

2021 ANNUAL
**SECURITY, FRAUD
& RISK
MANAGEMENT
CONFERENCE**



SECURITY MANAGEMENT
**THE FUTURE
STARTS TODAY**



Presented by:

Jim Rechel, President

The Rechel Group, Inc.

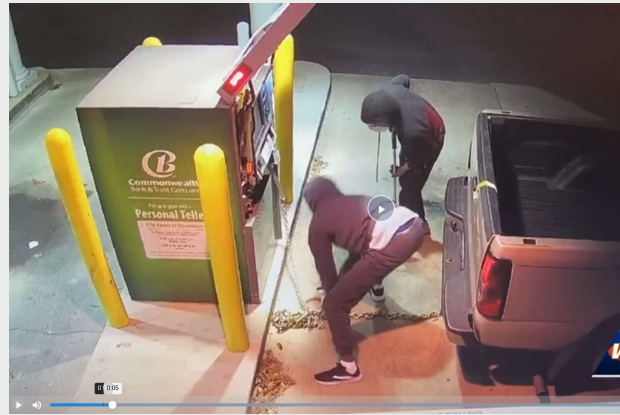
rechelgroup.com

jimrechel@rechelgroup.com

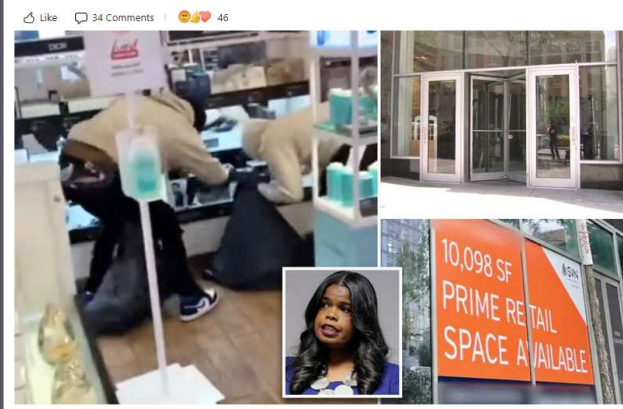
Topics for ~~Future~~ Consideration

- 1. What are You Protecting? It's Changing**
- 2. How are You Protecting "What" You are Protecting? It's Changing**
- 3. Perils with Changing World Impact Both of the Above**
- 4. How Are You Ensuring that Your Protection is Current and Functional?**
- 5. Evaluate Security Matters with Every New Innovation**

WHERE IS THE WORLD TODAY?



(PHOTO: Thinkstock_m-gucci)
October 1, 2021 | @ 8:19 pm | Local News | By: Shayla Cabalan



© Provided by Daily Mail MailOnline logo

ULTA – Oct 2021

Chaos...Coming Your Way?



Multiple Retailers – Summer 2021

SO WHAT ARE YOU DOING DIFFERENTLY?



What Works to Reduce Crime?

1. ~~targeting the underlying causes of crime~~

✓ 2. deterring potential offenders by ensuring that the **cost of offending is greater than the benefits**, and

