Cybersecurity Update

October 2023

Overview

1. Trending Attack Tactics
2. Raise the Adversary's Cost
3. NCUA Raising the Adversary's Cost
4. The Third-Party Challenge
5. Information Security Examination Program Update
6. Cyber Incident Notification Reporting
7. NCUA Cybersecurity Resources

Trending Attack Tactics

1 Simple password attacks on web applications are used **nearly half** the time

2 System intrusion used **over a third** of the time (web apps, remote management, and email)

3 Human errors responsible a **third** of the time

4 Social engineering used a **quarter** of the time

Raise the Adversary's Cost

1 Multi-Factor Authentication

2 CISA Shields Up
Mitigate Vulnerabilities
Automated Web Scanning

3 Increase Training
Anti-Phishing Training

4 Other High-Impact, Low-Cost Activities

NCUA Raising the Adversary's Cost

Executive Order 14028

- Encryption
- Multi-Factor Authentication
- Contract Language
- Software Supply Chain
- Zero Trust Architecture

Vulnerability Management

Website Security Testing

Cybersecurity Testing and Training

Third-Party Challenge

MOVEit
Vulnerabilities…

…led to private data stolen from

2,000+

Organizations

60 million

individuals

Where to Start with Cybersecurity

- **Contact your Cybersecurity and Infrastructure Security Agency (CISA) Regional Office**

  – https://www.cisa.gov/audiences/find-help-locally

- **CISA Shields Up Guidance for Organizations**

  – https://www.cisa.gov/shields-guidance-organizations

Information Security Examination

- **The Information Security Examination program is based on asset size, complexity, and risk profile.**

  – Small Credit Union Examination Program

  – Core

  – Core Plus

- **There are three primary components to the Information Security Examination program.**

  – Exam Profile

  – Statements

  – Sub-Statements

Information Security Examination

- **Strengths of Small Credit Unions (<$50M) from 2023 Information Security Examinations:**

  - Maintain backup and recovery plans for critical systems and services in the event of a disaster or incident.

  - Maintain anti-virus and/or anti-malware controls.

  - Patch critical applications and systems.

Information Security Examination

- **Suggestions for Small Credit Unions (<$50M) from 2023 Information Security Examinations:**

  - Report information security risk assessment results to the board of directors.

  - Provide test results of key or critical controls to the board of directors.

  - Report cybersecurity contract provisions for third-party service providers to their board of directors.

Information Security Examination

- **Strengths of CORE Credit Unions (>$50M) from 2023 Information Security Examinations:**

    - Workstations and servers receive automatic updates.

    - Possess active anti-virus / anti-malware alerting mechanisms.

    - Deploy email server anti-malware protections.

Information Security Examination

- **Suggestions for CORE Credit Unions (>$50M) from 2023 Information Security Examinations:**

  - Report information security risk assessment results to the board of directors.

  - Provide test results of key or critical controls to their board of directors.

  - Provide third-party service provider cybersecurity contract provisions to their board of directors.

Cyber Incident Reporting Rule

- **The NCUA Board approved the cyber incident reporting rule on July 21, 2023**

  – Codified in 12 CFR part 748

- **The rule requires credit unions to inform NCUA within 72 hours of a reportable cyber incident as of September 1, 2023**

  – Defined as a substantial loss of confidentiality, integrity, or availability caused by unauthorized access

Cyber Incident Reporting Rule

- **146 incidents reported in the first 30 days since rule implementation**

- **Over 60% of reported incidents were due to third-party compromises**
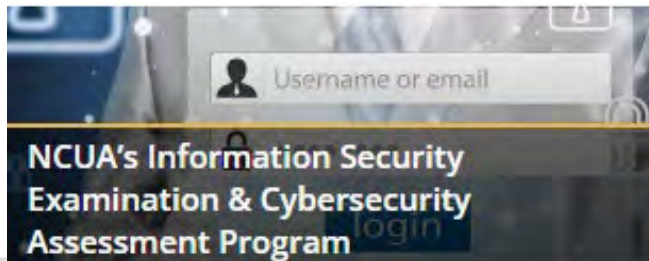
How to Report Cyber Incidents

To report a cyber incident, credit unions may contact the NCUA through the following channels:

- Call the NCUA at 1-833-CYBERCU (1-833-292-3728) and leave a voicemail; or,

- Use the National Credit Union Administration Secure Email Message Center https://web1.zixmail.net/s/login?b=ncua to send a secure email to cybercu@ncua.gov.

NCUA's Cybersecurity Resources

Cybersecurity Resources

NCUA's Information Security Examination and Cybersecurity Assessment Program

ACET and Other Assessment Tools

Supply Chain Risk Management (SCRM)

Catastrophic and Incident Reporting

NCUA's Regulations and Guidance

References & Resources

NCUA's Information Security Examination & Cybersecurity Assessment Program

NCUA's ACET & Other Assessment Tools

Supply Chain Risk Management

Catastrophic & Incident Reporting

NCUA's Regulations & Guidance

References & Resources

www.ncua.gov/cybersecurity

Office Contact Page

Office of Examination and Insurance

eimail@ncua.gov

(703) 518-6360