**Summary Minutes of the
Information Systems Advisory Committee Meeting
Tuesday, June 22, 2021**

The Information Systems Advisory Committee (ISAC) of Citizens Property Insurance Corporation (Citizens) convened via Zoom webinar on Tuesday, June 22, 2021, at 10:00 a.m. (ET).

The following members of the Information Systems Advisory Committee were present:

      Nelson Telemaco, Chair
      Lazaro Fields
      Reynolds Henderson
      Brian Foley
      Kelly Booten, staff

The following Citizens staff members were present:

Aditya Gavvala	David Woodruff
Barbara Walker	Eric Addison
Barry Gilway	Jennifer Dilmore
Belinda Miller	Ray Norris
Bonnie Gilliland	Robert Sellers
Chris Jobczynski	Wendy Perry
Christine Ashburn	

Call Meeting to Order
Roll was called. Chairman Nelson Telemaco, Governor Lazaro Fields, Governor Reynolds Henderson, and Technical Advisor Brian Foley were present. Chairman Telemaco called the meeting to order.

1. Approval of Prior Meeting's Minutes

Chairman Telemaco: I would like to call the meeting to order. I would like to seek approval for the prior Minutes.

Governor Reynolds Henderson made a motion to approve the December 8, 2020, Information Systems Advisory Committee (ISAC) Minutes. Governor Lazaro Fields seconded the motion. Roll was called. The minutes were unanimously approved.

Chairman Telemaco: Before we move on with the agenda, I know there are several people that are new to this committee, including myself. I would like for just a quick moment of introduction if that's okay. Governor Lazaro Fields, I believe you are also new. We have not had the pleasure to meet, yet, but if you wouldn't mind just a quick introduction, that would be great.

Governor Fields: Yes, thank you, Mr. Chairman. Lazaro Fields. I have been on the Board of Governors now for about six or seven months. My first time sitting on this committee, but it is an important committee, especially as how it relates to how we interact with our policyholders. I am looking forward to working with all of you. Thank you, Mr. Chairman.

Chairman Telemaco: Thank you very much, I appreciate it. Welcome to the committee. Governor Reynolds Henderson.

Governor Henderson: Thank you, Governor Telemaco, Mr. Chair. Reynolds Henderson. I have been a board member of Citizens for about three years and look forward to working on this committee. One of the things that I would really like to work on would be increasing usage of the portal which I have spoken with the members of staff, Kelly especially, about. I am excited about this, and I think we can do many good things. So, thank you, Mr. Chair.

Chairman Telemaco: Excellent. Looking forward to working with you as well. Brian Foley.

Brian Foley: Good morning. I have been on this committee for, Kelly, I don't remember how long, probably 12 or 13 years --

Chairman Telemaco: Okay.

Kelly Booten: Yes, that sounds correct.

Brian Foley: I am with Florida Blue, Blue Cross Blue Shield of Florida in the IT area.

Chairman Telemaco: Excellent, I appreciate that. I suppose the rest of you all know each other, so I will introduce myself, as well. I am very pleased and honored to be part of the Board of Governors, and in particular this committee. I certainly look forward to contributing as much as I can. I have spent a lot of years in the insurance arena and worked on several different projects. Obviously, there is still a lot for me to learn, but I certainly hope that I will be of value to this committee.

I can tell you that I have had the pleasure of meeting some members of the committee already. The staff has been phenomenal getting me up to speed. So, I think going forward it is going to be a great experience for all of us, so thank you for that.

I would like to turn it over to Kelly Booten at this time to provide the ISAC Charter Review.

2. ISAC Charter Review

Kelly Booten: Good morning, Governors. Kelly Booten for the record. Annually we review our committee charter, and this is a really good time to do it with new committee members, especially the primary responsibilities section, section three - Wendy, if you will go to that section. We went back in our records and found that this was originally created in 2009, shortly after the ISAC came into existence. Since then, we have revised it a few times as technology has changed with a focus on IT risk, IT security, disaster recovery, and the various components of IT. So, it has been pretty well modified to meet current trends.

The primary responsibilities section pretty much outlays what we do and what we cover from meeting to meeting: review of action items and budgetary spend, review of strategic plans, as we are going to review today, review of major programs, and we will be covering those over the course of the year; Audit findings, which I usually cover in my portion of the agenda, as well as anything else that the committee wishes us to cover.

Staff does not have any recommendations for change, but at this point I would like to open it up to the committee to see if there's any changes you guys would like to recommend.

Chairman Telemaco: Go ahead, I am sorry, there was a comment.

Kelly Booten: I didn't hear any comment. Do we want to make a recommendation to proceed with the committee charter as it exists today?

Brian Foley: This is Brian, motion to approve.

Chairman Telemaco: Okay, Governor Reynolds had his hand up. Is that just a motion to approve as well? I'm sorry, you are on mute. I am not sure if you were wanting to comment.

