

Executive Summary

Information Systems Advisory Committee Meeting, June 22, 2021

Board of Governors Meeting, July 14, 2021

Managed Workplace IT Services

Topic

Citizens is requesting approval to enter into a contract with Wipro Limited for Managed Workplace IT Services (MWPS) for a base term of three (3) years with three (3) optional one (1) year renewals, for an amount not to exceed \$9,999,200.

The MWPS solution to be provided by Wipro Limited includes the services of IT Help Desk, Technical Support Center (TSC), Technical Operations Center (TOC), and Identity and Access Management (ICAM). The MWPS will also enable the business agility required to support seasonal IT services demands such as hurricane and catastrophe events and help to support the digital transformation initiatives of Citizens. Wipro Limited offers managed workplace solutions based on industry standards and frameworks including ITIL/COBIT/ISO20000.

Citizens is also requesting approval—in the event the contract with Wipro Limited cannot be finalized or is terminated by Citizens— authorization to contract with Long View Systems Corporation for a base term of three (3) years with three (3) optional one (1) year renewals, for an amount not to collectively exceed \$9,999,200.

History

Currently, Citizens utilizes full time employees and staff augmentation to provide IT Help Desk support to more than eleven hundred (1,100+) staff and approximately one hundred (100) contingent workers. The TOC monitors system availability and health, alerts IT personnel in case of any system incidents, facilitates conference calls, and handles incident management. The ICAM team fulfills access provisioning, deprovisioning, and quarterly compliance attestations. These services include a mixture of 24/7/365 and extended hours coverage. Currently, these three (3) services are provided by fourteen (14) Citizens full-time employees and ten (10) staff augmentation contingent workers. Of those twenty-four (24) resources, two (2) Citizens full-time employees will be retained, and twenty-two (22) resources will no longer be in the above described roles. The twenty-two (22) resources no longer in those roles have an average spend of \$1,533,725 per year (which includes employee salaries, employee benefits, contract rates for staff augmentation contingent workers, equipment, and physical space).

On January 22, 2021, Citizens issued Invitation to Negotiate No. 21-0003 for Managed Workplace IT Services. Vendor responses were due March 2, 2021 and eleven (11) responses were received and evaluated. The Evaluation Team advanced five (5) vendors to negotiations and following multiple demonstrations and negotiation sessions, on June 2, 2021, the Negotiation Team recommended an award to Wipro Limited as offering the Best Value to Citizens with a potential contingent contract with Long View Systems Corporation.

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Through a dynamic staffing model, Wipro Limited will provide additional business agility during on-demand or seasonal needs, such as a hurricane or catastrophic events. Offering varying levels of service level agreements for different personas (VIP/Non-VIP/Field Staff), 24/7/365. The focus is not only to deliver high levels of customer satisfaction while providing the MWPS, but to do so while continuously exploring opportunities to reduce tickets/call volume. Through robotics process and automation technology, Wipro Limited has the capability to automate repetitive and mundane tasks to reduce the time and effort to fulfill tickets and calls.

As illustrated in the following table, this “shift left” capability will provide an estimated cost savings of \$1,138,149 over the contract term (which represents the total of Citizens internal staff costs less the total vendor spend and less possible one-time severance payments for any separated Citizens employees).

Total of Citizens Internal Staff Costs (inclusive of Citizens employees and contingent workers)	\$9,202,349
Less Total Vendor Spend (excluding contingency spend)	- \$7,999,200
Less Possible Severance	- <u>\$ 65,000</u>
Estimated Cost Savings (for the contract term)	<u>\$1,138,149</u>

Wipro Limited will provide industry standard IT Service Management instrumentation, dashboards, and actionable business insights into the day-to-day operations to ensure their resources supporting Citizens will be continuously trained, upskilled, and aligned with Citizens’ IT strategies and initiatives. The following table illustrates Citizens’ current costs to vendor costs. Note: The Action Item requested spend includes an additional \$2,000,000 in contingency funds as may be needed to support seasonal demands on the organization for the term of the contract (such as additional independent adjuster support needed related to a catastrophe event).

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	Current Status (Status Quo)	Future State (Hybrid)
Year	Citizens (TOC/TSC/ICAM)	MWP (TOC/TSC/ICAM)
Year 1	\$1,422,660	\$1,483,200
Year 2	\$1,465,340	\$1,303,200
Year 3	\$1,509,300	\$1,303,200
Year 4	\$1,554,579	\$1,303,200
Year 5	\$1,601,217	\$1,303,200
Year 6	\$1,649,253	\$1,303,200
Total	\$9,202,349	\$7,999,200
Contingency Spend		\$2,000,000
Total Contract Value		\$9,999,200

