FFIEC Changes: How Will They Affect Me?

October 27, 2021

Viviana Campanaro, CISSP
Sr. Security & Compliance Solutions Specialist

FFIEC

Federal Financial Institutions Examination Council

June 30, 2021

New booklet in the FFIEC Information Technology Examination Handbook series:

“Architecture, Infrastructure, and Operations”

August 11, 2021

Guidance on effective **authentication** and **access risk management** for digital banking services and information systems.

FFIEC

Federal Financial Institutions Examination Council

New “Architecture, Infrastructure, and Operations” booklet:

Expanded guidance to help assess the risk profile and adequacy of information technology architecture, infrastructure, and operations.

FFIEC

Federal Financial Institutions Examination Council

New "Architecture, Infrastructure, and Operations" booklet:

Replaces the "Operations" booklet issued in July 2004.

Provides examiners with expectations regarding architecture and infrastructure planning, governance, risk management and operations of regulated entities.

FFIEC

Federal Financial Institutions Examination Council

New Authentication guidance:

Provides examples of effective principles and practices for customers, employees, and third parties accessing digital banking services and information systems.

First things first:

What's your current state?

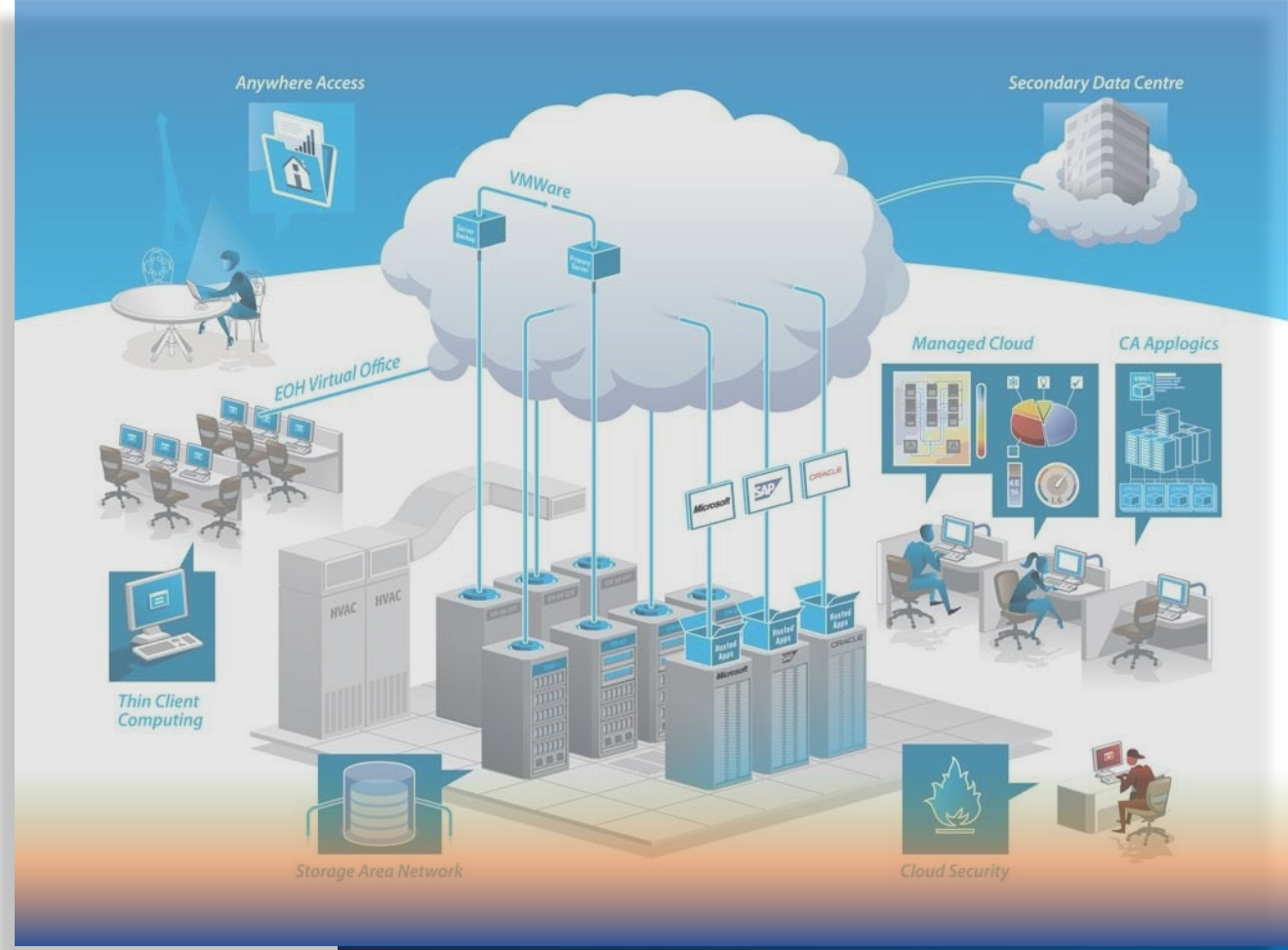
Business Objectives

- ✓ Improve Liquidity
- ✓ Reduce Costs
- ✓ Increase Market Share
- ✓ Innovate and Sustain
- ✓ Improve Speed to Market
- ✓ Drive Profitability

Next:

Where are your gaps?

Products/Services
vs.
IT system capabilities, security and resilience



Next:

