



Office of the
Internal Auditor

ENGAGEMENT REPORT

July 2025

Print Mail Vendor Management Area



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Executive Summary

Background

The organization depends on print and mail vendors to efficiently handle the high volume of letters and policy documents it processes. The Citizens Business Insurance Suite (CBIS) automatically generates billing, claims, and policy-related documents according to a set schedule, while claims adjusters and the Communications team generate documents manually, which feed the print mail process.

To control costs and improve efficiency, the company established and maintains contracts with service providers that handle printing, folding, inserting, and mailing of most of Citizens' documents. Two primary vendors manage daily production, with workload distribution based primarily on image (page) production. Each vendor processes approximately half of the daily image volume. A third vendor provides surge capacity and serves as a disaster recovery partner, processing work quarterly, and plays a key role in Citizens' business resiliency plan.

As of June 1, 2025, the average monthly print mail volume is approximately 5,200,497 printed documents and 458,843 printed envelopes. These volumes typically increase during periods of market disruption, active depopulation or following a hurricane, which drives higher claims activity. Significant improvements to the Print Mail process include real-time print production monitoring, automated reporting, enhanced accountability, proof-of-mail tracking, daily print reconciliation, enhanced seed mail process, and monthly invoice reconciliation.

Objectives and Scope

The engagement validated the enhanced invoicing and monitoring controls to ensure the company only pays for completed print jobs. Additionally, Internal Audit validated the tracking of print vendor operations to identify and address potential backlogs daily, which included:

- Data Accuracy
- Invoice reconciliation
- Proof of Mail
- Mail quality review

Results

In response to a print mail control failure identified in March 2023, the Vendor Management team implemented a series of enhancements to fortify the Print Mail program and introduce stronger operational controls. Key improvements include:

- **Automated Reconciliation:** The manual print reconciliation process was replaced with an automated workflow, integrating data from CBIS, SmartComm, and Snailworks into a Power BI dashboard. This enables daily record matching to verify vendor file processing and supports monthly invoice validation to ensure accuracy and consistency. It should be noted that there was an issue found after the CBIS upgrade implementation that caused a break in the background coding that affected the May 2025 print mail invoice reconciliation. A CBIS break-fix was implemented on July 1, 2025, to successfully correct the issue.
- **Mail Tracking and Proof of Mail Enhancements:** The integration of the Snailworks application into Citizens' print mail process has enabled vendor-level visibility into United States Postal Service (USPS) scan data, facilitating real-time tracking of in-transit mail. Power BI has been enhanced to support drill-through access to both Snailworks data and SmartComm file archives. These capabilities have significantly improved the verification of



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mailed depopulation letters and litigation-related correspondence, ensuring greater accuracy and accountability.

- **Staff Upskilling and Postage Incentives:** Following consultant recommendations and staff upskilling through training and professional certifications, Citizens was able to identify and apply for a limited-time postage incentive program and received a postal credit of \$1.8 million for 2025.
- **Seed Mail Quality Control:** In April 2025, seed mail tracking was added to the MyQuality software platform. A seed document code and an RPA-developed bot improved traceability and reduced manual effort, allowing the sample size to double and strengthen performance metrics. Print vendors now have real-time access to MyQuality to view completed evaluations, eliminating delays caused by manual reporting.

There were no observations noted; however, there were two process improvement opportunities identified below:

- As it stands, the enhanced seed mail procedure uses data from both PolicyCenter and BillingCenter but not from ClaimCenter. Now that the CBIS upgrade is complete, it might be best to fully integrate ClaimCenter data into the automated seed mail process and improve efficiency and quality control.
- To improve the efficiency and accuracy of the invoice reconciliation process, automation solutions can be considered and investigated. For instance, utilizing Robotic Process Automation (RPA) tools can reduce the workload associated with manual reviewing for sifting through large data sets

We would like to thank management and staff for their cooperation and professional courtesy throughout this engagement.



Distribution

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