Governor Henderson: Sorry about that. I was going to -- I can just ask my questions in discussion. It is nothing more than, I mean, if someone wants to make a second, I was trying to delay asking questions. So, I am happy with going the second and then discussion.

Chairman Telemaco: Yes, I mean, if you have a question and you would like to discuss it, this would be a good time to do that.

Governor Henderson: Okay. When you asked for introductions, I brought up the portal. Kelly, do you believe the portal is part of the primary responsibilities? I did look at the portal, and the lack of usage of the portal is such an important thing in my mind that we need to be focused on. Do you feel like that is covered in this?

Kelly Booten: Well, yes. Really the primary place that that is covered is at the Consumer Services Committee. Tomorrow that committee meets, and I think, Governor Henderson, you are on that committee, as well.

Governor Henderson: Right.

Kelly Booten: It will cover the road map for the portal and the customer adoption ideas that we have in mind. Jeremy Pope is going to be presenting that, so I think that one gets covered really well there, but it doesn't preclude us from doing technology type updates for future technology usage.

Our portal has already been established and we've got the technology in place for it. It's now a matter of adding the additional capability to it, so it's more of a Consumer Services Committee item than a technology item.

Governor Henderson: Okay, thank you. You know, just for Governor Telemaco, I think Governor Fields is probably aware of this, but you know, in past Board meetings we have discussed the idea of moving to a direct-to-consumer model and I think that all of this technology clearly is a part of that. We haven't decided if we are ever going to go that route, but I am just saying as we do, we would probably need to update some of these, and that is the only comment I would make.

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Kelly Booten: And that's a very good point. The consumer portal technology that we have does have the ability for quote/buy. We have not implemented it, we clearly don't have any direction to go direct in that aspect, but should that decision ever be made, we do have the ability to do it.

The other avenue that we have is improving our FMAP capability, which is the portal that we have that is for shoppers that don't already have an established agent or Carrier to find a connection to that person and use the FMAP portal to do that. We will be presenting at the FMAP Board of Governors meeting some improvements to that capability. I think that is more in line, and that brings the two together.

Governor Henderson: Thank you. That is all I had.

Chairman Telemaco: Okay. Any other comments or questions as it relates to the charter?

I have a question. I know we are reviewing it now - if at some point there is a need to update, what would be the protocol to update the charter? Do we wait for the next Board meeting, do we do it annually?

Kelly Booten: We do it annually. We are on a schedule to review it annually. Last year it was March of 2020, and we didn't have a March meeting this year, that's why we are doing it in June, so it would be up in either March or June of next year. Of course, as we discuss agenda ahead of every committee meeting you can decide at any point that you want to amend the charter.

Chairman Telemaco: Okay. There was a motion to approve the charter as presented. Was there a second?

Brian Foley made a motion to approve the Information Systems Advisory Committee (ISAC) Charter as presented. Governor Reynolds Henderson seconded the motion. Roll was called. The Charter was unanimously approved as presented.

Chairman Telemaco: Okay, great. If you wouldn't mind moving on to the next topic on the agenda, to review the Operating Officer Update.

3. Chief Operating Officer Update

Kelly Booten: Good morning, today I would like to provide a brief update on IT catastrophe readiness, recent disaster recovery tests, audit findings and IT impact of 2021 legislation.

From a catastrophe response readiness, overall readiness updates will be presented at the Consumer Services Committee and the Claims Committee. IT supports the various business technology requirements and each calendar year we perform a series of assurance processes that includes system enhancements, process improvements, capacity analysis, response procedures and deployment exercises that validate enterprise readiness, ultimately strengthening Citizens' catastrophe response capability. Our resiliency team tracks a CAT Performance Assurance dashboard that includes 20 key categories and 140 readiness items, such as claims systems readiness and processes, on boarding and account management, communications, field services for CAT deployment and activation, system environment readiness for both our test and production environments, catastrophe process and procedures, technology service level agreements for catastrophe response services, readiness validation

exercises such as mock catastrophe response center, adjuster onboarding and strike zone office. Last week, our CSV, catastrophe support vehicle and strike zone office coordination test was successfully conducted with our business continuity vendor partner, Agility Recovery Solutions. We are ready for 2021 hurricane season.

Citizens' disaster recovery exercises were also successfully executed, demonstrating our capabilities of technology recovery strategies from our production data center to the alternative backup data center. Execution times for each exercise met business recovery time objective expectations. The telephony communications fail over was conducted in December 2020, and the Citizens Insurance Suite, which is our primary insurance systems for claims, billing, and policy, and all of the related integrations, was failed over and recovered back in April of 2021.

At the September ISAC, Robert plans to provide a full update on all resiliency components: disaster recovery, business continuity and IT security and risk.

