

## PEO Evaluation Checklist

### 1. Medical Plan & Rate Details

- What is the PEO's **medical plan renewal date**?
- Will you receive a **12-month rate lock**?
- Can the PEO **cap rate increases** (e.g., no more than 9%) in your contract?

### 2. Mid-Year Tax Credit Handling

- Will the PEO **credit your prior FICA taxes** (Social Security & Medicare)?
- Will the PEO **honor SUTA (State Unemployment Tax) already paid**?
- Can they prevent you from **double taxation** if starting midyear?

### 3. Credentials & Certifications

- Is the PEO **IRS Certified (CPEO)**?
- Is the PEO a **NAPEO member** and **ESAC accredited** (less than 3% are)?
- Do they have **SSAE 18 SOC 1** audit/compliance standards?
- Are they a **SHRM Recertification Provider**?

### 4. Contract & Exit Terms

- How much **notice is required** to terminate the contract (30/60/90 days)?
- Is there a **"termination with cause"** clause?
- Can someone review the contract with you?

### 5. Implementation Timeline

- Do they provide a **30–45 day onboarding window**?
- Do they offer a **kick-off call and assigned implementation specialist**?
- Are there **mock payroll runs** and training provided?

### 6. Client Experience & Support

- Do they complete a **Strategic Needs Assessment** within 60 days?
- Are **quarterly leadership meetings** and **annual reviews** included?

- Do they offer **dedicated account managers** and clear communication channels?

## 7. Training & Compliance

- Do they help you stay **compliant with federal/state laws**?
  - Is **Employment Practices Liability Insurance (EPLI)** available?
  - Do they provide **HR webinars and training** for your team?
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### **Pro Tip:**

There are over **600 PEOs** nationwide. Work with a **PEO Broker** (like us!) to get side-by-side comparisons and unbiased guidance—at no cost to your business.

### **Need help getting started?**

Email: [Suzanna@PEOForTheCEO.com](mailto:Suzanna@PEOForTheCEO.com)

 [Book a free consultation](#)