


Understanding Your Benefits Under the FRS Pension Plan


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FRS Plan Comparison

Pension Plan	Investment Plan
<ul style="list-style-type: none">• Defined Benefit• Administered by the Division of Retirement• Based on Benefit Formula Calculation• Provides a Lifetime Monthly Benefit Upon Retiring• frs.fl.gov	<ul style="list-style-type: none">• Defined Contribution• Administered by the State Board of Administration• Based on Cash Value at Retirement• MyFRS.com

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Florida Retirement System (FRS)

- FRS created in December 1970
- Employee Non-Contributory
 - (Jan. 1, 1975 – June 30, 2011)
- 3% Employee Contributions effective July 1, 2011
- FRS Investment Plan offered beginning July 1, 2002
 - Initial FRS Plan Choice Period
 - Members employed on July 1, 2002, or initially enrolled prior to Jan. 1, 2018
 - Members initially enrolled on Jan. 1, 2018, or later
 - One time Second Election

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My FRS Financial Guidance Line

866-446-9377

<p>EY Financial Planners</p> <p>Plan Choice Guidance: Free, unbiased financial planning and counseling services.</p>	<p>MyFRS.COM</p> <p>Chat live with EY Financial Planner: Access financial planning tools and resources.</p>
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Pension Plan Vesting

Vesting means meeting the service credit requirements to become eligible for a future FRS retirement benefit

Initial Enrollment in FRS	Vesting Provisions	Membership Tier
Members enrolled on July 1, 2001, through June 30, 2011	Six-year vesting requirement	1
Members enrolled on or after July 1, 2011	Eight-year vesting requirement	2

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Normal Retirement Date

The normal retirement date is the date you first become eligible to receive an unreduced retirement benefit based on your age or years of service.

- This is also when you become first eligible to participate in the Deferred Retirement Option Program (DROP).
- The age or years of service required are based on when you first enrolled, or joined, the FRS.

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Normal Retirement Date

All Special Risk Members:

Vested and 55; or 25 years of Special Risk service (age 52 with 25 years of combined Special Risk and Military Service) whichever occurs first.

All Other Membership Classes:


Members enrolled before July 1, 2011 – Tier 1 members:

- Vested and 62; or 30 years of service whichever occurs first

Members enrolled after July 1, 2011 – Tier 2 members:

- Vested and 65; or 33 years of service whichever occurs first


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Normal Retirement Date

- If reaching by age, your Normal Retirement date would be the first of the month you turn that age.
- If reaching by years of service, your Normal Retirement date would be the first of the month following the month you attain the years of service.


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What is the DROP?

- Retiring under the FRS Pension Plan upon DROP entry
- Delaying termination of employment up to 96 months
- Participate in the DROP anytime after reaching normal retirement
- Not subject to 3% employee contributions
- Monthly retirement benefits accrue in your DROP account
- DROP interest – Effective annual interest rate of 4%
- Cost-of-Living Adjustment (COLA) – Tier 1 Members Only


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When are DROP Forms Due?

DROP Participation	Form	When to Send
Initially applying to participate in DROP	DP-ELE, DP-11, FST-12, FRS-110, and SA-1	No earlier than 6 months prior to vested members' normal retirement date or desired DROP entry date


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When are DROP Forms Due?

DROP Participation	Form	When to Send
Current participants that want to stay in the DROP for up to 96 months	DP-ELE	No later than the members' current DROP end date
K-12 Personnel to extend DROP participation after initial 96 months	DP-EXT	No later than the members' DROP end date

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DROP Extensions

K-12 Instructional and Administrative Personnel

- K-12 instructional personnel may be eligible to extend the DROP for up to an additional 24 months.
 - Must extend through the last day of the last calendar month of the school year.
- K-12 administrative personnel may extend the DROP until the last day of the last calendar month of the school year if their original DROP termination date occurs before the end of the school year.

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Terminating the DROP


DROP termination packet (provided by the division):

- DP-Term form
- DP-PAYT form

DROP accumulation payout options:

- Lump-sum payment
- Direct rollover to an eligible retirement plan
- Partial lump-sum payment and partial direct rollover

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Benefit Formula

Years of Creditable Service	X	Percentage Value Per Year	X	Average Final Compensation
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= Gross Annual Option 1 Benefit
 ÷ 12 months
 = Gross Monthly Option 1 Benefit

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Years of Service

The total of all years and parts of years you worked in a covered position with an FRS employer

- Service credit awarded monthly if salary is reported by employer for that month.
- Service credit tracked by fiscal year (July – June).
- Service credit awarded each month based upon your reported work period; e.g., 9, 10, 11 or 12 month.

Plus, years of service can include any optional service credit that you purchase.

