

# 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.

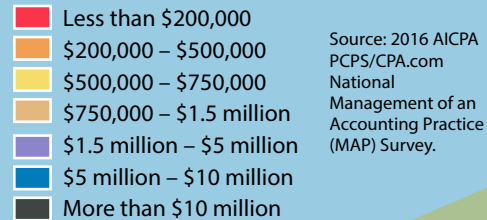
... and sinker

### 12%

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

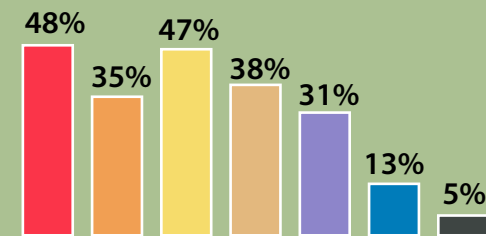
## The state of cyber risk

Survey respondents by firm revenues:



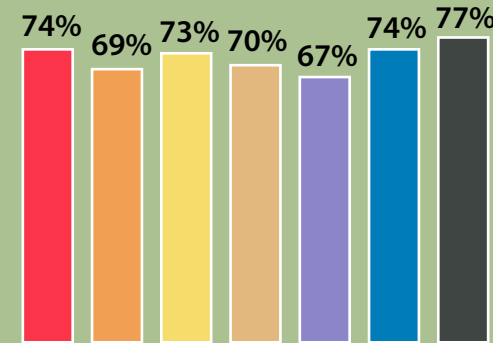
### No coverage

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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