Summary Minutes of the
Information Systems Advisory Committee Meeting
Tuesday, June 5, 2018

The Information Systems Advisory Committee (ISAC) of Citizens Property Insurance Corporation (Citizens) convened telephonically on Tuesday, June 5, 2018 at 10:00 a.m. (EDT).

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

James Holton, Chairman
John McKay
John Wortman
John Vaughan
Kelly Booten, s*taff*

The following Citizens staff members were present telephonically:

Aditya Gavvala
Robert Sellers
Sarah Harrell
Stephen Guth
Wendy Perry

Call Meeting to Order
Roll was called. Chairman Jim Holton, Governors John McKay, John Wortman, and Technical Advisor, John Vaughan were present. Chairman Holton called the meeting to order.

1. **Approval of Prior Meeting's Minutes**

Chairman Holton asked if there were any corrections to the prior minutes. There being none, he asked for a motion to approve the minutes from the March 27, 2018 meeting.

John Wortman made a motion to approve the March 27, 2018, Information Systems Advisory Committee (ISAC) Minutes. John McKay seconded the motion. The minutes were unanimously approved.

Chairman Holton turned the floor over to Kelly Booten for the Chief, Systems & Operations Update.

2. Chief, Systems & Operations Update

Kelly Booten: Good morning. Kelly Booten, Chief - Systems and Operations, for the record. Today I have a few updates to report. A customer portal update, an IT audit update and an introduction to the action and consent items.

In March, the new MyPolicy Portal was implemented replacing the former ManageMyPolicy to provide enhanced claim information. As of May 31st, there were 25,208 registered policyholders. We have a marketing campaign underway to promote the MyPolicy Portal to drive up adoption. That project is also reported through the Consumer Services Committee so this will be the last report I do at this Committee. Version two of that functionality is being released on June 20th, with First Notice of Loss capability for policyholders to submit their own claims, and then additional capability will be added over time.

As far as audit findings, we have two open item findings that we are working. Remediation work within the internal network identified as a result of the independent network assessment continues to progress as planned, and is on schedule for completion in phases by the end of this year. In addition, the process and control improvements that are related to the Third Party Access Audit have initiated and are also on schedule for completion by the target completion date.

Today we have two action items and one consent item that Aditya will cover. All are budgeted items with no additional new spend requested.

I apologize for the last minute change. We received an update on the System Administrator Services item and had to change it from a consent item to an action item after further review by legal because it was procured as a sole source. We are going to add a step between now and the Board meeting to tidy up the sole source solicitation for that, and then bring it forward to the Board meeting. This Action Item will be contingent upon that happening and Aditya will read all of that in his update. That concludes my report.

Chairman Holton: Thank you, Kelly. Any questions for Kelly? Next the Chair recognizes Sarah Harrell to provide a Centerpoint update.

3. Centerpoint Update

Sarah Harrell: For the record, Sarah Harrell, Director with Enterprise Programs. The materials for the Centerpoint update are behind tab three in your booklet. Slide two is the now very familiar overall timeline for all phases. Phases two and four, the Advanced Procurement and ACM phases have officially concluded since our last meeting.

We have had one minor timeline revision. Phase 5, which was Advanced HCM, has been broken into two phases due to a product switch for our learning management tool. Oracle Learn will now be our learning management tool in lieu of Taleo Learn, and by splitting this phase into two phases we didn't hinder the deployment of the HCM functionality, we just had a slight delay for product provisioning, et cetera and will deploy the Oracle Learn in a separate phase.

Slide three provides you a little more detail on the drivers, the cost and the impacts of the product switch and the timeline revision. If you will notice in the revised timeline, it is unbundled, but as I said, the learning management component is a separate phase so that we can deploy the HCM functionality as planned and deliver the learning management piece about a month later.

The primary drivers for the switch to Oracle Learn is that Oracle Learn is Oracle's now preferred learning management tool versus Taleo Learn which was their previous tool. The secondary driver was a co-licensing offer that Oracle provided at no additional product or licensing costs for customers making the switch before production implementation. It also precluded us potentially doing some type of conversion in the future if we decided to the switch to the product after implementation.

There are some minimal implementation costs from our implementation partner, but we found those to be very, very reasonable at about $32,000. That was the piece that sealed the decision to make the product switch, and with the four program sponsors approval we made the business decision to make the switch and split delivery into two phases.

Slides four and five are the milestone status for the remaining three phases that are all currently active – Phase 3, which is the planning and budget cloud service, and Phases 5 and 5a, as I just discussed. There are no remarkable issues with any of those three phases. They are on track for delivery as planned and, at long last, the program end is in sight. And I can tell you there is a collective sigh of relief coming.

Slide six is, again, the very familiar approved action item for the spend of this 10-year contract. Slide seven is the projected spend for the two-year implementation period.