With respect to open audit findings there are no open audit findings specifically assigned to IT, though we are supporting other business units in implementing management responses to findings such as OFAC automation improvements. Audits in progress include Auditor General and a logging and monitoring audit which is in the planning phase, and a Centerpoint configuration audit that is wrapping up, and Joe may be presenting that at the Audit Committee. So, we are in good shape from an audit findings perspective.

And then Governor Telemaco asked me to provide an update on systems implications related to the passage of new legislation this session. There are a number of system and process changes required to be implemented July 1st as a result of the passage of Senate Bill 76, House Bill 1079, and a few others. A program manager was assigned to manage the implementation of the various Bill components and provides updates to the Executive team who is currently meeting weekly since there is a lot that has to be accomplished in a short amount of time.

Changes to insurer duties and award of attorney fees in property insurance litigation as outlined in Senate Bill 76 and scheduled to be implemented by 06/30 include changes to our Claims Management System for things such as an introduction of Notice of Intent, the related data points to that user interface and workflow, ability to link the Notice of Intent to an appraiser or a litigation matter, ability to make payments related to the Notice of Intent, ability to associate documents, notes, contacts and activities to Notice of Intent, tracking of history, an introduction of Notice of Intent assignment rules, modifications to the appraisal interface, modifications to the Litigation Matter Management user interface, and changes regarding data and reporting necessary to comply with insurer reporting of residential property insurance closed claims data, as well as dashboards necessary to monitor and report on progress of all of the above changes.

The 20 percent rule changed. The Clearinghouse is effective 07/01, whereby a personal lines residential risk seeking to be newly insured by Citizens is ineligible for coverage if it receives an offer of comparable coverage from an authorized insurer that is not more than 20 percent higher than the Citizens' premium. Currently it is 15 percent. That entailed changes to the Clearinghouse and PolicyCenter®, and also to applications and forms. I sent an e-mail to the Board because we got a little bit out of sequence on that to get those forms and rules file linked to be compliant by 07/01.

Other changes will be presented at the Actuarial and Underwriting Committee with a later effective date of 02/01/22 to include the reinsurance, which is now able to be included in our rate filings, the glide path moving to 11 percent in 2022, and then the product form changes for loss reporting timelines moving from three years to two years.

Sections of Senate Bill 1598, the Department of Financial Services Consumer Protection Bill, will be implemented before 02/01/2022. That includes changes to the Homeowner Claims Bill of Rights and a few other changes.

Another one is House Bill 1079, and that Bill includes several provisions for the evaluation, management, and oversight of competitively procured contracts for commodities and contractual services. For that one we have a vendor and contract management system whereby we have to configure it to have continuing oversight for the thresholds that are implemented. There are team thresholds for different expenditures on procurements, and other various data needed to monitor those actions.

Before I move into the IT Strategic Plan, are there any questions on those items?

Brian Foley: This is Brian, Kelly. One of the things that is going on in the industry around disaster recovery and backups is the growth of ransomware. Folks in the ransomware industry are targeting our backups at disaster recovery sites in order to plant malicious code and then execute it at some point in time later. Are you looking at, from a strategy perspective, how to combat that and make sure that your backups are in a clean environment in case you ever get attacked from a ransomware perspective?

Kelly Booten: Absolutely. That is probably, and Robert can chime in on this one, one of the, I would say, the highest priority items that we are looking at from a defense around ransomware attacks. We do have a presentation we are doing, specifically cybersecurity-related, a briefing to the Executive team, the response that we have in place, the ways we protect against that, and plan to cover, probably not in a ton of detail due to the nature of the topic, but when we cover the resiliency components at the September Board meeting we plan to cover that topic in more detail, but we are all over it and I hear you. That is a very important topic.

Robert Sellers: Brian, from our standpoint as Kelly has indicated, it is, in our IT security space right now, one of the top risk areas we have at a high level. Many different things going on in our organization with our cloud technologies, our current on-premises technologies, our backup and recovery activities, all of these are constantly being updated with the latest technologies from the different vendors, but the environment is a very volatile environment right now.

We have a significant number of bad actors, both individuals, as well as state actors, that are enjoying the ability to disrupt organizations and receive large financial benefits as they do so. Our teams are very much aware of the challenges associated with protection in this environment. Backup and recovery is the last bastion of defense in many cases for organizations; the ability to have immutable data out there in an environment that you can go back to it at a certain point in time to continue your business operations. As Kelly has indicated, we are briefing our Executive Leadership Team. We will be briefing the Board and this committee very specifically on our capabilities at the level that is suitable for public consumption and individually where it is not. Thank you.

Chairman Telemaco: Very good, thank you.

Kelly Booten: Thank you, Robert. Any other questions before I move into the IT Strategic Plan?

4. IT Strategic Plan Update

Kelly Booten: Next, we are going to cover our IT Strategic Plan. This plan was created about a year ago. We met individually with our technical advisers and reviewed it at that time when we revamped it. This year is an update to the plan and includes a review of the components at a very high level. Chris has a unique way he is going to present this, and you each have the IT Strategic Plan in its detail with the appendices and the definitions. We would be glad to meet with any of you individually, if you want to drill into that much deeper, but today we thought we would do an overview, and then as we move throughout the calendar year, we plan to cover various components of the plan in much more detail.

