BoardEffect
a Diligent brand

Board Management Solutions: How Secure Is Secure?

Introduction

A data breach would send your volunteer board into crisis, especially if you weren't prepared to handle it. To avoid such a tragedy, it's crucial for organizations to hold security and confidentiality of communications high.

Your board management solution is a tool you rely on regularly to manage board and committee activities. Since your board members use it so often, you need peace of mind in knowing that the data you collect and share is secure. While software vendors make big promises about how secure their products are, it's prudent to question the validity of their claims and really understand what protection you're getting. To accomplish that, you'll need to ask the right questions.

Has your board considered the risks of cybersecurity in relation to the security of your board management solution? Your volunteer board needs assurance that you have full control over your data, and you also need to have control over who can access it. This type of security is a critical factor when choosing the best volunteer board management solution.

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Volunteer Board Management Solution Vendors: Are Platforms as Secure as They Claim?

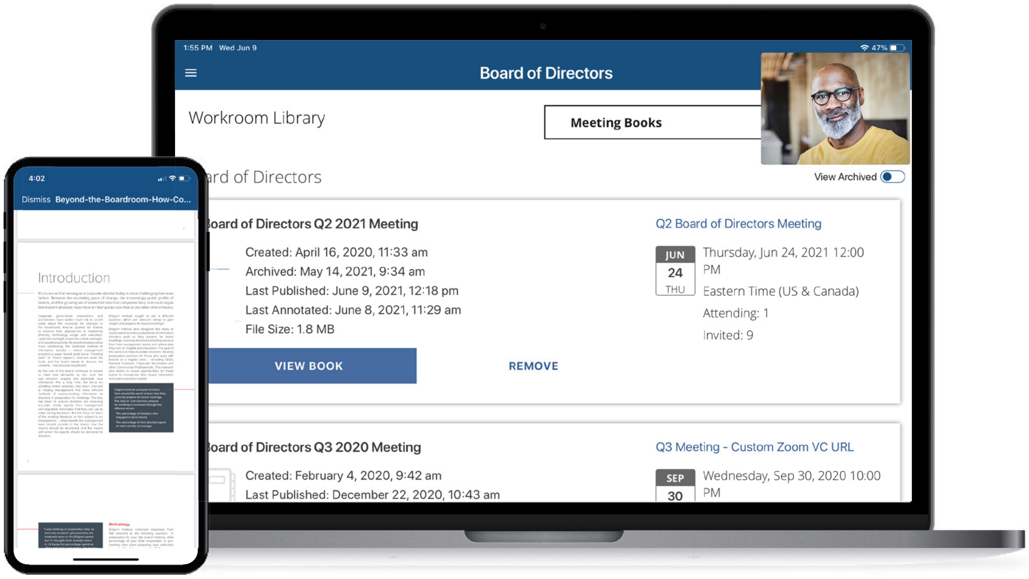
Information technology governance is the process of creating and maintaining a framework for information security strategies that align with the following three things:

1. Aligns with your organization's mission
2. Enables your organization to be compliant with laws and regulations
3. Assigns responsibility in an effort to mitigate risks

A key responsibility of a volunteer board is managing risk, and for that reason, cybersecurity must be one of their primary focuses. A board management solution is the key to managing your board duties with efficiency, transparency, and security.

The marketplace offers a wide variety of board management solutions. Considering paramount focus on cybersecurity and the sensitivity of information your nonprofit collects and stores, board management solution vendors attract your attention by claiming their platforms are highly secure. Words are meaningless if they're not backed by solid data and information to support them.

How can you be sure that a board management solution lives up to your board's needs and expectations? It takes asking the right questions and having a better understanding of how to assess board management solution security with accuracy.



oard of Directors Q2 2021 Meeting

Created: April 16, 2020, 11:33 am
Archived: May 14, 2021, 9:34 am
Last Published: June 9, 2021, 12:18 pm
Last Annotated: June 8, 2021, 11:29 am
File Size: 1.8 MB

Q2 Board of Directors Meeting

JUN 24 THU Thursday, Jun 24, 2021 12:00 PM
Eastern Time (US & Canada)
Attending: 1
Invited: 9

oard of Directors Q3 2020 Meeting

Created: February 4, 2020, 9:42 am
Last Published: December 22, 2020, 10:43 am

Q3 Meeting - Custom Zoom VC URL

SEP 30 Wednesday, Sep 30, 2020 10:00 PM

Why Security Is Critical in a Mission-Driven Organization's Board Management Solution

A security vulnerability is a flaw or weakness that malicious actors tap into to perform nefarious actions within a computer system. Weak security can have a serious negative impact on everyone connected with your organization including your board, donors, volunteers, other vendors, and the community at large.