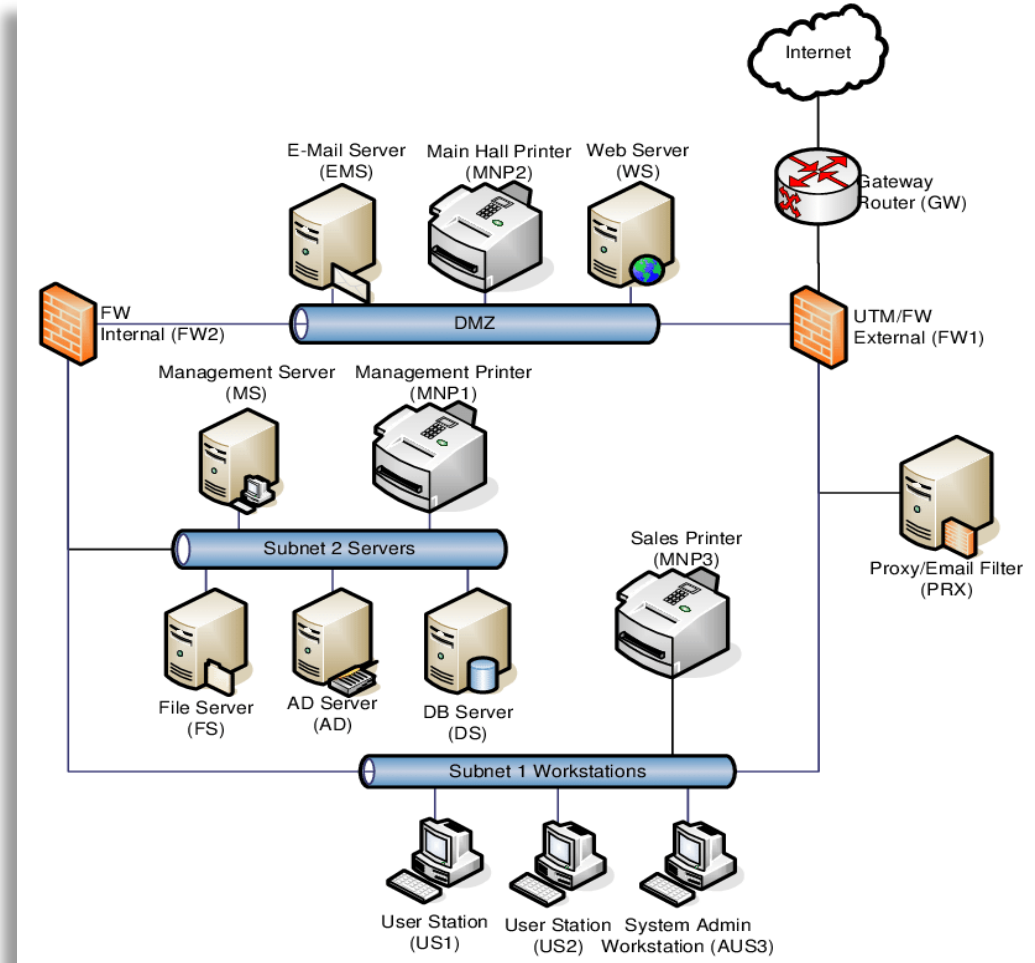
Map your Network

Hardware

Software