Governor Telemaco, if you would like, I will turn it over to Chris and Robert for the IT Strategic Plan.

Chairman Telemaco: That would be great, thank you.

Robert Sellers: Governors and Advisers, again my name is Robert Sellers. I'm the Chief Technology Officer for Citizens. I have responsibility for a number of different areas, both in the area of the Risk Management, as Kelly mentioned earlier, but also in the area of our IT Strategy as it correlates to our business relationships and business models. Chris Jobczynski is the Director of Enterprise Architecture and IT Strategy. He has a team of 10 people within his organization that are aligned to our business organizations through our Enterprise Business Solution Architects. They are working on a daily basis with each of our different business units from Claims, Underwriting, Accounting, and others, and we also have a number of domain architects that are working within the division that work primarily with IT but expand out in the area of our data architecture space into our business units, as well. There is a strong alignment between our architects and the business units in which we serve and for which we are designing frameworks and models. At the same time Kelly's organization, Enterprise Operations, has an Enterprise Strategies group, as well, and they're working in alignment with us to ensure that we have synergies between the organization and what we are attempting to do from a business area on into the IT space and the readiness of IT to support them.

Chris has been with Citizens many years, has a great deal of expertise in the area of Enterprise Architecture and IT Strategies. In this last year, we have been moving away from these big, large monolithic strategies to more of an adaptive mode. We are seeing change happen so rapidly in the organizations that three and five-year type of strategic plans are becoming problematic. You have to review those more regularly and adapt those strategies to the environment in which we are performing our business operations. For those of you who saw last year's strategies, you will see a lot of improvements, a lot of areas that have expanded in terms of our scope, but also some areas that are pinpointing problems and opportunities that we have seen in the last six months coming to fruition inside the strategy. So, with that, I'm going to turn it over to Chris, and I think you will enjoy the walk through of the Strategic Plan. Thank you.

Chris Jobczynski: Good morning everyone, can you hear me?

Chairman Telemaco: Yes, we can.

Chris Jobczynski: Okay, thank you. All right, good morning. I will review the IT Strategic Plan overview. What I'm displaying and you should be seeing now is the IT Strategic Plan diagram, a single page summary. What I'll do is I will zoom in to different aspect of this diagram as I go through the presentation so it will be a lot easier for you folks to read and understand how it all comes together.

The IT Strategic Plan describes how Citizens' IT will enable the delivery of business value, drive business outcomes and partner with the enterprise to fulfill Citizens' mission. The IT Strategic Plan is summarized here on one page, but there is an entire document that describes each of these sections in more detail.

I will start with the drivers. These are the macro level drivers that are shaping the Citizens' operating environment. Some drivers outline relevant tends in IT that may represent new business opportunities and/or threats. For example, the global pandemic impacted our work environment and our technology environment. We had to roll out Microsoft Teams and collaboration technologies very quickly at that time.

Policy county variability has greatly influenced our exposure, our work backlog, influenced the definition of our enterprises themes that will provide focus for many of our work efforts.

We also have enterprise goals listed here. We keep those in mind as we try to live up to those goals in everything that we do. However, the strategic themes, more specifically help guide initiatives and actions for the near term. I will zoom in on the 2021 themes.

These themes establish the direction by our Executives for the areas of focus for 2021. The intent is to align our investments and people, processes and technology to the corporate initiatives that return optimal value while also minimizing negative financial impacts for our customers. I will draw your attention to the color coding. We color coded each of these themes and carried that color coding throughout the rest of this diagram and presentation so you can quickly see which of the elements align to which strategic theme. Reduce Citizens' exposure for example is in blue, and that color will carry over through other areas of the presentation and we have our other strategic themes listed here.

So now that we have a general direction from Executive Team for what we need to focus on, how do we identify the initiatives to work on given that there are endless possibilities. Business architecture provides a common enterprise level business language for documenting how the business is structured, what the business does and how it delivers value. And you can see the core components of the business architecture framework work in the yellow circle.

The two key components of that are value streams, value streams provide an end-to-end view of how value is delivered to our various stakeholders, and business capabilities define what the business does to achieve specific outcomes. Once we define the value streams and business capabilities, we can better understand where we have opportunities for improvement and take action accordingly.

To prioritize work efforts, we have identified the top six value streams that we need to focus on. You will notice the color coding I referenced earlier aligning to each theme. The output of the

business architecture should inform our project portfolio. I will move on to the key strategic initiative section. We have carried the color coding into that section so you can see which KSIs, key strategic initiatives, are associated with each strategic theme. I won't go through all the KSIs here, but I will call out customer experience. The Customer Experience division has been partnering with the following business areas to create a customer experience strategy: Agency and Market Services, Claims, Underwriting and Product Development, Communications and Strategic Services, and Information Technology.