80% organizations do not have any cybersecurity plan

CyberPeace Institute[1]

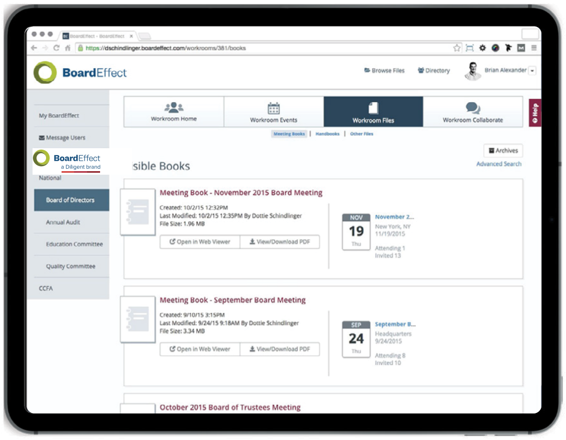
> "Cybersecurity for nonprofits is critical—these organizations provide essential services to their communities. In the event of a cyberattack that exposes the personal data of clients, the consequences are particularly significant."
>
> **John Giordani**
> Cybersecurity and information assurance expert[2]

> "Staying ahead of [cyber risk] really comes down to you as a board member knowing the right questions to ask."
>
> **Brian Stafford**
> President and CEO Diligent

The National Council of Nonprofits cites three notable situations where organizations need to make cybersecurity a high priority:

1. Your organization processes e-commerce transactions on an e-commerce site (donations, event registrations, product sales, etc.)
2. Your organization stores or transfers sensitive, confidential, or personally identifiable information (employee records, driver's license numbers, contact information, social security numbers, etc.)
3. Your organization collects information from donors, patrons, members, volunteers, or subscribers related to their habits or preferences.[4]

The United Kingdom's Information Commissioner notes that the severity of GDPR fines relates to having adequate, reasonable, consistent, and effective controls.



Meeting Book - November 2015 Board Meeting
Created: 10/2/15 12:32PM
Last Modified: 10/2/15 12:35PM By Dottie Schindlinger
File Size: 1.96 MB

NOV 19 Thu November 2...
New York, NY
11/19/2015
Attending 1
Invited 13

Meeting Book - September Board Meeting
Created: 9/10/15 3:15PM
Last Modified: 9/24/15 9:18AM By Dottie Schindlinger
File Size: 3.34 MB

SEP 24 Thu September B...
Headquarters
9/24/2015
Attending 8
Invited 10

October 2015 Board of Trustees Meeting

Gartner has come up with the following Care Standard for Cybersecurity based on that principle:

- **Consistent:** Do your controls work the same way over time?
- **Adequate:** Do you have satisfactory and acceptable controls in line with business need?
- **Reasonable:** Do you have appropriate, fair and moderate controls?
- **Effective:** Are your controls successful in producing the desired or intended results?

Source: Gartner[5]

Ultimately, in protecting your organization, your board is also protecting many other groups and individuals.

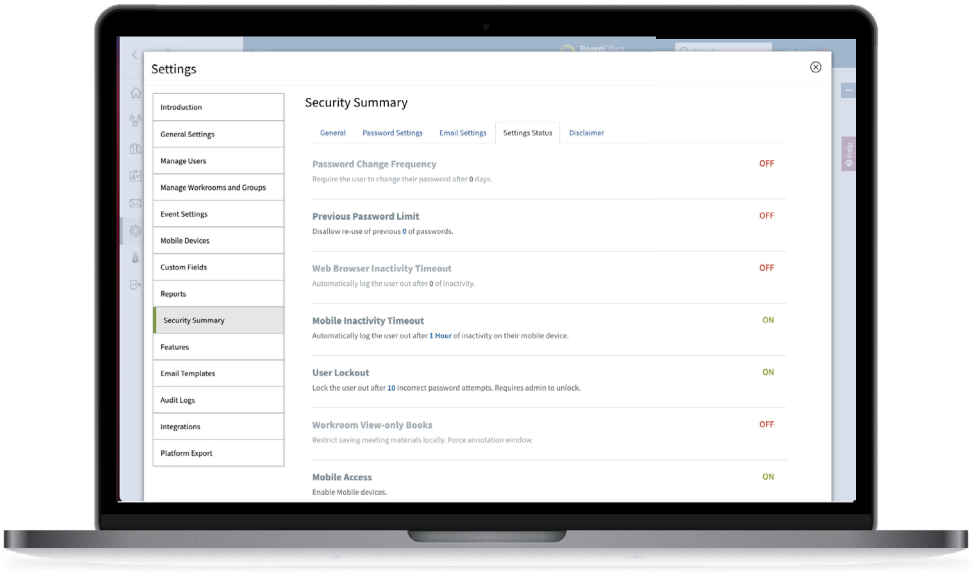
$4.35 million

Average cost of a data breach, an increase of 10% from the prior year

The Cost of Data Breach Report 2022[3]

> "Cybersecurity readiness is a choice. Create adequate, reasonable, consistent, and effective controls that are credible and defensible with your key stakeholders."

