CYBERSECURITY CONSIDERATIONS

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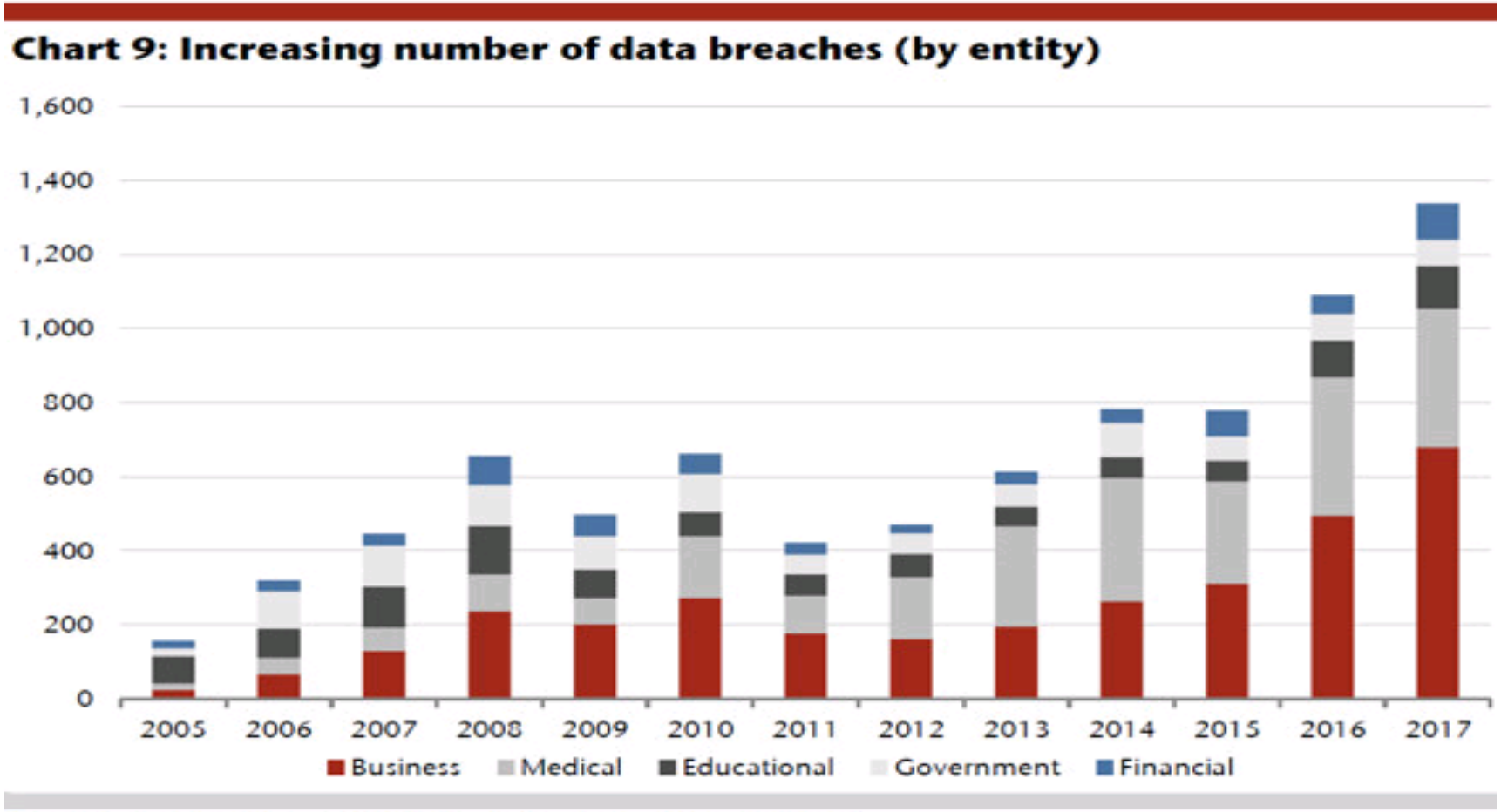
By Michael Rosciam

Interesting Facts



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Interesting Facts

- 88% of the current breach methods were identified back in 2014.
- Version Data breach report stated 81% of the hacks leveraged either stolen or weak passwords.

