



Important Considerations for Managed Services

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WEALTH ADVISORY | OUTSOURCING | AUDIT, TAX, AND CONSULTING

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Today's Presentation

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Introductions



John Moeller, Principal

Mr. Moeller is a sought-after speaker and thought leader on financial institution IT regulatory compliance, managed services, IT strategy, and cybersecurity. Having spent over three decades as an IT and cybersecurity consultant, John brings a wealth of knowledge and time-tested strategies help financial institutions solve today's IT and cybersecurity challenges.



Sundeep Bablani, Director

Mr. Bablani has spent more than 20 years assisting financial institutions develop and enhance their overall control structure and information security program. He works as an Outsourced Information Security Advisor, performs regulatory IT compliance audits and provides consulting services as it relates to developing policies and procedures surrounding cybersecurity.



Learning Objectives

You Are Unique

- Define the unique needs of managed services for financial institutions

Regulations

- Explain the regulatory considerations in choosing an MSP

Do Not Look Here

- Identify hidden costs in a managed services contract

No Fluff Please

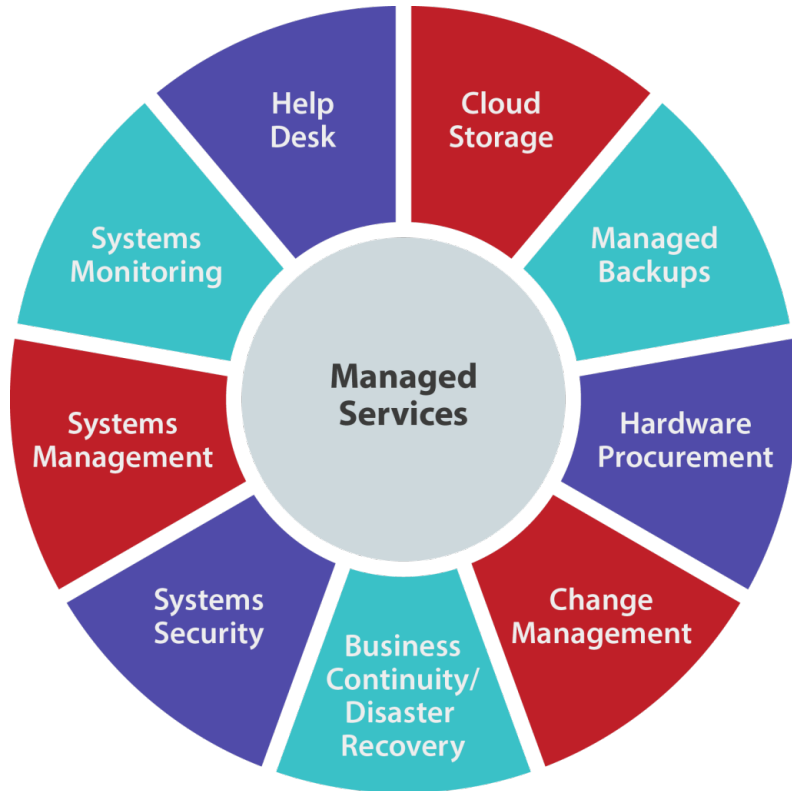
- Distinguish pertinent data from fluff in MSP reports

Choose Wisely

- Quickly determine if the MSP is right for your institution



Typical Managed Services



- MSPs may provide one or more of these services via a fixed fee
- Most MSPs serve a variety of clients across many industries
- Most MSPs provide their clients the same service regardless of industry



Polling Question

- What grade would you give your current Managed Services Provider?



As an Industry are Financial Institutions Unique?

- Among the most regulated industries
- Required IT testing
- Required policies
- Required vendor oversight
- One of the most targeted industries by cyber criminals
- Dos and don'ts



MSP Impact on Your Day-to-Day Operations



The MSP will directly contribute to the outcome of IT exams and IT audits



Does the MSP have professionals in cybersecurity testing, information security advisors, IT auditors, and strategic technology planning specialists?



Does the MSP employ consultants from the FI industry?



How many IT exams and IT audits does the MSP participate in per year?



How do you know what you don't know?



Considerations in Choosing an MSP



INDUSTRY
KNOWLEDGE



SPECIALIZED IN
FI IT



HIGH QUALITY
WORK



HIGHLY
ETHICAL FIRM



ACCOUNTABLE
TO YOU



Contract Basics – Outsourcing Technology Services

Contract clearly defines the rights and responsibilities of both parties

Contract contains adequate and measurable service level agreements

Contracts with affiliates clearly reflect an arms-length relationship and costs are favorable to the institution

Choose the most appropriate pricing method for the financial institution's needs

Ensure the contract does not contain provisions that may have a significant, adverse affect on the institution

Engage legal counsel to review the contract

Financial Institution data must not leave the U.S.



Contract Features



Client Service Team

- Named Information Security Advisor
- Named Strategic Technology Advisor
- Named support team



IT Compliance & Risk Management

- Contract clearly defines features and services; policies, risk assessments, ongoing advice, reports, board presentations, exam prep, etc.
- Advisors keep the institution up to date on new regulations and examiner trends



Proactive Network Scans

- Vulnerability identification
- Identification of Personally Identifiable Information (PII)
- Report on risk factors



Monitoring & Alerting

- Performance, capacity, and security



Patch Management

- Microsoft, Third-Party, non-Microsoft OS
- Printers, network devices, firmware



Reports

- Daily, weekly, monthly



Polling Question

- What should a Financial Institution look for when choosing an MSP?



Find the Hidden Costs



Monitoring,
patching,
antivirus, backups



Network
Administration



Information
Security Advisory



Strategic
Technology
Advisor



Training



Vulnerability
Management &
Remediation



What to Look For in Reports From Your MSP



Reports serve two primary purposes:

1. Helps to validate controls
2. Helps with vendor management



MSP Reports Serve a Purpose

Patching – Reports Show the Success/Failure of Patch Deployment

- Were all available patches approved for installation?

Hardware/Software Inventory Lists

- Does the MSP comment specifically about HW/SW changes?

System Uptime

- Does the report accurately reflect uptime/downtime?



MSP Reports Serve a Purpose

Does the MSP Recommend
Reviewing the Reports

- The MSP should explain the reports each month

Does the MSP Discuss Overall
Network Health Scores?

- The score may not reflect all network health

Does the MSP Report from
Multiple Tools or a Single Tool?

- MSPs focused on FI know that multiple tools are necessary

Does the MSP Report on Its Own
Testing of Its Controls for You?

- The MSP should proactively validate its controls and report to you



How to Determine if the MSP is Right for You



The Managed Services Program was designed specifically to address the unique needs of financial institutions



The MSP has consultants on staff that previously worked in financial institutions



The MSP provides thought leadership through numerous industry presentations, sponsorships, blogs, and articles



The MSP contract addresses the needs of the financial institution and out of scope costs are clearly defined



The MSP proactively tests and validates its own services



How to Determine if the MSP is Right for You?

The MSP offers choices and not one size fits all

You work with industry consultants and not salespeople

The contract is not full of penalty language against the FI

The MSP knows what is on your mind – industry issues

The MSP speaks your language

The MSP wants to know your expectations / successful outcome





Questions

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Thank you!

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