Paul Proctor
Gartner[6]



Security Summary

Password Change Frequency — OFF
Require the user to change their password after 0 days.

Previous Password Limit — OFF
Disallow re-use of previous 0 of passwords.

Web Browser Inactivity Timeout — OFF
Automatically log the user out after 0 of inactivity.

Mobile Inactivity Timeout — ON
Automatically log the user out after 1 Hour of inactivity on their mobile device.

User Lockout — ON
Lock the user out after 10 incorrect password attempts. Requires admin to unlock.

Workroom View-only Books — OFF
Restrict saving meeting materials locally. Force annotation window.

Mobile Access — ON
Enable Mobile devices.

Questions Your Volunteer Board Needs to Ask About Security in a Board Management Solution

If you ask a board management solution provider about the strength of their platform's security, they're bound to play up their product's benefits and advantages. The challenge for volunteer boards is knowing which questions to ask to get at the heart of whether a claim of security is valid.

A good rule of thumb for your board to rely on is "trust but verify." Many Software as a Service (SaaS) providers claim to be certified, yet they haven't gone through the official process.

Gartner suggests that boards and senior executives are making poor investment decisions in board management solutions because they're asking the wrong questions.[5]

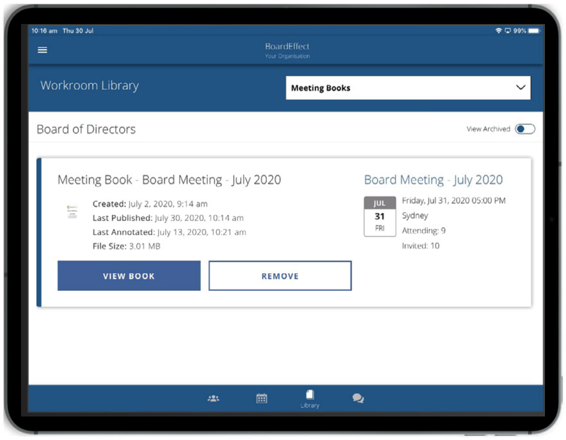
As you perform due diligence in assessing board management solutions, be aware that a hosted data center (AWS, for example) may be ISO 27001 certified, but the organization that uses the data center as Infrastructure as a Service (IaaS) may lack internal controls. As a result, the organization believes its system is secure when it isn't.

AWS's "shared responsibility model" clearly states, "AWS is responsible for protecting the infrastructure that runs all of the services offered in the AWS Cloud. This infrastructure is composed of the hardware, software, networking, and facilities that run AWS Cloud services." Customers are responsible for "security in the cloud". [7]

It's essential to understand that by accepting claims about security in volunteer board management systems without evaluating end-to-end security, your board is not appropriately addressing cybersecurity risks, and that could have a serious negative impact on your organization in the future.

What are the right questions?

- What security certifications does your board management solution have?
- Who holds the security attestations? The hosting provider? Platform provider?
- Does the solution store data in the cloud and is it a shared cloud environment?
- Are your servers located in various geographical locations?
- Are servers stored in locked rooms and facilities?
- Can the vendor provide documentation from an independent source to verify their certifications?



Board of Directors

Meeting Book - Board Meeting - July 2020

Created: July 2, 2020, 9:14 am
Last Published: July 30, 2020, 10:14 am
Last Annotated: July 13, 2020, 10:21 am
File Size: 3.01 MB

Board Meeting - July 2020

JUL 31 FRI

Friday, Jul 31, 2020 05:00 PM
Sydney
Attending: 9
Invited: 10

Substantiating a Board Management Solution Vendor's Claims About Security

To help your board make sense of the technical jargon, the two main certification programs for software programs are ISO and SOC. Both certifications require a third-party independent auditor to conduct a rigorous review of the controls, and both standards focus on information controls that involve people, processes, and technology.

What separates them is SOC 2 is an attestation process, and ISO 27001 is an accredited certification program. With that in mind, it's possible for a data center to be ISO 27001 certified but not be SOC 2 certified. The SOC 2 Type II report is more in-depth and includes auditor opinions.

