

**Presentation to the Audit Committee
on October 25, 2019, Agenda Item AU4.1**

**AUDITOR
GENERAL**

TORONTO

Cyber Safety: A Robust Cybersecurity Program Needed to Mitigate Emerging Threats

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City Needs a Robust Cybersecurity Program

The Canadian Centre for Cyber Security notes that:

“a safe and secure cyber space is important for ... security, stability, and prosperity”

It also assessed that:

*“Public institutions are also attractive to cyber threat actors ...”*¹

¹ Canadian Centre for Cyber Security, National Cyber Threat Assessment, October 2018

Background

Cyberattacks, meaning unauthorized attempts (successful or not) to gain access to a system and confidential data, modify it in some way, or delete or render information in the system unusable, are one of the biggest threats facing organizations today.

The World Economic Forum report on global risks reported

“A large majority of respondents expected increased risks in 2019 of cyber-attacks...”²

Cyberattacks Have Devastating Effects

For Example,

- Inability to deliver critical services
- Financial losses
- Threat to infrastructure systems
- Sensitive or personal data stolen
- Risk of legal damages and lawsuits
- Reputational damage

Recent Cyberattacks on Municipalities

Recently in the news, several municipalities in Canada and United States have been affected by cyberattacks:

- “City of Saskatoon lost over \$1M in fraud scheme, official says”
- “City of Ottawa sends \$128,000 to fraudster in email phishing scam”
- “City of Burlington, Ont. Falls for \$503,000 phishing scam”
- A recent New York Times article^[3] outlined how more than 40 municipalities in the U.S. – including large cities like Baltimore and Atlanta – have been hit by ransomware attacks.

^[3] Ransomware Attacks Are Testing Resolve of Cities Across America, August 22, 2019, The New York Times

Overall Audit Themes

To improve security considerably, the City must change in three key areas:

A – Human Behaviour as it relates with cybersecurity threats

B – Technical Fixes

C – Culture Shift

Auditor General raised concerns in this area before:

The Auditor General's reports highlighted to City management that insufficient preparation to manage cyber threats is widely considered to be one of the most critical operational risks facing the organization.

Since 2016, none of the recommendations made by the Auditor General have been fully implemented but work is underway.

Conclusion

With cyberthreats evolving, there is a need for the City of Toronto to enhance its cybersecurity program to adapt to new threats.

A breach could have a devastating impact on City operations. A system is only as strong as its weakest link.

The Auditor General has provided detailed findings in a separate technical report to management.

Questions?

Thank You

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