

Executive Summary

Board of Governors Meeting, September 27, 2023

Contingent Staffing Services – Additional Spend Request

Topic

Citizens staff is requesting approval to increase the approximately \$1.5M annual spend under Citizens' current Contingent Staffing Services Action Item 07Aa_12.9.15. The Contingent Staffing Services contracts provide contingent staffing resources, on an hourly basis, needed to help support its overall scalable staffing model. This companywide support covers regular business operations including the area of Catastrophic (CAT) events. The request is to increase the contract amount from approximately \$1.5M annual spend to \$1,812,281.92 for 2023, and \$2,737,740 for each of the years 2024 and 2025 for a total increase of \$2,787,761.92 through the end of the contract term, December 20, 2025.

Independent adjusters are covered under separate contracts, not within this request.

History

Citizens entered into Contract No. 15-0019 Contingent Staffing Services on June 15, 2015, pursuant to Request for Proposal 15-0019 Contingent Staffing Services with multiple vendors. The contracts include a five (5) year base term followed by five (5) optional one (1) year renewal periods. The total contract amount for the ten-year term was earlier approved at approximately \$15 million. The contracts will expire December 20, 2025. In addition to supporting Citizens scalable staffing model, the resulting Contingent Staffing Services Agreement allows Citizens to add flexible, short, and long-term staffing support required to meet specific business needs for companywide assignments for normal business and Catastrophic (CAT) events.

Spend is aligned with the annual budget in each business unit on an 'as used' basis and only incurred in the event contingent hours are worked. There is no minimum payment or promise of revenue. The current Contingent Staffing Services vendors are listed on Exhibit A.

Citizens Human Resources has facilitated an increase in Contingent staffing usage, in part to support Underwriting initiatives and anticipates the spend for Agreement No. 15-0019 will exceed the earlier approved amount of \$1.5M annually, prior to the end of the contract term.

This Consent Item seeks Board approval for an additional \$2,787,761.92 for a total approved spend of \$7,287,761.92 over the course of the remaining contract terms, through December 20, 2025.

Executive Summary

Board of Governors Meeting, September 27, 2023

The Contingent Staffing Model (Table 1) sets forth the Approved spend under Agreement No. 15-0019 and the Projected spend for the remaining term period through December 2025.

December 2023 - December 2025 Contingent Staffing Spend			
	Approved Spend	Anticipated Spend	Difference in \$1.5m approved Spend:
2023 Anticipated Spend	\$1,500,000.00	\$1,812,281.92	\$312,281.92
*2024 Anticipated Spend	\$1,500,000.00	\$2,737,740.00	\$1,237,740.00
* 2025 Anticipated Spend	\$1,500,000.00	\$2,737,740.00	\$1,237,740.00
TOTALS	\$4,500,000.00	\$7,287,761.92	(\$2,787,761.92)
*Based on average Monthly Spend of \$228,145.00			

Table 1 – Contingent Staffing Approved and Anticipated Spend 2023 – 2025

Recommendation

Citizens' Staff recommends the Board of Governors:

- a) Approve the contract (Agreement Number 15-0019 Contingent Staffing Services) increase of \$2,787,761.92 for the remainder of the contract term ending December 20, 2025, providing the Contingent Staffing Services an approximate total contract amount of \$7,287,761.92 through December 20, 2025; and,
- b) Authorize staff to take any appropriate or necessary action consistent with this Consent Item.

Executive Summary

Board of Governors Meeting, September 27, 2023

EXHIBIT A

CONTINGENT STAFFING SERVICES

REQUEST FOR PROPOSALS NO.: 15-0019

As to the above-mentioned competitive solicitation, Citizens Property Insurance Corporation intends to award a contract with the following vendors (listed in alphabetical order):

1. Vaco, Inc. (previously Alluvion Staffing)
2. CareersUSA, Inc.
3. Contemporary Staffing Solutions, Inc.
4. Tech Army, LLC (previously GDKN Corporation)
5. ICX Group, Inc.
6. Kforce Inc. & Subsidiaries
7. LanceSoft, Inc.
8. ManpowerGroup US, Inc.
9. Matrix Resources, Inc.
10. Mindlance, Inc.
11. Novalink Solutions, LLC
12. Premier Staffing Source, Inc.
13. Randstad
14. SGS Technologie
15. Software Resources, Inc.
16. TekSystems
17. The CSI Companies
18. The HCI Group
19. VCarve
20. Visium Resources, Inc.

Contingent Staffing Services - Additional Spend Request

☐ ACTION ITEM

- ☐ New Contract
- ☐ Contract Amendment
- ☐ Other

☒ CONSENT ITEM

- ☐ Contract Amendment
- ☐ Existing Contract Extension
- ☒ Existing Contract Additional Spend
- ☐ Previous Board Approval

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	Contingent Staffing Services Additional Spend Request
Purpose/Scope	This Consent Item requests approval of an increase in the current contract spend under Action Item 07Aa_12.9.15 for Contingent Staffing Services with a contract term ending December 20, 2025. The request is to approve an increase in the current contract amount of \$4.5 million (approximately \$1.5 million annually) to a total contract amount of \$7,287,761.92. This represents an increase of \$2,787,761.92 through the end of the contract term which ends on December 20, 2025.
Contract ID	Contingent Staffing Services Agreement number 15-0019
Budgeted Item	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <p>Spend is aligned with the annual budget in each Business Unit and will be on an 'as used' basis. The use of Contingent Staffing Services contracts supports Citizens' overall scalable staffing model.</p>
Procurement Method	In June 2015 Citizens issued Request for Proposal No.15-0019 Contingent Staffing Services. Citizens awarded the top twenty-four firms on August 26, 2015, with services beginning December 21, 2015.

Contingent Staffing Services - Additional Spend Request

Contract Amount	Approximately \$1.5M annually through December 20, 2025.
Contract Terms	Base Term: December 21, 2015, through December 20, 2020. Renewal Term: Five (5) optional one (1) year renewal terms through December 20, 2025.
Board Recommendation (DOES NOT go through Committee)	Citizens' Staff proposes that the Board of Governors: a) Approve this contract (Agreement Number 15-0019) spend increase of \$2,787,761.92 for Contingent Staffing Services for the remainder of the contract term, ending December 20, 2025, providing Citizens Contingent Staffing Services an approximate total contract amount of \$7,287,761.92; and, b) Authorize staff to take any appropriate or necessary action consistent with this Action Item.
CONTACTS	Violet Bloom, Chief Human Resources Officer Huw O'Callaghan, Director, Talent Strategy and Planning