Aftermath of a DOL Cybersecurity Audit

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Agenda

- Developing your program
 - Assessing the program
 - Assessing your vendors and their program
- DOL requests and preparing for audit
 - What does the DOL expect to see from you?
 - Preparation for the audit

Agenda

- Audit findings and outcomes
- Lessons learned
- Updated DOL Guidance—September 2024

The Fund's Cybersecurity Program

- Every Fund should have a Cybersecurity program in place
- Every Fund should be managing their third-party vendors



The Fund's Cybersecurity Program

- Every Fund should have annual security awareness training (including the Trustees)
- Every Fund should be reporting to the Trustees on their cybersecurity program



Developing the Fund's Cybersecurity Program

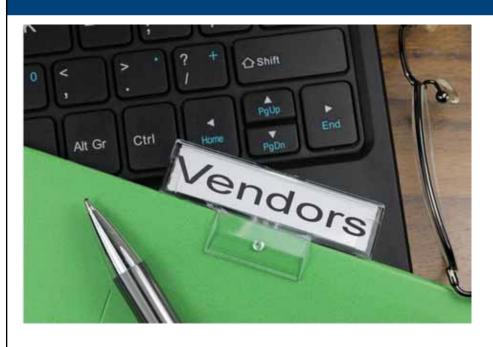
- What if you don't have a program?
 - Don't panic...Well panic a little
 - Get help to put a program in place that meets the DOL guidance and is appropriate for your Fund

Assessing the Fund's Cybersecurity Program

- The one thing you cannot do yourself
 - Independent auditor
 assesses security controls
 that provide a clear,
 unbiased report of
 existing risks,
 vulnerabilities and
 weaknesses



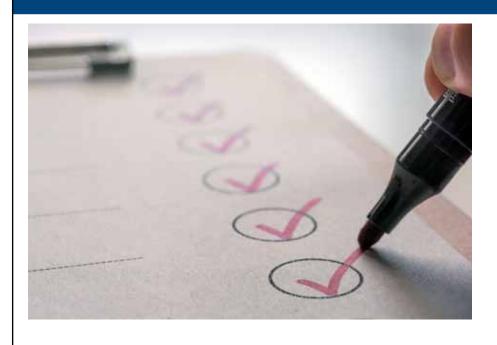
Assessing the Fund's Vendors



- Risk assessment of third parties
- Minimum cybersecurity practices
- Periodic assessing third parties based on *risk*

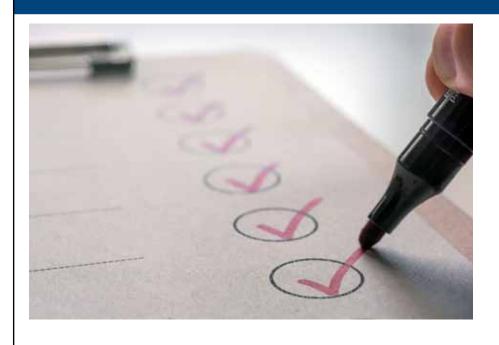
DOL Requests and Preparing for an Audit

The Request List



- Document request or subpoena will be sent for items related to:
 - Cybersecurity policies and procedures
 - Segmentation of networks
 - Encryption.