The intent being to improve interactions with customers leading to improved customer satisfaction, public perception, improved operational processes and other benefits, like reduced call volume. That is a corporate level strategy. I will talk more about IT strategies in a minute. So, these sections that we have described so far, these four sections, have been almost entirely business focused. Aside from IT's leadership with the business architecture, all the information presented thus far is establishing the business needs and identifying required business projects.

Now we need the IT, people, process, and technology plans in place to enable success of everything that we have talked about so far, so we will talk about that next. Let's discuss people first. As part of Human Resources Enterprise Strategic Workforce Planning initiative, we've completed the Strategic Workforce Plan for IT. The IT Strategic Workforce Plan provided several recommendations that are listed here to address future needs, and there is progress in each of these areas. Of course, we had to rapidly expand remote work for the pandemic, but we have activities in each of these areas going on. You will hear in a few minutes from Aditya about the Managed Workplace Services for IT. This section also includes various corporate programs and activities to further strengthen and unite our workforce.

In addition to the items listed here, our IT strategies involve many changes that will impact Citizens, people, and culture, including their roles and responsibilities. An example of this is the cloud strategy. With the cloud, Citizens' IT will not directly manage the physical hardware, instead our roles need to change because we manage infrastructure differently than today's on-premises environment. So, our IT folks have already been experiencing these changes with the progress that has been made with our cloud transformation thus far. We have adopted Microsoft 365 in the cloud. That includes Teams, Outlook, and other tools, and we have completed a lot of the foundation work for migrating additional infrastructure to the cloud. Our employees have learned a lot about cloud configuration and cloud security.

Training, retooling and change management will be required to support the strategies outlined in this document, and the full strategy document includes a list of the people impacts of the IT strategies that we are working on.

Moving on to the technology section, here are the information technology strategies that are either in progress or being planned. One example that we just talked about is the cloud strategy and you will notice the color-coding theme again aligned to our different themes. Another example is robotics process automation. This is where we are advancing our ability to automate manual tasks, particularly in those areas related to themes or critical value streams. The IT Strategic Plan Appendix includes a summary of each of these strategies, including the purpose, drivers, and outcomes. We are reviewing the priority of these strategies on a quarterly basis just ahead of our quarterly delivery planning that is part of our Agile process.

To facilitate that discussion on priorities I will now display our strategy radar. We just recently updated this for quarterly planning that is coming up. This includes a more useful representation of our IT strategies that's also in the previous view. It includes a status for each in terms of creation or delivery. You can see the color coding of the circles indicates the status in terms of creation, planning, delivery, or whether or not there's even work planned for this upcoming program increment on the ones that are in gray. And then the color of the squares inside the circles indicates theme alignment, and I can hover over any of these and display the full name. You will also have all of this material distributed to you.

UCC is a good example to look at. You can hover over and see that is Unified Communication and Collaboration. We have activities going on in that area to improve upon and modernize our communication infrastructure robotics process automation I had mentioned. There are activities going on with robotics process automation. There is some tactical work going on with the Florida Market Assistance Program, and also some strategic planning work in that area, as well.

This is the tool that we use to visualize the strategies that we've got, work together to make sure that we are prioritizing the right ones, get things aligned for the upcoming planning session, and then plan and execute accordingly.

The distributed materials include a brief description of each of these strategies and we will use this radar to adjust priorities on an ongoing quarterly basis. We could go through this in more detail now, but if there are no questions on this aspect of it, I will move on to the rest of the presentation. And we can always come back to any of this at the end.

Governor Henderson: One question.

Chris Jobczynski: Yes.

Governor Henderson: Robotics process, what all does that cover, robotics process?

Chris Jobczynski: With robotics process automation we have researched and invested in a tool set that helps to automate manually performed tasks that have a user interface. If there are different systems that need to be accessed to perform some kind of business process, and those systems can't logically be integrated from a back-end perspective using our traditional technologies, the RPA tool will basically automate the keystrokes, so to speak, and mimic somebody going to those different screens and help you automate a workflow that normally would take a little bit longer to do. There are various use cases that we have looked at within our company to identify where some of those opportunities exist, we did a proof of concept of the technology. We've invested in a solution, and I believe there is work going on now to look at the opportunities to leverage that suite for improving productivity and being able to get work done faster. So, it is not actually physically robots, it is just programmatic robots that we would build in the suite to help automate some of those tasks.

Governor Henderson: Got it. Are you familiar with some of the robotics where adjusters, they'll send drones and all kinds of other non-humans to go view the properties to try to get a claim going faster and all that?

