

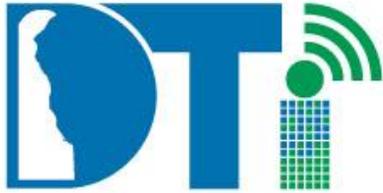


STATE OF DELAWARE
DEPARTMENT OF TECHNOLOGY AND INFORMATION
 801 Silver Lake Blvd.
 Dover, Delaware 19904

Doc Ref Number:	SE-CLD-001	Revision Number:	5
Document Type:	Enterprise Policy	Page:	1 of 4
Policy Title:	Cloud and Offsite Hosting Policy		

Synopsis:	This policy provides a way for State of Delaware organizations to utilize offsite hosting facilities including cloud computing (Software as a Service, etc.)		
Authority:	Title 29, Delaware Code, §9004C - General powers, duties and functions of DTI "2) Implement statewide and interagency technology solutions, policies, standards and guidelines as recommended by the Technology Investment Council on an ongoing basis and the CIO, including, but not limited to, statewide technology and information architectures, statewide information technology plans, development life cycle methodologies, transport facilities, communications protocols, data and information sharing considerations, the technique of obtaining grants involving the State's informational resources and the overall coordination of information technology efforts undertaken by and between the various State agencies;"		
Applicability:	This Policy is applicable to all users of the State of Delaware communications and computing resources. DTI is an Executive Branch Agency and has no authority over the customers in Legislative and Judicial Branches, as well as School Districts, and other Federal and Local Government entities that use these resources. However, all users, including these entities, must agree to abide by all policies, standards promulgated by DTI as a condition of access and continued use of these resources.		
Effective Date:	5/15/2013	Expiration Date:	None
POC for Changes:	Elayne Starkey, Chief Security Officer		
Approval By:	James Collins, Chief Information Officer		
Approved On:	11/30/2015		





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I. Policy

EXECUTIVE SUMMARY

Cloud and offsite hosting offer a credible alternative to traditional IT delivery models. Cloud and offsite hosting can provide benefits such as rapid delivery, enhanced scalability, agility and new funding models.

PURPOSE

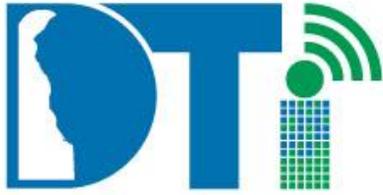
This policy establishes the terms and conditions for cloud or offsite hosting services. All IT-related RFPs, Contracts, etc. must abide by this policy. These technical terms and conditions will help to protect the State's organizations by mitigating the risks associated with entrusting the State's data to a third party. [The Center for Digital Government 2014 study of Cloud Security Procurements](#) endorsed the Delaware T&Cs as the starting point for their discussion.

POLICY STATEMENT

New contracts and amendments are expected to include this vendor-signed document approved by DTI. Contracts already in force will be expected to include this vendor-signed document approved by DTI at the next renewal date. The terms and conditions clauses are mandatory for every engagement and exceptions will be considered non-compliant and non-responsive. These terms and conditions are located at



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- [PDF version of the State’s Terms and Conditions - Public data](#)
- [PDF version of the State’s Terms and Conditions - Non Public data](#)

CYBER SECURITY LIABILITY INSURANCE

Protection of sensitive Personally Identifiable Information (PII) or otherwise confidential information is paramount to the State of Delaware. Data such as social security number, date of birth, driver’s license number, financial data, and federal/state tax information shall be encrypted at rest with validated cryptography standards as specified in National Institute of Standards and Technology [FIPS140-2](#) Security Requirements. When the Service Provider cannot offer encryption at rest, they must maintain, for the duration of the contract, cyber security liability insurance coverage for any loss resulting from a data breach. The policy shall comply with the following requirements:

- Issued by an insurance company acceptable to the State of Delaware and valid for the entire term of the contract, inclusive of any term extension(s).
- Liability limits will be calculated based on the maximum system record count and the [Ponemon Institute](#) average Public Sector Breach cost per record (currently \$154). Refer to the Tiered Coverage Schedule below.