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Cybersecurity is a significant business/entity risk

- Cybersecurity needs to be
  - Identified
  - Assessed
  - Managed
- Effective Cybersecurity program provides
  - Reasonable assurance to
  - Prevent, Detect and Mitigate Material breaches
  - All done in Timely Manner

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Keys to Cyber security strategy and policy

- The strategy should note the “current state” of security practices
- Establish the value of this collected information
- Documented Strategic Objectives

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Common Cyber Threats Fall Under Three General Categories

- Attacks on confidentiality
- Attacks on integrity
- Attacks on availability

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Conduct a cyber risk assessment

- Determine the Cyber Framework that is used within the organization and determine if the framework reaches down to the control level.

- Is there complementary blend of education, awareness vigilance and technology tools

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Key Areas of Cyber Assessment

- Governance –Organization, Policies, Roles and Awareness
- Risk assessment - Understanding of the business impact and risk
- IT infrastructure - Controls and management oversight to prevent and detect environment
- Incident Response – manages a cybercrime and limit reputational damage

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Key Points of Governance

- Enforcement of Security Policy
- To prevent External threats must develop policy and employ two factor authentication.

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Key Points of Governance

- Third party providers controls evaluated
- Compliance monitoring
- IT acceptable use policy for all employees
- Software update procedures

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Incident Response Plan

- Established policy and procedures for an incident
  - What is an incident
  - How to escalate it
- Asset prioritization – mission critical to non-operational
- Document roles and responsibilities
- What breach laws are you under – Fla. Stat. § 501.171
- Documentation of incident
- Coordination with law enforcement
- Corrective action and remediation

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Keys to Effective Incident Response Plan

- Perform a tabletop exercise
- Time management of IT Department.
- Have developed beforehand relationship with external forensic resources.
- Determine when the resources will be engaged.
- Established remediation plans.
- Update your incident response policies

