POLICY: ~~6Hx28:3C-14~~

Responsible Executive:
Executive Vice President, Administrative Services~~Organizational Development and Human Resources~~

Policy Contacts: Chief Human Resources Officer~~Asst Vice President, Talent Mgt & Total Rewards~~

Specific Authority: 1001.64 F.S.

Law Implemented: 1001.64 F.S.

Effective Date: ~~06-19-2025~~10-29-2026

Date of Last Policy Review: ~~06-19-2025~~10-29-2026

401(a) Qualified Retirement Plan and 403(b) & 457(b) Special Pay Plans

Policy Statement:

I. ~~Effective March 31, 1999, t~~The Valencia College ("College") ~~p~~President is authorized to establish and maintain a:

A. 401(a) qualified retirement plan: a defined contribution plan for eligible full-time employees that operates on a plan year from July 1 through June 30; and

B. 403(b) and 457(b) special pay plans: defined contribution plans for eligible full-time employees that operate on a plan year from January 1 through December 31.

II. These plans shall be administered in accordance with applicable laws, rules, regulations, and governing plan documents. Participation in these plans is mandatory for eligible full-time employees.

III. ~~The plan will be a defined contribution plan for full-time employees with a plan year of July 1 - June 30.~~ The purpose of the plans is to ~~exempt~~ allow eligible terminal sick leave, terminal vacation leave, and other payments ~~as deemed appropriate~~designated by the College ~~p~~President ~~to eligible participants from~~to be contributed in accordance with applicable law, thereby reducing applicable employee and employer FICA tax~~es~~ obligations and ~~to defer employee~~ permitting the deferral of federal income taxes for participating employees ~~on these payments~~.

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~~A. This is a mandatory plan for full-time employees who are eligible to participate.~~

IV. The College President or designee(s) may adopt procedures to implement this policy.

Policy History:

Adopted 3-17-99; Amended 12-10-02; Amended 12-14-10; Amended 6-19-25; Amended 10-29-2026; Formerly 6Hx28:07-40

Related Policies:

College Policy 6Hx28: 3C-11 Retirement Programs
~~College Policy 6Hx28: 3C-15 403(b) Qualified Retirement Plan~~
College Policy 6Hx28: 3D-03 Total Rewards: Vacation, Sick, and Personal Leave for Full-Time Employees
College Policy 6Hx28: 3F-02 Terminal Pay for Full-Time Employees

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Procedures:

I. Eligible participants ~~will~~ shall work with Organizational Development and Human Resources ("ODHR") to complete the appropriate paperwork required ~~to~~for participatione~~e~~ in the 401(a), 403(b), and 457(b) ~~P~~plans.

A. Payments to eligible participants that exceed the maximum permitted by law to a 401(a) plan will be ~~made~~contributed to the 403(b) ~~Qualified Retirement Plan~~Special Pay Plan in accordance with the provisions of this Policy.

B. Payments to eligible participants that exceed the maximums permitted by law after contributions to both 401(a) and 403(b) plans shall be contributed to the 457(b) Special Pay Plan in accordance with the provisions of this Policy. ~~and College Policy 6Hx28:3C-15, 403(b) Qualified Retirement Plan.~~

~~I.~~II. Eligible participants for the 401(a) Qualified Retirement Plan and 403(b) and 457(b) Special Pay Plans include the following:

A. State of Florida Retirement System ("FRS") members and State Community College System Optional Retirement Program ("CCORP") participants who have reached normal or early retirement as defined by State laws and rules governing the FRS.

1. Eligibility for 401(a), 403(b), and 457(b) contributions (except for Deferred Retirement Option Program participants) begins:

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a. On the day ~~prior to~~immediately preceding the employee's ~~first day of~~ normal or early retirement date (e.g., if the first day of normal or early retirement is December 1, 2025~~12/1/2025~~, eligibility begins on November 30, 2025~~11/30/2025~~), or

b. On the last day of the month in which the employee's letter of resignation and notarized retirement application ~~for retirement are notarized~~ are submitted to and accepted ~~in~~ by ODHR if ~~this~~such submission occurs after the ~~first day of~~employee's normal or early retirement date.

2. Eligibility for 401(a), 403(b), and 457(b) contributions ends upon processing of the employee's ~~when~~ final terminal payment ~~is processed~~ in accordance with College Policy 6Hx28: 3F-02 Terminal Pay for Full Time Employees.

a. The retirement application and letter of resignation submission~~and application for retirement~~ may be ~~completed~~ submitted in coordination with ODHR up to one (1) calendar year prior to the employee's separation date ~~of separation~~ from the College. The letter of resignation ~~is~~becomes irrevocable upon acceptance by the College.

3. ~~Once the eligible employee retires, they may choose~~Following retirement, participants may elect to leave contributions in the 401(a), 403(b), and/or 457(b) plans and/or take distributions in accordance with the governing plan documents.

B. Deferred Retirement Option Program ("DROP") Participants.

1. Eligibility for 401(a), 403(b), and 457(b) contributions begins on the day ~~before the~~immediately preceding the participant's FRS DROP begin date (e.g., if the FRS DROP begin date is December 1, 2025, eligibility begins on November 30, 2025.

2. Eligibility for 401(a) 403(b) and 457(b) contributions ends ~~when~~ upon processing of the employee's final terminal payment ~~is processed~~ in accordance with College Policy 6Hx28: 3F-02 Terminal Pay for Full Time Employees.

3. ~~Once the eligible DROP employee separates employment~~Following separation of employment, ~~they~~ participants may choose to leave contributions in the 401(a), 403(b), and/or 457(b) plans and/or take distributions in accordance with the governing plan documents.

III. Other eligible participants for the 401(a) Qualified Retirement Plan include the following:

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A. Employees assigned to positions within the executive/senior administrator career band, as defined by ODHR, who have unused accrued vacation leave ~~in excess of~~that exceeds the maximum carry over amount permitted under~~in accordance with~~ College Policy 6Hx28: 3D-03 Total Rewards: Vacation, Sick and Personal Leave for Full Time Employees.

B. Employees enrolled in the Valencia Optional Retirement Program in accordance with College Policy 6Hx28: 3C-11 Retirement Programs.

Refer to College policies 6Hx28: 3F-02 Terminal Pay for Full Time Employees, 6Hx28: 3C-11 Retirement Programs, and 6Hx28: 3D-03 Total Rewards: Vacation, Sick and Personal Leave for Full Time Employees for a description of the required payments into the 401(a), 403(b), and 457(b) plans and when these payments occur.

Procedure History:

Adopted 3-17-99; Amended 12-10-02, Amended 12-14-10; Amended 10-21-2015; Amended 6-19-25; Amended 10-29-2026; Formerly 6Hx28:07-40

Date of Last Procedure Review: ~~06-19-2025~~10-29-2026

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