Again, as we have discussed in previous meetings, this is a fixed priced contract so software licenses, subscription services, and the implementation services are on a fixed schedule and are proceeding as planned. That spend is updated in teal on the chart on slide seven. The only real variables are our two contingency fund buckets. We have $2.1 million allocated for contingency spend and to-date we have spent about $1.18 million, 58 percent, well within the limits of our spend. We have about $877,000 left in the contingency fund. There is an action item today that Aditya Gavvala will be presenting for Oracle Managed Services that will consume an additional $182,000 of the contingency funds.

Slide eight is the projected spend for the remaining seven years of the contract after implementation - again, fixed price payment of fees.

That concludes my update. I would be happy to take any questions.

Chairman Holton: Any questions for Sarah? Okay, Sarah, thank you so much for that update. The Chair now recognizes Robert Sellers to provide the Disaster Recovery and Business Continuity updates.

4. Disaster Recovery/Business Continuity Updates

Robert Sellers: Good morning, Governors, Robert Sellers, Vice President and Chief Technology Officer. The Disaster Recovery Strategy Implementation Program is currently on budget and still delivering with a high quality on the deliverables. As Sarah indicated I would like to echo her, at long last the end of this project is in sight.

Unfortunately, we have had one shift on page 3 of the actual move dates. We were targeting the middle of June and we have revised those dates due to some deliveries of some network services from our State of Florida network services program. They were delivered to the wrong suite. They corrected that activity and we have rescheduled the move to the middle of July, at this point.

We anticipate that time frame holding. It will take us approximately 72 hours to move the center. The existing center is still operational and running and will be up until the day of the move. So we will remain in protected state there, and after the move on the 13th, we anticipate that we will have full validation of the center through appropriate testing, different DR activities, so that by 07/30, we declare that center fully operational and tested.

On day of the move we expect those systems to be available and operational, but we will be running a full exercise at the end of the month.

That concludes the status of the Disaster Recovery Program. Karen Wittlinger from the Office of Internal Audit here at Citizens has been doing an advisory service for us on this particular project. She has submitted a report that will be forthcoming at the upcoming Audit Committee but there were no significant issues in that at this time.

Are there any questions with respect to the Disaster Recovery Center movement? Okay.

Hearing none, I'll move to the Business Continuity Management Workspace and Resource Strategy activity. Governors, I have included several slides here of information that you have seen prior.

We did get the recommendation from the ISAC to the Board of Governors on March 27th. The recommendation to approve a contract with Agility for these services. The approval was given at the April Board meeting, and we recently concluded, in May, the contract with Agility. Further due diligence was done with the vendor and with other outside resources and we felt comfortable in proceeding with the contract.

Project managers were assigned from both organizations and we have had a kick off meeting at this time with our project managers and other associated staff and individuals. The completion timeline on this -- which is to have both the brick and mortar component of this, meaning that we can move into buildings here in Jacksonville, alternative buildings, are to have our mobile space in position to be delivered at locations around Florida – is scheduled to be August 15th of this year.

On page 4, again, just a quick overview of the process having to do with the use of this technology from declaration all the way through the recovery and post recovery activities - just a very high level timeline type of activities.

And then on page 5 you have the specific capabilities that have been contracted for through this program. And with that, that concludes my remarks on this program.

If anyone has any questions, I would be happy to take them.

Chairman Holton: Thank you, Robert. Any questions for Robert? Again, thanks for that update. Next the Chair will recognize Aditya Gavvala to introduce the Centerpoint managed cloud support services and the ACS action item.

5. **Action Items**

   a. **Centerpoint Managed Cloud Support Services – Oracle Advanced Customer Services (ACS)**

Aditya Gavvala: Hello, good morning, everybody. My name is Aditya Gavvala. I am the VP of IT Services and Delivery for the record. The Action Item for Centerpoint is in tab five.

As Sarah mentioned, the Centerpoint project is expected to complete in August 2018. We have come to realize that the maintenance of the system for the already implemented modules is more involved than anticipated. Citizens' current production support team is consumed by the demands of ongoing implementation, post production support and keeping up with the mandatory product updates from the vendor.

Citizens believes it is prudent to outsource a portion of these serviced.

Managed Cloud Support services provided by Oracle ACS includes product support, product upgrade advisory and assistance, and other maintenance support services that might be needed.

The action item requests Citizens Board of Governors approval to authorize staff to enter into a contract with DLT Solutions, LLC to procure Oracle ACS Managed Cloud Support services for an initial six-month contract period beginning July 1st, 2018.

The estimated spend is $181,806.77. Funding for this action item was already approved in June 2016 Action Item. There are sufficient contingency funds in that action item to cover the spend.

If there are no questions may I go for the recommendation?

Chairman Holton: Yes, please.

