


BankDirector

Breakout 1: Top Three IT Risks for Bank Boards

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#BDAudit24



Breakout 1: Top Three IT Risks for Bank Boards

Tuesday, June 11 | 1:55 PM – 2:40 PM

Presenter



- IT Assurance Senior Manager
- Crowe LLP
- Columbus, Ohio

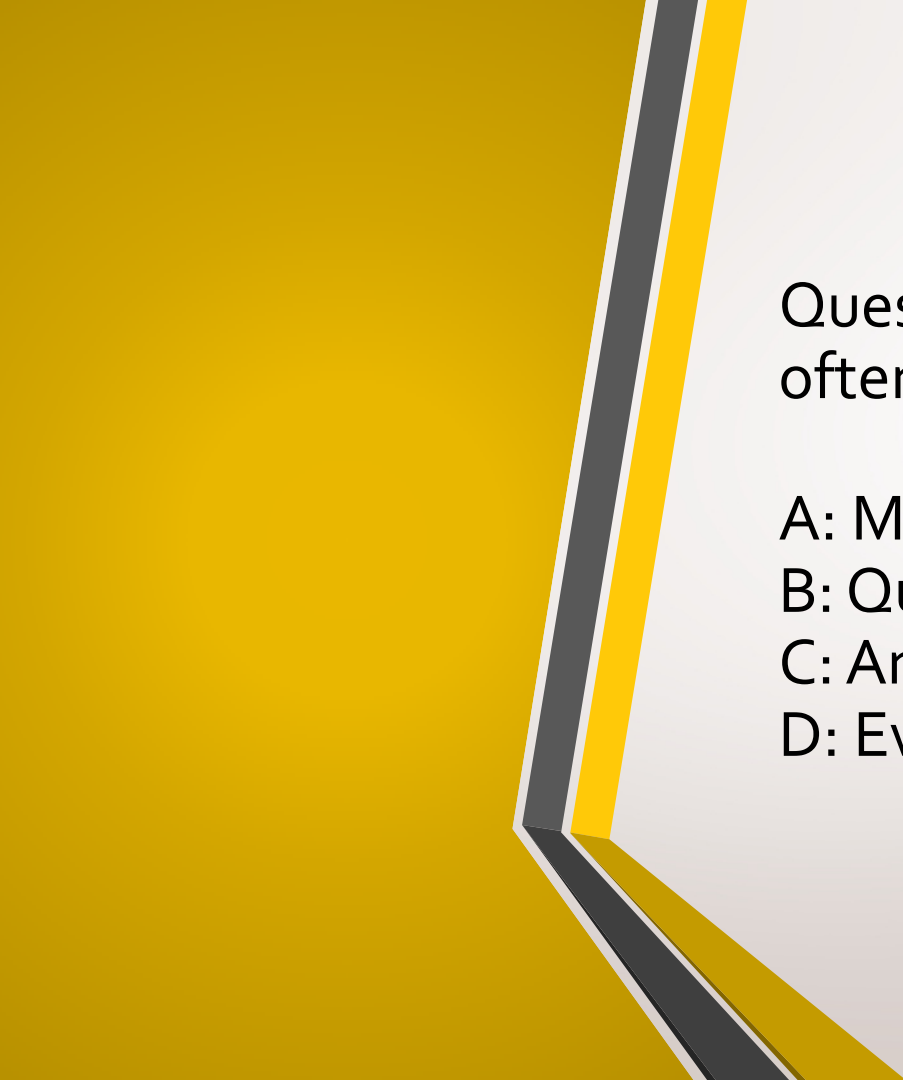
Session Description

This session dives into some of the top IT risks for bank boards, including cybersecurity threats, technological disruptions and regulatory compliance.

Question 1: (By Show of Hands) Are you,

A: A member of the Board

B: Person Responsible for Updating the Board



Question 2: (By Show of Hands) How often is IT a focus in your meetings?

