

IAM Program Update

(IDENTITY & ACCESS MANAGEMENT)

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Identity Governance and Access Management

Current State:

Identity Governance and Access Management evolved organically as the Information technology processing environment and associated systems have grown in unison with our business operations. Today it is a combination of internally developed security solutions and Microsoft access management.

Value Attainment Measure

Significant reduction in risks to the organization in the area of access control and authorization processes as demonstrated in past audits. Thru implementation of the IGA and integration with Microsoft's access management solution, Citizens will see a significant net reduction in audit findings associated with identity management, indicating lower risk in this area, and will see a significant reduction in work effort to manage and maintain the appropriate levels of access for individuals and organizational units during day to day operational activity.

How

The solutions, integrated with Citizens' Human Resource Management System, Vendor Management Systems, Policy Management Systems and our MyService Workflow System will provide the necessary controls and automation in the management of individual identities and the appropriate access to systems and data in every aspect of our business.

- Internal Employees and Contract Staff
- Agents
- Adjustors
- Call Centers
- Policy Holders

Impacts

250+ applications with access control

Potential of over a million active identities to manage by end of 2022 and growing.

Identity is the newest Security Perimeter

IAM is: *“Providing the right people with the right access at the right time, PLUS predicting their need for access and detecting and responding if their access is inappropriate”*



Users' Identities
Normalize and manage Life Cycles



Users' Access
Control and detect interactions with information and other assets

Reduce Cybersecurity Risk

- Streamline the provisioning and de-provisioning of users and better manage user and systems identity access privileges to reduce the risk of unauthorized access.

Ensure regulatory Compliance

- Improve visibility to compliance through better analytic capabilities
- Reduce risk of non-compliance by reducing the number of known risk items. For example, removing manual processing and workflows related to IAM through process automations.

Enhance User Experience and Productivity

- Improve service-levels and business user satisfaction pertaining to on-boarding, off-boarding, and other provisioning requests.
- Avoid delays in users' ability to access the resources they need and have permission to access.

Improve Operational Efficiency

- Remove process inefficiencies such as manual processes and approvals that cause delays in providing user access.

Facilitate Digital Innovation

- Streamline the IAM system to quickly and securely integrate with or implement cloud platforms, applications and other services.



Vendor and Products Selected Scope of IGA Selection

Selected Integrator: Wipro

Statement of Work:

- Implementation and configuration of all modules, Integration with Citizens Applications

***IGA Product Vendor:** SailPoint

***IGA Product Modules:**

- IdentityNow – (Cloud/*SaaS delivery
- IdentityNow Password Manager
- Access Insights
- Access Modeling
- Recommendation Engine
- ServiceNow Workflow Connectors

Access Product Vendor and Product:

- Microsoft Active Directory and Azure Active Directory Services
- Utilizing Existing Citizens Microsoft License

- 15 Vendors Responded to solicitation
- 5 Vendors selected to advance by evaluation team
- 1 Vendor and an alternative vendor selected by negotiation team

Product Selection Criteria

- Core Product Capabilities – Suitability to Purpose within Citizens
- Architecture
- Integration Capabilities and Approaches
- Optional Modules
- Product Support
- Ongoing and Future Product Roadmaps
- Research and Development by Vendor
- Educational Opportunities for Citizens' Employees

Vendor Selection Criteria

- Background and Specific Experience with Products
- Experience in Integration of the Product(s) to Similar Environments
- Specific Project Roadmap, Project Deliverables and Timelines
- Reference Validation from Customers similar to Citizens
- Prior Citizens' experience with Vendor

Financials

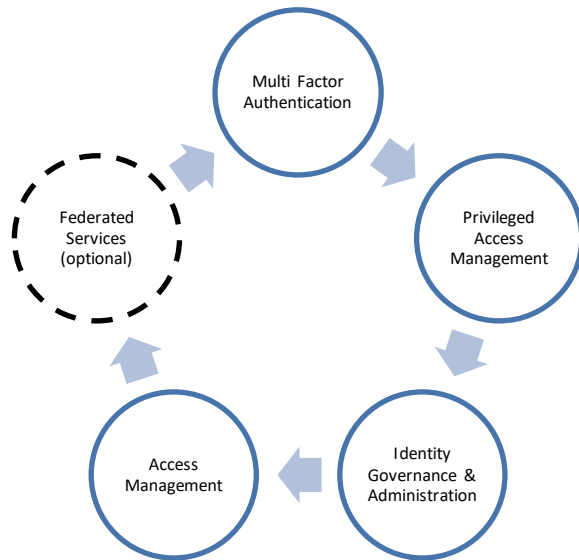
- Initial Submissions and Best and Final Offer (BAFO) inclusive of:
 - Proposed Products and Services
 - Optional Products and Services
 - Additional Services Rate Cards

