Executive Guide to the Protection of Information Resources

Cheryl Helsing
Marianne Swanson
Mary Anne Todd
The National Institute of Standards and Technology was established by Act of Congress on March 3, 1901. The Institute's overall goal is to strengthen and advance the Nation's science and technology and facilitate their effective application for public benefit. To this end, the Institute conducts research to assure international competitiveness and leadership of U.S. industry, science and technology. NIST work involves development and transfer of measurements, standards and related science and technology, in support of continually improving U.S. productivity, product quality and reliability, innovation and underlying science and engineering. The Institute's technical work is performed by the National Measurement Laboratory, the National Engineering Laboratory, the National Computer Systems Laboratory, and the Institute for Materials Science and Engineering.

The National Measurement Laboratory

Provides the national system of physical and chemical measurement; coordinates the system with measurement systems of other nations and furnishes essential services leading to accurate and uniform physical and chemical measurement throughout the Nation's scientific community, industry, and commerce; provides advisory and research services to other Government agencies; conducts physical and chemical research; develops, produces, and distributes Standard Reference Materials; provides calibration services; and manages the National Standard Reference Data System. The Laboratory consists of the following centers:

The National Engineering Laboratory

Provides technology and technical services to the public and private sectors to address national needs and to solve national problems; conducts research in engineering and applied science in support of these efforts; builds and maintains competence in the necessary disciplines required to carry out this research and technical service; develops engineering data and measurement capabilities; provides engineering measurement traceability services; develops test methods and proposes engineering standards and code changes; develops and proposes new engineering practices; and develops and improves mechanisms to transfer results of its research to the ultimate user. The Laboratory consists of the following centers:

The National Computer Systems Laboratory

Conducts research and provides scientific and technical services to aid Federal agencies in the selection, acquisition, application, and use of computer technology to improve effectiveness and economy in Government operations in accordance with Public Law 89-306 (40 U.S.C. 759), relevant Executive Orders, and other directives; carries out this mission by managing the Federal Information Processing Standards Program, developing Federal ADP standards guidelines, and managing Federal participation in ADP voluntary standardization activities; provides scientific and technological advisory services and assistance to Federal agencies; and provides the technical foundation for computer-related policies of the Federal Government. The Laboratory consists of the following divisions:

The Institute for Materials Science and Engineering

Conducts research and provides measurements, data, standards, reference materials, quantitative understanding and other technical information fundamental to the processing, structure, properties and performance of materials; addresses the scientific basis for new advanced materials technologies; plans research around cross-cutting scientific themes such as nondestructive evaluation and phase diagram development; oversees Institute-wide technical programs in nuclear reactor radiation research and nondestructive evaluation; and broadly disseminates generic technical information resulting from its programs. The Institute consists of the following divisions:

1Headquarters and Laboratories at Gaithersburg, MD, unless otherwise noted; mailing address Gaithersburg, MD 20899.

2Some divisions within the center are located at Boulder, CO 80303.

3Located at Boulder, CO, with some elements at Gaithersburg, MD.
Executive Guide to the Protection of Information Resources

Cheryl Helsing
Deloitte, Haskins & Sells

Marianne Swanson
Mary Anne Todd
National Computer Systems Laboratory
National Institute of Standards and Technology
Gaithersburg, MD 20899

October 1989
Reports on Computer Systems Technology

The National Institute of Standards and Technology (NIST) (formerly the National Bureau of Standards) has a unique responsibility for computer systems technology within the Federal government. NIST's National Computer Systems Laboratory (NCSL) develops standards and guidelines, provides technical assistance, and conducts research for computers and related telecommunications systems to achieve more effective utilization of Federal information technology resources. NCSL's responsibilities include development of technical, management, physical, and administrative standards and guidelines for the cost-effective security and privacy of sensitive unclassified information processed in Federal computers. NCSL assists agencies in developing security plans and in improving computer security awareness training. This Special Publication 500 series reports NCSL research and guidelines to Federal agencies as well as to organizations in industry, government, and academia.