A: Monthly

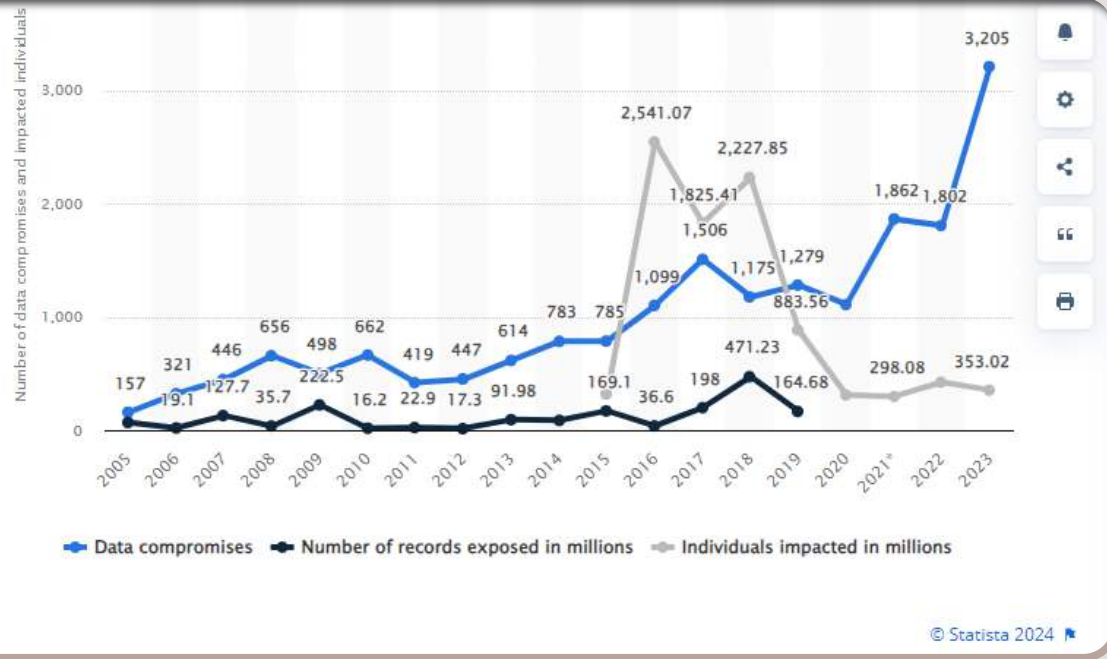
B: Quarterly

C: Annually

D: Every Meeting

The image features a central padlock, rendered in a semi-transparent, metallic style, positioned over a complex background. The background consists of a dark grey field with intricate, glowing golden-brown circuit traces and lines. Several credit cards are scattered across the scene, appearing as semi-transparent overlays. These cards display various numbers, including what appear to be card numbers and expiration dates, though they are not clearly legible. The overall aesthetic is high-tech and digital, suggesting themes of security, data protection, and cyber threats.

Risk #1: Cybersecurity Threats



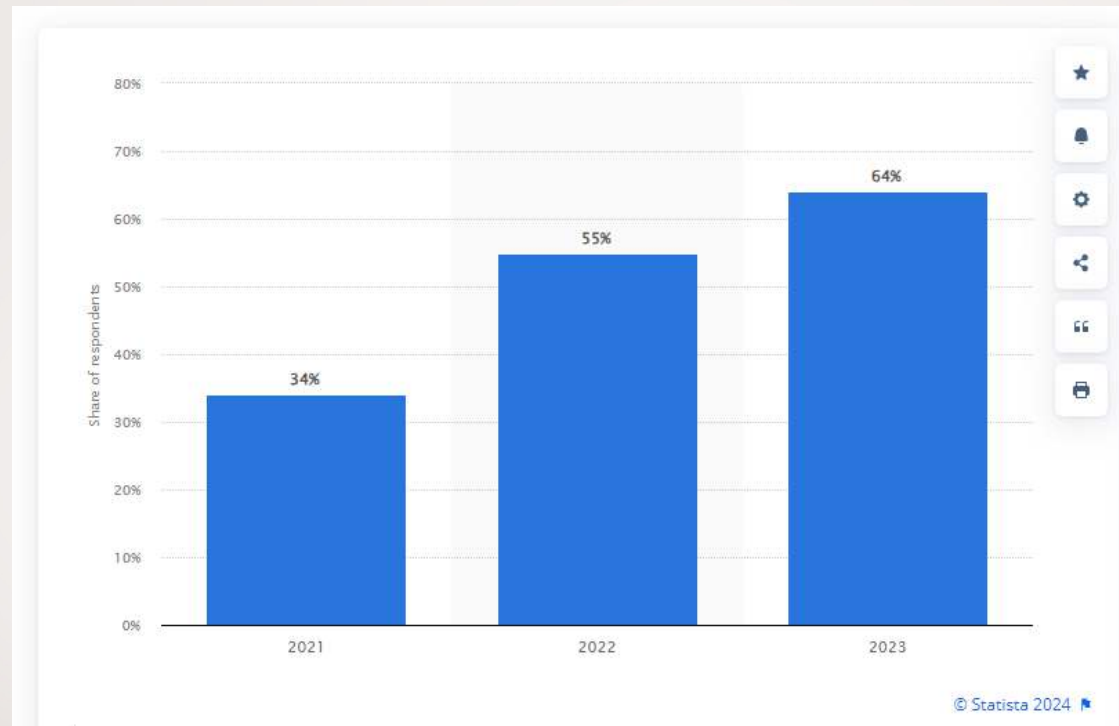
Annual Number of Data Compromises in the United States from 2005 - 2023

