



POMS

RISK CONTROL
& INSURANCE
SMARTER INSURANCE
FOR SMARTER BUSINESS.



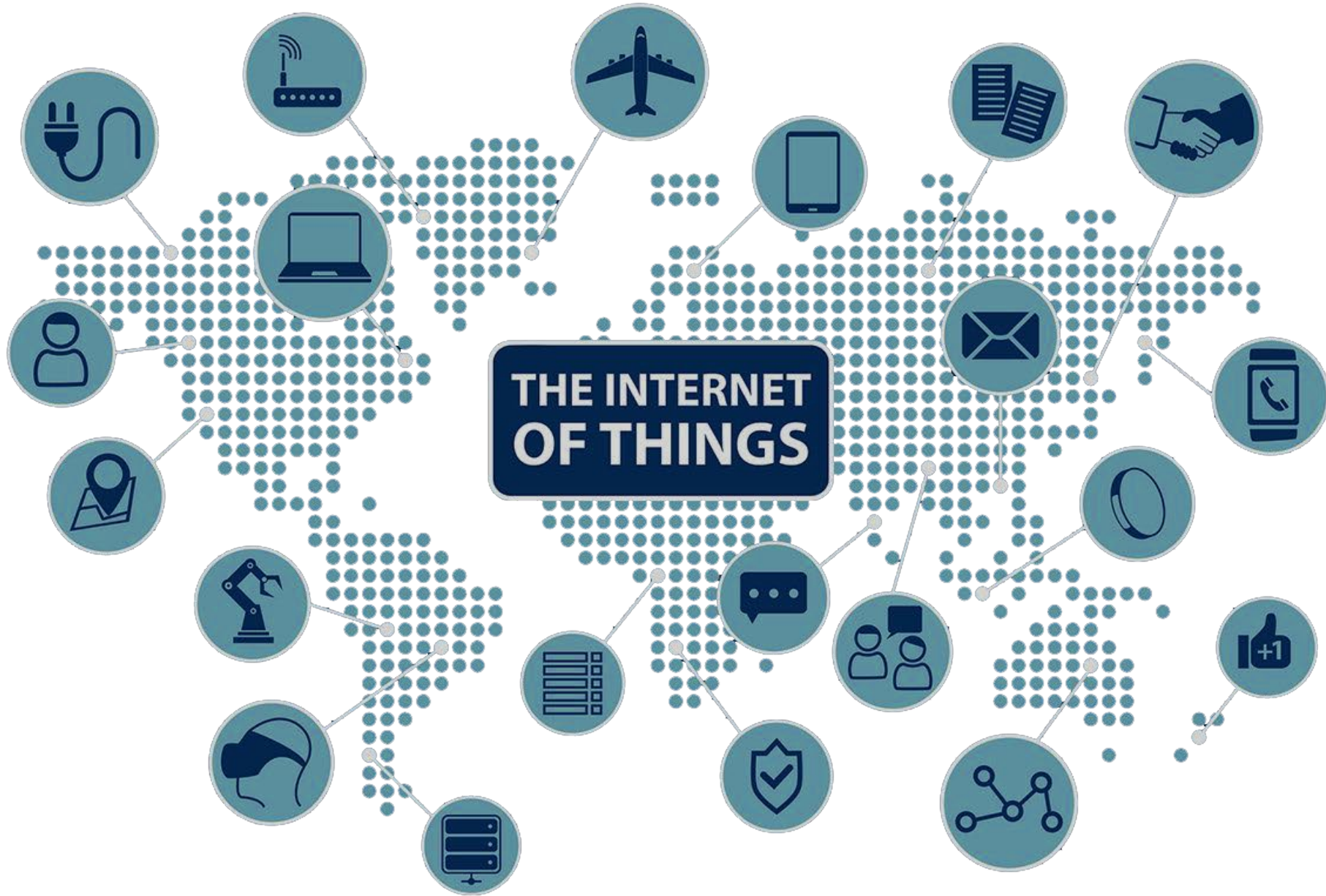
**New Mexico
Public Schools
Insurance
Authority**

Cyber Insurance Coverage in Schools

- Navigating Trends
 - Implementing Controls
 - Assessing Essential Resources

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Navigating Trends – 2024 Calendar Year

