

October 4, 2024

FACT SHEET

Department of Technology Presents Columbus City Council with Funding Request to Support Cybersecurity Incident Response and Identity Theft Protection Services

On July 18, 2024, the City of Columbus' Department of Technology discovered evidence of an abnormality in its IT system, which turned out to be a cyberattack by a sophisticated ransomware group operating overseas called Rhysida. The City of Columbus swiftly engaged the FBI, Homeland Security and the law firm of Dinsmore & Shohl LLP to initiate a criminal cybersecurity investigation and begin to understand the extent of the attack.

Mayor Andrew J. Ginther executed a Mayor's Emergency Letter on July 30, 2024, authorizing the city to invest up to \$4 million to protect and restore the city's technology systems, and conduct an investigation to understand how the cybersecurity attack occurred and the extent of the systems and data potentially impacted. The City Attorney's Office, on behalf of the Department of Technology, entered into a legal professional services contract with Dinsmore & Shohl under Auditor's Certificate ACPO010964.

As a result of the ongoing investigation, additional expenses were incurred, including the provision of free identity theft protection services and dark web monitoring through Experian. These services are being provided as a precautionary measure because Rhysida posted data on the dark web. As such, the Department of Technology is requesting Council authorization to budget an additional \$3 million for the response to this incident.

Proposed Legislation

Ordinance 2579-2024, presented to Columbus City Council for a vote on October 7, would do the following:

- Acknowledge receipt of the Mayor's Emergency Letter and ratify authorization for the City Attorney's Office, on behalf of the Department of Technology, to enter into a \$4 million contract with Dinsmore and cybersecurity experts hired by the firm to support the incident response, including RSM US LLP, Digital Mint, Haystack, Experian and CDWG.
- Appropriate an additional \$3 million that the Department of Technology estimates will be needed to continue the incident response, including the continued provision of free identity theft protection services.

A separate forthcoming ordinance, which will also be presented to Columbus City Council, would do the following:

- Authorize the City Attorney's Office, on behalf of the Department of Technology, to extend a contract with Vorys, Sater, Seymour and Pease to represent the city in litigation filed against the city arising from the cyberattack. The budget for the initial stage of the representation was up to \$50,000; the legislation will add an additional \$250,000 to the contract.

Incident Response Budget

The Department of Technology has established the following budget for the incident response, spanning from July 18 through the end of 2024. All amounts are estimates and subject to change:

- Up to \$2,401,052 for system forensics, systems remediation, data mining, data forensics and cyber threat monitoring. These services are helping to limit the extent of the cyberattack, understand what occurred and ascertain what information was posted to the dark web by Rhysida.
- Up to \$1,644,348 for Experian identity theft protection services, including credit and dark web monitoring. This budget is an estimate based on industry-standard utilization rates for such services. The city's final investment could fluctuate, based on actual enrollments.
- Up to \$1,952,100 for legal counsel related to the incident response.
- Up to \$1,000,000 for systems, endpoint and cyber threat monitoring for long-term use by the city.
- Up to \$300,000 for legal counsel related to litigation.
- Up to \$2,500 for expenses such as hard drives and tools.

Technology Update

The Department of Technology has focused its staff resources on hardening the city's technology systems from further attack and restoring city IT services. To date, the city's critical IT systems have been restored, and the department will continue to work through the city's entire IT environment to achieve full restoration across all systems. Specifically, 72% of the city's 441 technology systems are fully restored, and 5% are partially restored. The department's goal is to have all systems restored by the end of October. This budget does not include the long-term investments the City of Columbus will need to make to further protect its technology systems and data from the growing threat of cybercrime. These investments will be included in future budget proposals.

Identity Theft Protection Update

As of October 1, more than 15,800 people have enrolled for the free Experian service offered by the city, including:

- 2,863 City of Columbus employees
- 12,661 residents, non-residents and past employees
- 288 minors

All past and present city employees, as well as Columbus residents and non-residents whose personal information was provided to the City of Columbus or the Franklin County Municipal Court, are encouraged to enroll in the Experian identity theft protection services. The services, free to enrollees, include two years of credit monitoring with all three bureaus, dark web monitoring and identity restoration service, and up to \$1 million in identity theft insurance. Dark web monitoring provides those who enroll with alerts about whether their information is found on the dark web – whether or not it has anything to do with city incident. Enrollment instructions are available at columbus.gov/cyber.