Number of cases of data compromise due to cyber attacks in the United States from 2020 – 2023, by industry

Characteristic	2020	2021	2022	2023
Total	-	-	1,801	3,205
Manufacturing and utilities	70	222	249	-
Healthcare	306	330	343	809
Financial services	138	279	269	744
Professional services	144	184	223	308
Manufacturing	-	-	-	259
Education	42	125	100	173
Technology	67	79	87	167
Retail	53	102	65	119
Non-profit/NGO	31	86	72	105
Transportation	21	44	36	101
Government	47	66	74	100
Other	172	308	250	81

Showing entries 1 to 13 (19 entries in total)
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Percentage of Financial Organizations worldwide hit by ransomware attacks from 2021 to 2023

- Getting the “Pulse” of where you Stand
 - Are you asking the right questions to the right people in the right meetings?

Growth of Cybercrime Costs

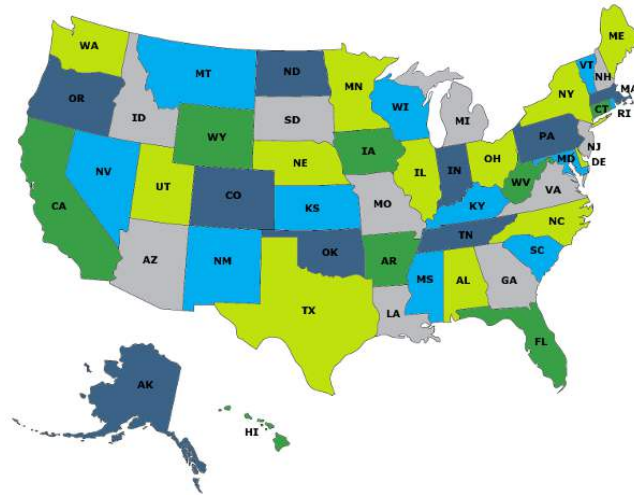


- Cybersecurity Risk Management, Strategy, Governance and Incident Disclosure Rule
- Data Breach Notification Law by State


50 state data breach notification laws by state

in the individual states to see your data breach notification obligations.

note this is only an information summary and is in no way a substitute either for consulting the laws themselves or for taking appropriate legal advice. Laws may be subject to change.



[IT Governance USA Link](#)