Library of Congress Catalog Card Number: 89-600762
National Institute of Standards and Technology Special Publication 500-169
CODEN: NSPUE2

U.S. GOVERNMENT PRINTING OFFICE
WASHINGTON: 1989

The National Institute of Standards and Technology (NIST), is responsible for developing standards, providing technical assistance, and conducting research for computers and related telecommunications systems. These activities provide technical support to government and industry in the effective, safe, and economical use of computers. With the passage of the Computer Security Act of 1987 (P.L. 100-235), NIST's activities also include the development of standards and guidelines needed to assure the cost-effective security and privacy of sensitive information in Federal computer systems. This guide is just one of three brochures designed for a specific audience. The "Managers Guide to the Protection of Information Resources" and the "Computer User's Guide to the Protection of Information Resources" complete the series.

Acknowledgments
This guide was written by Cheryl Helsing of Deloitte, Haskins & Sells in conjunction with Marianne Swanson and Mary Anne Todd, National Institute of Standards and Technology.
# Table of Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Introduction</td>
<td>1</td>
</tr>
<tr>
<td>Executive Responsibilities</td>
<td>3</td>
</tr>
<tr>
<td>Executive Goals</td>
<td>5</td>
</tr>
<tr>
<td>Information Protection Program Elements</td>
<td>7</td>
</tr>
<tr>
<td>Information Protection Program Implementation</td>
<td>11</td>
</tr>
<tr>
<td>For Additional Information</td>
<td>15</td>
</tr>
</tbody>
</table>
Federal agencies are becoming increasingly dependent upon automated information systems to carry out their missions. While in the past, executives have taken a hands-off approach in dealing with these resources, essentially leaving the area to the computer technologist, they are now recognizing that computers and computer-related problems must be understood and managed, the same as any other resource.

The success of an information resources protection program depends on the policy generated, and on the attitude of management toward securing information on automated systems. You, the policy maker, set the tone and the emphasis on how important a role information security will have within your agency. Your primary responsibility is to set the information resource security policy for the organization with the objectives of reduced risk, compliance with laws and regulations and assurance of operational continuity, information integrity, and confidentiality.

Purpose of this Guide

This guide is designed to help you, the policy maker, address a host of questions regarding the protection and safety of computer systems and data processed within your agency. It introduces information systems security concerns, outlines the management issues that must be addressed by agency policies and programs, and describes essential components of an effective implementation process.

The Risks

The proliferation of personal computers, local-area networks, and distributed processing has drastically changed the way we manage and control information resources. Internal controls and control points that were present in the past when we were dealing with manual or batch processes have not always been replaced with comparable controls in many of today's automated systems. Reliance upon inadequately controlled information systems can have serious consequences, including:

- Inability or impairment of the agency's ability to perform its mission
Introduction

- Inability to provide needed services to the public
- Waste, loss, misuse, or misappropriation of funds
- Loss of credibility or embarrassment to an agency

To avoid these consequences, a broad set of information security issues must be addressed effectively and comprehensively. Towards this end, executives should take a traditional risk management approach, recognizing that risks are taken in the day-to-day management of an organization, and that there are alternatives to consider in managing these risks. Risk is accepted as part of doing business or is reduced or eliminated by modifying operations or by employing control mechanisms.
Executive Responsibilities

Set the Security Policy of the Organization

Protecting information resources is an important goal for all organizations. This goal is met by establishing an information resource security program. It will require staff, funding and positive incentives to motivate employees to participate in a program to protect these valuable assets.

This information resource protection policy should state precisely:

- the value to the agency of data and information resources and the need to preserve their integrity, availability, and confidentiality
- the intent of the organization to protect the resources from accidental or deliberate unauthorized disclosure, modification, or destruction by employing cost-effective controls
- the assignment of responsibility for data security throughout the organization
- the requirement to provide computer security and awareness training to all employees having access to information resources
- the intent to hold employees personally accountable for information resources entrusted to them
- the requirement to monitor and assess data security via internal and external audit procedures
- the penalties for not adhering to the policy
Executive Goals

The policy established for securing information resources should meet the basic goals of reducing the risk, complying with applicable laws and regulations, and assuring operational continuity, integrity and confidentiality. This section briefly describes these objectives and how they can be met.