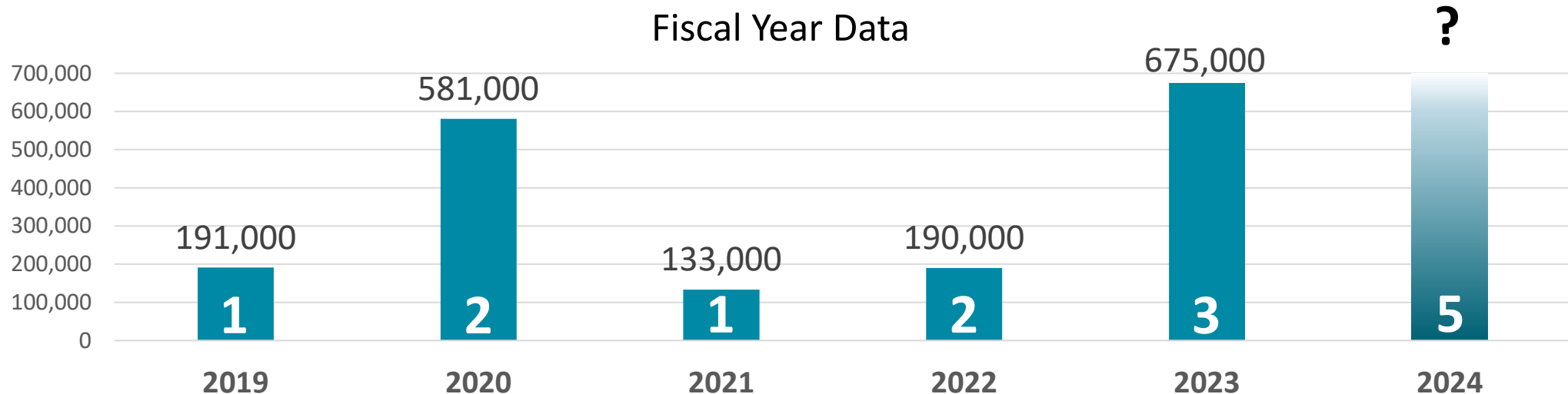
- Variety of cyber attacks amongst School Districts, Higher Ed and Charter School in 2024, **7 open incidents reported to date**
- 3 to 9 months timeframe including investigation findings, review of notification obligations & Incident claim process
- In 2023 the average cyber claim was \$200,000

Navigating Trends – 2024 Calendar Year

- 1 Million Fraudulent Transaction (IT vendor imposter), internal procedures not followed (funds recovered 6 week turnaround)
- Network system intrusion via email, Learning platform/email shutdown – Open
- System Intrusion (caused by expired Vendor credentials), claim delayed due to staff turnover – Open

Navigating Trends – 2024 Calendar Year

- System Intrusion (caused by principal email malware found while IT manager was out of office), Open
- System Intrusion (Firewall patching), Open
- Non-threat actor potential compromise with PED/PEC and education complaint/information request – Open



Implementing Controls – Cyber Security Questionnaire Early December – Business Office

- Multifactor Authentication
- Staff Training on email phishing? Frequency
- Network Segmentation
- Outsourced IT
- End Point Detection and Response
- Patching Cadence
- Vulnerability Scans / Mitigation
- Backup storage, encryption, testing and recovery
- Incident Response Plan / Business Continuity Plan
- End of Life software segregated

Assessing Essential Resources

- Beazley BBR, Portal Access, Registration required (contact Jo Anne)
- Incident Response - Ransomware Playbook
- NMPSIA
- Vector Solutions
- In-Person Training
- CISA and NIST

Cyber Claims Reporting – nmpsia.com



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CYBER LIABILITY CLAIMS REPORTING