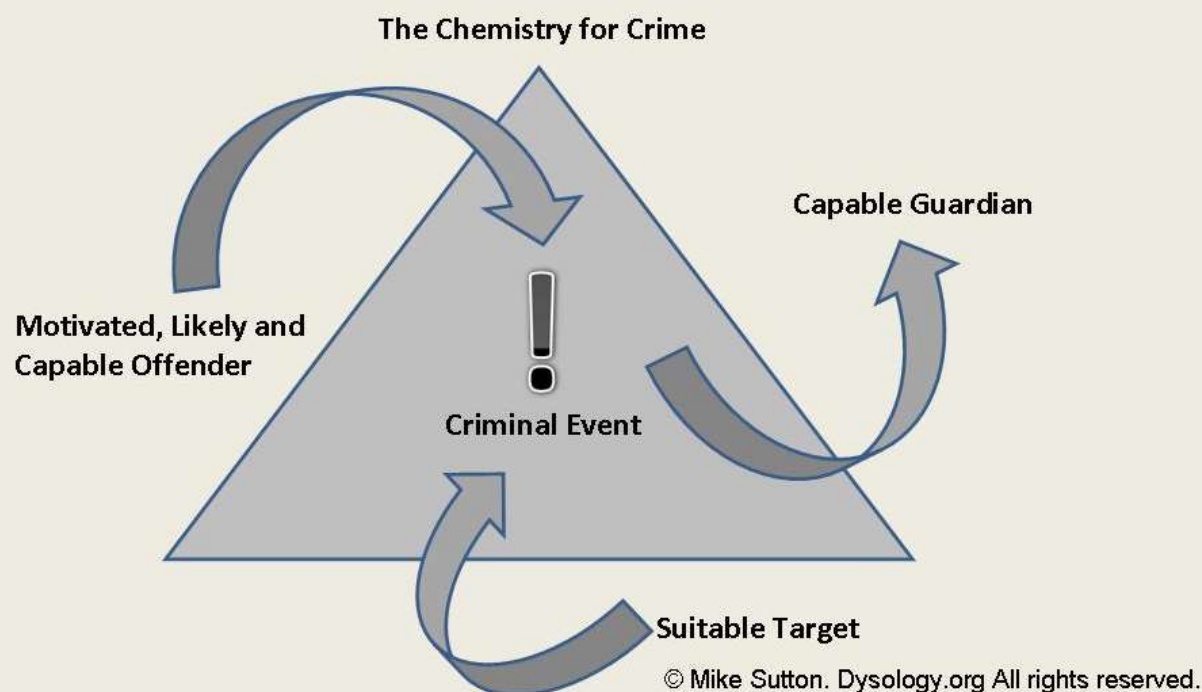
✓ 3. increasing the difficulty of offending by **reducing opportunities** to commit crime.

Situational Crime Prevention

Situational crime prevention strategies are based on the 'routine activities' theory of crime:

Crime occurs where there is a clustering of a **motivated offender**, the **opportunity** to offend and the **absence of a guardian**.*

The Routine Activity Theory Classic Basic Crime Triangle



*What Works to Reduce Crime?: A Summary of the Evidence

Longstanding Principles*



**DETER,
DETECT,
DELAY,
RESPOND**

***OR VARIATIONS OF**



DETECT, DETER & DELAY THREATS TO THE PHARMACEUTICAL SUPPLY CHAIN



DETER



DETECT



DEFEND

ious crime. It occurs when
ation is stolen and used
dge to commit fraud or
y theft can cost you time and
your credit and

s by safeguarding your

uments and paperwork with
before you discard them.

Security number. Don't carry
ard in your wallet or write your
er on a check. Give it out only if

Detect suspicious activity by routinely
monitoring your financial accounts and billing
statements.

Be alert to signs that require immediate
attention:

- Bills that do not arrive as expected
- Unexpected credit cards or account statements
- Denials of credit for no apparent reason
- Calls or letters about purchases you did not make
- Charges on your financial statements that you don't recognize

Inspect:

- **Your credit report.** Credit reports contain infor-

Defend against ID theft as soon

- Place a "Fraud Alert" on your c
review the reports carefully. Th
to follow certain procedures bef
accounts in your name or make cha
accounts. The three nationwide co
companies have toll-free numbers
90-day fraud alert; a call to one ce
 - **Experian:** 1-888-EXPERIAN (3)
 - **TransUnion:** 1-800-680-7289
 - **Equifax:** 1-800-525-6285
- Placing a fraud alert entitles you t
credit reports. Look for inquiries fr
haven't contacted, accounts you di
your accounts that you can't expla

Objectives
within security
design



DETER



DETECT



DENY



DELAY



DEFEND



Detect and Deter

Playing Defense Against Insider Threat



The World Has Shifted

- Digitization of Everything
- Diminishing of Rule & Order
- Diminished Law Enforcement
- Shortages: Labor & Materials

Daniel Moore
July 8 at 12:04 PM · 🌐

...of things to come? Took a late lunch and had to get some things at
...ly-World and heard about product shortages in canned food
...e...so I took a look and sure enough a notice about certain foods
...availability through August. Folks we are seeing a direct result of the
...ning issues and resulting shortages. And if CA gets the "big one"
...re goes fresh veggies, wine and rice! Thanks to Jamie for passing
...ng the info.