Aditya Gavvala: Staff requests that Citizens Information Systems Advisory Committee approve and recommend Citizens Board of Governors approve the purchase of Oracle ACS Managed Cloud Support from DLT Solutions, LLC via the DMS Approved Alternate Contract Source Contract No.

81112000-US-16-ACS for the six months in the amount of $181,806.77, and authorize staff to take any appropriate or necessary actions consistent with this action item.

Chairman Holton: I will entertain a motion on this action item.

John Wortman made a motion to approve the Centerpoint Managed Cloud Support Services – Oracle Advanced Customer Services (ACS) Action Item. John Vaughan seconded the motion. All were in favor. Motion carried.

Chairman Holton: Aditya, you are still further recognized and we are changing, as I understand it, agenda item 6-B actually becomes 5-B now and is an Action Item.

b. System Administrator Services

Aditya Gavvala: Yes. Thank you, Governors. I am going to draw your attention to tab six, beginning with internet services, contract number 13-120035-02. My apologies. I am going to switch to the systems administrative service contract number 08-0061.

Chairman Holton: And just so everyone understands, there was a brief change in terms of a sole sourcing here. Kelly, do you want to just briefly go over that again for the benefit of the members?

Kelly Booten: Sure. This one, back in 2013, was procured through a sole source. It is really just a continuing storage of our legacy data for commercial policies that were on the CSC system prior to the Core Project.

We haven't shut down that legacy data look up and archival, yet, which we had planned to do within the next year. The contract itself already had an extension in it that was based upon a ramp down in services.

That was not in sync with the action item that had an end date of December 31st, 2017. So we wanted to extend that service and Aditya will go into that extension time frame, but in reviewing it one more time yesterday we realized that we needed to do the single source process and we will do that between now and the Board meeting.

So this has been turned into an action item and the action item recommendation will be contingent upon the successful single source process that we will initiate today or tomorrow.

Chairman Holton: Got you. Thank you. Any questions for Kelly about the procedural aspects of this? Okay. Thanks, okay, you can proceed then, with the action item.

Aditya Gavvala: Okay, so with that background, may I go for the recommendation?

Chairman Holton: Yes, please.

Aditya Gavvala: Okay. Staff requests that Citizens Information Advisory Committee approve and recommend to the Citizens Board of Governors approve the continuation of services procured via single source approved by Citizens Board of Governors in December 2012, for an additional fourteen (14) months for the period of January 1, 2018, through February 28, 2019; approve the use of funds approved by Citizens Board of Governors in December 2012, for an additional fourteen (14) months for the period of January 1, 2018 through February 28, 2019, contingent upon the successful award of the single source; and authorize the staff to take any appropriate or necessary actions consistent with this action item.

Chairman Holton: Thank you. Is there a motion on this action item?

John McKay made a motion to approve the System Administrator Services Action Item and John Wortman seconded the motion. All were in favor. Motion carried.

6. **Consent Items**

   a. **Internet Network Services**

Chairman Holton: Aditya, please continue on now to the reversed consent item.

Aditya Gavvala: Okay. Thank you. So I am on tab six now, Internet Network Services, contract number 13-120035-02. Level 3 Communications provides critical internet services for the Jacksonville office.

On March 22, 2013, Citizens Board of Governors authorized expenditures for the services under the contract, including option of renewals, in the amount of $228,705. Citizens has consumed more services from Level 3 than the anticipated spend due to a variety of factors, such as consolidation of the Everbank Center in downtown, that required an additional backup circuit to the Citizens offsite data center. Also, the taxes and surcharges were not included in the previous action item that was already approved.

Level 3 provides critical back up circuits. Citizens could not have conducted its business without these critical internet services. To-date, the amount of additional spending is $24,067. This consent item requests approval of funding for the $24,067 in additional spending to-date and also the authority to pay another $122,198 to continue the services through April 24th, 2020.

And this is already budgeted in 2018, and for the remaining term will be budgeted in the future years.

If there are no questions may I go for the recommendation?

Chairman Holton: Please do.

Aditya Gavvala: Staff request that Citizens Information Services Advisory Committee approve and recommend to Citizens Board of Governors approve funding for additional expenditures under the

contract of $146,265 and authorize staff to take any appropriate necessary actions consistent with this consent item.

Chairman Holton: Thank you. Is there a motion on this consent item?

John Wortman made a motion to approve the Internet Network Services Consent Item and John McKay seconded the motion. All were in favor. Motion carried.

    7. New Business

Chairman Holton: The next item of business is new business. Is there any new business to come before the Committee?

None being heard, I will remind you that our next ISAC teleconference is on September 11th, prior to the September 26th Board of Governors meeting. I look forward to seeing everyone later in the month for our June Board meeting, and with that being heard I will entertain a motion to adjourn.

John McKay made the motion to adjourn. Meeting adjourned.