Reduce Risk To An Acceptable Level

The dollars spent for security measures to control or contain losses should never be more than the projected dollar loss if something adverse happened to the information resource. Cost-effective security results when reduction in risk is balanced with the cost of implementing safeguards. The greater the value of information processed, or the more severe the consequences if something happens to it, the greater the need for control measures to protect it. It is important that these trade-offs of cost versus risk reduction be explicitly considered, and that executives understand the degree of risk remaining after selected controls are implemented.

Assure Operational Continuity

With ever-increasing demands for timely information and greater volumes of information being processed, availability of essential systems, networks, and data is a major protection issue. In some cases, service disruptions of just a few hours are unacceptable. Agency reliance on essential computer systems requires that advance planning be done to allow timely restoration of processing capabilities in the event of severe service disruption. The impact due to inability to process data should be assessed, and action taken to assure availability of those systems considered essential to agency operation.

Comply with Applicable Laws and Regulations

As the pervasiveness of computer systems increases and the risks and vulnerabilities associated with information systems become better understood, the body of law and regulations compelling positive action to protect information resources grows. OMB Circular No. A-130, "Management of Federal Information Systems," and Public Law 100-235, "Computer Security Act of 1987" are two documents where the knowledge of these laws provide a baseline for an information resources security program.
Executive Goals

Assure Integrity and Confidentiality

An important objective of an information resource management program is to ensure that the information is accurate. Integrity of information means you can trust the data and the processes that manipulate it. A system has integrity when it provides sufficient accuracy and completeness to meet the needs of the user(s). It should be properly designed to automate all functional requirements, include appropriate accounting and integrity controls, and accommodate the full range of potential conditions that might be encountered in its operation.

Agency information should also be protected from intruders, as well as from employees with authorized computer access privileges who attempt to perform unauthorized actions.

Assured confidentiality of sensitive data is often, but not always, a requirement of agency systems. Privacy requirements for personal information are generally dictated by statute, while protection requirements for other agency information are a function of the nature of that information. Determination of requirements in the latter case is made by the official responsible for that information. The impact of wrongful disclosure should be considered in understanding confidentiality requirements.
## Information Protection Program Elements

### Need for Policies and Procedures

Successful execution of the responsibilities previously outlined requires establishing agency policies and practices regarding information protection. The security policy directive facilitates consistent protection of information resources. Supporting procedures are most effectively implemented with top management support, through a program focused on areas of highest risk. A compliance assessment process ensures ongoing effectiveness of the information protection program throughout the agency.

### Scope

Although the protection of automated information resources is emphasized in this publication, protection requirements will usually extend to information on all forms of media. Agency programs should apply safeguards to all information requiring protection, regardless of its form or location.

Comprehensive information resource protection procedures will address: accountability for information, vulnerability assessment, data access, hardware/software control, systems development, and operational controls. Protection should be afforded throughout the life cycle of information, from creation through ultimate disposition.

### Accountability for Information

An effective information resource protection program identifies the information used by the agency and assigns primary responsibility for information protection to the managers of the respective functional areas supported by the data. These managers know the importance of the data to the organization and are able to quantify the economic consequences of undesirable happenings. They are also able to detect deficiencies in data and know definitively who must have access to the data supporting their operations. A fundamental information protection issue is assignment of accountability. Information flows throughout the organization and can be shared by many individuals. This tends to blur accountability and disperse decision-making regarding information protection. Accountability should be explicitly assigned for determining and monitoring security for appropriate agency information.
Information Protection Program Elements

When security violations occur, management must be accountable for responding and investigating. Security violations should trigger a re-evaluation of access authorizations, protection decisions, and control techniques. All apparent violations should be resolved; since absolute protection will never be achieved, some losses are inevitable. It is important, however, that the degree of risk assumed be commensurate with the sensitivity or importance of the information resource to be protected.

