in the Elected Officers' Class[19] or the Senior Management Service Class[20] receive credit for their renewed service under these classes; all other renewed members, including employees in special-risk-eligible positions, are covered as members of the Regular Class. Renewed members may elect to participate in the FRS Investment Plan as described in Part IV (see Page 1-12) and in Chapter 9, Part XV. Effective July 1, 2007, through June 30, 2010, retirees reemployed in positions covered by SUSORP, SMSOAP, and SCCSORP are eligible for renewed membership. (For more on renewed membership, see Chapter 13, Part IV.)

A retiree that has already established renewed membership retains all rights, even with breaks in service, until the member retires based on service as a renewed member. Retirees with an initial reemployment in a regularly established position that occurs on or after July 1, 2010, through June 30, 2017, are not be eligible for renewed membership and will not earn creditable service toward a subsequent retirement benefit. This restriction from renewed membership includes retirees of the FRS Pension Plan, the FRS Investment Plan, the SUSORP, the SMSOAP, the SCCSORP, and local government senior managers who withdrew from the FRS and are covered by a separate arrangement with their employers.

Effective July 1, 2017, FRS Pension Plan retirees remain ineligible for renewed membership. Retirees of the FRS Investment Plan, the SUSORP, the SMSOAP or the SCCSORP who are employed on or after July 1, 2017, are eligible for renewed membership. These renewed members must participate in the FRS Investment Plan unless the position is covered by the SUSORP or the SCCSORP when the member is initially enrolled.

Key Elements

- Upon enrollment as a renewed member, the employer and the employee pay all applicable contributions (see Chapter 2, Part II);
- Renewed members initially enrolled prior to July 1, 2010, may buy additional retirement credit for certain postretirement service (see Chapter 13, Part IV);
- Any renewed member who is not already receiving the maximum health insurance subsidy provided by law can earn credit toward the maximum when retiring as a renewed member. To receive a benefit for the renewed service, the renewed member must resatisfy the same age and service requirements (see Chapter 9);
- Upon retirement, the member must again meet any applicable reemployment-after-retirement limitations (see Page 1-60 and Chapter 13, Part III); and
- Plan provisions can differ for renewed members; for example, no renewed member is eligible for disability benefits (see Chapter 10) or DROP participation.

[18] Renewed membership has been compulsory for retired elected officers covered by the Elected Officers' Class since July 1, 1990.

[19] Since July 1, 1977, retired elected officers have been allowed to receive credit for their post-retirement service as an elected officer eligible for membership in the Elected Officers' Class (then known as the Elected State Officers' Class). Renewed membership has been compulsory for such retired elected officers since July 1, 1990.

[20] Effective July 1, 1997, the law was amended to provide that any retiree employed in a position included in the Senior Management Service Class (SMSC) would be enrolled as a compulsory renewed member of the SMSC.

- Renewed members initially enrolled prior to July 1, 2010, are not eligible to participate in the Special Risk Class while renewed members initially enrolled on or after July 1, 2017, working in positions covered by the Special Risk Class can participate in that class instead of the Regular class.

Renewed Membership for Elected Officers

Membership in the EOC is required for any retired member of the FRS or any existing system who, on July 1, 1990, through June 30, 2010, is serving in, or is elected or appointed to, an elective office covered by the EOC, except as provided for elected officers who are participating in DROP and eligible for an exemption (see Chapter 13, Part III, section C).

An elected officer assuming office on July 1, 1997, through June 30, 2010, may elect membership in the SMSC in lieu of the EOC by notifying the division in writing or on Form EOC-1, Ballot Form for Employees of EOC, within six months of assuming office. As a member of the SMSC, a state elected officer may transfer to the Senior Management Service Optional Annuity Program (SMSOAP) within 90 days of becoming a member of the SMSC, and a county, city, or special district elected officer may elect to withdraw from the system altogether.

Enrollment and Reporting Requirements

The reporting unit must report each reemployed retiree on the payroll report in order to enroll and establish a new retirement account for the member. Retirees must be reported on the monthly retirement report under the appropriate retirement plan and contribution rate as shown below, and the appropriate class code specified on Page 1-30 (the class codes for active EOC members are identical for reemployed EOC members). (See the SMSC renewed member section that follows for appropriate plans and contributions if the elected officer elects to be a member of the SMSC.) Retirees initially reemployed on or after July 1, 2010, through June 30, 2017, are not eligible for renewed membership but must be reported using the appropriate plan code covering the position held to pay the unfunded actuarial liability and the HIS contribution.