Chris Jobczynski: Yes, that is a great topic now. The advanced drone topic I believe is in our emerging technologies radar, that is a different radar, a different view than this and I will cover

emerging technologies here in a minute. We do use drones today, but I believe just to do the roof flyovers on inspections and things like that, but they're manually controlled by people on-site for our use today from what I understand. On our emerging technologies radar, we also have advanced drones so that we can understand what is going on, how they are being leveraged and determine the appropriate timing for Citizens to do something like that.

Governor Henderson: All right, got it, thank you.

Chris Jobczynski: Absolutely. I will move back to the presentation at this time, and we can come back and answer any other questions in this area.

We've talked about the IT enabling strategies at the top of the page, and I also just mentioned emerging technologies. So, here are the emerging technologies that are currently on our list. These would be technologies that we currently have not invested in or committed to do something with, yet, but they're on our watch list and we are doing some level of research on these. So again, we want these to be visible to the folks, both within IT and the business and to this committee in case there is any other input on emerging technologies that we should be watching. This is what we have on the list today. We talked about advanced drones. Chat bots is another one, we haven't done anything with chat bots, yet, but we are beginning to research that.

We have a radar that looks similar to the strategy radar. This is the look of our technology radar, and it does represent a similar theme in terms of how we plot these emerging technologies by priority to determine which ones we think are the high ones, which ones we should be doing more research on, potentially proof of concept, or things of that nature. Ultimately, if something becomes important enough, we might create a strategy on it and execute an initiative to implement a solution. Generally, you will see them come on the emerging technology radar first and then after that, if we decide to do something with it, it will move into a strategy and be on the strategy radar.

Governor Henderson: A question really quick.

Chris Jobczynski: Yes.

Governor Henderson: When you are numbering is that kind of the orders of importance with the emerging technologies or is that just saying you can have it more like a map key.

Chris Jobczynski: Yes. It's just a map on this one. In fact, on the improved radar we don't even have the numbering, we just have the technologies right within the radar itself, but I didn't pull up that one for you folks or distribute it.

Governor Henderson: So blockchain, is that something that could help us with things like ransomware where somebody comes in and puts some virus in there. Is that some way we can back it up, so you know where everything is? Is that developing pretty fast or is it still kind of out there in the future?

Chris Jobczynski: So blockchain hasn't been very well adopted yet in the insurance industry, I don't believe. It is on our watch list, and we are looking at it, but it's a way to have immutable transactions that can't be tampered with. It has not yet received broad adoption, but it is

something that we are keeping an eye on. Hence, that one I believe is out in this outer ring. That would be the distributed ledger, yes, the distributed ledger in this area is on the outer ring. So, we continue to revisit blockchain.

When it is on the outer ring in the low, that means that we are going to take a look at that every year and make sure that there is not something more that we need to be doing. When it is on the inner ring, that means we are taking a very good hard look at it and maybe proceeding with some plans sooner than later. So that is how you read the priorities on that.

Governor Henderson: Thank you.

Chris Jobczynski: Absolutely. All right, let's zoom back out here. So that was the people and the technology aspects. Now we will discuss the process aspect.

There are three primary process areas that we called out in the IT Strategic Plan and those are Enterprise Rhythm, which is our Citizens branding for the enterprise scaled Agile framework, and then DevOps and Governance. The IT Strategic Plan document goes into more detail on each of these, including a definition of the acronyms used in this diagram.

We are an Agile shop, meaning we follow an Agile methodology, and we are closely continuing to mature our Agile framework. The framework we use on a daily basis allows us to collaborate closely with the business, align priorities, design and deliver solutions together, and ensure quality in those solutions.

DevOps is a set of practices that automates the process between software development and IT teams, particularly operations, to build, test and release software faster and more reliably.

The various governance groups help to keep things aligned to our goals, our principles, and our architecture. We are constantly balancing our ability to move quickly while still adhering to these needed governance practices to ensure alignment, quality, and minimize the risk.

We also have principles that are our guiderails. Enterprise architecture principles are a set of principles to guide decision-making and ensure information and technology remain aligned with Citizens' strategic intent. I will choose a few examples here. One is 'cloud over Citizens hosted'. We're executing that program to migrate to the cloud, so we don't want to expand our on-premises data center footprint by choosing solutions that need to be implemented in our data center. Similarly, 'implement elastic solutions'. If a solution is not capable of expanding to meet our policy and claims volumes, then we shouldn't be investing or purchasing it. Those are a couple of examples of the enterprise architecture principles.

We also have Agile principles. As part of our transformation to Agile, like what was in our processes slide, Citizens launched a program called Enterprise Rhythm, and that is our Citizens' branding for enterprise Agile at scale using the scaled Agile framework (SAFe). Principles adopted from this framework are critical to how work is delivered to achieve business value.

The final section we'll cover is metrics. Metrics help us determine if we are successful or if we need to improve any areas. The metrics included here indicate the cost of IT and how IT is operating, as well as other sets of metrics related to Agile and how our Agile framework is operating. As we make progress with our enterprise objectives and key results, OKRs, we

expect that we will more closely integrate those OKRs and associated metrics into the IT strategic plan.