Vulnerability Assessment

A risk assessment program ensures management that periodic reviews of information resources have considered the degree of vulnerability to threats causing destruction, modification, disclosure, and delay of information availability, in making protection decisions and investments in safeguards.

The official responsible for a specific information resource determines protection requirements. Less-sensitive, less-essential information will require minimal safeguards, while highly sensitive or critical information might merit strict protective measures. Assessment of vulnerability is essential in specifying cost-effective safeguards; overprotection can be needlessly costly and add unacceptable operational overhead.

Once cost-effective safeguards are selected, residual risk remains and is accepted by management. Risk status should be periodically re-examined to identify new threats, vulnerabilities, or other changes that affect the degree of risk that management has previously accepted.

Data Access

Access to information should be delegated according to the principles of need-to-know and least possible privilege. For a multi-user application system, only individuals with authorized need to view or use data are granted access authority, and they are allowed only the minimum privileges needed to carry out their duties. For personal computers with one operator, data should be protected from unauthorized viewing or use. It is the individual’s responsibility to ensure that the data is secure.
## Information Protection Program Elements

### Systems Development

All information systems software should be developed in a controlled and systematic manner according to agency standards. Agency policy should require that appropriate controls for accuracy, security, and availability are identified during system design, approved by the responsible official, and implemented. Users who design their own systems, whether on a personal computer or on a mainframe, must adhere to the systems development requirements.

Systems should be thoroughly tested according to accepted standards and moved into a secure production environment through a controlled process. Adequate documentation should be considered an integral part of the information system and be completed before the system can be considered ready for use.

### Hardware/Software Configuration Control

Protection of hardware and resources of computer systems and networks greatly contributes to the overall level of control and protection of information. The information protection policies should provide substantial direction concerning the management and control of computer hardware and software.

Agency information should be protected from the potentially destructive impact of unauthorized hardware and software. For example, software "viruses" have been inserted into computers through games and apparently useful software acquired via public access bulletin boards; viruses can spread from system to system before being detected. Also, unauthorized hardware additions to personal computers can introduce unknown dial-in access paths. Accurate records of hardware/software inventory, configurations, and locations should be maintained, and control mechanisms should provide assurance that unauthorized changes have not occurred.

To avoid legal liability, no unauthorized copying of software should be permitted. Agencies should also address the issue of personal use of Federal computer systems, giving employees specific direction about allowable use and providing consistent enforcement.
Operational Controls

Agency standards should clearly communicate minimum expected controls to be present in all computer facilities, computer operations, input/output handling, network management, technical support, and user liaison. More stringent controls would apply to those areas that process very sensitive or critical information.

Protection of these areas would include:

- Security management;
- Physical security;
- Security of system/application software and data;
- Network security; and
- Contingency planning.

The final section of this guide describes the organizational process of developing, implementing, and managing the ongoing information protection program.
### Information Protection Program Implementation

#### Information Protection Management
In most cases, agency executive management is not directly involved in the details of achieving a controlled information processing environment. Instead, executive action should focus on effective planning, implementation, and an ongoing review structure. Usually, an explicit group or organization is assigned specific responsibility for providing day-to-day guidance and direction of this process. Within this group an information security manager (ISM) should be identified as a permanent focal point for information protection issues within the agency.

The ISM must be thoroughly familiar with the agency mission, organization, and operation. The manager should have sufficient authority to influence the organization and have access to agency executives when issues require escalation.

#### Independence
In determining the reporting relationship of the ISM, independence of functional areas within the agency is desirable. Plans and budget for the ISM function should be approved by agency management, rather than being part of any functional area budget. This approach avoids conflicts of interest and facilitates development and maintenance of a comprehensive and consistent protection program that serves the needs of agency management.

#### Degree of Centralization
The desirability of centralized versus decentralized security is heavily debated and largely depends on size, organizational structure, and management approach at the individual agency. A centralized approach to security has the advantages of being directly responsive to executive direction and specifically accountable for progress and status.

