

CITIZENS PROPERTY INSURANCE CORPORATION

Summary Minutes of the Information Systems Advisory Committee Meeting Tuesday, March 26, 2024

The Information Systems Advisory Committee (ISAC) of Citizens Property Insurance Corporation (Citizens) convened via Zoom webinar on Tuesday, March 26, 2024, at 10:00 a.m. (ET).

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

Jason Butts, Chair
Jamie Shelton
John Vaughan
Aditya Gavvala, staff

The following Citizens staff members were present:

Ariel Shami	Jessica Chapman
Barbara Walker	Joe Martins
Bonnie Gilliland	Lori Alberstadt
Brian Newman	Mathew Carter
Eric Addison	Raina Harrison
Greg Rowe	Ray Norris
Jay Adams	Sarai Roszelle
Jeremy Pope	Wendy Perry

Roll was called and a quorum was present.

1. Approval of Prior Meeting's Minutes

Chairman Butts: Good morning, everyone. Thank you for joining us today. Plan on having a relatively short meeting. I do not believe that we have any action items for the committee, just some informational updates that Aditya will go over. But as we get started, I'll entertain a motion to accept the prior meeting's minutes from November 28, I believe.

Governor Jamie Shelton made a motion to approve the November 28, 2023, Information Systems Advisory Committee (ISAC) Minutes. John Vaughan seconded the motion. All were in favor, and the minutes were unanimously approved.

Chairman Butts: With that we'll get right into the update from Aditya. Good morning.

2. Program Updates

A. UCaaS/CCaaS Update

Hello! Good morning, committee members. This is Aditya Gavvala, CIO, for the record. As Chairman Butts pointed out, we do not have any action items to present to the committee today; however, we would like to provide the latest updates on three very important information

technology initiatives that were previously reviewed and authorized by the Information Systems Advisory Committee.

I would like to draw your attention to Tab three. The first update is on the Unified Communications as a Service (UCaaS) and Contact Center as a Service (CCaaS) initiative. Let me start with the definitions, first. Unified Communications as a Service is an information technology phrase for a collection of telephony services running in the cloud. This collection includes voice over internet, text messaging, audio/video conferencing with screen and application sharing capabilities, and collaboration and content sharing.

Contact Center as a Service (CCaaS) refers to a collection of technologies that support call center management. This collection includes features like intelligent call routing, interactive voice response, call center workflow management, omni-channel customer support and computer telephony integration.

Some of the challenges with the existing legacy technologies are that these platforms are nearing the end of life requiring a full hardware upgrade, there are support and scalability limitations with the platform, and lack of integration capabilities and features that are required to support modern contact centers. Next slide.

This slide shows a brief history of the program. A strategy was developed and approved by the IT Governance Committee back in 2019. During Covid, Microsoft Teams technology was rolled out to all staff working remote. In 2021, a third-party risk assessment was performed. A vendor was selected through a competitive solicitation in 2022. Verizon was chosen for telephony services with Nice CXOne platform for the Contact Center. UCaaS implementation, which is Unified Communications as a Service, went live in production since August of 2023. Next slide.

There are several benefits to this new technology. The new technology extends our Microsoft Teams implementation capabilities. It's very intuitive to use, requires very minimal user training, provides scalability – it's very easy to add users or remove users, and it unifies support with a single vendor. It also gives us very high service levels, 99.999% availability.

The next slide shows the accomplishments on the Unified Communications as a Service part of the initiative. This program went live in August 2023. The Office of Internal Audit submitted an advisory on the initiative in November 2023, with no findings.

The next slide shows the CCaaS progress. There are 3 phases of this program. Two phases of discovery were completed in 2023.

The next slide shows the three phases that are scheduled to be completed this year. We are anticipating a go live with Contact Center as a Service in the beginning of the second quarter of this year for the first phase of this project. Citizens' Call Center staff will begin to use this technology with this release. The next release is targeted for our independent adjusters, which we plan to release before the beginning of CAT season, which is June 1st. The latter half of this year we will roll out the remaining technology that includes workforce management and quality management and other key capabilities. Toward the end of this year, we plan to begin the decommissioning of the legacy technologies.

The last slide on this project shows the project spend. A total of \$17.6 million over a period of 10 years was approved by the Board. That includes \$15 million dollars for subscription costs, \$2.29

million dollars for contingency spend, and \$240,000 for implementation. So far, as you can see at the bottom of that slide, since inception, \$96.5k was spent.

I'll take any questions at this time before moving on to the next project.

Jamie Shelton: Mr. Chairman.

Chair Jason Butts: Go ahead, Governor Shelton.

Jamie Shelton: You said, on the last slide, we've only spent \$96,000. But this, this is a system that's, it's already up and running, or -- just a question on that? You haven't spent --

Aditya Gavvala: Yes.

Jamie Shelton: Okay.

Aditya Gavvala: Okay, let me explain the spend. There are two parts to this project. The first part is the telephony part which went live in August of 2023, and the second part is the major component that has not gone live yet. We are scheduled to go live with the second part at the beginning of second quarter, then there are two other releases that are slated for the remainder of the year.

The telephony part is the least bit of spend on the initiative. It's only about roughly \$14,000 a month spend.

Jamie Shelton: Thank you, and good job. I would say that good working with your vendor on this. If we're about to go live here, I think you said June first or before hurricane season, and you haven't had to pay them near the 15 million dollars. Great, great job! Hold on to your money. There.

