

Santa Barbara County Employees' Retirement System

JUNE 28, 2023

A decorative background on the left side of the slide, consisting of a grid of overlapping triangles in various shades of teal and dark blue, creating a low-poly, geometric effect.

INFORMATION SECURITY

Q: How important is it, really?

STATISTICS

43% of data breach victims are small businesses under 250 employees

82% of data breaches leveraged the human element

Overall cybercrime losses reported to FBI in 2022

10.2 Billion US Dollars

(+48%)

Call Center fraud losses reported to FBI in 2022

1 Billion US Dollars

(+114%)

Investment scam losses reported to FBI in 2022

3.3 Billion US Dollars

(+127%)

80% of cybercrime actors are affiliated with an organized group

Cybercrime is Big Business

A person wearing a dark hoodie is seen from behind, sitting at a desk in a server room. The room is dimly lit with blue light from the monitors. Several computer monitors are visible, displaying various data and code. The person appears to be working on a computer, possibly engaged in cybercrime activities.

- **Customer service**
- **Tech support**
- **Procedure manuals**
- **Partner plans**
- **Easy payment options**

Why are Employee Retirement Systems targeted?

- Vast amounts of sensitive personal and financial data (\$)
- Complex relationships between participants, sponsors and administrators
- Public record requests
- Fraudsters can act like participants



Security Incidents

- ▶ **Horizon Actuarial Services – Data Breach (2021)**
- ▶ Third party administrator leaks data of over 2 MILLION participants
- ▶ Multiple lawsuits filed by multiple plans and participant groups
- ▶ <https://news.bloomberglaw.com/privacy-and-data-security/horizon-actuarial-services-hit-with-ninth-suit-over-data-breach>

- ▶ **Missouri Public School Employee Retirement System – Two-for-One (2021)**
- ▶ ONE: Plan employee account was taken over
- ▶ TWO: State of Missouri Education Department website leaks Social Security Numbers
- ▶ <https://www.ai-cio.com/news/missouri-teachers-pension-hit-by-cyber-attack/>

- ▶ **Nationwide Retirement Solutions - Data Breach (2022)**
- ▶ Class action lawsuit filed after personal data was released
- ▶ <https://www.classaction.org/news/class-action-alleges-nationwide-retirement-solutions-failed-to-prevent-2022-data-breach>

- ▶ **San Francisco Employees’ Retirement System – Third Party Failure (2020)**
- ▶ Website vendor setup a test system which was accessed by intruders
- ▶ <https://www.ai-cio.com/news/san-francisco-pension-plan-reports-data-breach/>

Information Security Management Program

- ▶ OK, enough scary stories. What can we do about it?
- ▶ The best defense....launch an information security management program.
- ▶ What does this mean?
- ▶ Why is it helpful?

Building your Infosec Management Program

STEP ONE: ASSESSMENT

- ▶ Find out where you currently stand
- ▶ Work with an experienced information security partner
- ▶ Management Controls
- ▶ Technical Controls
- ▶ Current Vulnerabilities

Building your Infosec Management Program

STEP TWO: BUILD A TEAM

- ▶ Information Security Manager (ISM)
- ▶ Technology experts
- ▶ Infosec experts
- ▶ Executive participation

STEP THREE: MEET REGULARLY

- ▶ Choose a cadence that fits your organization
- ▶ The goal is to make information security management a regular part of doing business, like finance or HR.
- ▶ Prioritize and address findings from the assessment
- ▶ Choose metrics to measure your progress
- ▶ Manage ongoing projects

OTHER RESOURCES

- ▶ Center for Internet Security ([cisecurity.org](https://www.cisecurity.org))
 - ▶ Non-profit focused on state, local, tribal & territorial entities
 - ▶ FREE content and membership in the MS-ISAC
- ▶ National Institute of Standards and Technology ([nist.gov](https://www.nist.gov))
 - ▶ Enormous quantity of information & services
- ▶ Cybersecurity Infrastructure and Security Agency ([cisa.gov](https://www.cisa.gov))
 - ▶ Terrific source of the latest cybersecurity news
- ▶ Secure the Village ([securethevillage.org](https://www.securethevillage.org))
 - ▶ Disclosure: Not a shameless plug!
 - ▶ Brings together experts from all across the cybersecurity spectrum

THANK YOU



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