

Executive Summary

Finance and Investment Committee, December 6, 2022

Board of Governors Meeting, December 7, 2022

Digital Bill Payment Solution

Topic

Citizens is requesting approval to contract with JP Morgan Chase, for Digital Bill Payments (electronic premium payments). The functionality is a valuable resource to Citizens and its policyholders as it allows policyholders and interested parties to make ACH premium payments. Approval is requested for a one (1) year base term with three (3) one (1) year renewal options, for an amount not to exceed \$1,500,000 for the life of the contract.

History

Citizens is seeking approval to contract with JP Morgan Chase for Digital Bill Payments, through a cloud-based software as a service solution. Citizens will continue the use of this software/functionality to provide its' policyholders with multiple avenues to make premium payments through this new contract.

Currently these services are provided through KUBRA, whose contract is expiring in February 2023. This contract with JP Morgan will replace the existing KUBRA contract. This functionality was not originally available through our commercial banker, JP Morgan, but it is available now. Using our commercial banker for Digital Bill Payments will increase organizational synergy. The requested software will also result in a reduction in payment processing costs, faster and more accurate payments, safer and more convenient payment methods, better access to data and reporting, and the ability to reach new policyholders.

The new contract was procured through a request to Florida Department of Management Services (DMS) in accordance with subsection 287.042(16) and paragraph 287.057(3)(b), Florida Statutes, and Rule 60A-1.045, Florida Administrative Code to approve for use of a contract procured through another government entity. After review, the Secretary of DMS determined on September 27, 2022, that the contract with JP Morgan Chase was cost effective and the best value to the state.

Recommendation

Staff proposes that the Finance & Investment Committee review, and if approved recommend the Board of Governors:

- a) Authorize Citizens to contract with JP Morgan Chase for an initial term of one (1) year, with three (3) one (1) year renewal options, for an amount not to exceed \$1,500,000 for the life of the contract, as set forth in this Action Item; and
- b) Authorize staff to take any appropriate or necessary action consistent with this Action Item.

Digital Bill Payments Solution

ACTION ITEM

New Contract

Contract Amendment

Other _____

CONSENT ITEM

Contract Amendment

Existing Contract Extension

Existing Contract Additional Spend

Previous Board Approval _____

Other _____

Action Items: Items requiring detailed explanation to the Board. When a requested action item is a day-to-day operational item or unanimously passed through committee it may be moved forward to the board on the Consent Index.

Move forward as Consent: This Action item is a day-to-day operational item, unanimously passed through committee or qualifies to be moved forward on the Consent Index.

Consent Items: Items not requiring detailed explanation to the Board of Governors. Consent items are contract extensions, amendments or additional spending authorities for items previously approved by the Board.

Item Description	Digital Bill Payments Solution
Purpose/Scope	<p>Citizens is requesting approval to contract with JP Morgan Chase, for Digital Bill Payments (electronic premium payments). The functionality is a valuable resource to Citizens and its policyholders as it allows policyholders and interested parties to make ACH premium payments. Approval is requested for a one (1) year base term with three (3) one (1) year renewal options, for an amount not to exceed \$1,500,000 for the life of the contract.</p> <p>The new contract was procured through a request to Florida Department of Management Services (DMS) in accordance with subsection 287.042(16) and paragraph 287.057(3)(b), Florida Statutes, and Rule 60A-1.045, Florida Administrative Code to approve for use of a contract procured through another government entity. After review, the Secretary of DMS determined on September 27, 2022, that the contract with JP Morgan Chase was cost effective and the best value to the state.</p>
Contract ID	<p>Digital Bill Payment Solution</p> <p>JP Morgan Chase</p>

Digital Bill Payments Solution

<p>Budgeted Item</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Text</p>
<p>Procurement Method</p>	<p>The new contract was procured through a request to Florida Department of Management Services (DMS) in accordance with subsection 287.042(16) and paragraph 287.057(3)(b), Florida Statutes, and Rule 60A-1.045, Florida Administrative Code</p>
<p>Contract Amount</p>	<p>\$1,500,000</p>
<p>Contract Terms</p>	<p>One (1) year base, with three (3), one (1) year renewals</p>
<p>Committee Recommendation</p>	<p>Staff proposes that the Finance & Investment Committee review, and if approved recommend the Board of Governors:</p> <ul style="list-style-type: none"> a) Authorize Citizens to contract with JP Morgan Chase for an initial term of one (1) year, with three (3), one (1) year renewal periods, for an amount not to exceed \$1,500,000, as set forth in this Action Item; and b) Authorize staff to take any appropriate or necessary action consistent with this Action Item.
<p>Board Recommendation from Committee</p>	<p>If approved at its December 6, 2022 meeting, the Finance & Investment Committee recommends that the Board of Governors:</p> <ul style="list-style-type: none"> a) Authorize Citizens to contract with JP Morgan Chase for an initial term of one (1) year, with three (3), one (1) year renewal periods, for an amount not to exceed \$1,500,000, as set forth in this Action Item; and b) Authorize staff to take any appropriate or necessary action consistent with this Action Item.
<p>Contacts</p>	<p>Jennifer Montero, Chief Financial Officer</p>