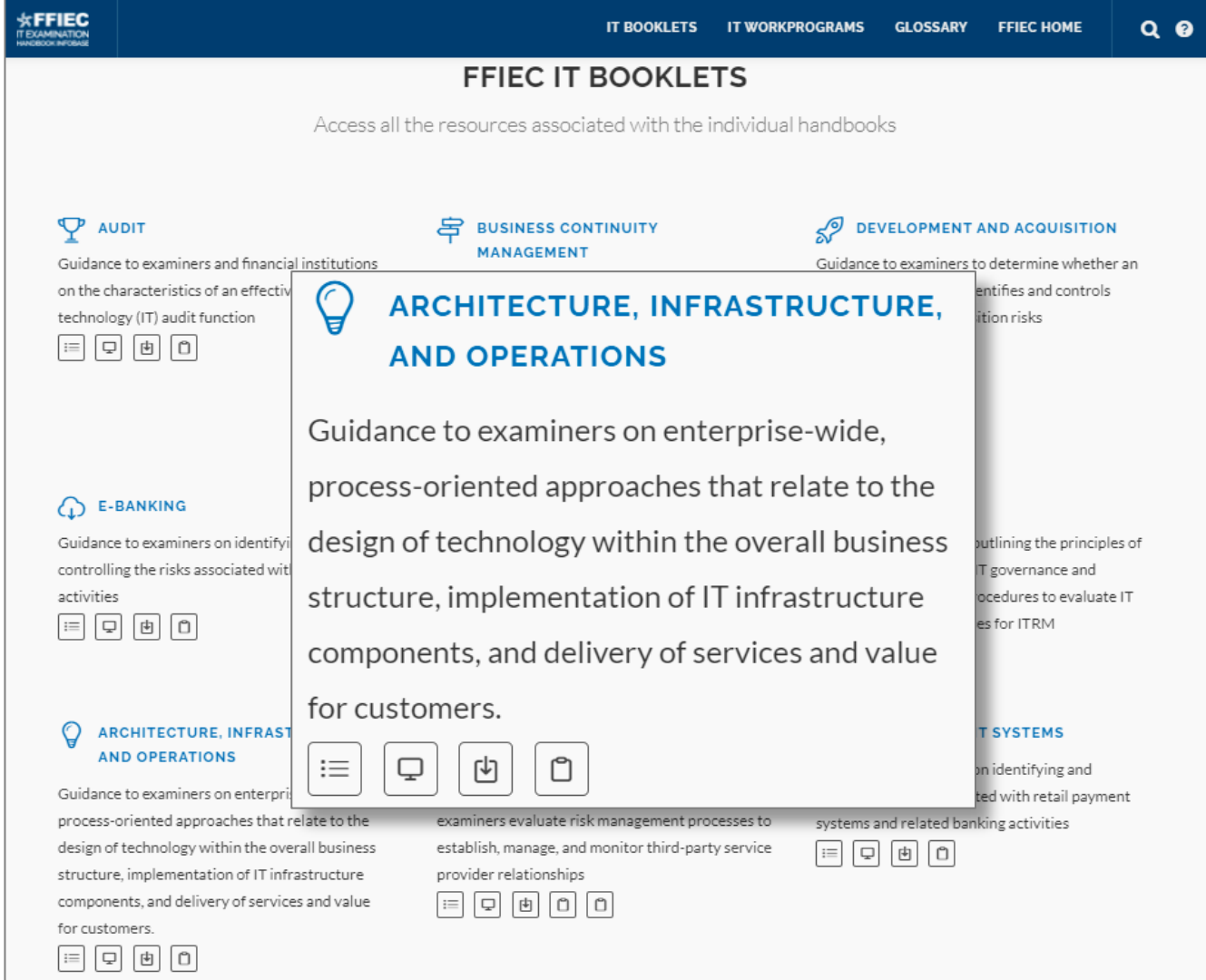
Connectivity

ALM
(Audit, Logging, Monitoring)