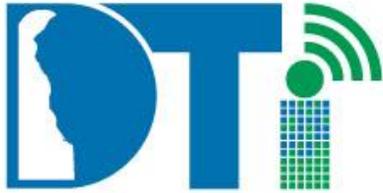
Tiered Coverage Schedule

Level	Number of PII records	Level of cyber liability insurance required (occurrence = data breach)
1	1-10,000	\$2,000,000 per occurrence
2	10,001 – 50,000	\$3,000,000 per occurrence
3	50,001 – 100,000	\$4,000,000 per occurrence
4	100,001 – 500,000	\$15,000,000 per occurrence
5	500,001 – 1,000,000	\$30,000,000 per occurrence
6	1,000,001 – 10,000,000	\$100,000,000 per occurrence

- Shall include, but not be limited to, coverage for liabilities arising out of premises, operations, independent contractors, products, completed operations, and liability assumed under an insured contract.
- At a minimum, the policy must include third party coverage for credit monitoring; notification costs to data breach victims; and regulatory penalties and fines.



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- Shall apply separately to each insured against whom claim is made or suit is brought subject to the Service Provider’s limit of liability.
- Shall include a provision requiring that the policy cannot be cancelled without thirty days written notice to the State Chief Information Officer
- The Service Provider shall be responsible for any deductible or self-insured retention contained in the insurance policy,
- The coverage under the policy shall be primary, and not excess, to any other insurance carried by the Service Provider.
- In the event contractor fails to keep in effect at all times the insurance coverage required by this provision, the State may, in addition to any other remedies it may have, terminate the contract upon the occurrence of such event, subject to the provisions of the contract.

IMPLEMENTATION RESPONSIBILITY

DTI and/or the organization’s technical staff will implement this policy during the course of normal business activities, including project execution and the design, development, or support of systems.

Cloud service providers shall be familiar with, and closely aligned to, the State Standards and Policies related to security. These are referenced in relation to all in-house application builds. Each cloud service provider may have their own means of meeting various security challenges, but each cloud service provider/platform must cover these requirements:

- [Strong Password Standard](#)
- [Web Application Security Standard](#)
- [Common Look and Feel](#) for public facing applications
- [Delaware Information Security Policy](#)

ENFORCEMENT and WAIVER

DTI will enforce this policy during the course of normal business activities, including review of proposed projects and during the design, development, or support of systems. This policy may also be enforced by others during the course of their normal business activities, including audits and design reviews.

If there is ambiguity or confusion regarding any part of this policy, contact the point of contact defined in the header of this policy.



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II. Definitions

Personally Identifiable Information

1. Information or data, alone or in combination, that identifies or authenticates a particular individual. Such information or data may include, without limitation, Name, Date of birth, Full address (e.g. house number, city, state, and/or zip code), Phone Number, Passwords, PINs, Federal or state tax information, Biometric data, Unique identification numbers (e.g. driver's license number, social security number, credit or debit account numbers, medical records numbers), Criminal history, Citizenship status, Medical information, Financial Information, Usernames, Answers to security questions or other personal identifiers.
2. Information or data that meets the definition ascribed to the term "Personal Information" under 6 Del. C. § 12B-102 of Delaware Code or any other applicable law of the State of Delaware

III. Development and Revision History

Initial version established **5/15/2013**

First revision established **8/27/2014**

Second revision establish **11/17/2014**

Third revision established **11/23/2015:**

Removed language regarding the State's inclusion on the insured list.

Fourth revision established **03/01/2016:**

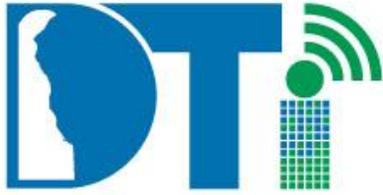
Added Tiered Coverage Schedule. Added PII definition. Adjusted Ponemon value. Updated link for The Center for Digital Government 2014 study of Cloud Security Procurements.

Fifth revision established **10/10/2016:**

Added language and references to State standards in the Implementation Responsibility section.



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V. Approval Signature Block

Name & Title: James Collins State Chief Information Officer	Date: 10/10/2016

VI. Listing of Appendices

[PDF version of the State's Terms and Conditions - Public data](#)
[PDF version of the State's Terms and Conditions - Non public data](#)
[21 Steps to the Cloud](#)



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