RENEWED PLANS FOR EOC MEMBERS

Membership Group	Pension Plan	Investment Plan	Contribution Rate
Judges	RC	QC	See Chapter 2*
Legislators	RE	QE	"
Gov./Lt. Gov. and Cabinet	RG	QG	"
State Attorney and Public Defender	RH	QH	"
County, City and Spec. District Elected Officials	RI	QI	"

* See Chapter 2, Part II.

NOTE: A retired Justice or Judge who is assigned to active judicial service pursuant to Article V of the State Constitution will continue to receive retirement benefits and will not be enrolled in the EOC. No retirement contributions are required. Retired judges or justices with an effective retirement date or DROP termination date on or after July 1, 2010, are not eligible to receive their retirement benefit if reemployed during the seventh through twelfth calendar months of retirement or after their DROP termination date.

STATUTORY REFERENCE:
Section 121.053, Florida Statutes

FRS RULE REFERENCE:
Section 60S-1.0055(4), Florida Administrative Code

Renewed Membership for Senior Managers

Effective July 1, 1997, through June 30, 2010, every reemployed retiree filling a regularly established position included in the SMSC is a compulsory member of the SMSC. The renewed member will be eligible to receive another retirement benefit after earning the additional service credit required to vest in the FRS. As a member of the SMSC, a state employee may transfer to the Senior Management Service Optional Annuity Program (SMSOAP) within 90 days of becoming a member of the SMSC, and a local employee may at any time withdraw from the FRS altogether (see Page 1-34). Both state and local employees who are members of the SMSC may elect to transfer to the FRS Investment Plan as described on Page 1-12 and in Chapter 9, Part XV. (See Chapter 13, Part IV, for information on retirement credit reemployed retirees may claim.) Retirees initially reemployed on or after July 1, 2010, through June 30, 2017, are not eligible to be enrolled as renewed members and will not earn another retirement benefit for post-retirement employment with a covered employer. Effective July 1, 2017, FRS Pension Plan retirees are still ineligible for renewed membership. Retirees of the FRS Investment Plan, the SUSORP, the SMSOAP or the SCCSORP who are employed on or after July 1, 2017, are eligible for renewed membership. These renewed members must participate in the FRS Investment Plan unless the position is covered by the SUSORP or the SCCSORP when the member is initially enrolled.

Enrollment and Reporting Requirements

The reporting unit must report each reemployed retiree on the payroll report in order to enroll and establish a new retirement account for the member. If a local employee, the reemployed retiree must complete Form SMS-3, to select membership in the SMSC or withdraw from the FRS altogether (see Page 1-34).

The reemployed retiree must be reported on the monthly retirement report under the appropriate retirement plan and contribution rate, and the approved position number which has been provided to your agency by the division, as shown in the charts below:

RENEWED PLANS FOR SMSC MEMBERS
(Includes Renewed EOC Members who Elect to Join the SMSC)

Membership Group	Pension Plan	Investment Plan	Contribution Rate
Senior Managers	RM	QM	See Chapter 2*
Judges	RP	QP	"
Legislators	RP	QP	"
Gov./Lt. Gov. and Cabinet	RP	QP	"
State Attorney and Public Defender	RP	QP	"
County, City and Spec. District Elected Officials	RQ	QQ	"

* See Chapter 2, Part II.

RENEWED PLANS FOR SMSC MEMBERS
(Includes Renewed EOC Members who Elect to Join SMSOAP in Lieu of the FRS or Elect to Withdraw from the FRS Altogether)

Membership Group	Pension Plan	Investment Plan	Contribution Rate
State Senior Managers	OR	QM	See Chapter 2*
Local Senior Managers	OZ	N/A	"
Judges	OR	QP	"
Legislators	OR	QP	"
Gov./Lt. Gov. and Cabinet	OR	QP	"
State Attorney and Public Defender	OR	QP	"
County, City and Spec. District Elected Officials	OQ	QQ	"
State University Executive Service	OS	N/A	"

* See Chapter 2, Part II.