In closing this was a high-level overview of the overall IT Strategic Plan which is included in your package today. If there are any questions, I will be happy to address and discuss them, and as always, we are available to provide further information to you and the committee, either here in an ISAC meeting or individually.

Thank you. Any questions?

Kelly Booten: Thanks, Chris. Governor Telemaco, are we ready to move to the next item?

Chairman Telemaco: Yes. Seeing no further questions, I would like to move on to the next item. Aditya Gavvala is going to be presenting the Managed Workplace Services for the IT Action Plan.

5. Managed Workplace IT Services Action Item

Aditya Gavvala: Good morning, this is Aditya Gavvala, Vice-President, IT Services & Delivery from Citizens for the record. I would like to draw your attention to the Managed Workplace IT Services Executive Summary document that is being displayed right now.

Let me begin by providing some background to the action item. Currently, Citizens utilizes full time employees and staff augmentation to provide IT help desk support to more than 1,100 staff and approximately 120 contingent workers. The Technical Operating Center monitors system availability and health, alerts IT staff in case of any system incidents, facilitates conference calls, and handles incident management. The Identity and Access Management team fulfills access provisioning and de-provisioning, also performs quarterly compliance attestations. These services include a mixture of 24 by 7 by 365 coverage and extended hours coverage.

On January 22, 2021, Citizens issued an invitation to negotiate for Managed Workplace IT Services. We received 11 vendor responses and the evaluation team advanced five vendors to negotiations on March 2, 2021[1]. On June 2, 2021[2], the negotiation team recommended an award to Wipro Limited as the primary vendor offering the best value to Citizens, and also to Long View Systems as a potential, contingent vendor.

Wipro is a global IT solution company with over 190,000 dedicated employees, serving clients across six different continents. Wipro Limited is also recognized as a leader in the Gartner Magic Quadrant for Managed Workplace Services in 2020. In the managed workplace services space Wipro Limited currently has 650 clients worldwide and 350 plus clients located in North America. Some of the key benefits of the Managed Workplace Services through Wipro are: 1) Wipro Limited will provide additional business agility, during on demand or Citizens' needs, such as hurricane and catastrophe events, offering varying levels of service level agreements for different percentile, which includes VIPs, non-VIPs, free of staff, providing them 24/7, 365 days a

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[1] Verbatim correction: Date added to provide clarification
[2] Verbatim correction: Date was stated as January 22, 2021, but was changed in the minutes to reflect the correct date of June 2, 2021

year coverage. Wipro will not only focus on fulfilling the ticket with highest levels of customer satisfaction, but also will focus on doing the ticket volume and call volumes by continuously exploring opportunities for automation by mining the trends and patterns in the tickets and also through using the robotics process automation. This shift left capability is expected to return an estimated cost savings of approximately $1.13 million over six years. This predominantly includes salary, benefits, and contract rates.

Currently, the three services that I mentioned, which are Help Desk services, Technical Operation Center services, Identity and Compliance Management services, are provided by 14 Citizens full time employees and 10 staff augmentation workers. Of those 24 resources, two Citizens full time employees will be retained, and the other 22 resources will no longer be in the above-described roles. Those 22 impacted resources have an average spend of $1.52 million per year which includes salaries, benefits, contracts rates, equipment, and physical space.

I would like to draw your attention to a couple of mistakes that we noticed in the executive summary. In the history section in the first paragraph where it says 17, that should have been 14 resources, and in the third paragraph we have adjusted the cost savings by subtracting the potential severance cost. We will send a revised executive summary to the committee before the Board of Governors' meeting. The total spend authority that we are requesting through this action item is $9,999,200. This includes an additional forecasted amount of $2 million in contingency funds as may be needed to support seasonal demands on our organization for the term of the contract, such as additional independent adjuster support needed related to catastrophe events.

I will pause for any questions at this time.

Governor Fields: Mr. Chairman, this is Lazaro Fields. Could I ask a question?

Chairman Telemaco: Yes, absolutely.

Governor Fields: Thank you. Aditya, I have a few questions. I notice on the first page of this executive summary that we are also seeking approval from us, and eventually the board, to contract with a backup entity, as well, in the event that the contract with Wipro doesn't go through. My question is, as a board member should we be in any way concerned? Obviously, we are choosing this Wipro company. I want to be sure that the second organization is just as capable to handle this type of responsibility as well.

Aditya Gavvala: Yes, sir. We started with evaluating 11 vendors and we short listed five vendors that we moved to the negotiation phase. In the negotiation phase we worked with all five vendors. We looked at the demos and we made sure that the vendors that we selected have all the capability that we need to satisfy our business requirements. We looked at various aspects, their background, their ability to support us and the cost factors. So, all inclusive, Wipro definitely raised to the top and Long View System ended up being number two in that selection process. So, it is our standard practice to choose the top two vendors, the primary vendor and the contingent vendor, just in case the primary vendor does not work out for any reason we have a fallback to the secondary vendor, so we don't have to start the process all over again. So, to answer your question, both Wipro and Long View are quite capable, but considering all that, including cost and everything, Wipro is definitely the number one. That is how Wipro ended up being the primary vendor.