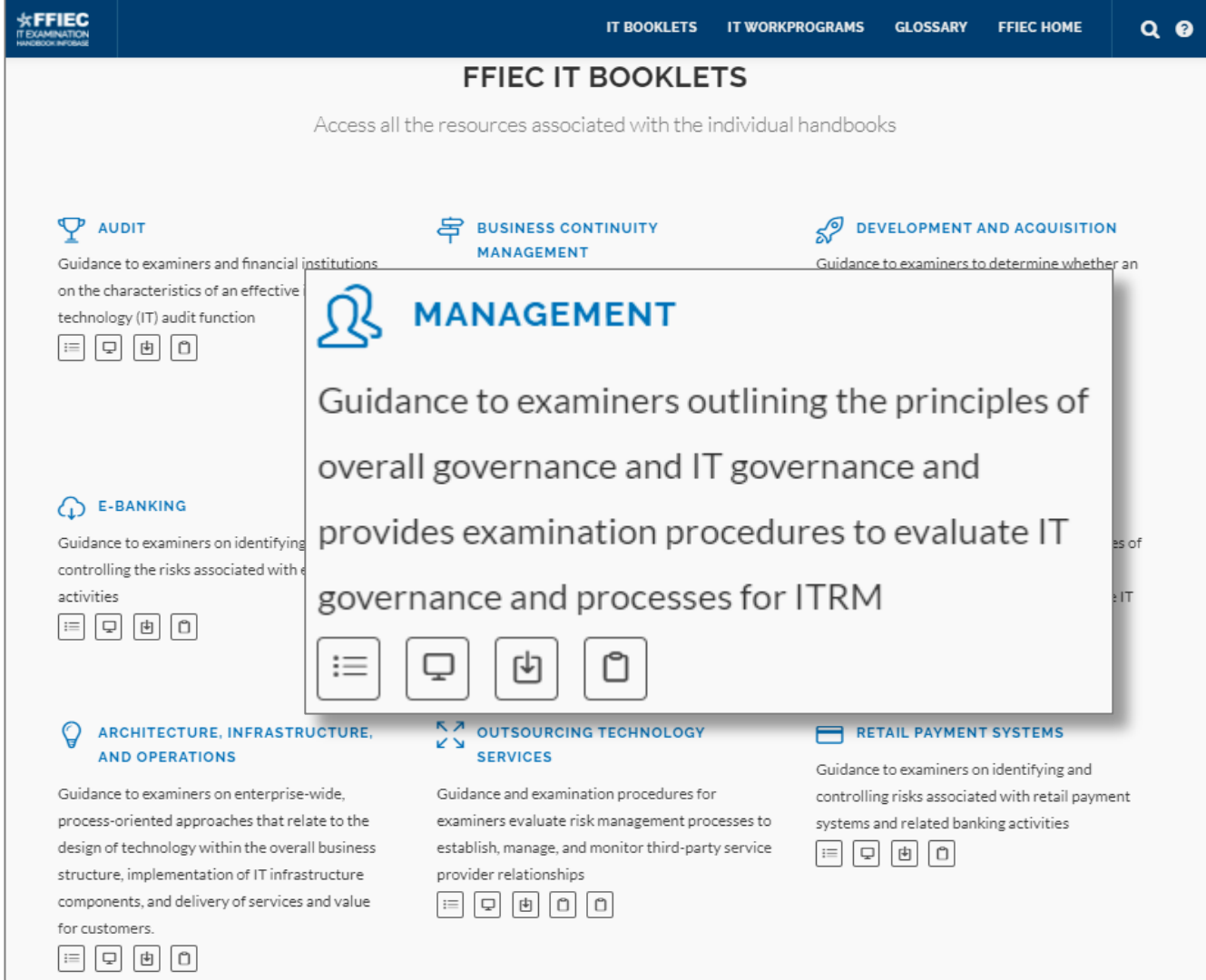
FFIEC Examination Handbook

https://ithandbook.ffiec.gov/