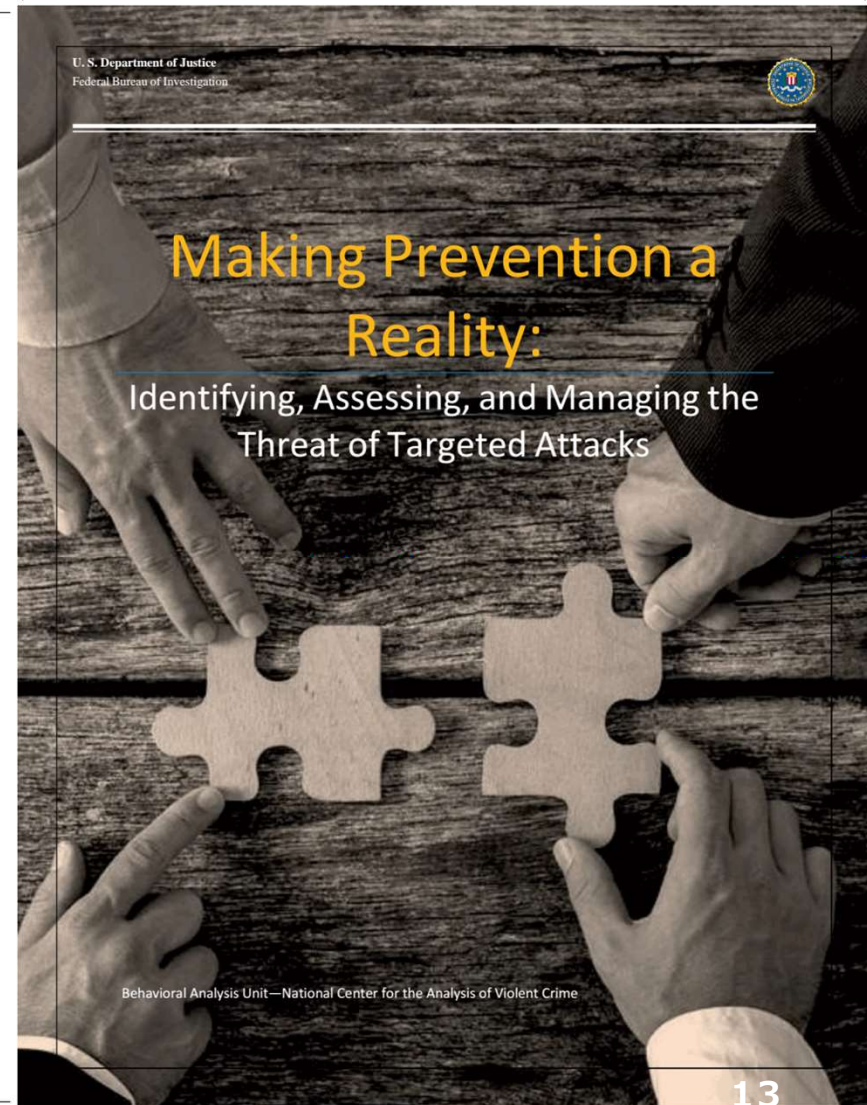


CHANGES THAT IMPACT EVERYTHING YOU DO

Apprehension and
Prosecution **After** an Act

replaced by:

Anticipate and Manage Risk
of **Future** Planned Acts



Current Reality



Traditional law enforcement techniques historically have focused on the **apprehension** and **prosecution** of violent offenders after violent crimes are committed.

When police are given information that someone may potentially commit a crime or become violent in the future, their responsibilities, authorities, and available investigative tools are suddenly less clear.

... guide is about threat assessment and management, or stated another way, how law enforcement officers and others may *identify, assess, and manage the risk of future, planned violence*. This task is a complex and nuanced one.

Common Recommendation

Deter, Detect, **Deny**, Respond

Should delaying an unwanted intruder fail, **denying access** to the facility is paramount **until the authorities arrive.**

...Until the Authorities Arrive...



