



SACHI A. HAMA
Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

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August 13, 2019

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

36 August 13, 2019

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

CELIA ZAVALA
EXECUTIVE OFFICER

Dear Supervisors:

APPROVAL OF INFORMATION TECHNOLOGY FUND FOR A COUNTYWIDE INFORMATION SECURITY PROGRAM MATURITY ASSESSMENT AND PERIMETER PENETRATION TEST

(ALL SUPERVISORIAL DISTRICTS – 3 VOTES)

SUBJECT

The Chief Executive Officer (CEO) is requesting Board approval to use \$1,750,000 from the County's Information Technology Fund (ITF) to complete an Information Security Program Maturity Assessment and Perimeter Penetration Test.

IT IS RECOMMENDED THAT THE BOARD:

1. Approve and authorize the use of \$1,750,000 from the ITF for consulting services solicited from the Enterprise Services Master Agreement (ESMA) to conduct an Information Security Program Maturity Assessment and Perimeter Penetration Test.
2. Direct all County of Los Angeles (County) departments to participate in the Information Security Program Maturity Assessment and Perimeter Penetration Test.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The number of cyberattacks has increased significantly across the world in both the private and public sectors. According to the 2019 Verizon Breach Report, the government and health care sectors experienced the largest number of breaches in 2018. Already this year, no less than 24 local governments have reported ransomware attacks, including Amarillo, TX; Augusta, ME; Imperial County, CA; Garfield County, UT; Greenville, NC; Albany, NY; and more recently Baltimore, MD.

This engagement is a systematic, comprehensive approach to information security and will deliver an overall model for business risk management, a baseline to develop a strategic security roadmap and department-specific corrective action plans to improve departmental and countywide information security.

The Contractor will use a security maturity approach combined with threat intelligence-based penetration testing to assist the County in evaluating and gauging the “health” of the County’s information technology and information security posture. The direct and observable results of the security assessment and benchmark approach include:

- A determination of the general, overall compliance of the County with applicable regulatory and statutory requirements.
- Identification of Internet facing system configuration weaknesses and areas of non-compliance through technical penetration testing using state-of-the-art methodologies and tools.
- A measure of the current-state of security practices across all County Departments based on industry-recognized security areas and the desired future state of these practices with a roadmap to achieve that future.
- A measure of the level of risk exposure resulting from the current security practices, based on organizational business objectives, risk tolerance, and requirements.
- Actionable recommendations, including corresponding level of investment required to achieve the target level of security maturity in terms of people, organization, process, and technology, to achieve the desired state of security practice and how peer organizations are managing similar risks.
- A phased and prioritized roadmap and plan of action for achieving the target level of security over a multi-year planning horizon. This provides a baseline for measuring and reporting progress against the long-term strategy, as well as enabling some quick wins.

Implementation of Strategic Plan Goals

The recommended action supports Strategy III.2, Embrace Digital Government for the Benefit of Our Internal Customers and Communities and III.3, Pursue Operational Effectiveness, Fiscal Responsibility and Accountability of the County’s Strategic Plan.

FISCAL IMPACT/FINANCING

The ITF was established to fund Countywide or multi-departmental technology projects that improve the delivery of services to the public, generate operational improvements to one or more departments or programs, and improve inter-departmental or inter-agency collaboration.

The requested ITF funding in the amount of \$1,750,000 for an ESMA Work Order to conduct an Information Security Program Maturity Assessment and Perimeter Penetration Test for all County departments and Internet facing systems.

This ITF request has been approved by the Information Technology Investment Board at its meeting on July 31, 2019.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

An effective information security strategy and program, aligned with business objectives, is a critical foundation for organizations facing unknown business risks from information security-related threats. The County will achieve the following goals with this engagement:

1. Assessment of compliance with appropriate applicable laws, regulations and contracts, such as Health Insurance Portability and Accountability Act (HIPAA), Criminal Justice Information System (CJIS), Payment Card Industry-Data Security Standard (PCI-DSS), State Breach Notification, etc.
2. Identify gaps and risks associated with the organization of information security across departmental boundaries.
3. A complete Perimeter Penetration Test of the County's perimeter and all Internet facing services, including the identification of vulnerabilities and recommendations for remediation.
4. Recommended corrective action plans to the Information Security program to improve the County's information security posture in the areas of people, processes, data, and technology controls.

CONTRACTING PROCESS

On January 10, 2019, the Internal Services Department released Work Order Solicitation: ESMA E1-049, for which four proposals were received. Subsequently, on May 30, 2019, the County completed its evaluation of the bids and made the award to the most qualified bidder, Accenture.

Consistent with ESMA policies and procedures, the Internal Services Department will proceed with the execution of the Work Order E1-049 - Information Security Program Maturity Assessment and Perimeter Penetration Test in ten business days, unless otherwise instructed by the Board.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The Information Security Program Maturity Assessment will be conducted, in collaboration with the Department Information Security Officers from all County departments, and will have minimal impact to current services or projects.

The Perimeter Penetration Test will be conducted, in collaboration with the Department Information Security Officers from all County departments, and is expected to have minimal impact to current services or projects. However, due to the nature of penetration testing, unanticipated consequences can result. Every effort will be made to eliminate and/or minimize negative impacts as a result of such testing.

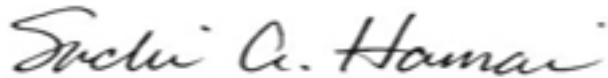
Corrective Action Plans from the assessment and penetration tests will be developed to improve information security maturity and remediate identified vulnerabilities and weaknesses. These Corrective Action Plans will be monitored for compliance. Recommendations provided will result in maturity improvement plans and potential budget requests to achieve appropriate maturity and remediation of identified issues.

Corrective Action Plans will be shared with the Department of Auditor-Controller for follow-up during routine departmental audits.

CONCLUSION

Upon the Board's approval, the Executive Office, Board of Supervisors, is requested to return one (1) adopted stamped Board letter to the Chief Executive Office.

Respectfully submitted,

A handwritten signature in cursive script that reads "Sachi A. Hamai".

SACHI A. HAMAI
Chief Executive Officer

SAH:WSK
PL:pa

c: Executive Office, Board of Supervisors
County Counsel
Auditor-Controller