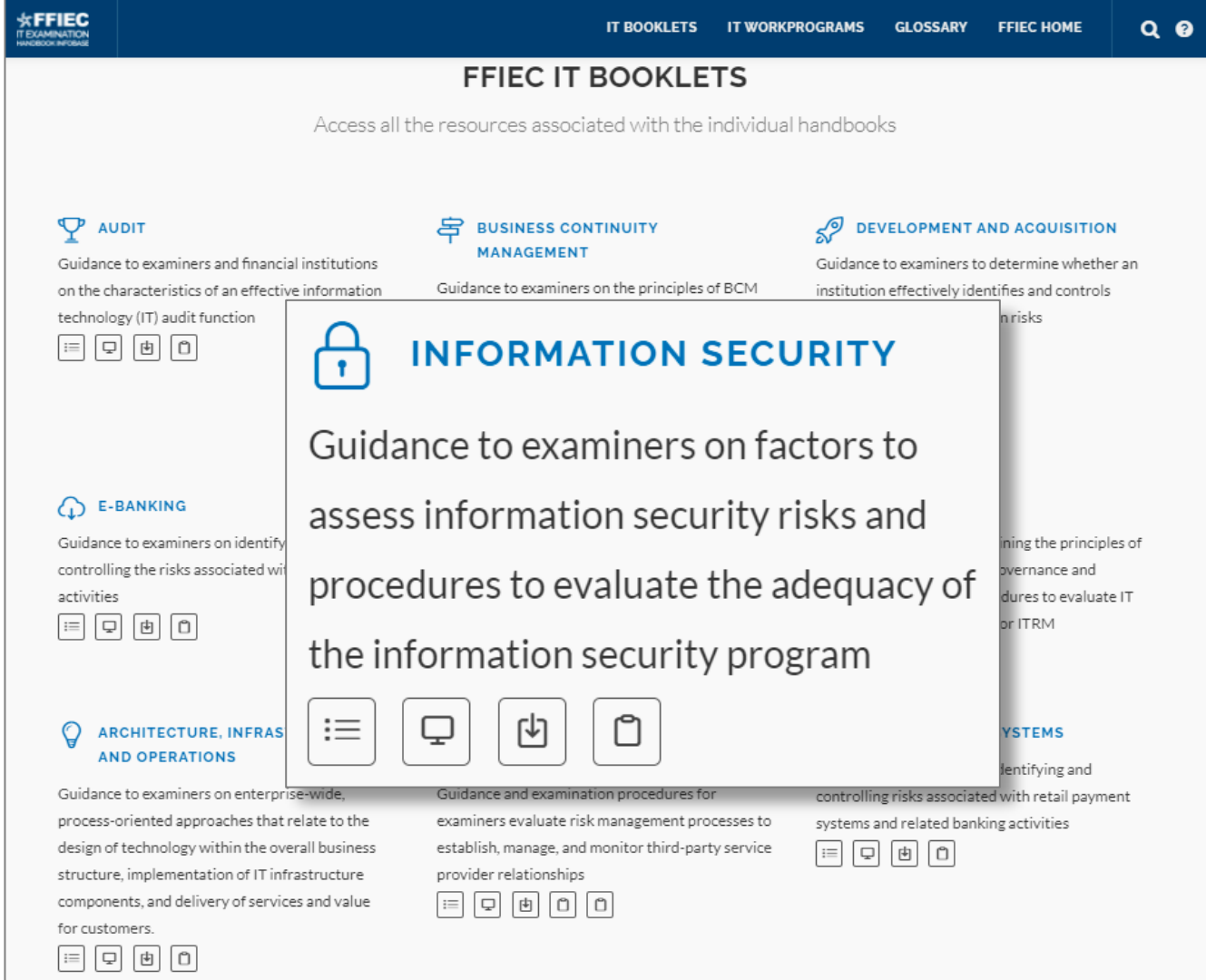
FFIEC Examination Handbook

https://ithandbook.ffiec.gov/

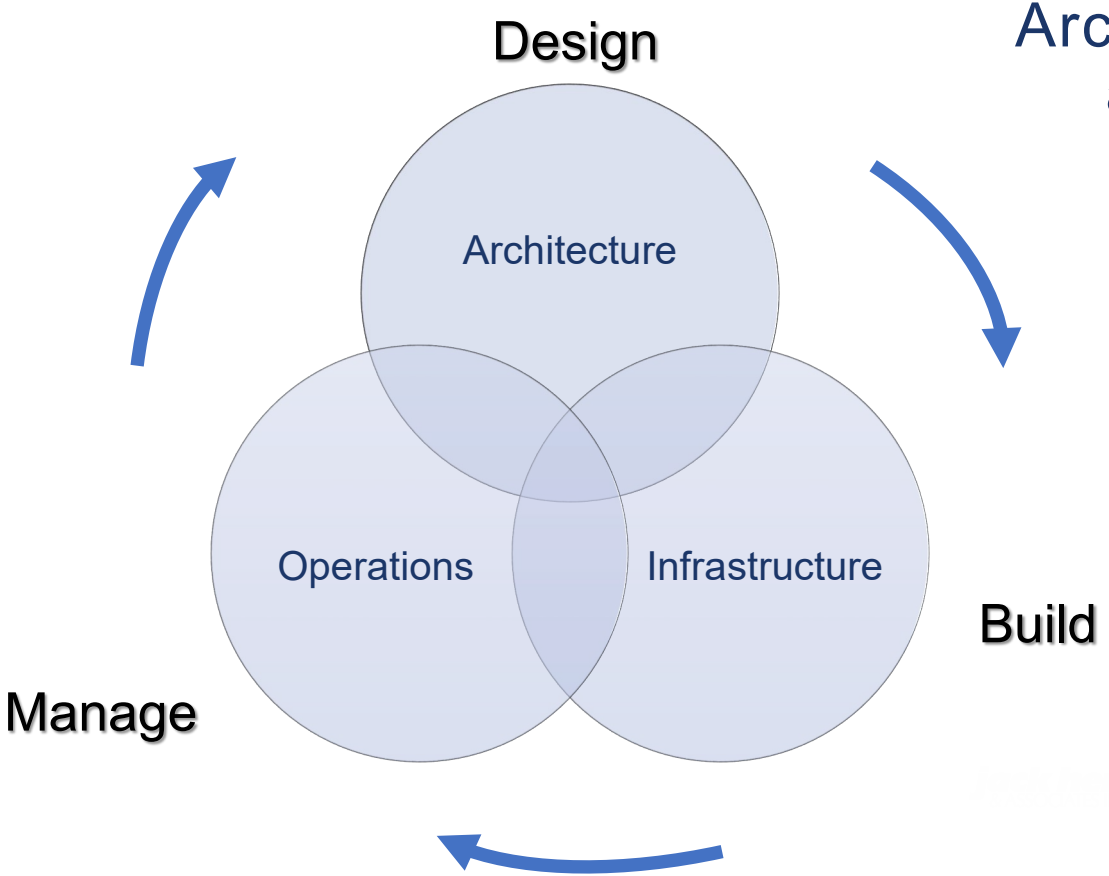


FFIEC Examination Handbook

https://ithandbook.ffiec.gov/



Architecture, Infrastructure, and Operations (AIO)