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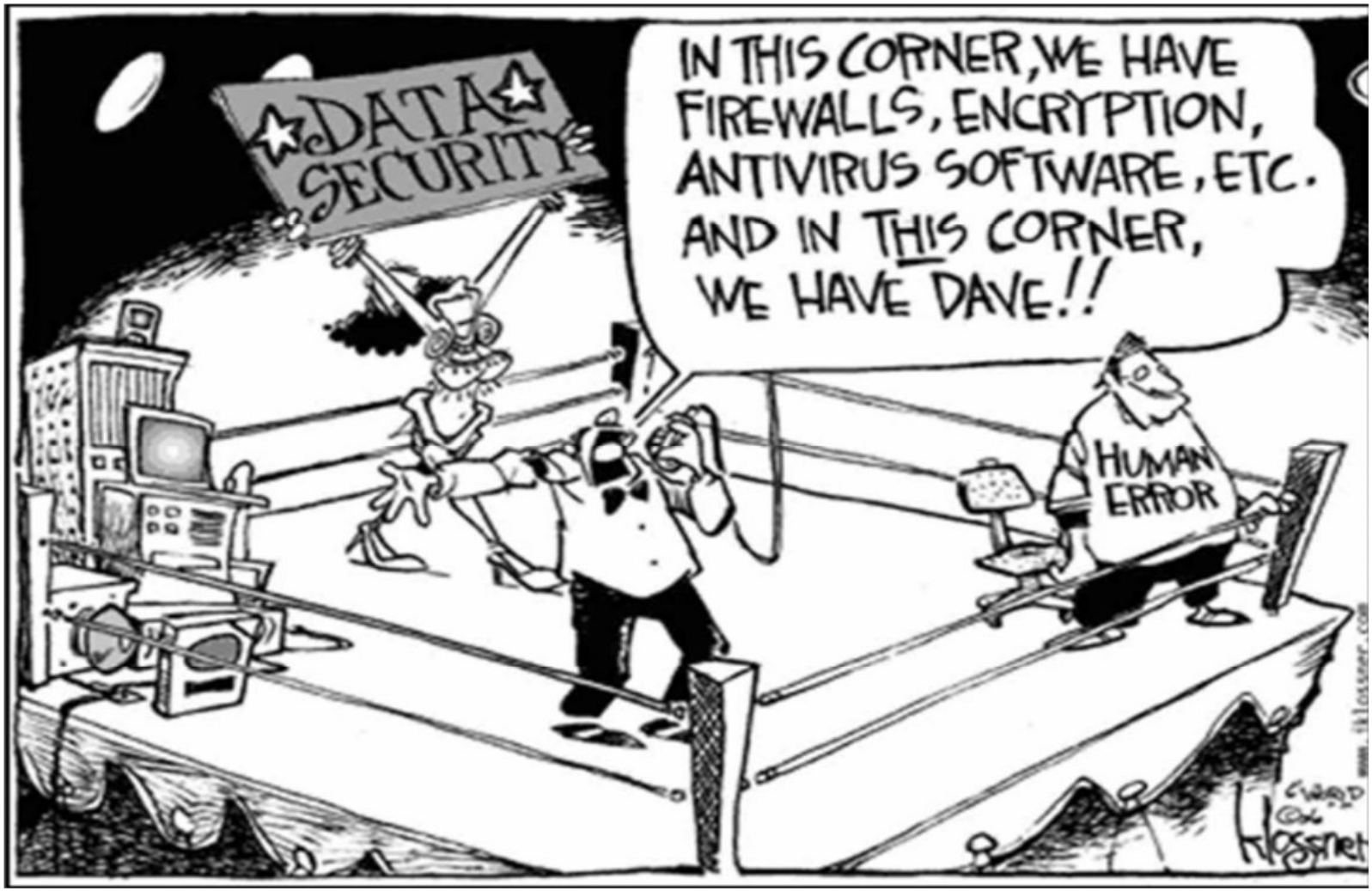

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Cybersecurity Statistics

- Gartner report for Florida states that 48% of data breaches are due to negligent employee
- 43% of the attack tactics are socially related
- 95% of the phishing attacks led to software installation on to the Company networks (ransomware, key loggers)

