Information Security is Everyone’s Responsibility

While today’s advanced digital technologies bring many benefits to our lives, they also bring new risks to privacy and information security. Employees throughout the UC system have a responsibility to protect the vital data and network resources that empower our mission of education, research, public service and patient care. October is National Cybersecurity Awareness Month—a good time to learn more about practices that help manage information and privacy risks.

Everyone is Responsible

Everyone has a role in protecting information at UC, particularly when personal information about individuals is involved. Work performed on university computers and networks can put sensitive information, such as individual’s addresses or social security numbers, or confidential student data, at risk. Whether you handle personal information about others or not, you work in an environment where your actions can impact others’ personal information as well as your own. Most cases of compromised computers and information at the university are the result of unintentional actions, or inactions, and could be prevented by following good basic information security practices.

Real Risk

There are very real risks associated with handling personal information about others. In 2003, California led the nation by implementing the first “breach notification law” requiring notification to any California resident whose information was accessed by an individual not otherwise authorized to do so. Since then, further California and Federal legislation has set a higher bar for the protection of medical information, including monetary penalties for failure to adequately protect data or notify affected individuals in a timely manner.

The Bottom Line

An impact on the ledger bottom line is inevitable when personal data is breached, as the response(s) required of the University almost always includes unbudgeted expense that must be covered somehow. That usually means an impact to planned spending elsewhere within the University. Breaches also bring on reputational damage, which can have even more significant follow-on effects if privacy and security concerns drive away donors, potential research grantees, prospective students, etc.

The risks are personal. If your own personal information is breached, you could lose control of your financial accounts and associated monies before being able to take action. You could become the victim of identity theft and find yourself facing months, if not years, of clearing up your identity, not to mention the financial burden of doing so. The same is true for anyone whose personal information is breached.

Good Intentions Don’t Always Yield Pleasant Results

Some examples where good intentions wound up causing problems:

- Social Engineering/Phishing – An employee responded to an unsolicited email warning that his email account was being updated and that he needed to log in to complete the upgrade. Without questioning the validity of the email or the link contained within, he followed the link and entered his email ID and password. Soon afterward his email account was being used to spam others. This could have been worse; his email ID and password could have been used to attempt to hack into university computers containing sensitive information.

Continued on page 2
Basic Tips

1. **Protect your password.** Writing your password down and leaving it in your desk, next to your computer, or, worse, taped to your computer, is just making it easy for someone who has physical access to your office. Don’t tell anyone your passwords, and watch for attackers trying to trick you through phone calls or email messages requesting that you reveal your passwords.

2. **Look before you click.** Don’t click on links or open attachments in unsolicited email unless you can verify their legitimacy. Viruses and other malicious software can be installed on your computer by opening a malicious attachment or going to a malicious web site.

3. **Lock your computer.** When you are away, even if you only step away from your computer for a few minutes, it’s enough time for someone else to destroy or corrupt your information. Locking your computer prevents another person from being able to simply sit down at your computer and access, corrupt, or destroy all of the information accessible via your computer.

4. **Safeguard mobile devices.** Smartphones, flash drives, laptop and tablet computers provide many conveniences, but can also be the cause of data breaches. Avoid putting sensitive information on mobile devices. If you must, then make sure the mobile device is encrypted and has appropriate security locks. Finally, don’t leave portable equipment in a vehicle, even if it is locked.

**What You Can Do**

Work with appropriate care. The accompanying tips describe a basic set of behaviors that support working with care in the electronic world. Understand the sensitivity of the information you are handling. If you are handling any kind of sensitive information, also understand the consequences of mishandling or a data breach.

If you have a question, ask an expert. There are too many laws and technologies surrounding sensitive information today for everyone to be an expert in data protection.

Because the penalties for certain kinds of data breaches can be very significant, contact your campus information security officer with questions about information to protect. A list of contacts is available at [http://www.ucop.edu/irc/itlc/itps/members.html](http://www.ucop.edu/irc/itlc/itps/members.html).

**Threats are Everywhere**

Whether it’s stealing someone’s identity or using university computers for spam mailing, most malicious actors are motivated by monetary gain. There is real money to be made!

The Verizon 2012 Data Breach Investigations Report, an analysis of worldwide breaches in 2011, notes that 98% of all breaches in their study involved external agents (actors).

