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CYBER CHALLENGE



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1. VIGNETTE DESCRIPTION

TECHNOLOGY SERVICE PROVIDER PROBLEM

The bank is experiencing high call volume from customers with balance inquiries and questions about transactions on their statements. The bank identifies issues with double postings, unrecognized transaction codes, and customers being charged fees due to the double posting issue. The teller platform is offline. Tellers can perform transactions but cannot see customer balances. Staff learns that the bank's technology service provider performed an update over the weekend. The update failed and they have not been able to roll it back. The bank will be offline until the service provider can fix the problem. Tellers have been told to work offline but make no correcting entries; however, customer service representatives were making corrective entries all morning. The bank cannot verify customer balances, and transactions are not showing up on the system.

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2. MESSAGING

What would be the major points of a messaging strategy for internal and external audiences? Consider message content, delivery channels, and allocation of staffing.

Does your business continuity plan or incident response plan include a public relations statement that could be used as a starting point for messaging?

QUESTION(S)

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3. INCIDENT ASSESSMENT

What steps can your institution take to better understand the anomalies that are occurring in customer accounts?

What steps can your institution take to ensure that you will be able to validate the accuracy of fixes made by the service provider?

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4. IMPACT ASSESSMENT

Beyond customer service issues, what are other potential impacts on your institution as a result of inaccurate and unreliable transaction processing? Consider the effects on financial reporting, operations, and liquidity during the time that core processing is offline.

Which parts of the business continuity plan could be adapted to respond to the disruption to core applications?

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5. CUSTOMER SERVICE

What customer assistance measures would your institution consider offering?

Which customer assistance measures would be addressed in initial messaging?

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6. VENDOR OVERSIGHT

This disruption occurred as a result of failures in project management and software development. When reviewing audit reports from your service providers and other elements of your vendor management program, does your institution ensure that the tested control objectives cover all major areas of FFIEC guidance?

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7. INSURANCE

Will your current insurance coverage provide adequate protection against loss associated with impacts from the scenario described?

Is the amount of your insurance coverage commensurate with the amount of potential loss?

Has insurance coverage been added or expanded to account for new activities?

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8. SOLUTION DEVELOPMENT

Select one or more characters in the vignette. Discuss the options these individuals could consider in response to the scenario.

- What actions could be taken?
- Who would conduct these actions?
- What decisions need to be made, by whom, and at what point in time?
- What are the authorities for making and carrying out these decisions?

QUESTION(S)



REFERENCES

- FFIEC IT Examination Handbook, Outsourcing Technology Services Booklet
<http://ithandbook.ffiec.gov/it-booklets/outsourcing-technology-services.aspx>
- FFIEC IT Examination Handbook, Development and Acquisition Booklet
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