

Entering DROP

Maximum or Optional Retirement Allowance

Prior to the beginning of the participation period, the member must select between the Maximum Monthly Benefit or one of the Options the same as he or she would do if retiring. After the ERS receives your DROP APPLICATION, the ERS will calculate the monthly benefit under the Maximum or Options. The ERS will mail this and the RETIREMENT BENEFIT OPTION SELECTION - DROP form to you to make your monthly benefit selection. **This option selection is an irrevocable, one-time election.** If the member does not make this selection, by law he or she will automatically receive the Maximum. This monthly retirement allowance will be paid into the member's DROP account.

Converting Accrued Sick Leave

Accrued sick leave may **not** be converted to service credit for the purpose of establishing DROP eligibility, nor used in calculating the monthly retirement allowance upon entering DROP. At the time the member leaves service, the monthly retirement allowance may be recalculated to include service credit for accrued sick leave or the member may receive payment for the accrued sick leave subject to agency policies regarding payment for sick leave. In no event can the number of sick leave days converted to service credit exceed the total number of sick leave days the member had accrued upon entering DROP.

Example:

If a member had 100 days of sick leave upon entering DROP and accrued 20 more sick leave days during DROP, he or she may only convert 100 sick leave days to service credit. If a DROP participant has 100 sick leave days upon entering DROP and used all of his or her sick leave accrued during DROP plus another 20 days of sick leave, the DROP participant may only convert the remaining 80 days of sick leave to service credit.

Service Credit

The member's service credit will remain the same during DROP participation as when he or she entered DROP. No time spent participating in DROP will be counted as creditable service.

Purchasing Service Credit

Once a member enters DROP, service credit purchases are prohibited.

Contributions

Both the employer and the member will continue making contributions as required by law to the ERS during the DROP participation period.