

CU SECURITY - ESTABLISHING A PROACTIVE APPROACH

Like the health condition of an individual, credit unions need a complete "physical" exam from a security point of view. They need to start with a comprehensive baseline assessment of their environment, risks and vulnerabilities. Only after a complete "bottom-up" review will they know where they stand. Once a credit union knows their overall security posture, they can then be prepared to handle new risks such as new software packages, branches, employees, etc.

By connecting to the Internet, credit unions are merging their operations into a very risky world. We all know that ID theft is dramatically on the rise and that hackers are getting much more sophisticated in their attacks. Because only 30 - 40% of intrusions are reported to authorities, people have a false sense of security. Even worse, they may not know the extent of their exposures and that they have been penetrated. While there is insurance you can buy and reactionary measures you can take for financial losses, there is no insurance for reputational risk. That means credit unions must remain vigilant at all times in protecting their members' financial information.

Understanding risk is a critical element of being, or becoming, secure. The risk assessment is the essential process. However, we believe that in order for a risk assessment to be meaningful, it must be an ongoing process, not just periodic snapshots. We also believe that it's important to assess internal systems and security policies and procedures, not just perform perimeter security scans. Such a process must also empower the user to measure, manage and improve risk posture against nationally and internationally recognized security standards. Our solutions provide a baseline assessment from the outset, and provide ongoing assessments against this known baseline. Xacta enables credit unions to monitor and manage risk posture in a continuous fashion.

Xacta's software and related implementation services - all performed by credentialed individuals, many of whom have high-level government clearance - enable credit unions to take a comprehensive, integrated and self-administered approach to information security and management. Our solutions revolve around best practices and are completely standards based: NCUA part 748, EC1, EC2, Gramm-Leach-Bliley, ISO 17799, etc. We also deliver dozens of risk posture reports to satisfy examiners, senior management and board members.

Our approach empowers credit unions to evolve to the point where they treat security as a critical day-to-day business process. We have succeeded when we enable credit unions to evidence regulatory compliance and fiduciary due diligence as well as make more informed business decisions because they understand their security risk posture on an on-going basis.



Michael P. Flaherty, Esq. is the executive vice president, general counsel, and chief administrative officer for Telos and Xacta Corporations, in Ashburn, Va., providers of networking and security products and services. He also serves as senior trial counsel with O'Donnell and Shaeffer, LLP, where he represents major corporations in complex commercial litigation. In addition, Mr. Flaherty is chairman and CEO of First Continental Financial Group Inc., and a board member of Wright Patman Congressional Federal Credit Union in Washington D.C. His previous professional activities include being CEO of the Beverly Hills Savings and Loan Association, the Southern California Savings and Loan Association, and the National Trust Group Inc. He has also been an attorney in private practice, and general counsel to the Committee on Banking, Finance and Urban Affairs for the U.S. House of Representatives.