- Governance
  - Risk assessments
  - IT/Security Policies
  - Procedures
  - Management Reports

Architecture, Infrastructure, and Operations (AIO)

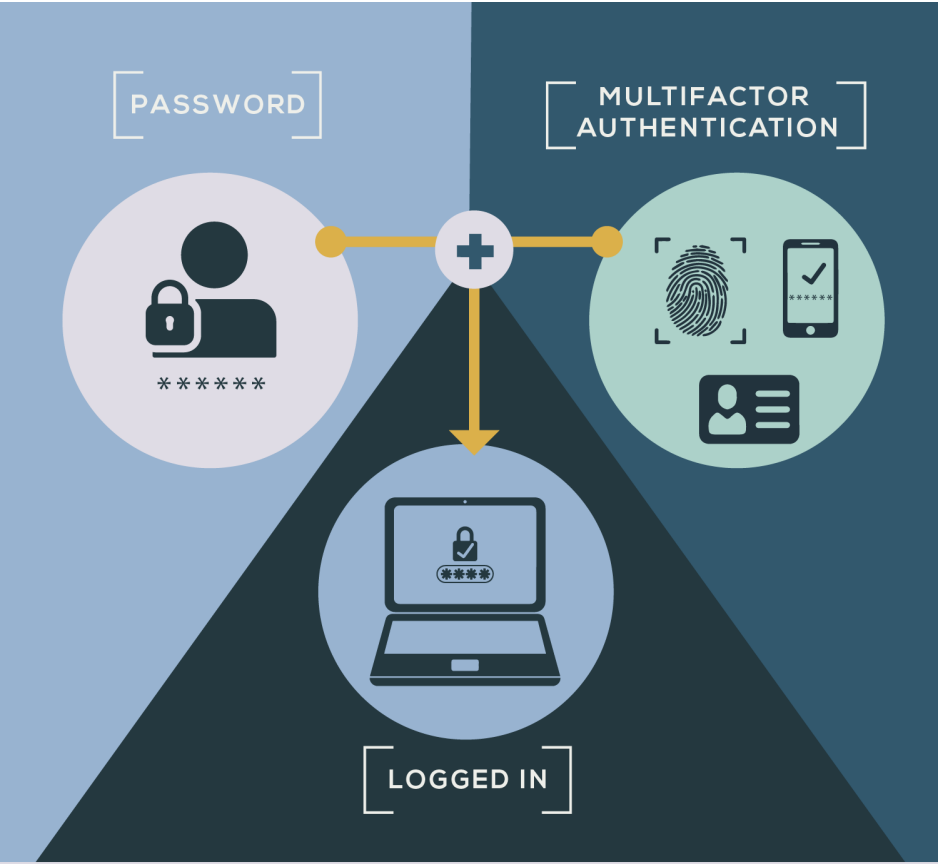
Asset Management

- Roles & Responsibilities
- Security
- Resiliency
- Shadow IT
  - Unauthorized software
  - Unsupported technology

Architecture, Infrastructure, and Operations (AIO)

3rd Party Management

- Roles & Responsibilities
  - Vendor selection/onboarding
  - Vendor relationships
  - 3rd Party risk assessments
  - 3rd Party budget/spend



Authentication Guidance

- Risk Assessment to determine:
  - Users (employees, vendors, customers)
  - Banking products/services
  - Authentication practices
  - Control effectiveness