The report also notes that 96% of all breaches involving external actors are motivated by financial or personal gain.

Malicious actors also have a substantial arsenal of tools and tactics to obtain valuable information. In today’s rapidly changing technology world, the tools and tactics used by malicious actors are evolving just as fast, if not faster. Protecting personal and other sensitive information is as important as ever.

**Following is a list of tactics used by external agents to breach information security.**

**Breaches often involve more than one tactic.**

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>81%</td>
<td>Utilized some form of hacking</td>
</tr>
<tr>
<td>69%</td>
<td>Incorporated malware</td>
</tr>
<tr>
<td>10%</td>
<td>Involved physical attacks</td>
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<tr>
<td>7%</td>
<td>Employed social tactics</td>
</tr>
<tr>
<td>5%</td>
<td>Resulted from privilege misuse</td>
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**Editor’s Message**

You’ll notice our “Save the Date” for next year’s conference. The 2013 Risk Summit promises to be as exciting and popular as this year’s, so make plans to be there.

Until the next issue, Be Smart About Safety,

Cynthia Low, Editor
Risk Services Today
cynthia.low@ucop.edu

UCLA Environment, Health and Safety has been recognized for their efforts in making significant improvements to their health and safety programs. In addition, an award was presented to Peter Taylor, Chief Financial Officer, in recognition of the dedication of UCOP senior leadership and support of EH&S programs throughout UC. Read the article on page 5 to learn about how UCLA made a difference on their campus.

This issue’s “Spotlight” is on a Risk Services team member who ensures employees are taken care of when injuries occur in the workplace. Be sure to check out the “Spotlight” to find out who makes your health and well being a top priority.

Chief Risk Officer Grace Crickette was one of three professionals named to the 2012 Risk Management Honor Roll. She is credited with turning an innovative idea into reality at UC. What’s her strategy and philosophy to help make it all come together?

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US Federal Trade Commission Identity Theft Site
California Office of Privacy Protection Tips

*Source: 2012 Verizon Data Breach Investigation Report*
Although waivers can be a powerful legal tool, there are things that a waiver cannot do. A waiver cannot protect the provider from claims based on fraud, intentional injury or violation of a statute. It also cannot protect the provider against the provider’s own intentional acts or gross negligence (the lack of any care, or an extreme departure from ordinary care). In addition, pursuant to a famous California Supreme Court case in which UC was a defendant, if the activity involved is an activity or service that is normally regulated, the activity is open to anyone who wants to or is qualified to participate, the waiver is not negotiable, and the participant is essentially put under the provider’s control, a court may overturn a waiver if other criteria are met.

Examples of situations where courts have applied what is called the Tunkl rule is when a patient is admitted to the hospital or when a student is required to participate in an activity to complete a course. In both these situations, the courts have consistently held that a waiver is unenforceable.

Similarly, although for different reasons, an employer cannot require an employee to waive his or her rights to sue the employer.

One of the goals of UCOP Risk Services, in conjunction with the Office of General Counsel, has been to provide the campuses and medical centers with standardized waivers for the most common recreational programs and activities.

These waivers have been recently revised and streamlined, and are designed to provide the most comprehensive protection that a standardized waiver can provide. The feasibility of a centralized, online waiver system is currently being evaluated.

For more information about waivers, contact Nicole Craig at 510-987-0799 or nicole.craig@ucop.edu.
Why Some Cases Cost So Much

By Richard Wilson, Office of the General Counsel

The term liability cases refers to personal injury claims in which the injured party (or their family in death cases) seeks damages, alleging another person or entity is liable. These can arise from any event that causes bodily harm or death. The most familiar example is a car accident. Other sources include slip and fall, dangerous condition of property, defective equipment, and error in medical treatment. The scope and diversity of activities in the University create many opportunities for injuries and claims of all types.

Most injuries are not severe and claims arising from them are fairly predictable and manageable. Occasionally events occur that cause serious and permanent harm. Claims for these more severe injuries can produce settlements and verdicts that seem high and sometimes excessive. They are not arbitrary, however. Most of the time they happen for identifiable and explainable reasons. They are based on a combination of factors that go into calculation of damages and value in severe injury cases. These factors help explain why some liability cases cost so much.