Retirees initially reemployed on or after July 1, 2010, through June 30, 2017, in an SMSC-covered position are not eligible for renewed membership. These employees must be reported with the plan code provided that covers SMSC eligible positions to pay any unfunded actuarial liability for the SMSC when it is being paid on active members and the HIS contribution.

Renewed Membership for All Other Employee Groups

All retirees reemployed in regularly established positions (except those in positions eligible for membership in the EOC or SMSC) from July 1, 1991, through June 30, 2010, are enrolled as members of the Regular Class. Renewed members will be allowed to elect membership in the FRS Pension Plan or Investment Plan. The reemployed retiree will be eligible to receive another retirement benefit after earning the additional service credit required to vest under the FRS plan in which the renewed member elects to participate. (See Chapter 13, Part IV, for information on retirement credit reemployed retirees may claim.)

Retirees initially reemployed in a regularly established position on or after July 1, 2010, through June 30, 2017, are not eligible for renewed membership and will not earn another retirement benefit. These employees must be reported with either the plan code for the regular membership class or special risk membership class positions to pay any unfunded actuarial liability for the positions when this is being paid on active members and the HIS contributions.

Effective July 1, 2017, FRS Pension Plan retirees are still ineligible for renewed membership. Retirees of the FRS Investment Plan, the SUSORP, the SMSOAP or the SCCSORP who are employed on or after July 1, 2017, are eligible for renewed membership. These renewed members must participate in the FRS Investment Plan unless the position is covered by the SUSORP or the SCCSORP when the member is initially enrolled.

Renewed Membership for All Other Members

The reporting unit must report the reemployed retiree with renewed membership in either the Pension or the Investment Plan on the payroll report in order to enroll and establish a new retirement account for the member. The retiree must be reported on your monthly retirement report under the appropriate retirement plan and contribution rate as shown below:

RENEWED PLANS FOR NON-EOC, NON-SMSC MEMBERS

Membership Group	Pension Plan	Investment Plan	Contribution Rate
Regular Class	RA	QA	See Chapter 2*
SCCSORP	OD	N/A	"
State University Non-Executive Service	OS	N/A	"

* See Chapter 2, Part II.

NOTE: You are required to submit position numbers and class code information for reemployed retirees in the Regular Class employed in a Special Risk Class-covered position, an EOC-covered position or an SMSC-covered position.

Reemployed Retirees Effective July 1, 2010

The reporting unit must report each reemployed retiree filling a regularly established position on the payroll report. The law requires the employer to pay contributions equal to the unfunded actuarial liability portion of the employer contribution required of active members in addition to the contributions required in section 121.76, Florida Statutes. The following plan codes are established based on membership class for the position:

PLAN CODES FOR REEMPLOYED RETIREES ON OR AFTER JULY 1, 2010

Membership Group	Plan Code	Contribution Rate
Regular Class	UA	See Chapter 2*
Special Risk	UB	"
Judges	UC	"
Legislators	UE	"
Gov./Lt. Gov./Cabinet	UG	"
State Attorney/Public Defender	UH	"
County, City and Spec. District Elected Officials	UI	"
Senior Management (SMSC)	UM	"

* See Chapter 2, Part II.

Renewed Membership Effective July 1, 2017

Retirees of the FRS Investment Plan, the SUSORP, the SMSOAP or the SCCSORP who are employed on or after July 1, 2017, are eligible for renewed membership.

- These renewed members must participate in the FRS Investment Plan unless the position is covered by the SUSORP or the SCCSORP when the member is initially enrolled.
- A renewed member who participates in the FRS Investment Plan and later becomes employed in a position covered by the SUSORP or the SCCSORP must continue Investment Plan membership unless he or she is employed in a position with a university that requires mandatory SUSORP participation.
- This new tier of renewed membership allows renewed members employed in a Special Risk Class-covered position to participate in the Special Risk Class.

The following plan codes are established based on membership class for the position:

PLAN CODES FOR RENEWED MEMBERSHIP ON OR AFTER JULY 1, 2017

Membership Group	Plan Code	Contribution Rate
Regular Class	CA	See Chapter 2*
Special Risk	CB	"
Judges	CC	"
Legislators	CE	"
Gov./Lt. Gov./Cabinet	CG	"
State Attorney/Public Defender	CH	"
Special Risk Admin. Supp. Class	CJ	"
County, City and Spec. District Elected Officials	CI	"
Senior Management (SMSC)	CM	"
Renewed EOC Members who Elect to Join the SMSC		
Judges	CP	See Chapter 2*
Legislators, Governor, Lt. Gov., Cabinet, State Attorney, Public Defender, County, City Spec. District Elected Officials	CQ	"

* See Chapter 2, Part II.