A decentralized approach to security has the advantages of being close to the functional area involved. In the long term, decentralization may provide better integration of security with other entity functions.
An effective combined approach offers advantages. A small dedicated resource at the agency level can direct the information protection program, while additional resources are utilized at the functional area level to implement the program in each area.

**Dedicated Staff**

The common practice of assigning responsibility for information security to existing staff with other major responsibilities is often unsuccessful. At least one dedicated staff member is recommended at the program management level.

The need for additional full-time resources depends on the agency's computer environment. The number of information systems, their technical complexity, the degree of networking, the importance of information processed, adequacy of existing controls, and extent of agency dependence on information systems affect the resources needed.

**Implementation Stages**

Development of a comprehensive information protection program that is practiced and observed widely throughout a Federal agency occurs in stages and requires ongoing monitoring and maintenance to remain viable.

First, organizational requirements for information protection are identified. Different agencies have varying levels of need for security, and the information protection program should be structured to most effectively meet those needs.

Next, organizational policies are developed that provide a security architecture for agency operations, taking into consideration the information protection program elements discussed in the previous section of this guide. The policies undergo normal review procedures, then are approved by agency management for implementation.

Activities are then initiated to bring the agency into compliance with the policies. Depending on the degree of centralization, this might require development of further plans and budgets within functional entities of the agency to implement the necessary logical and physical controls.
Training

Training is a major activity in the implementation process. Security violations are the result of human action, and problems can usually be identified in their earliest stages by people. Developing and maintaining personnel awareness of information security issues can yield large benefits in prevention and early detection of problems and losses.

Target audiences for this training are executives and policy makers, program and functional managers, IRM security and audit personnel, computer management and operations, and end users. Training can be delivered through existing policy and procedures manuals, written materials, presentations and classes, and audio-visual training programs.

The training provided should create an awareness of risks and the importance of safeguards, underscoring the specific responsibilities of each of the individuals being trained.

Monitoring and Enforcement

An ongoing monitoring and enforcement program assures continued effectiveness of information protection measures.

Compliance may be measured in a number of ways, including audits, management reviews or self-assessments, surveys, and other informal indicators. A combination of monitoring mechanisms provides greater reliability of results.

Variances from policy requirements should be accepted only in cases where the responsible official has evaluated, documented, and accepted the risk of noncompliance. Enforcement of agency policies and practices is important to the overall success of an information protection program. Inconsistent or lax enforcement quickly results in deterioration of internal controls over information resources.

A positive benefit of an effective monitoring and enforcement process is an increased understanding of the degree of information-related risk in agency operations. Without such a feedback process, management unknowingly accepts too much risk. An effective information protection program allows the agency to continue to rely upon and expand the use of information technology while maintaining an acceptable level of risk.
As agency initiatives and operations change, and as the computer environment evolves, some elements of the information protection program will require change as well. Information protection cannot be viewed as a project with a distinct end; rather, it is a process that should be maintained to be realistic and useful to the agency. Procedures for review and update of policies and other program elements should be developed and followed.
For Additional Information

National Institute Of Standards and Technology
Computer Security Program Office
A-216 Technology
Gaithersburg, MD 20899
(301) 975-5200

For further information on the management of information resources, NIST publishes Federal Information Processing Standards Publications (FIPS PUBS). These publications deal with many aspects of computer security, including password usage, data encryption, ADP risk management and contingency planning, and computer system security certification and accreditation. A list of current publications is available from:

Standards Processing Coordinator (ADP)
National Computer Systems Laboratory
National Institute of Standards and Technology
Technology Building, B-64
Gaithersburg, MD 20899
Phone: (301) 975-2817
Executive Guide To The Protection of Information Resources

Cheryl Helsing, Marianne Swanson, and Mary Anne Todd

NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY
(formerly NATIONAL BUREAU OF STANDARDS)
U.S. DEPARTMENT OF COMMERCE
GAITHERSBURG, MD 20899

Library of Congress Catalog Card Number: 89-600762

Document describes a computer program; SF-185, FIPS Software Summary, is attached.