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Optional Service

Refunded Service – [Form FR-9](#)


Leave of Absence – [Form FR-28](#)

In-State/Out-of-State Service – [Form FR-30](#) or DD-214

Purchasing Optional Service

- Personal remittance; or
- Trustee to Trustee transfer from another eligible tax-deferred account; see [Form PRO-1](#) and FRS Member Handbook


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Years of Service – Accrual Value

Regular Class Service Initially Enrolled prior to July 1, 2011	Regular Class Service Initially Enrolled on or after July 1, 2011
Age 62 or 30 years = 1.60%	Age 65 or 33 years = 1.60%
Age 63 or 31 years = 1.63%	Age 66 or 34 years = 1.63%
Age 64 or 32 years = 1.65%	Age 67 or 35 years = 1.65%
Age 65 or 33 years = 1.68%	Age 68 or 36 years = 1.68%

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Years of Service – Accrual Value

All other classes regardless of when initially enrolled:

Senior Management Service Class
2.00%
Special Risk Class
Service prior to July 1, 1974 – 2.00 %
Service on or after July 1, 1974 – 3.00%
Elected Officers' Class
Judges and Justices – 3.33%
All others – 3.00%

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Average Final Compensation

If initially enrolled prior to July 1, 2011 – Tier I

- Average of your highest five fiscal years of salary
- Fiscal year is July through June


If initially enrolled on or after July 1, 2011 – Tier 2:

- Average of your highest eight fiscal years of salary

Average Final Compensation (AFC) can include

- Lump Sum Annual Leave Payout – Up to 500 hours
 - Agency Limitations (Consult your Human Resource Office)
 - Special Comp earned within the last 11 months prior to retirement

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Average Final Compensation

AFC calculation of member retiring effective Jan. 1, 2019,
with annual leave payout

Fiscal Year	Service Credit	Salary in Fiscal Year	Explanation
2019	.50	\$15,000.00	Annualized ($\$21,900.00 / .50$ service credit) = \$43,800 is in the highest five and therefore \$15,000.00 earned in this .50 of a fiscal year will be used in the AFC .
	→ Annual Leave →	\$6,900.00 → \$21,900.00	
2018	1.00	\$29,000.00	
2017	1.00	\$28,000.00	
2016	1.00	\$27,000.00	
2015	1.00	\$26,000.00	
2014	.50	\$12,500.00	Fiscal year salary of \$25,000.00 times the percentage needed to make a full five fiscal years of salary = .50 service credit. - $\$25,000 \times .50 = \$12,500$ to be used in AFC.
Totals	5 years →	144,400.00	$(144,400/5) =$ AFC of \$28,800.00 AFC with annual leave payout

→ Versus the \$27,500.00 AFC without annual leave payout

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Benefit Formula Calculation

Special Risk Class Service Member at Normal Retirement Tier 1

Years of Service	X	% Value/Year	X	Average Final Compensation
25	X	3.00%	X	\$25,000.00
= Gross Annual Option 1 Benefit of \$18,750.00				
Divide by 12				
= Gross Monthly Option 1 Benefit of \$1,562.50				

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Benefit Formula Calculation


Regular Class Service Member at Normal Retirement Tier 1

Years of Service	X	% Value/Year	X	Average Final Compensation
30	X	1.60%	X	\$25,000.00
= Gross Annual Option 1 Benefit of \$12,000.00				
Divide by 12				
= Gross Monthly Option 1 Benefit of \$1,000.00				


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		Benefit Formula Calculation			
Tier 1 Member at Normal Retirement with dual membership					
Years of Service	X	% Value per year	X	AFC	Option 1 Annual Benefit
25 years Special Risk	X	3.00%	X	\$25,000.00	\$18,750.00
5 years Regular Class	X	1.60%	X	\$25,000.00	\$2,000.00
Total Option 1 Annual Benefit Amount					\$20,750.00
Divide by 12 to get Monthly Option 1 Benefit					\$1,729.17

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		Early Retirement
<p>Service Retirement <u>before</u> Normal Retirement Date</p> <p>Benefit reduced 5% for each year under Normal Retirement <u>age</u> or prorated share thereof:</p> <ul style="list-style-type: none"> • If initially enrolled prior to July 1, 2011, Normal Retirement age is 62 • If initially enrolled on or after July 1, 2011, Normal Retirement age is 65 • Special Risk Normal Retirement is age 55 		

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Benefit Payment Options


Benefit Payment Option 1 and Option 2

- Beneficiary can be anyone.

Benefit Payment Option 3 or Option 4

- Beneficiary must be a qualified joint annuitant, including:
 - Your spouse.
 - Your parent, grandparent, or a person for whom you are the legal guardian, claimed as a 50% dependent on your federal income tax.
 - Your natural or legally adopted child who is either under age 25 or is physically or mentally disabled and incapable of self-support (regardless of age).