PLAN CODES FOR RENEWED MEMBERSHIP OPTIONAL PROGRAMS ON OR AFTER JULY 1, 2017

Membership Group	Plan Code	Contribution Rate
SUS Optional Retirement Program	OA	See Chapter 2*
State College System Optional Retirement Program	OE	"

* See Chapter 2, Part II.

STATUTORY REFERENCE:
Section 121.122, Florida Statutes

FRS RULE REFERENCE:
Section 60S-1.0045, Florida Administrative Code

X. COMMUNITY DEVELOPMENT BLOCK GRANTS

The essential purposes of the Community Development Block Grant (CDBG) Program are:

- To provide for worthwhile and necessary projects that will result in productive jobs in communities, and
- To benefit low and moderate income persons, aid in the prevention or elimination of slums or blight, or meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health and welfare of the community where other financial resources are not available to meet such needs.

The CDBG participants who are in the program primarily for training purposes are not eligible for FRS membership. For a person hired to perform services rather than training, membership in the FRS is determined by the length of the position. If the position is in existence for more than six months, the worker must be enrolled in the FRS effective with date of employment.

CDBG supervisors who are filling regularly established positions should be enrolled and reported for FRS membership.

XI. INDEPENDENT CONTRACTORS

Independent contractors are self-employed individuals who are not eligible for membership in the FRS. A retiree who provides services to an FRS employer as a bona fide independent contractor is not subject to the reemployment limitations as described on Page 1-60 and in Chapter 13, Part III. All reemployed retirees in regularly established positions must be reported on the monthly retirement report to the FRS.

As a general rule, most attempts to establish an independent contractor relationship are not successful. A retired employee who returns to an FRS employer to perform the same or similar duties performed prior to retirement is not an independent contractor. An independent contractor is one who is in the business of providing services to the general public. The IRS is becoming increasingly aggressive in examining workers who are being classified as independent contractors. IRS penalties for misuse of this classification are severe.

Improper Use of Independent Contractor Status

Employers should exercise caution when using the services of FRS retired employees by retaining them as consultants or independent contractors under arrangements that appear on the surface to constitute an independent contractual relationship, but actually serve as a means of continuing the employee-employer relationship. The improper use of the independent contractor status to avoid the enrollment of employees in the FRS and to circumvent the limitations on reemployment after retirement can result in major problems for the employing agency and the employee. The division has discovered numerous violations or improper uses of the independent contractor exclusion. Whenever the division discovers employees improperly reported as independent contractors:

- The employer must enroll such employees as members of the FRS; all required employee and employer retirement contributions must be reported and paid retroactively to the date the employee was incorrectly classified as an independent contractor.
- Social Security contributions are due from both the employee and employer (see Page 1-74).
- The employer may be required to collect contributions from employees who have terminated.

An improperly employed retired employee may become unretired and be required to repay all benefits received during the first 12 months following retirement. The employer may be held liable for this repayment. (See Page 1-60 and Chapter 13, Part III, for information on reemployment after retirement and agency liability.)

Distinguish between an Independent Contractor and an Employee

The following information is provided to assist you in distinguishing between employees and independent contractors. An independent contractor is defined as an individual who is not subject to the control and direction of the employer for whom work is being performed, with respect not only to what shall be done but also to how it shall be done. If the employer has the right to exert such control, an employee-employer relationship exists and the person is an employee and not an independent contractor. The division has adopted the following factors as guidelines to aid you in determining whether an individual is an employee or an independent contractor. The weight given each factor is not always the same and varies depending on the particular situation.