Probable Liability

The highest exposure cases not only come with severe injuries, but also liability that favors the claimant. In these cases, the events that caused the injuries are apparent. The claimant’s attorney is able to show, looking back on the facts, that mistakes were made and that the outcome could have been avoided. In legal terms, the claimant’s case has good factual support and is persuasive on both elements that are required to establish liability: negligence and causation.

Litigation costs to investigate the facts, hire expert witnesses on liability, and prepare a case can be high on both sides. Severe injury cases will attract the more successful trial lawyers who have the firepower to properly bring the case to court. Defending cases of this type requires similar commitment of talent and resources. There are no shortcuts if a case is to be properly investigated and developed, given the risks and financial exposure.

High Total Damages

If liability is established, a claimant is entitled to recover damages for all harm caused by the defendant’s negligence. These include general (non-economic) damages for pain, suffering, emotional distress, inconvenience and other subjective injury, and economic damages for monetary losses including costs of hospital, medical and attendant care, costs of obtaining substitute household services, and loss of earnings and business or employment opportunities.

There is no defined standard for general damages. They are determined by a jury based on their sense of what is reasonable. In severe injury cases, awards for general damages are variable and difficult to predict, presenting a significant risk for defendants. This risk is controlled in medical malpractice cases, where general damages are limited by statute.

High Needs and Costs of Care: In most severe injury cases, economic damages pose the greatest risk. The extent of the injuries and impairment produces a cascade of needs and care requirements. These typically will be ongoing and must be provided over the claimant’s lifetime. Age and remaining life expectancy directly affect this cost calculation. In cases where the claimant must rely on others and needs assistance with activities of daily living, the future costs of attendant care can add up to a far larger number than other elements of damages. These costs vary depending on the level of care that is needed. Variables include skill of the care provider, medical needs of the claimant, and hours of attendance. If specialized medical services are required, in addition to routine care, this adds significantly to the total cost.

Litigation costs to properly develop evidence necessary to support and counter a high damages claim can be extensive. Economic damages must be “objectively” verified, which means that expert witnesses must be retained to assess and offer testimony about each element of loss and expense. Medical testimony about claimant’s condition, disability, and needs often requires experts in more than one medical specialty or practice area.

This evidence provides the foundation for life care planning and economic experts to outline the needs, costs and estimate the totals. Mounting an effective defense against the claimed damages calls for similar efforts for the defendants.

Loss of Future Earnings and Other Economic Loss: A claimant whose injuries prevent employment experiences loss measured by the present value of future income they would have earned. A business owner or executive who becomes disabled suffers loss of earnings, benefits, and perhaps investment opportunities. A young person who becomes brain damaged is deprived of a future that includes education and employment. Evidence supporting a claim for these damages is analyzed by economic and if necessary business or finance consultants. The results can be substantial, sometimes several million dollars.

The Value of Safety and Prevention

The benefits of effective risk management and loss prevention are obvious when one sees the costs of serious adverse events and injuries. These costs include the impact on affected individuals and the financial exposure for responsible parties. What is the best way to reduce adverse events and related liability and costs? The answer lies in taking a proactive approach, creating awareness, maintaining a safety culture, and developing best practices to identify and manage risks—all invaluable to an organization.

UC embraces an overall strategic philosophy through Enterprise Risk Management (ERM). Every campus and medical center develops risk and loss prevention strategies to address challenges at their location using ERM methodologies and other specific approaches. Knowledge gained at one location can be shared throughout the system, and safety measures and corrective actions can be tracked. Since ERM was implemented, many safety-smart solutions have been created that make a difference. More information on ERM and specific initiatives is available at http://www.ucop.edu/riskmgt/.
Each year, colleges and universities around the globe are encouraged to submit summaries of programs which have made a difference on their respective campuses. Entries are judged by their innovation, creativity and problem resolution.

Dr. James Gibson, EH&S Director, remarked that, “All of us at EH&S are very proud of the significant improvements we have made to our health and safety. Programmatic improvements have included overhauling the inspection program, creating user-friendly resources and guidance documents (e.g., Laboratory Safety Manual, safety videos and fact sheets), developing an electronic Laboratory Hazard Assessment Tool (LHAT), and expanding the training program for lab safety. These new and more comprehensive tools and procedures help to ensure a viable and more effective Laboratory Safety Program.

