

Cybersecurity by the numbers

A look at cybersecurity risks and challenges affecting the accounting profession

Compiled by Sarah Beckett Ference, CPA

Loss leaders

Cause of loss in cyber claims asserted in 2016 against CPA firms in the AICPA Professional Liability Insurance Program:

- 35%** Network breach
- 19%** Stolen/missing laptop/hardware
- 21%** Social engineering/phishing
- 12%** Human error
- 9%** Ransomware
- 4%** Other

Source: CNA Claim Database, underwritten by Continental Casualty Co. Copyright © 2016. All rights reserved.

1.8 million

Number of fraudulent tax refund returns identified by the IRS during the 2015 processing year—totaling \$12.4 billion. By dollar value, over 90% of these were stopped by the IRS before the refund was issued.

Source: Treasury Inspector General for Tax Administration, Results of the 2016 Filing Season, Rep't No. 2017-40-014.

High-value targets

Cloud storage sites will likely overtake financial institutions as the top targets of phishing attacks in 2017, marking a major evolution in phishers' target selection process.

23% of all phishing attacks in 2016 targeted the cloud storage/file-hosting services industry, and 21% targeted webmail/online services.

There were more phishing attacks directed against the IRS in January 2016 than there were in all of 2015. Phishing attacks in the United States increased 30% in 2016 from 2015.

Source: PhishLabs, 2017 Phishing Trends & Intelligence (PTI) Report.

\$221

The average cost for a lost or stolen record containing sensitive and confidential information in the United States.

Source: Ponemon Institute, 2016 Cost of Data Breach Study: United States.

1,220,523

Worldwide, the total number of phishing attacks in 2016, which was a 65% increase over 2015.

Source: Anti-Phishing Working Group, Phishing Activity Trends Report, 4th Quarter 2016.

Hook ...

1 minute, 40 seconds

The median time for the first recipient of a phishing campaign to open the malicious email.

Source: Verizon's 2016 Data Breach Investigations Report.

... line ...

30%

Portion of phishing emails that are opened.

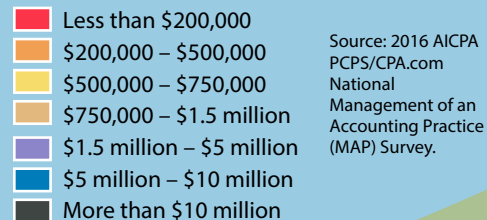
... and sinker

12%

Portion of people who click on a malicious link or attachment in a phishing email.

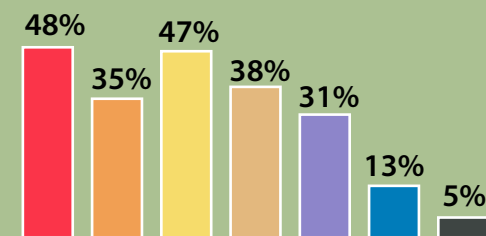
The state of cyber risk

Survey respondents by firm revenues:



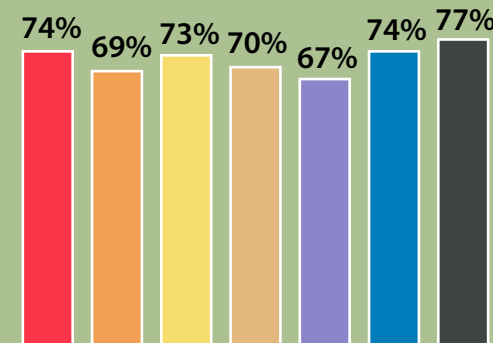
No coverage

Survey respondents indicating no cyber insurance coverage



Priority on security

Survey respondents citing "Securing the IT environment" as a top technology risk



'If you spend more on coffee than on IT security, you will be hacked. What's more, you deserve to be hacked!'

—Richard A. Clarke, security expert

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