The Request List

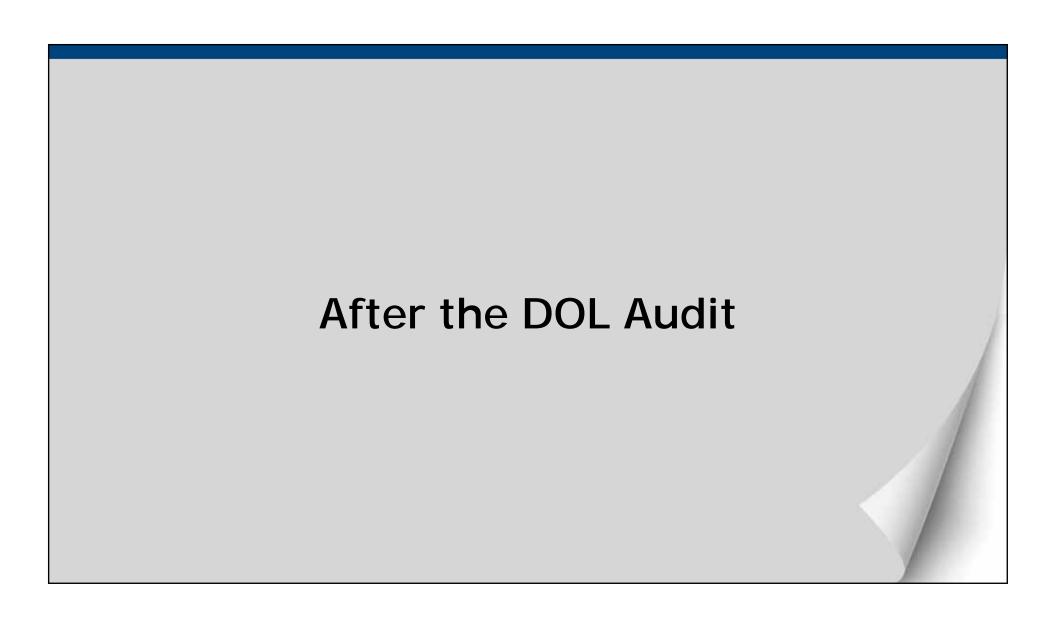


- Document request or subpoena will be sent for items related to:
 - Third-party audits
 - Third-party assessments
 - All other documentation that substantiates compliance with DOL guidance.

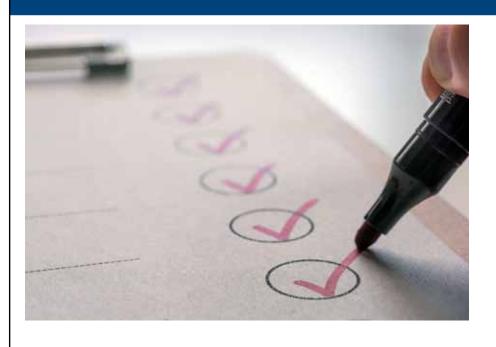
How to Prepare for Audit

- Preparation starts well before an Audit is ever scheduled or a request list is received
- Make sure that your cybersecurity program is aligned with DOL guidance





Audit Findings and Outcomes

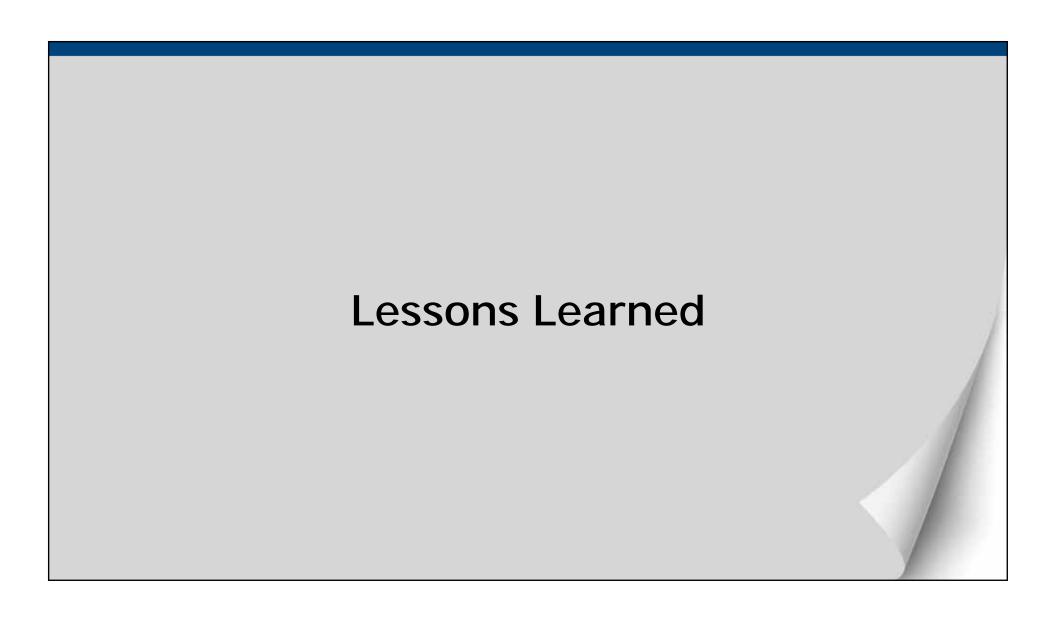


- The current goal is to help plans meet fiduciary duties by implementing a robust cybersecurity program
- Ensure plan understand their own environments
- Monitor service providers

Audit Findings and Outcomes

- If potential fiduciary breaches are identified
 - Voluntary correction of identified items
- No voluntary remediation of items, DOL will consider the following:
 - Issuing VC letter
 - Filing suit against breaching fiduciaries





Key Takeaways

- Be prepared for a cybersecurity audit well in advance of receiving a request list
 - Implement the DOL cybersecurity guidance
 - Understand the Plan's risks
 - Understand your fiduciary responsibility
- Keep documentation related to cybersecurity program organized and up to date

Key Takeaways

- Review and update cybersecurity program annually
- Remediate any findings from DOL cybersecurity audit in a timely manner
- Review updated DOL cybersecurity best practices (September 2024)

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