** SailPoint is in the Upper Right Quadrant of IGA solutions, meaning strong leadership in the technology space in the company's product's capabilities and their on-going investment in innovation. During the evaluation process, it matched extremely well against our known and likely future requirements.*

** IGA = Identity Governance and Administration*

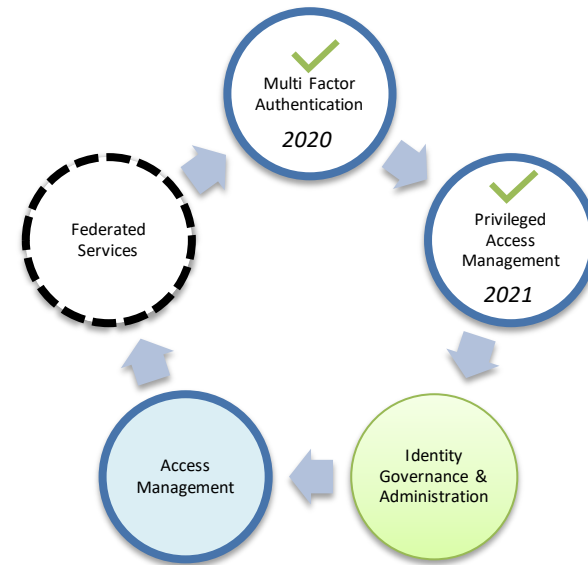
** SaaS = Software as a Service*

Gartner Recommendations (2019)



- Citizens did not have multi factor authentication or privileged access management tools in 2019
- Identity governance and administration were performed manually with the help of a workflow in a ticketing system (myService).
- Access Management was provided by a homegrown system.

Current State



- Multi Factor Authentication & Privileged Access Management have already been implemented.
- Action Item applies to Identity Governance & Administration
- Microsoft Azure Active Directory will be leveraged as the Access Management Tool

- Multi Factor Authentication was successfully rolled out in 2020-2021
 - Staff & Contingent Workers
 - External Vendor Partners and Independent Adjusters (using Webmail)
 - Business Process Outsource Vendors (through Citrix)
 - Citizens Virtual Private network
 - *Policy Holders (not yet)*
- CyberArk Privileged Access Management Tool was implemented in 2021
 - Provide self serve capability for privileged access and password resets
 - Enable session recording for servers
 - Enable one time use password
- CyberArk End Point Management was implemented in 2021
 - Enforce policies for local administration of laptops/desktop/peripherals.

Base Term Pricing							
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Product/Service Total
Products	\$ 457,887	\$ -	\$ 401,599	\$ 401,599	\$ 401,599	\$ 401,599	\$ 2,064,283
Implementation	\$ 800,000	\$ 1,200,000	\$ -	\$ -	\$ -	\$ -	\$ 2,000,000
Support Services	\$ -	\$ 300,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 2,300,000
Annual Total	\$ 1,257,887	\$ 1,500,000	\$ 901,599	\$ 901,599	\$ 901,599	\$ 901,599	\$ 6,364,283

Annual Renewal Pricing							
	Year 6	Year 7	Year 8	Year 9	Year 10	Five-Year Renewal Total	
Products	\$ 401,599	\$ 413,647	\$ 413,647	\$ 413,647	\$ 426,056	\$ 2,068,596	

Total 10 Year Cost Base + Renewal Years	
Products	\$ 4,132,879
Implementation	\$ 2,000,000
Support Services	\$ 2,300,000
Contingency	\$ 826,576
Total	\$ 9,259,455

- Products – the cost of all products identified as required for use of a full solution, with initial payment representing Year 0 (implementation) through first year of usage
- Implementation – negotiated professional services cost as shown in BAFO, [12 month project](#) starting Year 0 (2022) with completion in Year 1 (2023)
- Support Services – post implementation professional services for maintenance, support, enhancements, and customizations
- Contingency – 20% of the cost of Products to account for PIF growth and/or increased needs related to a CAT event

* Financial – Negotiated cost 50% reduction from initial submissions by vendor. This is a significant discount below standard GSA pricing.

* Any related increases in Microsoft license cost would be reflected in the annual IT action item

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Board of Governors Meeting, March 23, 2022

Identity Governance and Administration, Access Management, and Related Products

Topic

Citizens staff is requesting approval to enter into contracts with Wipro Limited (“Wipro”) and SailPoint Technologies, Inc. (“SailPoint”) for the purchase, implementation, and use of SailPoint IdentityNow (“IdentityNow”), consisting of new Identity Governance and Administration, Access Management, and related products. The base term of the contracts will be five (5) years followed by five (5) optional one (1) year renewal periods. The total contract amount for the potential 10-year term shall not exceed \$9,459,855.