Wipro Limited has more than seventy-one (71) years in business. Originally established in 1945 as Western India Palm Refined Oil Limited, the company shifted focus in 1962 to opportunities in the IT and computing industries. In 1982 the company name officially changed to Wipro Limited focusing solely on IT products business. Since the shift in 1982, Wipro Limited has consistently grown in the IT field using the power of cognitive computing, hyper-automation, robotics, cloud, analytics, and emerging technologies to help clients adapt to the digital world. Wipro Limited is now a leading global information technology, consulting, and business process services company with more than 190,000 dedicated employees serving clients across six (6) continents. Wipro Limited is recognized globally for its comprehensive portfolio of services, strong commitment to sustainability, and good corporate citizenship. This global recognition includes top recognition and awards in recent years. Wipro Limited received ATD's Best of the BEST Award in 2018, was recognized as one of the world's most ethical companies by US-based Ethisphere Institute for the sixth consecutive year in 2017 and won the Gold Award for "Integrated Security Assurance Service (iSAS)" under the "Vulnerability Assessment, Remediation and Management" category of the 11th Annual 2015 Info Security PG's Global Excellence Award. Additionally, Wipro Limited is recognized as a "Leader" in the inaugural Gartner Magic Quadrant for Managed Network Services 2020 and a "Leader" in the Gartner Magic Quadrant for Data Center Outsourcing and Hybrid Infrastructure Managed Services, North America. Specific to the scope of services associated with the MWPS, Wipro Limited currently serves 650+ clients worldwide with 350+ clients located in North America over the past 5-years and has implemented/started 100+ IT Help Desk engagements, 100+ Technical Operations Center engagements, and 80+ engagements in Identity and Access Management in the past 24-months.

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The payment structure (see the following table) under the contract shall be based on a per user, per month (“PUPM”) fee with an initial implementation fee. The PUPM fees described below are “flat” over the six (6) year contract term, indicating the vendor’s commitment to automate or “shift left” certain activities.

WIPRO PRICING - PUPM		Price - Per User Per Month						
Critical Capability	Citizens User Count	Year 1	Year 2	Year 3	Renewal Year 4	Renewal Year 5	Renewal Year 6	
Technical Service Desk Support	1200	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00	
Technical Operations Center	1200	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	\$30.00	
Identity and Access Teams	1200	\$15.50	\$15.50	\$15.50	\$15.50	\$15.50	\$15.50	
WIPRO PRICING - TOTAL CONTRACT VALUE		Steady State Charges - For 1200 Citizens Users						TOTAL CHARGES
Critical Capability	Implementation Charges	Year 1	Year 2	Year 3	Renewal Year 4	Renewal Year 5	Renewal Year 6	
Technical Service Desk Support	\$115,000	\$648,000	\$648,000	\$648,000	\$648,000	\$648,000	\$648,000	\$4,003,000
Technical Operations Center	\$34,000	\$432,000	\$432,000	\$432,000	\$432,000	\$432,000	\$432,000	\$2,626,000
Identity and Access Teams	\$31,000	\$223,200	\$223,200	\$223,200	\$223,200	\$223,200	\$223,200	\$1,370,200
Total Charges	\$180,000	\$1,303,200	\$1,303,200	\$1,303,200	\$1,303,200	\$1,303,200	\$1,303,200	\$7,999,200

The service levels that Wipro Limited shall be responsible for achieving are set forth on the following page. There are associated service credits equivalent to 10% (ten-percent) of the monthly service fees which Citizens has the flexibility to assign to selected service levels (a maximum of 10 [ten] service levels, each with a 1% [one-percent] service credit weighting).

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Impact Area	Service Level	Service Measure	Standard Service Level	VIP Service Level
Service Desk	Shared Service Desk	Schedule	M-F 7A-6P	24 X 7 365
Service Desk	Speed-to-Answer	Phone response time	30-second average speed of answer with no percentage	30-second average speed of answer with no percentage
Service Desk	Call Abandonment Rate	Phone response time	5% or Less	2% or Less
Service Desk	Time to Abandon	Phone response time	< 4 minutes (1 Minute or Greater Callback Option)	<1 Minute (1 Minute or Greater Callback Option)
Service Desk	Automated E-mail Acknowledgement	Online acknowledgement time (Auto Response)	< 10 Minutes	< 10 Minutes
Service Desk	Average Speed to reply to E-mail communication to Service Desk	Time to reply	85% within 120 minutes	90% within 30 minutes
Service Desk	First Contact Resolution for all Calls to Service Desk	First Contact Resolution percentage	85%	95%
Service Desk	Follow-On Calls	% of Calls caused by first call resolution failure	<5%	<3%
Service Desk	Self Service Utilization	Self-Serve percentage	>20% with long term target of 60%	>10% with a long ter target of 45%
Service Desk	Level 1 Time to Resolution	Elapsed Time	< 2 Hours following initial response	<1 hour following intial response
Service Desk	Level 2 time to Resolution	Elapsed Time	<4 Hours following Initial Response	<2 Hours following initial Response
Service Desk	Level 3 time to Resolution	Elapsed Time	1 Business Day	<6 Hours Following Initial Response
Service Desk	Incident Closure Notice (via (e-mail and/or phone)	Elapsed Time	<20 Minutes following resolution	<20 Minutes following resolution
Service Desk	Password Reset	Elapsed Time	<5 Minutes for Self Service (No touch interaction) <30 Minutes for Call-In Support	<5 Minutes for Self Service (no touch interaction) <30 Minutes for Call-In Support
Service Desk	User Installation	Elapsed Time	Within 5 Days 90% of the Time	Within 3 days 90% of the time
Service Desk	Move, Add or Change (MAC), Including Disposal	Elapsed Time	5 Days 95% of the Time	Within 24 Business hours 90% of the time
Shared	Notification of Incident or Problem to Vendor	Time to notify	<30 minutes following event Triage	<30 minutes following event Triage
TOC	Service Monitoring	Schedule	24 X 7 365	24 X 7 365
TOC	Priority 2: Major Impact, Single User Down and Other Users Affected	Elapsed Time	4 Hours 95% of the Time	
TOC	Priority 3: Moderate Impact, Single User Down and a Few Others Capable of Performing Required Tasks	Elapsed Time	8 Hours 95% of the Time	
TOC	Priority 4: Minor Impact, One User Down and Many Others Capable of Performing Required Tasks	Elapsed Time	Within 5 Days 90% of the Time	