Police Officer Retirements Skyrocket While Recruitment Slows



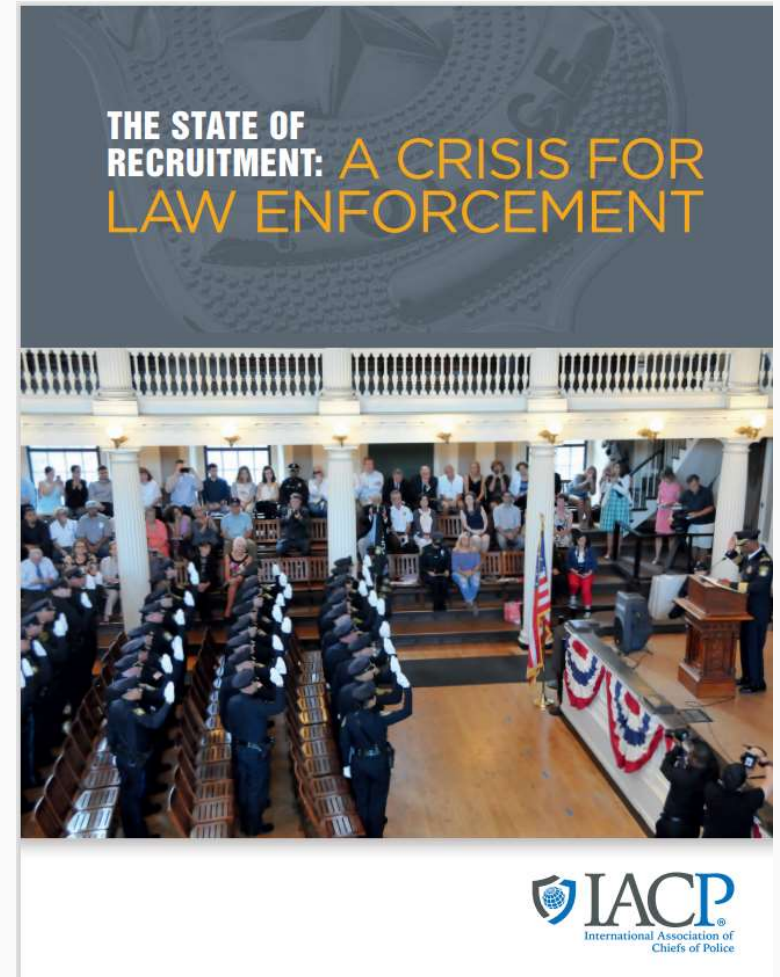
(Timothy A. Clary/AFP via Getty Images)

RETIREMENTS SKYROCKET

NO NEW OFFICERS

“Law enforcement agencies across the United States are **struggling to recruit and hire** police officers...

The difficulty with recruitment is a **significant problem** that is **broadly affecting the field of law enforcement...**”





of agencies reported having difficulty in recruiting qualified candidates



of agencies reported having too few candidates applying to be law enforcement officers



of agencies reported that recruiting is more difficult today than it was five years ago



of agencies reported having to change agency policies in order to increase the chances of gaining qualified applicants



of agencies reported having to reduce or eliminate certain agency services, units, or positions because of staffing difficulties

THE NUMBERS...AND HOW IT AFFECTS YOU

Changes & Real World Impact

NEWS > LOCAL NEWS

cleveland19.com



Former Cleveland officer charged in ATM cash theft that police say is connected to two murders

Lorain police asking for help solving 'ruthless' killings

OPINION

nypost.com



America's shrinking police forces could spell trouble for our safety

By Charles Fain Lehman

February 8, 2020 | 1:20pm

Asheville Police Will Not Respond To:

Theft under \$1,000: no suspect

Fraud, scams, or identity theft

Theft from a vehicle: no suspect

Simple assaults that are reported after occurrence

Minimal damage or graffiti to property

Reports that do not require immediate police actions

Non-life threatening harassing phone calls

Lost/found property

WHERE ARE THEY?