BoardEffect, a Diligent brand, has a continuous certification process that's updated annually.

BoardEffect ensures security around the platform. To provide even greater security, our data is hosted in a private cloud in a multi-tenant environment, and our equipment is housed in secure, locked storage rooms and facilities. With BoardEffect, your board gets cybersecurity control down to the document level within the platform.

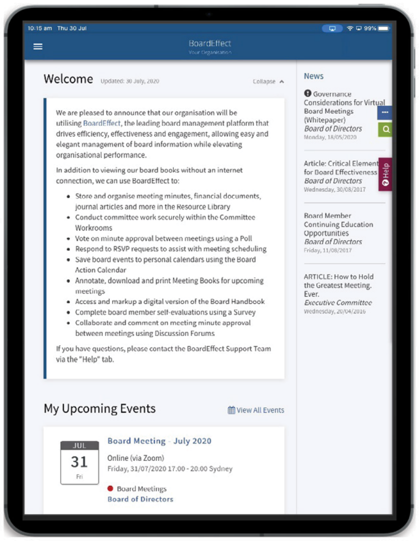
> "Organizations today are subject to many regulations governing the protection of confidential information, financial accountability, data retention, and disaster recovery, among others. They're also under pressure from shareholders, stakeholders, and customers."
>
> **Dr Michael C. Redmond**
> IT Governance consultant, speaker and author[8]

Beyond managing security issues, the pressure is on for volunteer boards to work efficiently and transparently. BoardEffect provides your board with an all-in-one board management system that ensures efficiency, transparency, and efficiency in one valuable program.

The following certifications for the BoardEffect platform are a key differentiator that sets our products apart from competitors:

- ISO 27001 (2013)
- ISO 27017 (2015)
- ISO 27018 (2019)
- SOC 2 Type I
- SOC 2 Type II
- SOC 1 Type II
- HIPAA.HITECH Act

In 2021, we added 2 Diligent modules (Minutes, and Messenger to ISO 27001, SOC 2, and HIPAA certifications).



Welcome Updated: 30 July, 2020

We are pleased to announce that our organisation will be utilising BoardEffect, the leading board management platform that drives efficiency, effectiveness and engagement, allowing easy and elegant management of board information while elevating organisational performance.

In addition to viewing our board books without an internet connection, we can use BoardEffect to:

- Store and organise meeting minutes, financial documents, journal articles and more in the Resource Library
- Conduct committee work securely within the Committee Workrooms
- Vote on minute approval between meetings using a Poll
- Respond to RSVP requests to assist with meeting scheduling
- Save board events to personal calendars using the Board Action Calendar
- Annotate, download and print Meeting Books for upcoming meetings
- Access and markup a digital version of the Board Handbook
- Complete board member self-evaluations using a Survey
- Collaborate and comment on meeting minute approval between meetings using Discussion Forums

If you have questions, please contact the BoardEffect Support Team via the "Help" tab.

News

Governance Considerations for Virtual Board Meetings (Whitepaper)
Board of Directors
Monday, 18/05/2020

Article: Critical Element for Board Effectiveness
Board of Directors
Wednesday, 30/08/2017

Board Member Continuing Education Opportunities
Board of Directors
Friday, 11/08/2017

ARTICLE: How to Hold the Greatest Meeting. Ever.
Executive Committee
Wednesday, 20/04/2016

My Upcoming Events

JUL 31 Fri
Board Meeting - July 2020
Online (via Zoom)
Friday, 31/07/2020 17.00 - 20.00 Sydney
● Board Meetings
Board of Directors

References

[1] https://cyberpeaceinstitute.org/news/the-dark-side-of-cyberspace-the-threat-to-ngos-and-nonprofits-2/

[2] https://www.forbes.com/sites/forbestechcouncil/2022/11/08/the-necessity-of-cybersecurity-in-the-non-profit-sector/

[3] https://www.ibm.com/reports/data-breach

[4] https://www.councilofnonprofits.org/running-nonprofit/administration-and-financial-management/cybersecurity-nonprofits

[5] https://www.gartner.com/en/documents/3980890

[6] https://www.gartner.com/en/experts/paul-proctor

[7] https://aws.amazon.com/compliance/shared-responsibility-model/

[8] https://www.grceducators.com/Insurance/Creating-a-Robust-IT-Governance-Program

About BoardEffect

We're passionate about the work of boards, which drives how we develop the BoardEffect solution.

Boards operate in a series of overlapping cycles: a regularly scheduled meeting cycle, an annual operating cycle, and the cycle of longer-term board development and engagement. BoardEffect's solution supports a modern approach to governance, powering boards' interdependent responsibilities across these ongoing cycles.

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