

Executive Summary

Audit Committee Meeting, September 23, 2026
Board of Governors Meeting, September 23, 2026

Fully Managed Payroll Services

Topic

Citizens Property Insurance Corporation (Citizens) staff are requesting approval to enter into a contract with ADP, Inc. (ADP) to provide fully managed payroll services. The term of the contract will be three (3) years and an estimated three (3) months for implementation with no renewal terms. The total contract amount is estimated at \$1,076,774 and is based on total number of employees which can also fluctuate over the term of the contract.

History

Fully managed payroll services are available through a Florida Department of Management Services-approved Alternate Contract Source, which provides a comprehensive solution to include payroll and tax administration, time and attendance tracking, wage garnishment processing, employment verification, tax form preparation, reporting, system integration, compliance support, and participant solution center services. This contract replaces an expiring contract for a limited subset of these services. Contracting to deliver a fully managed payroll solution would enhance regulatory and program compliance, streamline operations, increase automation, reduce operational risk, improve the employee experience, and eliminate the need to maintain payroll-related modules within Citizens' Human Capital Management system. The timing of the existing contract's expiration and the implementation of the fully managed payroll services contract will be coordinated to minimize overlap while ensuring a successful implementation and accurate payroll processing.

The contract cost includes reduced implementation and monthly fees valued at approximately \$46,300. The estimated cost of \$1,076,774 is based on the projected count of 800 employees used during the quoting process. Actual fees will vary based on employee count and a five (5) percent contingency amount has been added to allow for potential fluctuation of employees.

Recommendation

The recommendation is included in the Consent Item.

Fully Managed Payroll Services

Contract Summary	This contract provides fully managed payroll services for a three year term. Services include comprehensive payroll and tax administration services, time and attendance, wage garnishment, employment verification, tax forms, reporting, integration, compliance support, and participant solution center support. Fees will be based on the number of employees and will fluctuate during the contract term.			
Approval Type	☒	New Initiative	☐	Amending Ongoing Contract
	☐	Replacing Expiring Contract	☐	Other (Explain in Summary)
Awarded Vendor(s)	ADP, Inc.			
Contract Term Length	Three year base term plus estimated 3 month implementation. No renewals.			
Contract Estimated Spend	\$1,076,774			
Procurement Method	☐	Competitive Solicitation	☐	Single Source
	☒	DMS Approved Contract	☐	Emergency Procurement
	☐	Statutory Exemption	☒	Other (Explain in Summary)
Committee Consent	N/A			
Board Consent	Fully Managed Payroll Services The Board authorizes Citizens staff to execute the contract as listed above. The Board also authorizes staff to modify the contract in Citizens' best interest, including revising pricing, adding related services, or executing a six-month contract extension. These actions are required to be consistent with Citizens' Purchasing Policy.			

Executive Sponsor(s)	Jeremy Pope, Chief Administrative Officer
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