The Olympian theolympian.com

Residents voice frustration about lack of police response to violent downtown clash

Leopold Brine, The Olympian (Olympia, Wash.) · 1 day ago



Washington State

NYC



BY TYLER DURDEN

FRIDAY, SEP 17, 2021 - 03:45 PM

Brazen Muggers Ambush, Rob, & Shoot Customers Dining At Fancy NYC Restaurant

As if rising COVID cases and even faster rising rents aren't bad enough, two weeks ago, NYC and its beleaguered residents suffered the city's [most violent week this year amid an eruption of shootings and homicides](#).

Hope Mills residents under fire, frustrated by lack of police response

Tags: [shooting](#), [crime](#), [Hope Mills](#), [gun violence](#)

Posted June 21, 2021 5:08 p.m. EDT

Updated June 21, 2021 5:15 p.m. EDT

North Carolina

Detroit Telway Hamburgers owner upset over lack of police response to emergency call

6 people attempt to break into restaurant



Detroit restaurant owner upset over lack of police response to emergency call

Michigan

So... How Does This Impact You?



**LONGSTANDING
PRINCIPLES:**

**DETER,
DETECT,
DELAY,
RESPOND**

Typical Physical Security Program



**RECOGNIZE WHAT YOU
NEED TO PROTECT**



**DESIGN YOUR
PHYSICAL SECURITY**



**VALIDATE YOUR
SECURITY MEASURES**



**KEEP YOUR SECURITY
UP TO DATE**

Keep in Mind...Topics for Consideration

- 1. What are You Protecting? It's Changing**
- 2. How are You Protecting "What" You are Protecting? It's Changing**
- 3. Perils with Changing World Impact Both of the Above**
- 4. How Are You Ensuring that Your Protection is Current and Functional?**

~~Business~~ Security Impact Analysis

...predicts the consequences of disruption of a ~~business~~ security function and process and gathers information needed to develop recovery strategies.

SIA – Risk Assessments

Most banks conduct physical and cyber risk assessments using a broad range of methodologies to address their specific context and to meet their unique decision-making needs.

The challenge of **minimizing the disparity** in these approaches must be addressed through **core risk assessment criteria and standards** to ensure that essential mission functions will be carried out during emergencies.

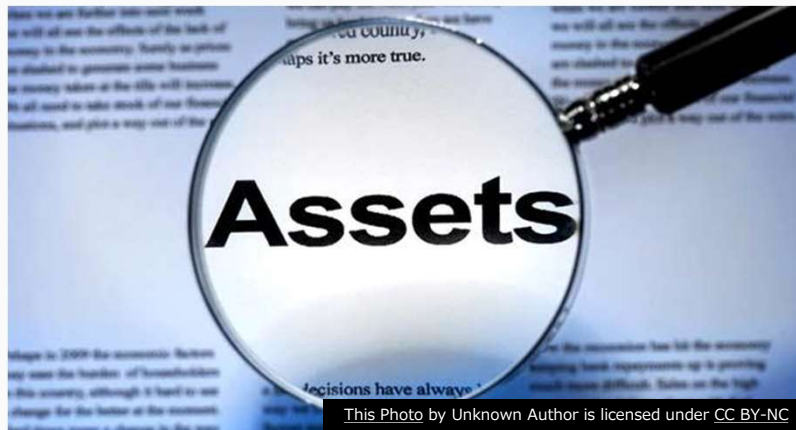
This process should include each of the three components of the risk equation:

(C) **Consequence**, (V) **Vulnerability**, and (T) **Threat**.

IDENTIFY ASSETS AND PERILS



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“The banking industry competitive battlefield has been altered significantly, and it will not return to the ‘good old days.’ In fact, the change we are seeing will never happen this slowly again.”

