

CASE STUDY

Breach Response Coverage Empowers School Investigation into Potential Data Compromise


INDUSTRY

Education

EVENT TYPE

Insider Threat

REVENUE

\$5-10M

EMPLOYEE COUNT

51-250

LOCATION

Colorado

KEY COVERAGE

Breach Response

A grade school became suspicious about a former employee and worried his actions might threaten the security of students and employees. The employee had been terminated, but the school believed he may have damaged property or stolen information prior to departure.

Using security camera footage, the school discovered the former employee had walked around the campus nude, plugged a USB device into various classroom computers, and accessed other areas he typically wouldn't have entered. The school also reported that the rogue employee used a mobile hotspot to broadcast vulgar Wi-Fi network names, raising alarm that the former employee had gained unauthorized access to the school's network.

The school reported the incident to Coalition two months after the employee was terminated, and we immediately contacted the school to gather more details and investigate the issue. Because the students are all minors, the school expressed concerns about privacy issues relating to their Personally Identifiable Information, which could require notifications and lead to legal action.

Our team brought in breach counsel, and the school selected Coalition Incident Response (CIR) to investigate the incident. Following a thorough investigation, CIR found no improper access to the school's systems and determined that all of the files he downloaded were legitimate and work-related. Here's how one key coverage helped the school: Breach Response covered the costs of breach counsel and CIR investigation. The school paid its \$2,500 retention for coverage to kick in, and its policy covered the remaining \$22,000.

▶▶ Lesson Learned: Don't Wait to Report Suspicious Activity

The school was fortunate that the former employee's actions didn't result in harm, but the suspicious behavior could have been reported sooner. Had the actions proven to be damaging, any hesitation on the school's end could have created additional liability. Businesses should always report suspicious activity immediately.

Coalition brings together active monitoring, incident response, and comprehensive cyber insurance designed to help mitigate your organization's cyber risk. To learn more, visit coalitioninc.com.

¹ Coalition Incident Response services provided through Coalition's affiliate are offered to policyholders as an option via our incident response firm panel.

² The claim scenarios described here are intended to show the types of situations that may result in claims. These scenarios should not be compared to any other claim. Whether or to what extent a particular loss is covered depends on the facts and circumstances of the loss, the terms and conditions of the policy as issued and applicable law.

Early intervention increases the likelihood that Coalition is able to mitigate damage, often at no cost to the policyholder.