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Recommendation

If approved at its June 22, 2021 meeting, the Information System Advisory Committee recommends the Board of Governors:

- a) Approve the Managed Workplace IT Services contract with Wipro Limited for a base term of three (3) years with three (3) optional one (1) year renewals, and the contingent contract with Long View Systems Corporation for a base term of three (3) years with three (3) optional one (1) year renewals in the event the contract with Wipro Limited cannot be finalized or is terminated by Citizens, for an amount not to collectively exceed \$9,999,200; and,
- b) Authorize staff to take any appropriate or necessary action consistent with this Action Item.

ACTION ITEM

New Contract

Contract Amendment

Other _____

CONSENT ITEM

Contract Amendment

Existing Contract Extension

Existing Contract Additional Spend

Previous Board Approval _____

Other _____

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.

<p>Purpose/Scope</p>	<p>Currently, Citizens utilizes full time employees and staff augmentation to provide IT help desk services to over 1,100 staff and about 100 contingent workers. The IT technical operations center monitors system availability and health, alerts IT personnel in case of any system incidents, facilitates conference calls, and handles incident management. The identity and access management team fulfills access provisioning & deprovisioning and quarterly compliance attestations. Managed Workplace Services (MWPS) solution is a process where these services (helpdesk, technical operations, and identity and access management) are outsourced to a vendor with a proven track record. The MWPS vendor enables the business agility required to support seasonal demands for these three essential IT services, help support the digital transformation initiatives of the organization, while providing IT industry standards compliant services.</p>
<p>Contract ID</p>	<p>Managed Workplace IT Services Contract number: 21-21-0003-00 Recommended vendor: Wipro Limited In the event the contract with Wipro Limited cannot be finalized or is terminated by Citizens, a contract may be executed with Long View Systems Corporation, the next ranked Vendor.</p>
<p>Budgeted Item</p>	<p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>Procurement Method</p>	<p>On January 22, 2021, Citizens issued Invitation to Negotiate No. 21-0003 for Managed Workplace IT Services. Vendor responses were due March 2, 2021 and eleven (11) responses were received and evaluated. The Evaluation Team advanced five (5) vendors to negotiations and following multiple demonstrations</p>

	and negotiation sessions, on June 2, 2021, the Negotiation Team recommended an award to Wipro Limited as offering the Best Value to Citizens, with a potential contingent contract to Long View Systems Corporation.
Contract Amount	The contract amount for the three (3) year base term and three (3) optional one (1) year renewal terms is estimated to not exceed \$9,999,200.
Contract Term	The contract will have a three (3) year base term with three (3) optional one (1) year renewals.

Committee Recommendation	<p>Staff proposes that the Information System Advisory Committee review, and, if approved, recommend the Board of Governors:</p> <ul style="list-style-type: none"> a) Approve the Managed Workplace IT Services contract with Wipro Limited for a base term of three (3) years with three (3) optional one (1) year renewals, and the contingent contract with Long View Systems Corporation for a base term of three (3) years with three (3) optional one (1) year renewals in the event the contract with Wipro Limited cannot be finalized or is terminated by Citizens, for an amount not to collectively exceed \$9,999,200; and, b) Authorize staff to take any appropriate or necessary action consistent with this Action Item.
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Board Recommendation from Committee	<p>If approved at its June 22, 2021 meeting, the Information System Advisory Committee recommends the Board of Governors:</p> <ul style="list-style-type: none"> a) Approve the Managed Workplace IT Services contract with Wipro Limited for a base term of three (3) years with three (3) optional one (1) year renewals, and the contingent contract with Long View Systems Corporation for a base term of three (3) years with three (3) optional one (1) year renewals in the event the contract with Wipro Limited cannot be finalized or is terminated by Citizens, for an amount not to collectively exceed \$9,999,200; and b) Authorize staff to take any appropriate or necessary action consistent with this Action Item.
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CONTACTS	<p>Kelly Booten, Chief Operating Officer Aditya Gavvala, Vice President – IT Services and Delivery Stephen Guth, Vice President – Enterprise Services</p>
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