INDEPENDENT CONTRACTOR VS. EMPLOYEE

Instructions:	An employee must comply with instructions from the employer about when, where, and how to work. The instructions may be oral or may be in the form of manuals or written procedures that show how the desired result is to be accomplished. Even if no actual instructions are given, the control factor is present if the employer has the right to give instructions. An independent contractor is not subject to such employer instructions.
Training:	An employee is trained to perform services in a particular manner. This is relevant when the skills and experience that would be used as an independent contractor were gained as a result of previous employment. Independent contractors ordinarily use their own methods and receive no training from the purchasers of their services.
Integration:	An employee's services are integrated into the business operations because the services are critical and essential to the success or continuation of an agency's progress/operation. This shows that the employee is subject to direction and control. An independent contractor is independent of the agency.
Services Rendered Personally:	An employee renders services personally for the employer. This shows that the employer is interested in the methods as well as the results. An independent contractor has the right to hire a substitute without the employer's knowledge or approval.
Hiring Assistants:	An employee works for an employer who hires, supervises, and pays assistants. An independent contractor hires, supervises, and pays assistants under a contract that requires him/her to provide materials and labor and to be responsible only for the result.
Continuing Relationship:	An employee has a continuing relationship with an employer. A continuing relationship may exist where work is performed at frequently recurring, although irregular, intervals. An independent contractor does not have a continuing relationship with an employer.
Set Hours of Work:	An employee usually has set hours of work established by an employer. An independent contractor is the master of own time and works on own schedule.
Full-Time or Part-Time Work:	An employee may work either full-time or part-time for an employer. The term full-time does not necessarily mean the individual works an eight-hour day or a five or six-day week. Its meanings may vary with the intent of the parties, the nature of the occupation, and customs in the locality. These conditions should be considered in defining full-time. An independent contractor can work when and for whom the contractor chooses.
Work Done on Premises:	An employee works on the premises of an employer, or works on a route or at a location designated by an employer. The performance of work on the employer's premises is not controlling in itself; however, it does imply that the employer has control over the employee. Work performed off the employer's premises does indicate some freedom from control; however, it does not in itself mean the worker is not an employee. An independent contractor is usually free from employer work location restrictions, but may arrange to work on location as part of the contract.
Order or Sequence of Services:	An employee generally performs services in the order or sequence set by an employer. This shows that the employee is subject to direction and control of the employer. An independent contractor is not subject to such control.

INDEPENDENT CONTRACTOR VS. EMPLOYEE, cont'd

Reports:	An employee submits oral or written reports to an employer. This shows that the employee must account to the employer for actions. The independent contractor produces only those products or reports required in the contract.
Payments:	An employee is usually paid by the hour, week, or month. An independent contractor is paid periodically (usually a percent of the total payment), by the job, or on a straight commission.
Expenses:	An employee's business and/or travel expenses are paid by an employer. This shows that the employer is in a position to control expenses and therefore the employee is subject to regulations and control. The independent contractor is paid according to the contract.
Tools and Materials:	An employee is furnished significant tools, materials, and other equipment by an employer. An independent contractor usually provides own tools, materials, etc.
Investment:	An employee is not required to purchase equipment or supplies to perform the required work. An independent contractor has a significant investment in the facilities used in performing services for someone else.
Profit or Loss:	An employee performs the services for an agreed upon wage and is not in a position to realize a profit or suffer a loss as a result of the services. An independent contractor can make a profit or suffer a loss. Profit or loss implies the use of capital by the individual in an independent business.
Works for More than One Person or Firm:	An employee usually works for one organization. However, a person may work for a number of people or organizations and still be an employee of one or all of them. An independent contractor provides services to two or more unrelated persons or firms at the same time.
Offers Services to General Public:	An employee works only for the employer. An independent contractor makes services available to the general public. This can be done in a number of ways: Having office and assistants, hanging out a shingle, holding business licenses, having listings in business directories and telephone directories, and advertising in newspapers, trade journals, etc.
Right to Terminate Employment:	An employer can terminate an employee. An independent contractor cannot be terminated so long as the contractor produces a result that meets the specifications of the contract. An independent contractor can be terminated and have the contract canceled, but usually will be entitled to damages for expenses incurred, lost profit, etc.
Right to Quit:	An employee can quit the job at any time without incurring liability. An independent contractor usually agrees to complete a specific job and is responsible for its satisfactory completion, or is legally obligated to make good for failure to complete it.

Determination of Status

The determination of the employment classification of a person as an employee or an independent contractor is solely within the jurisdiction of the division. To establish whether a person is an independent contractor or an employee, you may request a determination from the Division of Retirement. You may call the division toll-free at 877-377-1266 or 850-907-6540, or email enrollment@dms.fl.gov.