The Executive Guide outlines the areas that the policy makers must address regarding the protection of computer systems and the information processed within them. The key to a successful policy on information resource protection is for top management to understand all the issues involved. This document explains what should be addressed in agency policy and where it best fits within an organization.
ANNOUNCEMENT OF NEW PUBLICATIONS ON
COMPUTER SYSTEMS TECHNOLOGY

Superintendent of Documents
Government Printing Office
Washington, DC 20402

Dear Sir:

Please add my name to the announcement list of new publications to be issued in
the series: National Institute of Standards and Technology Special Publication 500-.

Name ____________________________________________________________

Company __________________________________________________________

Address ___________________________________________________________

City_________________ State ____________ Zip Code ________________

(Notification key N-503)
Journal of Research of the National Institute of Standards and Technology—Reports NIST research and development in those disciplines of the physical and engineering sciences in which the Institute is active. These include physics, chemistry, engineering, mathematics, and computer sciences. Papers cover a broad range of subjects, with major emphasis on measurement methodology and the basic technology underlying standardization. Also included from time to time are survey articles on topics closely related to the Institute's technical and scientific programs. Issued six times a year.

Nonperiodicals

Monographs—Major contributions to the technical literature on various subjects related to the Institute's scientific and technical activities.

Handbooks—Recommended codes of engineering and industrial practice (including safety codes) developed in cooperation with interested industries, professional organizations, and regulatory bodies.

Special Publications—Include proceedings of conferences sponsored by NIST, NIST annual reports, and other special publications appropriate to this grouping such as wall charts, pocket cards, and bibliographies.

Applied Mathematics Series—Mathematical tables, manuals, and studies of special interest to physicists, engineers, chemists, biologists, mathematicians, computer programmers, and others engaged in scientific and technical work.

National Standard Reference Data Series—Provides quantitative data on the physical and chemical properties of materials, compiled from the world's literature and critically evaluated. Developed under a worldwide program coordinated by NIST under the authority of the National Standard Data Act (Public Law 90-396). NOTE: The Journal of Physical and Chemical Reference Data (JPCRD) is published quarterly for NIST by the American Chemical Society (ACS) and the American Institute of Physics (AIP). Subscriptions, reprints, and supplements are available from ACS, 1155 Sixteenth St., NW., Washington, DC 20056.

Building Science Series—Disseminates technical information developed at the Institute on building materials, components, systems, and whole structures. The series presents research results, test methods, and performance criteria related to the structural and environmental functions and the durability and safety characteristics of building elements and systems.

Technical Notes—Studies or reports which are complete in themselves but restrictive in their treatment of a subject. Analogous to monographs but not so comprehensive in scope or definitive in treatment of the subject area. Often serve as a vehicle for final reports of work performed at NIST under the sponsorship of other government agencies.

Voluntary Product Standards—Developed under procedures published by the Department of Commerce in Part 10, Title 15, of the Code of Federal Regulations. The standards establish nationally recognized requirements for products, and provide all concerned interests with a basis for common understanding of the characteristics of the products. NIST administers this program as a supplement to the activities of the private sector standardizing organizations.

Consumer Information Series—Practical information, based on NIST research and experience, covering areas of interest to the consumer. Easily understandable language and illustrations provide useful background knowledge for shopping in today's technological marketplace.


Order the following NIST publications—FIPS and NISTIRs—from the National Technical Information Service, Springfield, VA 22161.


NIST Interagency Reports (NISTIR)—A special series of interim or final reports on work performed by NIST for outside sponsors (both government and non-government). In general, initial distribution is handled by the sponsor; public distribution is by the National Technical Information Service, Springfield, VA 22161, in paper copy or microfiche form.
U.S. Department of Commerce
National Institute of Standards and Technology
(formerly National Bureau of Standards)
Gaithersburg, MD 20899

Official Business
Penalty for Private Use $300