History

Identity Governance and Administration (IGA) and Access Management (AM) are the two key components of Citizens’ Identity Access Management (IAM) program. In summary, Citizens’ IAM program is designed to ensure that the right people have the right system access at the right time, while also detecting and responding if access is or becomes inappropriate. AM is a first level control focused on verifying a user’s identity. IGA supports enterprise IT security and data protection through automated evaluation of security rules and principles, ensuring that both internal users (e.g., employees) and external users (e.g., agents, adjusters, and policyholders) have only the privileges that pertain to them in terms of their role and status within the organization.

While many of the software as a service (“SaaS”) products currently used by Citizens include some form of identity access management capability, the capability is typically limited. For other systems, Citizens uses a combination of internally developed authorization and authentication tools to manage system access and identity. Over time, as the number of SaaS products and the number of users have increased, these internally developed tools have become increasingly labor intensive and complex to manage (including in terms of directory structure, handling of batch files, and scripting). For these reasons, Citizens requires a comprehensive IGA and AM solution as a component of its IAM program. The benefits include:

- **Reduced Cybersecurity Risk** by streamlining the provisioning and deprovisioning of users and better managing access privileges to reduce the risk of unauthorized access. It also decreases risk by promoting consistent application of policy across all resources enterprise-wide
- **Enhanced User Experience and Productivity** by improving speed and accuracy of onboarding, off boarding, and other provisioning requests.
- **Improved Operational Efficiency** by removing manual processes and approvals which can cause delays in providing user access.
- **Facilitation of Digital Innovation** by quickly and securely integrating with Citizens’ implemented cloud platforms, applications, and other services.

On July 20, 2021, Citizens issued Invitation to Negotiate No. 21-0018 for Identity Governance and Administration, Access Management, and Related Products. Vendor responses were

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due August 16, 2021, and fifteen (15) responses were received and evaluated. The Evaluation Team advanced five (5) vendors to negotiations. On February 1, 2021, following multiple vendor demonstration and negotiation sessions, the Negotiation Team recommended an award for (i) Sailpoint's IdentityNow solution and related products, and (ii) Wipro's implementation and support services.

The Negotiation Team based its award decision on the following criteria:

- the quality, design, approach, workmanship, prior relevant experience, and demonstrated ability of the vendor to effectively provide the Products and Services;
- the price and terms of payment;
- the reasonableness of the contractual terms, including service level agreements;
- the vendor's ability to provide quality and timely products and services; and,
- the vendor's ability to track performance and quality assurance metrics.

Product Award. Product demonstrations showed that some of the proposed products were very similar in core features and functionality, and the key differentiators were price and architectural design. Based on these findings, it was determined that Sailpoint's IdentityNow products, with a competitive price and multi-tenant architecture, provided the best value to Citizens.

IdentityNow is a SaaS-based identity governance platform with built-in best practices for best-in-class security that provides identity services including provisioning, access requests, password management, access certification and separation-of-duties. Additional products from SailPoint required for a successful implementation include Access Insights, Access Modeling, Recommendation Engine, and ServiceNow Integration Connectors.

IdentityNow will work in conjunction with several Microsoft products currently used by Citizens. With the addition of IdentityNow, and depending on policy growth and policyholder adoption of self-service tools, Citizens may exceed its current license limits for those Microsoft products. The potential cost of adding more Microsoft licenses in 2022, has already been approved by the Citizens Board of Governors under the 2021 Technology Infrastructure, Software, and Professional and Staff Augmentation Services Action Items.

Implementation/Support Award. From the two (2) vendors offering to implement the IdentityNow product, the Negotiation Team identified Wipro as offering the best value. This determination was based on Wipro's prior relevant experience, the number of implementations completed, and Wipro's proprietary Identity Management Center platform which provides a single interface for management of Citizens' IAM tools.

Implementation will be performed by Wipro over an anticipated 12-month period beginning immediately after contract execution. The initial phase will take approximately five (5) months and consist of setup and configuration, initial implementation of IdentityNow, and pilot implementation targeting ten (10) of Citizens' identified information systems. During the next

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approximately 4-month phase, the remaining sixty (60) identified applications will be onboarded. A 3-month implementation warranty period will follow, providing a transition period into steady state support. Citizens would then continue its engagement with Wipro for an additional five (5) years for post-implementation support. This support includes professional services for maintenance, support, enhancements, and configurations.