Hazard Assessment Tool for Shops (HATS) wins Solutions at Work Award

The HATS program also won the Solutions at Work Award for its innovative and standardized approach to identifying hazards in shops and determining corresponding personal protective equipment (PPE) to help protect shop workers and students. HATS was modeled after the successful Laboratory Hazard Assessment Tool, which identifies hazards in labs and trains staff and students on PPE specific to the hazards they may encounter.

Recognition for UC Risk Management Leadership

UC Chief Risk Officer Recognized for Taking an Innovative Idea and Turning it into Reality

Grace Crickette, Chief Risk Officer, was named to the 2012 Risk Management Honor Roll by Business Insurance. Business Insurance recognizes risk management professionals and the outstanding programs they create and manage for their organizations.

Honorees were selected by an independent panel of judges composed of former honorees and insurance industry executives. According to Business Insurance “Ms. Crickette’s successful implementation of Enterprise Risk Management (ERM) also earned her a spot on the 2012 Business Insurance Risk Management Honor Roll.” Grace’s idea of Enterprise Risk Management means saying “yes” rather than “no” to activities that have potential to be high risk and her philosophy is that “Everyone’s a Risk Manager.” She states that “For Enterprise Risk Management to be effective, you have to be yes people with solutions. You’ve got to help the organization to move forward, for people to be entrepreneurial and take risks. Our job as risk managers should be to help keep them out of trouble, but to be facilitators. ERM means providing everyone in the organization at all levels the information and tools they need to identify, manage and monitor their risks so that they can meet their objectives.”

How does Grace get others to embrace ERM? “It’s getting people to recognize they have to own their own risk and become risk managers. That’s why we use the slogan “Everyone’s a Risk Manager”. That’s what it takes if it’s going to be sustainable.”

Award for UCOP Senior Leadership in Support of EH&S

In addition to the awards received by UCLA for their EH&S programs, CSHEMA presented an award to recognize a UCOP senior administrator for his outstanding contribution to support the environment, health and safety programs of the institution.

The commitment and support starts at the top, at the Office of the President, and must be integrated throughout the institution. This award was presented to Peter Taylor, Chief Financial Officer, for his dedicated leadership and support of environment, health and safety efforts at UC.

Taylor states “Although my name is the one on the award, the University’s successes in the areas of environment, health, and safety are the result of the efforts of the entire University community — faculty, staff, and students — who have embraced our “Everyone is a Risk Manager” orientation. I intend to continue supporting and championing the outstanding and innovative work being done by all our people in the area of workplace safety.” Click here to learn more about CSHEMA.
The 2012 Summit also featured a contest for UC locations to submit 90-second videos on how they are Working Smarter at their locations. We had 50+ very creative submissions which were available on YouTube for review and voting.

Nine winners were identified, with UC Riverside taking home five of the video awards. We also provided each attendee with a “Working Smarter” daily journal calendar and are continuing to encourage Working Smarter throughout the year by providing a $1,000 scholarship each month toward a conference or seminar for the best Working Smarter idea submitted. Our first winner was Trish Ratto from UC Berkeley with the Working Smarter tip of task-oriented email organization. Think about ideas to Work Smarter in your department, and submit them to workingsmarter@ucop.edu

Each year the “Excellence Award for Best Risk Management Practices” is presented to the campus and medical center with the highest overall reduction in the total cost of risk. The awards were received this year by the UC Riverside campus and the UC Irvine medical center. The annual “University of California President’s Award for Excellence in Environment, Health and Safety” was presented to the UC Riverside campus.

This award is based on a compilation of the improvement in injury frequency rates from one year to the next and CalOSHA and Environmental Protection Agency inspection history. An award for “Excellence in Enterprise Risk Management” was presented to the UC Santa Barbara campus for their progress in the scope and maturity level of their ERM Program. Many other recognition awards were given for specific programs based on efforts in Enterprise Risk Management and the Power of 10 which benefits all locations. We also added two new awards for the Student Health Insurance Plans.