July 1, 2023 to July 1, 2024

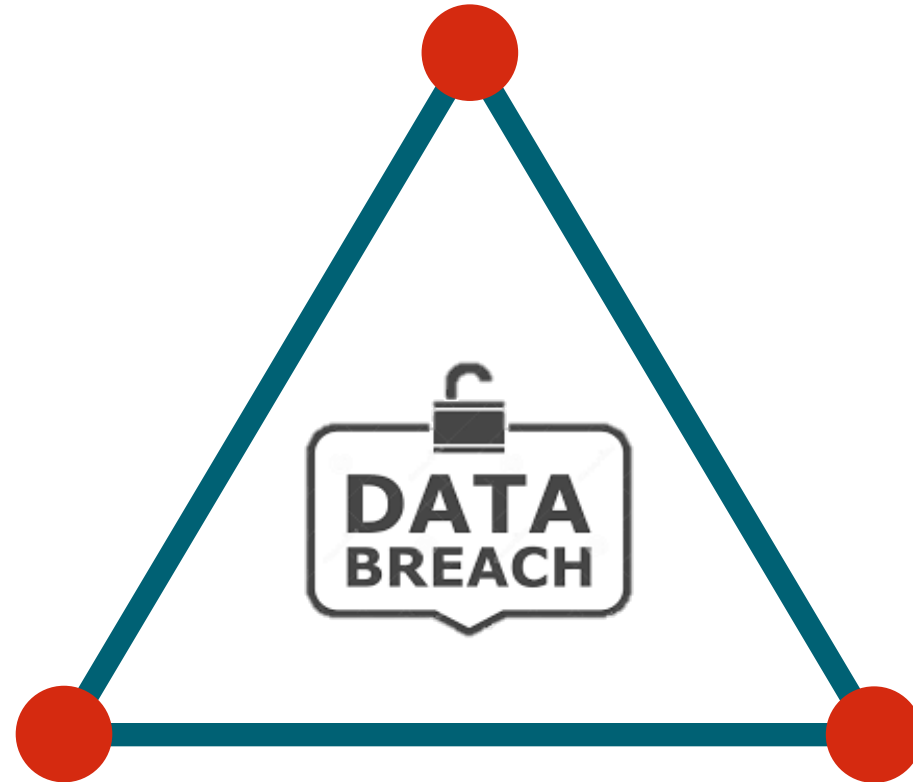
Carrier:	Beazley Breach Response
Policy Number:	FN2205500
Policy Dates:	July 1, 2023 to July 1, 2024
Broker:	Poms & Associates / Alliant Insurance Services

Lifecycle of a Cyber Insurance Claim

1. Claims Reporting Instructions/Contact List for Poms, Beazley & local authorities (*included in Spring Budget Booklets / pool website*)
2. Scoping call with Beazley Claims team to determine breach response services needed as each incident is unique