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Cost of Living Adjustment (COLA)

Tier 1 Members – Member Enrolled Prior to July 1, 2011

- Three percent COLA – on service earned prior to July 1, 2011
- No COLA on service earned on or after July 1, 2011

COLA Calculation at Retirement:

<u>Years of service prior to July 1, 2011</u>	X	3%	=	Individual COLA
Total years of service at retirement				
26/30	X	3%	=	2.60%
26/33.75	X	3%	=	2.31%

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Division Forms

Department of MANAGEMENT SERVICES Division of Retirement

Business Operations Workforce Operations Agency Administration Other Programs About Us

Home / Workforce Operations / Retirement / Forms / All Forms

All Forms
All forms are listed individually in alphabetical order in the following table.

Form ID	Online Version	Form Description
ADG2311 (01)		Mailing Address Change Request Form - (RS Pension Payment Request) Only
BEA1031 (01)		Beneficiary Designation Form - Active Members Only
BEA11101		Birth Verification Form (Request for Proof of Age)
CEX12 (01)		New Employee Certification Form
Optional_025_11101		Optional Application for Service Retirement and the DROP
Optional_025_114101		Optional Notice of Election to Participate in the DROP and Resignation of Employment
Optional_025_181101		Optional Extension of DROP for Specified 9-12 Instructional Personnel
DP-PAVT		DROP Selected Payout Method. This form is automatically sent to the DROP participant by the Division Three months in advance of the member's DROP termination date to which he or she DROP payout method (direct payment, rollover, or accumulation) thereafter upon termination from DROP. Contact the DROP Termination and Refund Payment Section if you have not received this form within the time frame specified or if

Retirement

- ERS Online Improvements
- Active Members
- Retirees
- Employees
- Forms
- Optional Retirement Programs
- Local Retirement Plans
- Section 218 Agreements
- Publications
- Costs
- Leads and Studies
- Public Records
- Facts of Choice of Retirement
- Facts about the ERS Pension Plan
- Contact Us
- Retirement Website Feedback

Forms are available on the division's website (frs.myflorida.com):

- [All Forms](#)
- [Active Member Forms](#)
- [DROP Forms](#)
- [Retiree Forms](#)

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Application for Retirement

Department of MANAGEMENT SERVICES Division of Retirement

Applications accepted up to six months prior to effective retirement or DROP entry date.

Service Retirement Application – [Form FR-11](#)

DROP:

- DROP Retirement Application – [Form DP-11](#)
- Notice of Election to Participate in the DROP and Resignation of Employment – [Form DP-ELE](#)

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Other Requirements

[Form FST-12](#) – Retired member and DROP Participant Beneficiary Designation Form

[Form FRS-11o](#) – Option Selection Form

[Form SA-1](#) – Spousal Acknowledgement Form

Birth Date Verification – For member and Joint Annuitant if you selected Option 3 or 4

- See [BVR-1 publication](#) for additional information

Copy of recorded Marriage Certificate if you select benefit payment Option 3 or 4 and list your spouse as your joint annuitant

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Direct Deposit Required

State Employees: Retirement benefit will be directly deposited to the same account as their pay

Non-State employees need to set up the direct deposit of their retirement benefit through their FRS Online account as follows:

- For Service Retirements – Set up upon receipt of the Acknowledgement of your Service Retirement Application from the division.
- For DROP participants – Upon receipt of your DROP Termination packet sent three months prior to your DROP termination date.

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Retiree Forms Packet


[Form W-4P](#), Withholding Certificate for Pension Payments

- You can and should do this on your FRS Online Account

[Form HIS-1](#), Health Insurance Certification for Pension Plan Members

- Complete and submit after you have terminated employment

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Termination Requirement

Beginning July 1, 2023, Volunteer Services in accordance with section 121.091(15), Florida Statutes, do not constitute employment by or provision of services to an FRS employer.

Termination Requirement – 1st – 6th Calendar Months

- You cannot be in an employment relationship with and must cease providing services to all FRS employers. An employment relationship with an FRS employer in any capacity during this six-calendar month period may void your retirement.

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Renewed Membership


- Renewed Membership – Closed effective July 1, 2010.
- Renewed Membership re-opened effective July 1, 2017, for reemployed retirees of the state-administered defined contribution plans.
- Any FRS Pension Plan retiree initially reemployed with an FRS employer on or after July 1, 2010, is not eligible to participate in any state-administered retirement plan.