Base Term Pricing							
	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Product/Service Total
Products	\$ 474,587	\$ -	\$ 418,299	\$ 418,299	\$ 418,299	\$ 418,299	\$ 2,147,783
Implementation	\$ 800,000	\$ 1,200,000	\$ -	\$ -	\$ -	\$ -	\$ 2,000,000
Support Services	\$ -	\$ 300,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 2,300,000
Annual Total	\$ 1,274,587	\$ 1,500,000	\$ 918,299	\$ 918,299	\$ 918,299	\$ 918,299	\$ 6,447,783

Annual Renewal Pricing						
	Year 6	Year 7	Year 8	Year 9	Year 10	Five-Year Renewal Total
Products	\$ 418,299	\$ 430,347	\$ 430,347	\$ 430,347	\$ 442,756	\$ 2,152,096

Total 10 Year Cost Base + Renewal Years	
Products	\$ 4,299,879
Implementation	\$ 2,000,000
Support Services	\$ 2,300,000
Contingency	\$ 859,976
Total	\$ 9,459,855

- **Products** – the cost of IdentityNow, Access Insights, Access Modeling, Recommendation Engine, ServiceNow Integration Connectors, development sandbox, and staging instance, with initial cost representing the pro-rated product fees for Year 0 (implementation)
- **Implementation** – the cost of professional services for the anticipated 12-month implementation; in the event implementation costs exceed \$2,000,000, Citizens will draw from the amount allocated to Support Services and reduce those services accordingly
- **Support Services** – the estimated costs for post-implementation professional services for maintenance, support, enhancements, and configurations
- **Contingency** – 20% of the cost of Products to account for PIF growth and/or increased needs related to a catastrophe event

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Recommendation

Staff proposes that the Information Systems Advisory Committee review and, if approved, recommend the Board of Governors:

- a) Approve contracts with Wipro Limited and SailPoint Technologies, Inc. for a base term of five (5) years with optional renewal terms of an additional five (5) years, with a combined total contract amount not to exceed \$9,459,855, as set forth in this Action Item; and,
- b) Authorize staff to take any appropriate or necessary action consistent with this Action Item.

Name of 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>This Action Item seeks Board approval to contract with two (2) vendors for the purchase, implementation, and use of SailPoint IdentityNow and related products for Identity Governance and Administration and Access Management services. If approved, these contracts will result in a significant increase in capabilities of Citizens' information security program, focusing on improved controls in digital access management and resulting in reduced information systems related risk.</p>
<p>Contract ID</p>	<p>Identity Governance and Administration, Access Management, and Related Products</p> <p>Contract number: 22-21-0018-00</p> <p>Vendor: SailPoint Technologies, Inc. ("SailPoint"), as the underlying product provider.</p> <p>Wipro Limited ("Wipro"), as the implementation services provider and as SailPoint's authorized partner.</p>
<p>Budgeted Item</p>	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>Funding for the purchase, implementation, and use of the SailPoint IdentityNow and related products was included in the 2022 budget request that was approved by the Board at the December 15, 2021 meeting and any additional budget needed in 2022 for this project will be funded through positive variances in the IT budget. Funding for subsequent contract years will be budgeted in the appropriate budget year.</p>

Name of Action Item

<p>Procurement Method</p>	<p>On July 20, 2021, Citizens issued Invitation to Negotiate No. 21-0018 for Identity Governance and Administration, Access Management, and Related Products. Fifteen (15) vendors submitted replies and the Evaluation Team identified four (4) proposals to proceed to the Negotiation phase. On February 1, 2021, the Negotiation Team recommended an award for the Sailpoint IdentityNow product and associated Sailpoint products and to Wipro Limited, for implementing the Sailpoint products and if needed, associated Microsoft products that will be separately procured.</p>
<p>Contract Amount</p>	<p>\$9,459,855 for the base term and all optional renewal terms (total of 10 years), comprised as follows:</p> <ol style="list-style-type: none"> 1. Implementation Services: \$2,000,000 2. Software Products: \$4,299,879 3. Post-Implementation Support Services: \$2,300,000 4. Contingency: 20% of Software Products = \$859,976, to cover potential increased software licensing costs due to a larger user base related to policy in force growth and/or catastrophe events
<p>Contract Terms</p>	<p>The contracts will have a 5-year base term and five (5) optional one (1) year renewal periods.</p>
<p>Committee Recommendation</p>	<p>Staff proposes that the Information Systems Advisory Committee review and, if approved, recommend the Board of Governors:</p> <ol style="list-style-type: none"> a) Approve contracts with Wipro Limited and SailPoint Technologies, Inc. for a base term of five (5) years with optional renewal terms of an additional five (5) years, with a combined total contract amount not to exceed \$9,459,855, as set forth in this Action Item; and, b) Authorize staff to take any appropriate or necessary action consistent with this Action Item.
<p>Board Recommendation from Committee</p>	<p>If approved at its March 9, 2022 meeting, the Information Systems Advisory Committee recommends that the Board of Governors:</p> <ol style="list-style-type: none"> a) Approve contracts with Wipro Limited and SailPoint Technologies, Inc. for a base term of five (5) years with optional renewal terms of an additional five (5) years, with a combined total contract amount not to exceed \$9,459,855, as set forth in this Action Item; and, b) Authorize staff to take any appropriate or necessary action consistent with this Action Item.
<p>Contacts</p>	<p>Kelly Booten, Chief Operating Officer</p>