Brian Foley: This is Brian, and I will chime in just from an industry experience perspective. Wipro is a very reputable organization and deals with clients around the globe, and you know, as a fall back, there are many other large organizations that would be happy to have the business. I don't believe there is a risk there.

Chairman Telemaco: Okay, great, thank you.

Governor Fields: And then my last question is, we are going to be losing 24 staff, 14 of which are full time and I guess 10 of which are contract staff. And it seems like the savings is a little over a million dollars over a six-year period. I know two staff are going to be, seems like, rehired by Wipro or on boarded by them. Are there any talks about Wipro hiring some of our, I am more concerned about our full-time staff, obviously I am concerned about the contractors as well, but are there any discussions regarding that that you are aware of, and can you also tell me if Wipro outsources their call centers or are they here in the contiguous United States.

Aditya Gavvala: Yes. Good question. I can provide clarity to that. There are a total of 24 staff impacted, 14 of them are full time employees and 10 of them are contractors. Of the 14 employees we are retaining two of those employees to beef up our catastrophe support and also to coordinate with the vendor. So those are retained by Citizens, they're going to stay with us. The 12 full time employees are being provided with all the open positions that are available in the company today, so they could apply, if they are qualified, and go through the selection process within the company. We are submitting all their resumes to the vendor for potential rebadging process also. The vendor does have criteria that they will subject these resources to interview process, qualifications, etc., so some of them could potentially end up getting hired by the vendor, although there is no guarantee about that. For the contingent workers, the 10 contractors, we are notifying the vendors about their contracts expiring at the right time as we get into the implementation phase. So, we are doing everything we can to provide opportunities for the employees either internally or subjecting them to the rebadging processing.

Now the second question about Wipro. Wipro is giving us all dedicated full-time employees. They're not depending on any third parties and their service is provided onshore, none of their services are offshore.

Governor Fields: Great, thank you very much and thank you, Mr. Chairman.

Chairman Telemaco: Thank you for the questions. Just a follow up to Governor Fields first question in terms of the backup provider in case Wipro doesn't work out. Is there an exhibit or a comparison between what services would not be available through that backup provider and if there's an implication on the cost of that backup provider's proposal?

Aditya Gavvala: Yes, we do have the exhibits. The service level agreements that both Wipro and Long View have submitted to us, we will be happy to share that with you, with the committee after the meeting.

Chairman Telemaco: Okay. Anything that you can think of that would be of any material consequence either from a service delivery point of view or a costing point of view?

Aditya Gavvala: We can share with you the comparisons between the two vendors, but I was one of the negotiators and I did not see any noticeable difference in their ability to provide services to us, except there are a couple of SLAs that Long View System has lowered, and we can highlight those SLAs in the document that we can submit to you after the meeting.

Chairman Telemaco: Okay. Any other questions from anyone else?

Aditya Gavvala: If there are no other questions at this time, may I go for the recommendation?

Okay, staff proposes that the ISAC committee review and if approved, recommend to the Board of Governors approve the Managed Workplace IT Citizens contract with Wipro Limited for the base term of three years with three optional one year renewals and the continued contract with Long View Systems Corporation for a base term of three years and three optional one year renewals in the event the contract with Wipro Limited cannot be finalized or is terminated by Citizens for cause for an amount not to collectively exceed $9,999,200; and authorize staff to take any appropriate or necessary action consistent with this action item.

Governor Reynolds Henderson made a motion to approve the Managed Workplace IT Services Action Item and Brian Foley seconded the motion. Roll was called. The Action Item was unanimously approved.

6. New Business

Chairman Telemaco: Thank you for that presentation. Before we move on to the next item, I just want to thank you all for your presentation thus far. It has been very insightful, very well presented, so I just want to thank you all for that contribution to this committee.

The next item on the agenda is just a final item on new business. Is anything new that any member would like to present or bring to the committee before we adjourn?

Okay. I see no hands raised or voices, so before we adjourn just as a point of clarification to Aditya, if you wouldn't mind sending the committee that comparison for the record, that would be great.

Aditya Gavvala: Absolutely.

Chairman Telemaco: Our next meeting is scheduled for September 8 at 9:00 a.m., that is the next ISAC webinar. I look forward to seeing you all at that point, and some of you I will see at the July meeting, so I look forward to seeing you then.

Then no additional comments or questions, I would like to thank you all for your time and I will entertain a motion to adjourn.

Governor Henderson: So moved.

Governor Fields: Second.

Chairman Telemaco: Thank you, meeting is adjourned, thank you all.