



Office of Information  
Technology Services

**KATHY HOCHUL**  
Governor

**JENNIFER LORENZ**  
Acting Chief Information Officer

March 22, 2023

Senator Liz Krueger  
Chair, Finance Committee  
28<sup>th</sup> Senate District  
Albany Office  
172 State Street  
Capitol Building Room 416 CAP  
Albany, NY 12247

Assemblywoman Helene E. Weinstein  
Chair, Committee on Ways and Means  
Assembly District 41  
Legislative Office Building 923  
Albany, NY 12248



Dear Senator Krueger and Assemblywoman Weinstein:

Thank you for the opportunity for the Office of Information Technology Services (ITS) to present testimony at this year's Joint Budget Hearings. This letter serves to provide follow-up responses to some of the questions that arose during the testimony on February 7, 2023.

**Use of Third-Party Solutions**

There were several questions related to the tools and strategies used by ITS in managing third-party vendors to improve the state's cybersecurity posture and the process ITS follows in identifying third-party solutions. When working with third party vendors, ITS utilizes a layered cybersecurity strategy to protect the State's systems. Our process begins with the demand intake process in which ITS seeks to understand the business requirements and business process for which a solution is needed. ITS relies on industry standards and best practices, utilizing independent resources such as Gartner, to get a baseline of appropriate solutions when solving business problems. ITS also evaluates tools and devices for fit/compatibility with the State's infrastructure and environment.

Pursuant to the State Technology Law, ITS is authorized to develop technology and security policies, standards and guidelines, which are applicable to all entities that connect to ITS managed networks and systems. Third party vendors are generally required by contract to comply with ITS policies and standards as well as to implement appropriate security controls. ITS also conducts security risk assessments of new

products and tools during the demand intake process and is in the process of developing a privacy impact assessment as well, an effort being led by the newly-appointed, first enterprise-level Chief Privacy Officer for information technology. ITS uses industry standard tools to monitor all network traffic for active exploits against the state infrastructure, whether from external users or third-party partners connected to state infrastructure.

The other major factor in our technology procurements is the actual procurement path. For example, ITS and the executive agencies often utilize OGS contracts when procuring new products and services. ITS has a strong partnership with OGS in both identifying products and services to be added to OGS contracts and in ensuring these contracts incorporate where appropriate our standard security terms and conditions to afford the state appropriate protection. When it is necessary to use other procurement vehicles, such as a competitive, open market bid through a Request for Proposal process, ITS uses similar security terms and conditions in its agency contracts. ITS also routinely shares those terms and conditions with other state entities looking to do direct procurements.

### **Ongoing remediation and cyber maturity**

ITS received an inquiry about the status of its efforts in phasing out legacy systems and maturing the state's cybersecurity posture. I want to share some highlights the state has made in the past year. Last year, under Governor Hochul's leadership, the State made historic investments to support cybersecurity enhancements statewide. The funds provided in last year's budget are being used for several purposes, all of which improve the overall security posture of NYS.

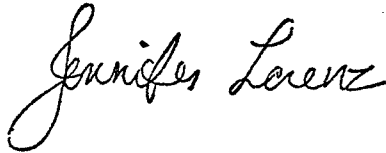
ITS has developed a multi-year plan to further strengthen and mature its cybersecurity posture, which includes the replacement or modernization of legacy hardware and applications, the expansion of multi-factor authentication and identity services, and the introduction of a single online identity, "One ID" to provide consolidated citizen accounts for interacting with NYS into a single account that will allow them to access many services from a single entry point, while reducing fraud by increasing the identity assurance level for each established account where appropriate. The plan also includes the expansion of security services, such as penetration testing and vulnerability scanning, which will help us to continue to advance towards a zero-trust architecture on State networks.

### **Deploying specific tools related to our cybersecurity strategy**

We also received questions related to Multi-Factor Authentication (MFA), Domain-based Message Authentication, Reporting and Conformance (DMARC) and Phishing Exercises, for which I wish to provide the following additional information. As it relates to MFA, last year, ITS began to implement MFA as a required security feature for all state employees and contractors supporting Executive agencies when accessing systems, email, and other applications from remote locations or networks not managed by the state. DMARC is available and implemented on all email domains managed by ITS in O365 in "reject", the industry recommended configuration of DMARC.

Phishing exercises are a tool used to educate users on phishing scams, which are used by threat actors, often to gain unauthorized access to sensitive information. ITS conducts periodic phishing campaigns and specific agencies often run domain-specific campaigns with the assistance of the ITS teams. The ITS Chief Information Security Office has recently developed new training exercises to continue to prepare the state workforce to recognize and appropriately respond to phishing scams. These exercises complement the annual cybersecurity training that ITS provides to all state employees, which covers topics such as phishing, physical and logical security, and other important cybersecurity topics.

Sincerely,



Jennifer Lorenz  
Acting Chief Information Officer

Copy to:  
Senator Gonzalez  
Assemblymember Otis  
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