In keeping with the Hollywood theme, Risk Summit attendees met Agent 99 (left), aka Cathy O’Sullivan, Director, Working Smarter and Maxwell Smart (right), aka Peter Taylor, Chief Financial Officer from the Get Smart movie and vintage TV series.

Make plans today to attend the 2013 UC Risk Summit to learn about best practices and solutions that help you improve efficiency in your workplace and better manage risk. As updated information becomes available, it will be posted at http://www.ucop.edu/riskmgt/.

**Save the Date!**

UC Risk Summit, June 5-7, 2013 Oakland, CA
Who on the Risk Services team ensures employees are taken care of when they're injured at work?

None other than, Kevin Confetti, Director, Workers’ Compensation. Kevin is responsible for the overall strategic direction and management of the University’s Workers’ Compensation Program covering approximately 190,000 faculty and staff. He joined the University in 2006 and has been involved with the University’s workers’ compensation program since 2001.

Thousands of work-related injuries are reported each year costing the University approximately $70 million in annual workers’ compensation claim payments. Words like “thousands” and “millions” may be alarming, but the University has made great strides in reducing the number of annual claims and associated costs. University statistics indicate that in FY11/12 the number of new claims was reduced by 34% from an annual high of 8,053 in FY04/05. Furthermore, the FY12/13 systemwide workers’ compensation accrual rate of $0.98 is 41% lower than it was for FY04/05. This decrease in accrual rate equates to FY12/13 savings of approximately $45 million.

When asked what led to this improvement, Kevin states, “With a program as large and diverse as the University’s there is no silver bullet. It’s a result of multiple programs and many different people all being on the same page working towards the same goal. But the one program that has to be given the lion’s share of the credit is our Be Smart About Safety (BSAS) program.” Kevin was instrumental in the implementation of the BSAS program in 2006. The BSAS program directs funds to the campuses and medical centers to invest in locally developed and managed injury prevention and mitigation efforts. For the workers’ compensation program, the BSAS efforts must be directly associated with preventing and/or mitigating work related injuries and illnesses. As Kevin states, “Intuitively we knew, and studies have proven, that investing in loss prevention would provide the greatest impact on our program. After all, the best claim is the one that never happens.” Approximately $420 million was saved in claims costs over five years by BSAS funding $60 million in safety initiatives.

The greatest return on investment has been for ergonomics. While the campuses have spent the most money on ergonomics, the return on investment has ranged from 3 to 1 to as high as 5 to 1. The Irvine campus alone experienced savings of $27 million in workers’ compensation costs over the past seven years through designing equipment to create healthy, productive work environments and monitoring injured workers through the Return to Work program which helped injured workers return quickly to work.

Some Be Smart About Safety Initiatives Include:

**Shoes for Crews** – a slip-resistant shoe program for dining services staff that has an immediate impact in the reduction of employee slip and fall injuries. Due to the success, the program has been expanded to include custodial, housekeeping, ground keepers and animal care staff.

**WorkStrong** – an occupational wellness initiative designed to promote recovery and prevent further workplace injuries. This systemwide program implemented in October 2011 has shown that health improvement can reduce the occurrence and recurrence of on-the-job injuries. The program enables a quicker recovery from workplace injuries, improves workers’ overall health and prevents injuries from happening again. To “Get Healthy and Work Strong.”

**Waste Caddy** – an improved process involving a self-propelled battery operated pushing and tugging device used to move heavy trash bins. This will reduce employee injuries resulting from manual pushing and pulling. If this process proves operationally sound, the new automated process will be expanded.

These are just a few of the BSAS initiatives designed to reduce workplace injuries and reduce the University’s cost of risk. Kevin states “Every dollar we don’t have to spend on workers’ compensation claims is a dollar we can return to our mission, which is education, research, public service and quality healthcare.”

Kevin closes with, “Although most people will say I’m being unrealistic, I believe our goal has to be zero work related injuries. As an employer how can it not be our goal that every employee comes to work, safely performs their job, and goes home at the end of the day without being injured? When you’re dealing with claims, you’re dealing with failure. When someone gets injured, something has failed.”

The BSAS program was developed with the goal of preventing those failures and although we’re not yet at Kevin’s goal of zero, the results above prove it’s working and we’re moving in the right direction. The University of California is now one of the few higher education institutions leading the way in innovation for implementing money-saving safety initiatives.