Aditya Gavvala: Thank you. Any other questions? Okay, hearing none, moving on to the next project.

B. Cloud Update

The next update is on the Cloud project. We provided multiple updates on the project at prior Information Systems Advisory Committee meetings. I'm very excited to share with you today that this initiative is approaching completion this year. Just a quick recap about this initiative.

The essence of the initiative is to migrate our production systems from our on-prem data centers to the Microsoft Azure cloud. The benefits of the initiative are shown on this slide. There are 4 major benefits. The first one is scalability. Adequate compute and storage could be stood up very quickly during peak demands without a lengthy and expensive procurement cycle and we would be able to scale back during the normal business operations. The second benefit is agility. It supports dynamic policy volumes providing a variable cost model. The third benefit is security. Cloud provides inherent security and advanced threat protection capabilities. The fourth benefit is intrinsic disaster recovery. Cloud provides built-in capabilities for disaster recovery. So, those are the major benefits. Next slide, please.

This slide gives you a picture of what our data center footprint looks like today on the left-hand side and what our targeted state for the data center is on the right-hand side. On the left-hand side, you see that the current data center footprint has CSX, which is our Colo-facility, where we are renting space to host our equipment and servers. We also have Winter Haven as our disaster recovery center, and we have a small footprint in the Azure and AWS Cloud. Our target state is to reduce the footprint in CSX, go down to 750 square feet from 2,500 square feet that we are currently renting, get rid of our Winter Haven disaster recovery center, and migrate our production systems to Azure cloud. That's our target state.

The next slide shows the accomplishments of this project to-date. The project started in 2021. As of last year, we migrated a total of 19 production systems and non-production systems to the cloud since 2021. Earlier this year we had Microsoft perform a cost mitigation assessment and received an exceptional score from them for our cloud implementation. Next slide.

There are only three systems remaining to be migrated to the cloud this year. After those systems are migrated, we will shift our attention to reducing our CSX Colo-facility footprint, and we will begin decommissioning our disaster recovery center in Winter Haven towards the end of this year. Next slide.

This slide sums up the annual spend on our data centers year over year. As you can see here, 2024 is the peak year as we have to manage multiple data centers as we migrate from on-prem to the cloud. We anticipate the ramp down to start in 2025 and plateau in 2026.

I'll take any questions on this project at this time.

Chair Jason Butts: It's pretty clear, Aditya. It's great. So, 2026 is when you anticipate having the smaller footprint overall?

Aditya Gavvala: Yes, that's correct.

C. IGA/IAM Update

The last update is on the Identity Governance and Access Management initiative. Let me start with the definition of what is the Identity Governance tool and what is Access Management tool. Next slide, please.

Identity Governance tool assures that the right people have the right level of access in the systems. This tool enables automatic user provisioning and deprovisioning of user identities. It eliminates the need for a manual recertification process. It reduces cyber security risk by providing central administration of user identity access privileges. Additionally, it provides a 360-degree view of all access of an identity in one place. Next slide.

Access Management provides single sign-on, multi-factor authentication, and access management at scale. Next slide.

Here is a brief history of this initiative. In 2019, we asked Gartner to perform an assessment of our Identity and Access Management capabilities at Citizens, and they provided a set of recommendations on what we could do to improve our Identity and Access Management posture. In 2020, Citizens rolled out multi-factor authentication for internal users. In 2021, Citizens implemented the Privileged Access Management (PAM) tool set, and in 2022, IAM, which is

Identity and Access Management, and Identity Governance Administration tools were procured through a competitive solicitation. SailPoint is the IGA tool chosen through the solicitation, and Wipro is the implementation partner. Next slide.

The project was launched in Q4 of 2022. In 2023, two of Citizens' major systems were integrated with the IGA tool, the governance tool, our Centerpoint system, which is our back-office system, and our myAgency system, which is used by our agents and agencies across the state. Next slide.

This slide shows over 10 major business systems that we are targeting to migrate to the IGA and IAM tool set this year, which includes our internal and external websites, our new Claims Legal Matters Management System, and also our Citizens Insurance Suite.

The last slide shows the budget and spend on the project. The action item was approved by the board back in March of 2023, which gave us spend authority of \$9.46 million dollars over 10 years, which is the first column. At the bottom you see the \$9.46 million dollars, and you can see the makeup of the \$9.46 million dollars - Products \$4.3 million dollars, Implementation \$2 million dollars, Support Services \$2.3, and there is a contingency of \$859,000.

The second column shows the spend to-date since the inception of the project. A total of \$1.53 million dollars has been spent and the breakdown of that is also visible here on this slide.

The last column shows the remaining spend authority on this initiative. There's \$7.9 million dollars remaining to be spent over the next 9 years.

That concludes my presentation. I'll take any questions on any of the projects that I presented.

Jamie Shelton: No questions here, Mr. Chairman.

Chair Jason Butts: It looks good, Aditya. Thank you.

Aditya Gavvala: Thank you.

3. New Business

Chairman Butts: So, I think with that, unless there's anything else, Aditya, that you guys need to cover, without any further comments, I think we are good. Governor Shelton or Mr. Vaughan, any additional comments or questions?

Jamie Shelton: Not here, Mr. Chairman.

John Vaughan: None here.

Chair Jason Butts: Alright perfect. Thank you. Thank you all for joining today, and we will adjourn. I'll see many of you next week. Have a great day. Take care.

Aditya Gavvala: Thank you, Committee.

Chair Jason Butts: Thank you.