


Payment Cards Processing at UNL

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University of Nebraska —Lincoln
Bursar's Office

Cost of an Account Data Compromise

The 
"Official
2nd Quarter
2009-10 PCI Scan"
is scheduled for:
December 9, 2009



The card-validation
code or value
(three- or four-digit
number printed on the
front or back of a
payment card)
cannot be stored.

This value
cannot be requested
on any forms.

MasterCard recently added the webinar "The Cost of Account Data Compromise" to their PCI 360 On Demand Webinar Series. In this webinar, Trustwave provides some "Commonalities in Breached Entities" which you may find surprising:

Commonalities in Breached Entities

- 68% of breaches involved Brick-and Mortar merchants
- 66% involved Software-based POS systems
- 26% involved online Shopping carts
- 61% were deemed caused by a fault in a 3rd party's responsibility

The webinar also discusses some important considerations on how costly a compromise can be to a merchant. The following is taken from the webinar referenced above:

Costs of a Breach

COST: Discovery, Response, Notification
\$50 per record

- Outside legal fees
- Notification costs

- Increased call center costs
- Marketing and PR costs
- Discounted product offers

COST: Employee Productivity Losses
\$30 per record

- Employees diverted from their normal duties

COST: Regulatory Fines
\$60 per record

- When a breach occurs, regulators may impose additional fines
- Visa -\$4.6 million to its acquirers for mismanaging sensitive customer data
- ChoicePoint—\$10 million in civil penalties for Federal Trade Commission case

COST: Restitution
\$30 per record

- Based on the ChoicePoint case:
 - ⇒ \$5 million consumer restitution fund for 162,000 records breached
 - ⇒ At least 800 individuals claimed they became victims of identity theft due to

breach

COST: Credit Card Replacement
\$35 per card

- Cost of card replacement after a breach can be significant

COST: Security and Audit Requirements
\$10 per record

- Higher levels of merchant security and audit requirements

COST: Opportunity Loss – Customer
\$139+ per record

Current Customers

- Lost business can account for 68% of data breach costs
- Breached organizations had average customer churn rate of 3.6% in 2008

Potential Customer

- 10-20% of potential customers will be scared away by a security breach in a given year

To view the full webinar see:

<http://www.mastercard.com/us/merchant/>

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The Office of the Bursar is responsible for administering the University of Nebraska-Lincoln money handling policies and procedures. Don't ever hesitate to contact us with any receipting questions you may have.

Update on PCI Scanning Process

The "1st Quarter 2009-10 PCI Scan" done September 9th went much more smoothly than the previous scan. Thank you all for your attention to these scans. They are critical to our compliance.

It is important that our data be kept current to facilitate each quarterly scan. Any changes in your IPs should be forwarded as they occur to Jennifer Hellwege (jhellwege@unl.edu) for updating in QualysGuard.



We will be modifying our scan methodology in the future to run from outside of the University. The "2nd Quarter 2009-10 PCI Scan" scheduled for December 9th will run this way. This should eliminate many of the false positive's causing "FAILED" IPs thus easing the load on all of us.

The methodology of the weekly scans will not change. They will be done from within the University to

bring vulnerabilities to our attention. The information received out of these weekly scans is more thorough and is valuable information for your Departments. Your scan results should continue to be reviewed periodically to ensure the highest security of your systems is maintained.

QUALYS GUARD® Training Available

A QualysGuard instructor will be on campus for training December 4th. This training is not required for those involved in the PCI scanning process. It is good information and can be helpful in better understanding how QualysGuard works and what it can do for you. If you are interested in learning more about the product, space is limited. To register, go to the training calendar at:

<http://itgtraining.unl.edu/calendar.php?selmonth=12&yearout=2009>