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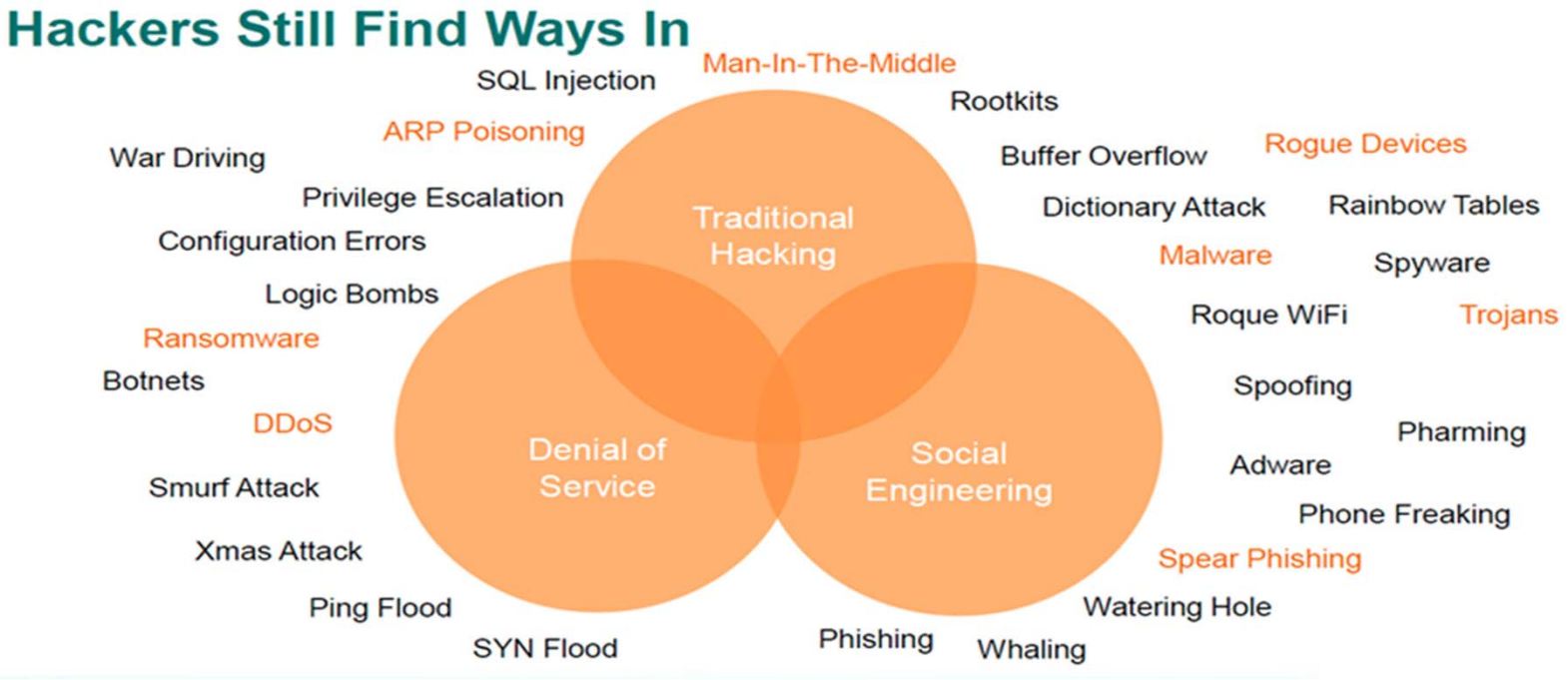
Methods for Those Threats



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Social Engineering

- Attacks the natural human desires
  - Trust
  - Desire to help
  - Desire to avoid conflict
  - Fear
  - Curiosity
  - Ignorance and carelessness

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Why Employee Education

- Employees need to know the importance of security to your company and their individual responsibilities.
- “Practice Makes Perfect”
- Accomplish that by performing simulated phishing attacks on a regular basis
- Employees should receive annual training on the trends and techniques being performed by hackers

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Awareness – how end users can reduce Cybersecurity Attacks?

- Be suspicious of unsolicited phone calls, visits, or email messages from individuals asking about employees or other internal information.
- Never respond to requests for information via hyperlinks; type the known web address in your web browser.
- Do not provide personal information or information about your organization, including its structure or networks.

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Risk assessment - Understanding of the Business Impact and Risk

- Identify risk and vulnerabilities of organization ensure incorporates a cyber perspective
- Ensure risk assessment routinely performed and documented
- Data classification and critical resource listings
- Communication between entity management and IT

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IT Infrastructure Controls

- Identity management – privilege users and need to know access
- Server security
- Mobile computing security
- Database security
- Network Perimeter security
- Monitoring of key areas
- Intrusion detection, help desk reports
- Security event monitoring
- Vulnerability assessment results

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What do I fix first?

- Not all vulnerabilities are created equal
- The answer “ the vulnerabilities most likely to be exploited for damage”
- Focus on your critical data, devices it is stored on and applications accessed by employees.
- Most organizations start with servers and network devices as they are mission critical to company operations.

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Summary Conclusion

Quick Takeaways

- Make people your first line of defense
- Keep data on a need to know basis and know what data is stored where
- Patch promptly
- Use Two factor authentication

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Is your organization ready for the new model law

- Examiners handbook references a SOC 2 Type II report provides regulators with comfort over an insurer's IT general controls and cybersecurity exposure.

- THF can help you assess these risks and sufficiency of your policies, procedures and controls over IT.

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Questions?