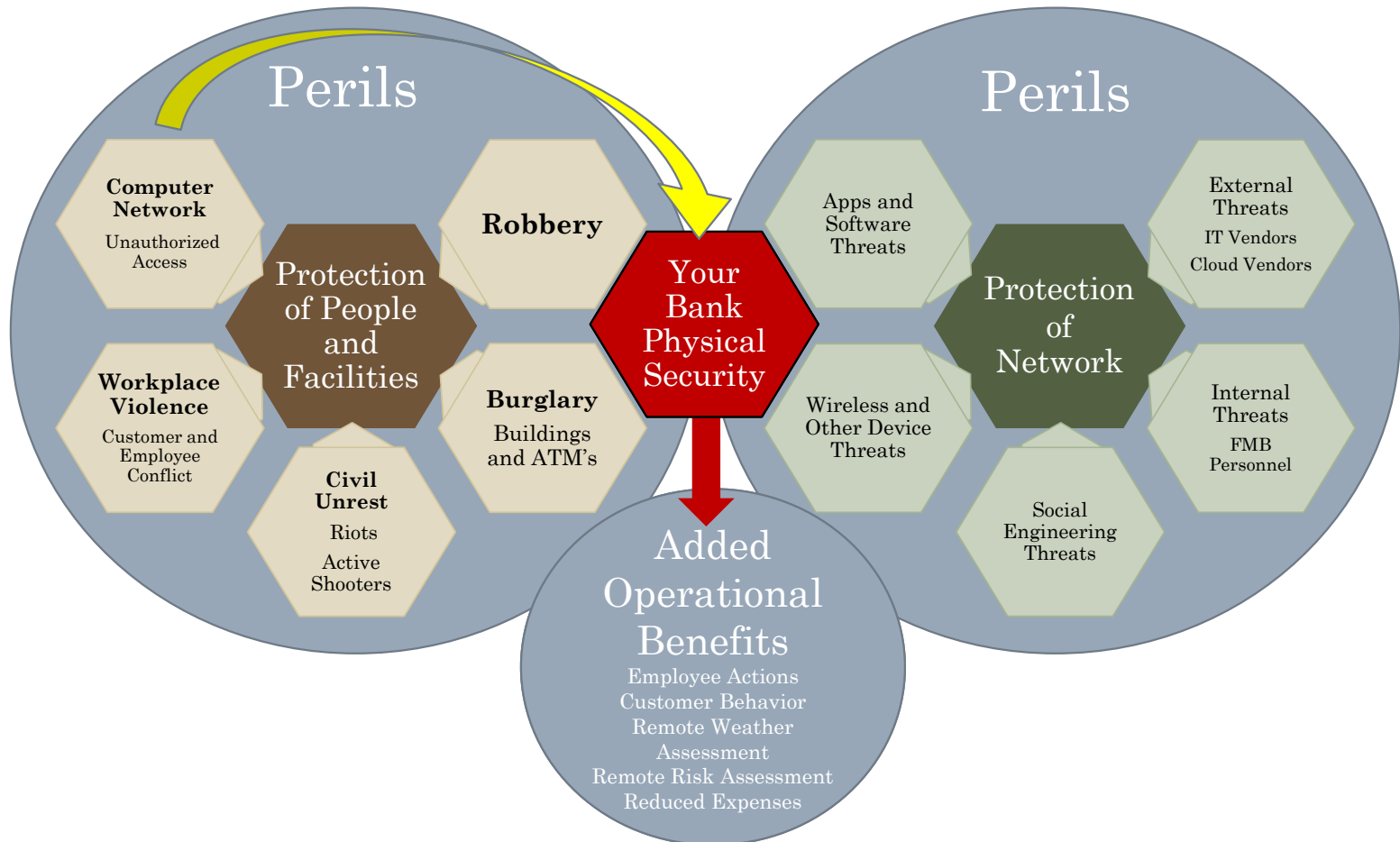
- Jim Marous, Owner & Host of Banking Transformed Podcast

Change is Here to Stay...



Protection of Branches and Facilities

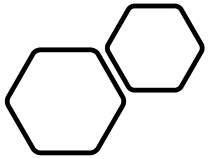
Protection of Network and Technology



Repurposed Branches



Facilities: Identify by functions and use. *Identify any special or critical function buildings*



Repurposed

Technology in Branches

Facilities:

Identify by **functions and use**.
Identify any special or critical function buildings



You May Even End
Up With a Bitcoin
ATM in Your Lobby
Someday!



BTC Sessions

Evaluate Security Matters with Every New Innovation

New Challenges

New technologies and the physical configuration can raise new challenges.

In the course of the pandemic, many banks began to utilize expanded ATM lobbies to offer services separate from the branch.

