**Agenda – Executive Policy Committee – June 12, 2023**

Moved by Councillor

That Rule 10(3) of The Procedure By-law No. 50/2007 be suspended in order that the following item, which was received less than four business days preceding the committee meeting, be considered by Committee.

**ADDENDUM**
**AUDIT COMMITTEE**

**Item No. 2 Cybersecurity Audit Report**

WINNIPEG PUBLIC SERVICE RECOMMENDATION:

1. That the Cybersecurity Audit Report be received as information.

# ADMINISTRATIVE REPORT

**Title:** Cybersecurity Audit Report

**Critical Path:** Audit Committee – Council

## AUTHORIZATION

| Author | Department Head | CFO | CAO |
|---|---|---|---|
| J. Egert<br>Acting City Auditor | J. Egert<br>Acting City Auditor | | |

## EXECUTIVE SUMMARY

Cyberattacks are widely considered to be one of the most critical operational risks facing organizations. Cybersecurity threats are constantly evolving and becoming more sophisticated. With increasing numbers of cyberattacks, in particular ransomware, all types of private and public organizations must ensure they are prepared to ensure critical systems and services are restored.

The Cybersecurity Audit was included in the Council approved 2022-2023 Audit Plan to evaluate the City's ability to minimize the impact and restore its services in the event of a cyberattack.

The audit was performed by an external contractor who provided a confidential internal audit report to the City's Audit Department and the Innovation and Technology Department (IT). The report contains sensitive information, which if disclosed, could reasonably be expected to impact the safety and security of the City and its services.

The audit found that in several areas IT management is improving the City's overarching cybersecurity and cyber resiliency posture. These areas include:

- Key cybersecurity governance structures that will align security requirements, standards, and processes across all City Departments;
- New cyber incident response plan designed to provide repeatable processes for responding to cybersecurity incidents; and
- Key requirements and processes to standardize/align business continuity planning and recovery activities across City departments.

Recommendations spanned across the following four cybersecurity domains:

- Governance - Five recommendations;
- Detect - Eight recommendations;
- Respond - Seven recommendations; and
- Recover - Five recommendations.

## RECOMMENDATIONS

1. That the Cybersecurity Audit Report be received as information.

## REASON FOR THE REPORT

The report is being submitted in accordance with the City Organization By-law 7100/97 section 19(d)(iv) that the Audit Committee will “receive and review audit reports, and table such reports with its recommendations at a regular meeting of Executive Policy Committee.”

## IMPLICATIONS OF THE RECOMMENDATIONS

The most important component of an audit recommendation is its implementation. The Public Service is responsible for providing a management response to the report; their responses have been included in the confidential internal audit report.

The Public Service has agreed to implement all of the recommendations.

## HISTORY/DISCUSSION

The Cybersecurity Audit was included in the Council approved 2022-2023 Audit Plan. This audit assessed the state of the City’s cybersecurity program as managed by the Innovation and Technology Department.

The Audit Department engaged an external contractor with expertise in cybersecurity who performed the audit in accordance with Generally Accepted Auditing Standards (GAAS). The external contractor prepared a confidential internal audit report that has been provided to the City’s Audit Department and the Innovation and Technology Department.

**FINANCIAL IMPACT**

## Financial Impact Statement Date: May 24, 2023

## Project Name:

## Cybersecurity Audit Report

**COMMENTS:**

There are no financial implications from receiving this report as information. Financial implications from recommendations in confidential audit report may be dealt with through separate administrative reports at the time of their implementation

Lioubov Gavrilova-Crozier, May 24, 2023

Lioubov Gavrilova-Crozier, CPA, CA
Manager of Finance & Administration
Campus Departments

## CONSULTATION

This Report has been prepared in consultation with:

Innovation and Technology Department

## OURWINNIPEG POLICY ALIGNMENT

Leadership and Good Governance

1. Establish and implement priority actions through evidence-informed decision-making processes.
2. Promote trust and government responsiveness through meaningful, inclusive and informed community engagement.
3. Achieve community-responsive service delivery through an aligned, integrated, collaborative and results-oriented organizational culture.

## WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

The City of Winnipeg Audit Department provides assurance on the efficiency, effectiveness and economy of City programs and activities, thus enabling an organizational operating environment that promotes support of the vision and targets of the Winnipeg Climate Action Plan.

## WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

N/A

## SUBMITTED BY

Department: Audit Department
Prepared by: J. Egert, Acting City Auditor
Date: May 2023

Attachments:



Cybersecurity Audit - Public Report.pdf