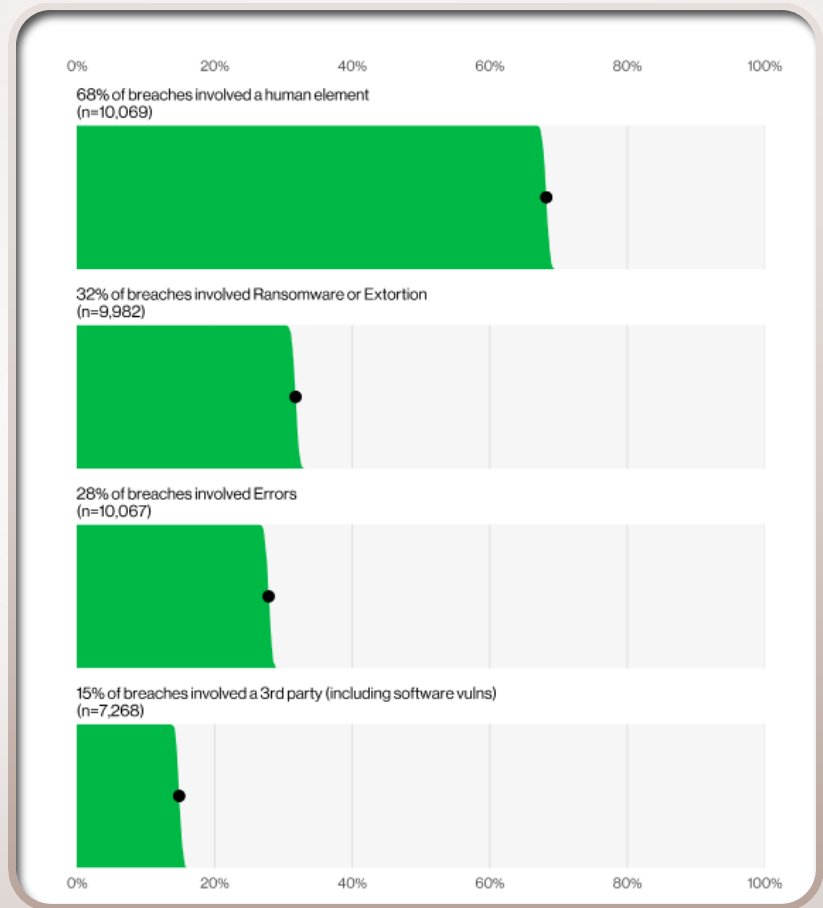
Question 3: (By Show of Hands) When it comes to evaluating third parties, which do you feel is more important to look at?

A: SOC Reports

B: Security Assessments

C: ISO Reports

- Proactiveness vs. Reactive
- Analyzing Third Parties



Cybersecurity Threats



“There are only two different types of companies in the world: those that have been breached and know it and those that have been breached and don’t know it.” – Ted Schlein

The image is a conceptual composition. In the foreground, a metallic padlock is positioned on the left, partially overlapping a credit card. The credit card is tilted and shows various numbers and logos, though they are somewhat faded. The background is a dark, textured surface with a network of glowing orange and yellow lines, resembling a circuit board or a data network. The overall tone is dark and technical, emphasizing themes of security, risk, and technology.

Risk #2: Technological Disruptions

- Way of the Old vs. Way of the New



The Amazon logo, featuring the word "amaz" in white lowercase letters on a dark blue background, with an orange arrow pointing from the 'a' to the 'z'.

ChatGPT



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Strategic Plans



Keeping up with the
Competition



IT Operations/Reliance
in 5 Years

The image features a dark, textured background with a complex network of golden-brown circuit traces. In the center, a metallic padlock is positioned over a credit card. The credit card is semi-transparent, revealing the underlying circuitry and displaying various numbers and text, including card numbers like '3751 3751 3751 3751' and '1243431', and the name 'J.S. BANK'. The overall aesthetic is technical and digital, suggesting themes of security, data protection, and financial risk.

Risk #3: Regulatory Compliance





Information Security vs.
Information Technology

Managements Controls
and Reliance on
Technology

Key Takeaways/Thoughts

Cybersecurity Threats

- Do you have the right people and the right discussions?
- Have you performed data / security risk assessments?
- Have you implemented controls?
- Do you know if these controls are effective.
- What is your 3rd Party Risk?
- How strong is your IRP?
- Is the floor going to fall out from them when a cyber event occurs?

Technological Disruptions

- Are you in tune on the strategic direction of the bank?
- What new technologies are being implemented?
- Do you have the right oversight and monitoring in place?
- Do you know where your data is?
- How Strong is your BCP?

Regulatory Compliance

- Will there be a rise in guidance?
- Who is responsible for monitoring new IT guidance?
- How are you getting ahead of it?

Questions?