Authentication Guidance

- Risk Assessment
- Layered Security
- Multi-Factor Authentication (MFA)
- Monitoring, Logging and Reporting
- Email and Internet systems

- MFA for:
- Outlook Web Access (OWA)
- VPN
- Admin/Privileged users

Authentication Guidance

- Risk Assessment
  - Prior to implementing new services
  - Integrated, enterprise-wide
  - Maintain current access and authentication risks & controls
- Inventory of
  - Information Systems
  - Digital Banking services
  - High-risk transactions
  - High-risk users

Authentication Guidance

- Layered security
  - Preventive
  - Detective
  - Corrective
  - Compensating controls
  - Protect from unauthorized access
- Examples
  - User time-outs
  - System hardening
  - Network segmentation
  - Monitoring processes
  - Transaction amount limits

Authentication Guidance

- Multi-Factor Authentication
  - Part of layered security
  - High-risk transactions / users
  - Something you know
  - Something you have
  - Something you are
- Examples
  - OTP devices (tokens)
  - Keys
  - Passphrases
  - Biometrics

Authentication Guidance

- Monitoring, Logging and Reporting
  - Visibility into unauthorized access
  - Timely response and investigation
  - Promote accountability
- Examples
  - Transaction/audit logs
  - Fraud monitoring
  - Anomaly detection monitoring
  - Fraud response policies

Authentication Guidance

- Email and Internet systems
  - Common attack surface
  - Misconfigured systems
  - Unpatched vulnerabilities
  - Social engineering
  - Phishing
- Examples
  - Browser pop-up blocking
  - URL re-directs
  - MFA for email
  - Awareness education

Establish and maintain…

- People in the right roles (ISO, Risk Officer, IT Officer)
- Transparency and commitment
- Proper documentation and technology
- Risk appetite/tolerance statement

…to achieve key outcomes

Regulatory Compliance

Authoritative Asset Inventory

Common Language of Risks and Controls

Connect across the organization

Gladiator™ Services

Total Protect Managed Security Services

- UTM Management & Monitoring
- SIEM Monitoring, Alerting & Reporting
- Incident Alert, Early Breach Detection
- Advanced Malware Protection
- Enterprise Vulnerability Scanning
- OS and Application Patching
- Endpoint Security Management
- Data Backup & Recovery

Governance, Risk & Compliance Services

- Virtual Information Security Officer
- Information Security Risk Assessment
- Written Information Security Program
- Security Awareness Training
- Business Continuity Management
- Mock Disaster Drills
- Vendor Management
- GRC

Centurion® - Disaster Recovery Services

- Enterprise Level Backup
- On premise Recovery
- Virtual Server Recovery
- In-house Core Hosted High Availability
- Tape Recovery
- Testing Facilities

Hosted Network Solutions

- IaaS in JHA's private cloud
- VMWare Virtual Servers
- VMWare Virtual desktop
- Hosted JHA and third-party apps
- Hardware and Microsoft licensing
- Hardware and software maintenance
- SD-WAN services

About Gladiator

Operations

- Certified System, Network & Security Professionals
  - Network Routing, Virtualization, Windows, Security
  - Cisco, VMWare, Microsoft, Firewalls
- 24/7 Network Monitoring & Management
- 24/7 Security Operations Center
- Governance Risk & Compliance Center
- Remote End-User Help Desk
- Located in the USA

jack henry™

CYBERSECURITY FORUM

SAFER. SMARTER. TOGETHER.

When
Thursday, November 18, 2021 | 10 A.M. – 4 P.M. CT

Where
Hyatt Regency | Louisville, KY

Cost
FREE ($1,495 Value)

THE RANSOMWARE ROLLER COASTER: ARE YOU READY TO RIDE?

New this year: Hear about Jack Henry's modern approach to cyber defense.

Register Now: https://discover.jackhenry.com/jack-henry-cybersecurity-forum

Thank You!

Viviana Campanaro, CISSP
vcampanaro@jackhenry.com