Key School Decision Makers

Information Technology

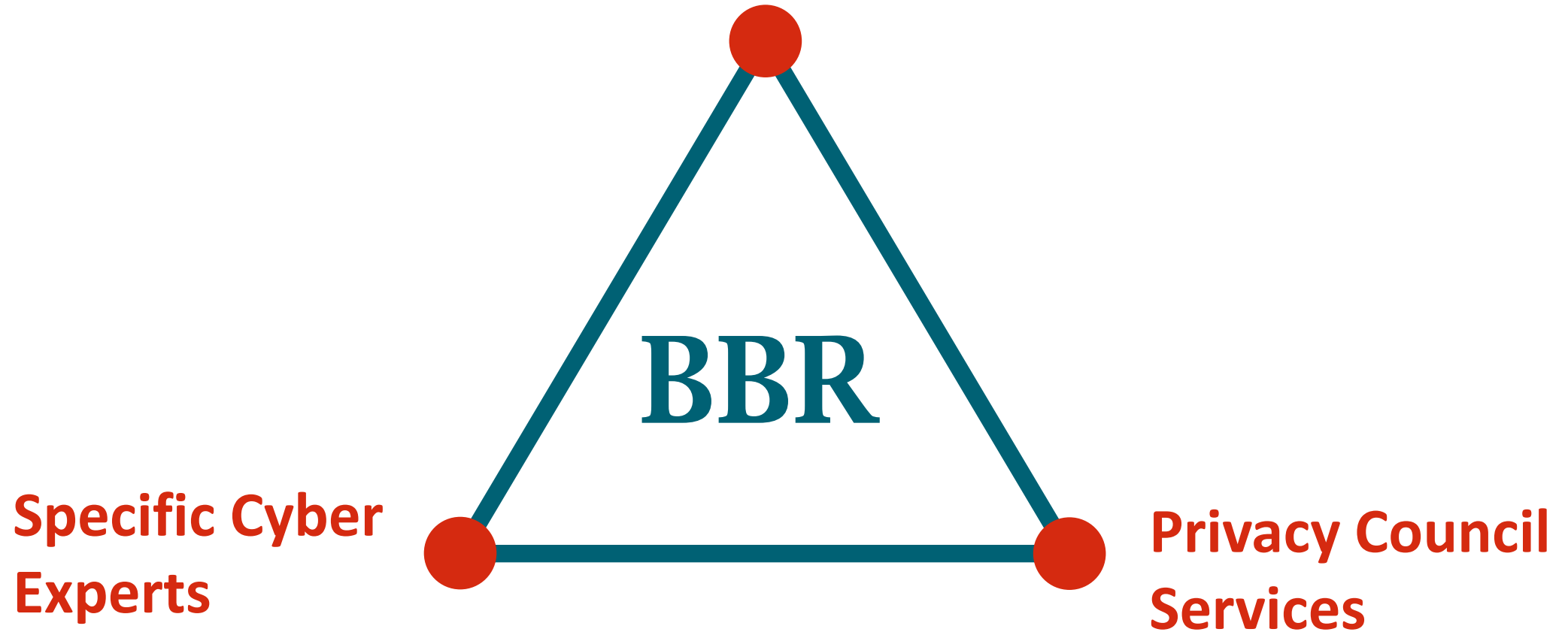


Administration
Leadership

Finance Office

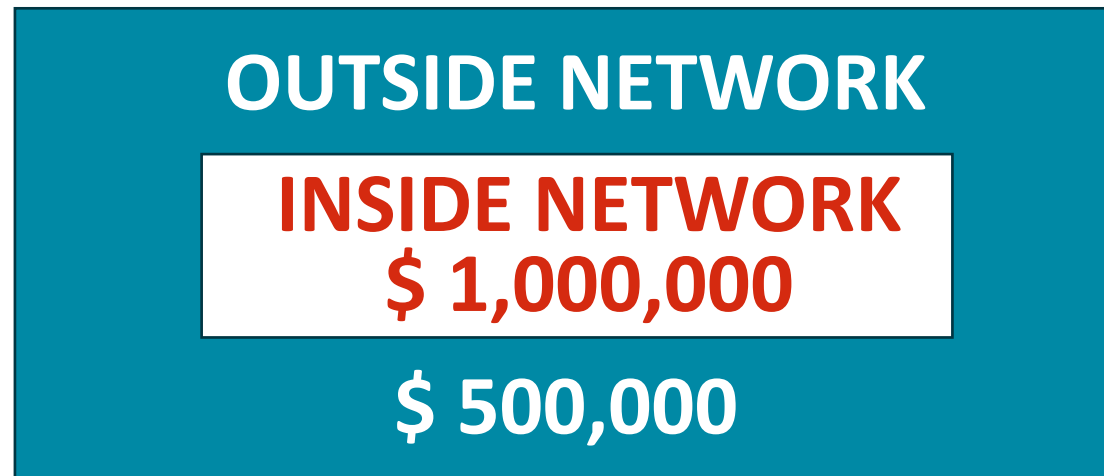
Beazley Breach Response Team

Beazley Insurance Company



Lifecycle of a Cyber Insurance Claim

- 3. Leadership / Finance involvement for Authority to engage services and procurement for emergency services with upfront cost member responsibility
- 4. Ongoing contact with Investigation vendors including Ransom negotiators & Privacy Council direction for PR and notification obligations



Lifecycle of a Cyber Insurance Claim

5. Return to normal operations with System / Data Recovery
6. Investigation findings complete with notification to affected parties with credit monitoring implemented
7. Work with Poms on the Cyber Claims process to submit claim for incurred expenses exceeding retention (50k to 100k) to Beazley by December 31st deadline
8. Upon Beazley claim closure, work with Poms to submit proof of carrier claim payment and supporting incident documentation to NMPSIA for retention reimbursement based on tier structure of shared cost determined by Property values, i.e. 45k Pool / 5k member for final retention responsibility for Cyber incident

Cost Breakdown

- The district is responsible for all upfront cost
- Proof of Loss, POL

Building Values	Retention	Member Retention	Maximum Out of Pocket Retention	NMPSIA Retention
\$0 - \$250,000,000	\$50,000	\$5,000	\$20,000	\$45,000
\$250,000,001 - \$750,000,000	\$100,000	\$20,000	\$60,000	\$80,000
\$750,000,001 and Above	\$250,000	\$60,000	\$180,000	\$190,000
<p>Once the Out-of-Pocket retention has been reached, the Member retention will default to \$1,000 Per Occurrence for the remainder of the "Term" of the "Memorandum".</p>				



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