STATUTORY REFERENCE:
Sections 121.091(9)(b)2., 122.16(2)(b), and 238.181(2)(a), Florida Statutes

FRS RULE REFERENCE:
Sections 60S-1.004(3)(g) and 6.001(33), Florida Administrative Code

XII. SOCIAL SECURITY COVERAGE

Coverage Requirements

Current Members

Members of the FRS are required by state law to be covered for Social Security. The required employee and employer contributions (FICA taxes) should be deducted and reported directly to the Internal Revenue Service (IRS). Employers should deposit these taxes through the Federal Tax Deposit System.

Any questions regarding the payment of the Social Security tax paid on wages paid on or after January 1, 1987, should be directed to the IRS through the federal agency's toll-free information number at 800-772-1213 (accessed online at ssa.gov). You should continue to direct all questions regarding an employee's eligibility to participate in the Social Security Program to the Division of Retirement. You may call the division toll-free at 877-377-1266 or 850-907-6540, or email enrollment@dms.fl.gov.

Reemployed Members

Members who retired from a Florida state-administered retirement system and who are reemployed in a full-time or part-time regularly established position with an FRS employer must be covered for Social Security effective with the first day of reemployment. This requirement includes reemployed retirees who are not eligible for renewed membership.

Employees Covered by Separate Agreements

Some reporting units participating in the FRS have an additional agreement with the U.S. Social Security Administration that requires absolute Social Security coverage. These agencies must cover all of their employees for Social Security regardless of their employees' eligibility to participate in the FRS. Other reporting units participating in the FRS have separate agreements to exclude certain employees from Social Security.

Mandatory Coverage Exceptions

The Omnibus Reconciliation Act of 1990 (Public Law 101-508) mandated full Social Security coverage on services rendered July 2, 1991, and after for all state and local government employees who are not participating in a public retirement system. All full-time, part-time, and temporary employees, who are not participating in a qualifying retirement system made available through their employer, must participate in Social Security coverage, with the following exceptions established by the U.S. Social Security Administration:

1. An election worker, if remuneration paid in a calendar year is less than $1,700.
2. Individuals who are employed to relieve themselves from unemployment. (It is our understanding that this exemption is intended for individuals employed in a position or program established to provide work for people who are unemployed. For additional information, contact the IRS at the number listed below.)
3. Patients or inmates who perform services in a hospital, home, or other institution.
4. Individuals hired as employees serving on a temporary basis in case of a fire, storm, snow, earthquake, flood or other similar emergency.
5. Non-immigrant students and exchange aliens (F-1, J-1, and M-1 visa holders) as provided under section 101(a)(15)(F), (J), and (M) of the Immigration and Nationality Act.

All questions concerning mandatory Social Security or Medicare coverage should be directed to the IRS through their toll-free information number at 800-772-1213.

Medicare Coverage

Mandatory Medicare coverage is required for all workers hired on or after April 1, 1986, who are not covered by Social Security, except for those positions listed as exempt from mandatory Social Security in items one through six above. This provides Medicare to all employees who are filling temporary positions, as well as members of TRS or SCOERS Plan A. With the implementation of mandatory Social Security coverage effective July 2, 1991, nearly all temporary positions that were previously reported for Medicare have full Social Security coverage. Members of the TRS or SCOERS Plan A continue to have Medicare without Social Security coverage.

Reporting Instructions

Under the Omnibus Budget Reconciliation Act of 1986 (Public Law 99-509), approved October 21, 1986, state and local government employers no longer report the Social Security tax to the division. Effective January 1, 1987, state and local government employers are required to report both the employee and employer portions of the tax directly to the IRS. Any questions regarding the payment of the Social Security or Medicare tax on wages paid on or after January 1, 1987, should be directed to the IRS through their toll-free information number at 800-772-1213.

You should continue to direct all questions regarding an employee's eligibility to participate in the Social Security Program to the division. All questions concerning mandatory Social Security coverage should be directed to your local IRS office.

STATUTORY REFERENCE:
Section 121.091(9) and Chapter 650, Florida Statutes

FRS RULES REFERENCE:
Section 60S-4.012, Florida Administrative Code