Why Schools Need Cyber Insurance

The rise of remote learning in 2020 led to **unprecedented cyber risks for schools**. And that risk continues. In July 2021 alone, cyber attacks in the education and research sector increased 29% increase from the first half of 2021, according to Check Point Research.

The educational sector holds a wealth of sensitive data from both students and employees, making schools a lucrative target for bad actors. At the same time, they usually don't have great IT security. These attacks can have devastating direct and indirect effects including:

- Video conference disruptions
- Financial losses
- Damage to digital infrastructure
- Reputational damages
- Regulatory fines

Educational institutions need a comprehensive coverage plan that includes risk management and preventative measures, as well as liability coverage.

The Cost of a Breach

Global average **cost of a data breach in the education sector:**
$4.77 million (IBM Cost of a Data Breach Report)

Average cost of **per compromised record: $142**

Between August and September 2020, **57% of all reported ransomware attacks** were directed against these K-12 schools in the US.

Average cost of a **ransom for an attack: $50,000**

With the education sector under siege—and often unprepared—cyber insurance is an absolute necessity.

ProWriters
Professional & Management Liability Insurance

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The Power of Comprehensive Coverage

First-Party Coverage

- Hiring forensic IT consultants to determine the origin of the breach
- Repairing digital assets
- Alerting affected students and personnel
- Establishing a hotline to answer questions from effected parties

Third-Party Coverage

- Legal representation
- Document preparation
- Regulatory fines
- Payouts to affected customers

A Real World Example

In March of this year, Florida's Broward County Public Schools suffered a massive ransomware hack from international malware group Conti. The hackers **demanded $40 million, threatening to publish the stolen files if their ransom was not paid.** Broward County is the sixth largest school district in the country, but didn't have $40 million on hand. As they had threatened they would, t**he hackers published 26,000 of the stolen files online.**

Fortunately, few of the documents contained confidential information. However, not every school is so lucky. Protect student and staff privacy. Get cyber insurance today.