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FRS Online – Login



FRS Online (frs.fl.gov) is a secure website that provides active and retired FRS Pension Plan members access to their account for services and retirement information

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FRS Online – Active Members


Member Services

- Service History
- Current Estimate
- Create Estimate
- Beneficiary
- Annual Statement
- Refund Application
- Upload Document

Active members may:

- View years of service
- View an estimate or create a new estimate
- View or update beneficiary information
- View Annual Statement
- Apply for a refund of employee contributions
- Upload documents to the division for processing

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FRS Online – DROP Participants


DROP participants may:

- View DROP participation information
- View or update beneficiary information
- View years of service
- Upload documents to the division for processing

DROP Services

- DROP Information
- Beneficiary
- Service History
- Upload Document

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FRS Online – Retirees


Retiree Services

- 1099-R
- Income Verification Letter
- Direct Deposit Authorization
- Payment Information
- Federal Tax Withholding
- Beneficiary
- Upload Document

Retirees may:

- View 1099-R
- View Income Verification Letter
- View or update Direct Deposit Authorization
- Update Federal Tax Withholding
- View or update beneficiary
- Upload documents to the division for processing

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FRS Online – All Users

All FRS Online users may:

- Update profile settings
- Update communication preferences
- View messages sent to their FRS Online inbox

Note: Retirees may update their address

My Account

- Profile Settings
- Communication Preferences
- My Inbox
- Contact Us
- Logout

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Division of Retirement

The mission of the Division of Retirement (Division) is to deliver a high quality, innovative, and cost-effective retirement system. The division currently has 225 full-time retirement staff and manages a \$20.3-billion operating budget.

The division administers the Florida Retirement System (FRS) Pension Plan, currently the fourth largest state retirement system in the US with more than 1.1 million active, retired, and terminated vested members and \$190 billion in assets.

FRS Membership Data as of 6/30/2023		
Active Members	DBOP Participants	Retired Members
546,777 (1)	27,887 (1)	455,401 (1)

Click on the state above to see the corresponding data charts.

The division also administers other state-administered retirement systems:

- Two defined contribution plans, the State University System Optional Retirement Program (SUORPP) for eligible State University System personnel and the Senior Management Service Optional Program (SMSOP) for certain state senior managers with more than 22,187 active members (5 of whom are SMSOP members), 34,837 inactive members (88 of whom are SMSOP members) collect more than \$225 million annually in contributions (RACIOW) benefits for SMSOP members and have \$1.1 billion in assets (11.7 million of which is for SMSOP members).
- The Retiree Health Insurance Subsidy Program (RHIS) provides an additional payment to 415,827 retired FRS members with eligible health insurance coverage.

Retirement

- FRS Online Announcements
- Active Members
- Retirees
- Employers
- Forms
- Optional Retirement Programs
- Legal Retirement Plans
- Section 218 Agreements
- Publications
- Contracts
- Laws and Rules
- Public Notices
- FRS Act of Retirement
- FRS Act of the FRS Pension Plan
- Contact Us
- Retirement Website Feedback

Resources are available on the division's website (frs.myflorida.com):

- [Active Members](#)
- [Retirees](#)
- [Forms](#)
- [Publications](#)

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Publications

The publications on these pages are available to download and print as Adobe Acrobat files (in PDF format). Please note that these publications are provided under the agreement that you will not alter them either in form or content.

- [Actuarial Valuations](#)
- [Annual Reports](#)
- [FRS FAQs Brochure](#) [PDF]
- [FRS Online Brochure](#) [PDF]
- [Participating Employers](#) [PDF]
- [Retirement Guides](#)
- [Retirement Newsletters](#)
- [Summary Plan Description FRS Pension Plan](#) [PDF]
- [Summary Plan Description FRS Investment Plan](#) [PDF]

Important publication for all members include:

- [Retirement Guides](#)
- [Retirement Newsletters](#)

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Division of Retirement

Retirement Guides



The image shows two retirement guide covers. The left cover is titled "Pension Plan Member Handbook" and features a wooden boardwalk leading to the ocean. The right cover is titled "Pension Plan Deferred Retirement Option Program" and features a wooden dock extending into a body of water. Both covers include the FRS logo and the text "2024 Edition".

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Department of **MANAGEMENT SERVICES**
Division of Retirement

Retirement Guides



The image shows three retirement guide covers. The left cover is titled "Pension Plan Ready. Set. Retire." and features a tropical beach scene. The middle cover is titled "Pension and Investment Plan Survivor Benefits" and features a view of the ocean from a boat. The right cover is titled "Pension and Investment Plan Disability Benefits" and features a sunset over a marshy area. All covers include the FRS logo and the text "2024 Edition".

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Division of Retirement

FRS Online: frs.fl.gov
Division Website: frs.myflorida.com

Call the Division of Retirement	
Toll-Free Phone:	844-377-1888
Local Phone:	850-907-6500
MyFRS Financial Guidance (MyFRS.com)	866-446-9377