Physical security issues that were previously minimal, such as loitering, squatters or people getting too close to others, became significant with the expanded branch footprint and 24-hour operating environment.

New Thinking to Address

Integrated solutions that can:

Scan customer behavior to set off alerts such as loitering; or,

Pre-recorded audio for customers to calm down if it detects angry speech; or,

Alarms that send an alert when there are too many people in a space or when someone is sleeping in the vestibule.

Automated Teller Machines Become Lucrative Targets

Will Bank
Lobbies Be
Targeted for
ATM Cash?



ATM Smash and Grabs

- More balusters around the machines
- GPS tracking devices inside the machines
- Cameras outside and inside the ATMs
- Alarms with shock/tilt/heat sensors as well as alarms on the doors
- Thick bars or gates around the machines
- Insurance carriers advised BIA that they will be raising the deductibles on ATMs, which today are relatively low.

From: Texas Bankers Assn



Inventory

All Security Related Equipment, Policies and Procedures

Security Feature	All Locations	A	B	C	D	E	F	G
Opening and Closing - All Clear App	*	X	X	X	X	X	X	X
Opening Branches Through "Most Visible" Entrance	*	X	X	X	X	X	X	X
Install Fencing	*		X	X	X	X	X	X
Remove Security Officers - Transition Out	*	X	X	X	X	X	X	X
Maintain Entry Access - Publicize	*	X	X	X	X	X	X	X
Cameras - Addition	*		X	X			X	
Secure Entrance Vestibule	*						X	
Add lobby doors or keypads to back entrances	*				X	X	X	X
Establish "Safety Watch" GroupMe Accounts	*	X	X	X	X	X	X	X
Modify Cubicle Walls	*				X			
Establish Safe Sites at all Locations	*	X	X	X	X	X	X	X
Increased Visibility from Teller Lines	*			X	X		X	
Robbery Procedures in Place	*	X	X	X	X	X	X	X
Police Special Signs in Place	*			X	X	X*	-	X
Key Control	*			X	X	X	X	X
Security Manual in Place	*			X		X	X	X
Dedicated Phone for Alarm Ver.	*			X	X	?	?	X
Cameras - Front door exits		•	•	X	X			X
Cameras - Drive Throughs		•	•	X	X			X
Cameras - Covering ATM		•	•	X				X
Cameras - Special Situations		•	•					
Informal Alert Network		•	•			X		
Dye Packs - Teller drawers		•*	•*			X		
Dye Packs - Safes		•*	•*					
GPS Packs - Teller drawers		•*	•*	X	X			X
Alarm Activation - Wireless			P					
Bullet Resistant Barriers			P					
Controlled Entry Doors			P					
Unarmed Officers Utilized			P					
Armed Officers Utilized			P					
Security Magnetic Signs Utilized			P					

EXAMPLE

Opening and Closing Procedures

Security Feature	Branch A	B	C
Opening and Closing - All Clear App	X	X	X
Opening Branches Through "Most Visible" Entrance	X	X	X
Install Fencing			X
Remove Security Officers - Transition Out	X	X	X
Maintain Entry Access - Publicize	X	X	X
Cameras - Addition			X
Secure Entrance Vestibule			
Add lobby doors or keypads to back entrances			
Establish "Safety Watch" GroupMe Accounts	X	X	X
Modify Cubicle Walls			
Establish Safe Sites at all Locations	X	X	X
Increased Visibility from Teller Lines	X		
Robbery Procedures in Place	X	X	X
Police Special Signs in Place			
Key Control			
Security Manual in Place			
Dedicated Phone for Alarm Ver.			
Cameras - Front door exits		•	•
Cameras - Drive Throughs		•	•
Cameras - Covering ATM		•	•
Cameras - Special Situations		•	•
Informal Alert Network		•	•
Dye Packs - Teller drawers		•*	•*
Dye Packs - Safes		•*	•*
GPS Packs - Teller drawers		•*	•*
Alarm Activation - Wireless			P
Bullet Resistant Barriers			P
Controlled Entry Doors			P
Unarmed Officers Utilized			P
Armed Officers Utilized			P

Opening and Closing Procedures

Deter

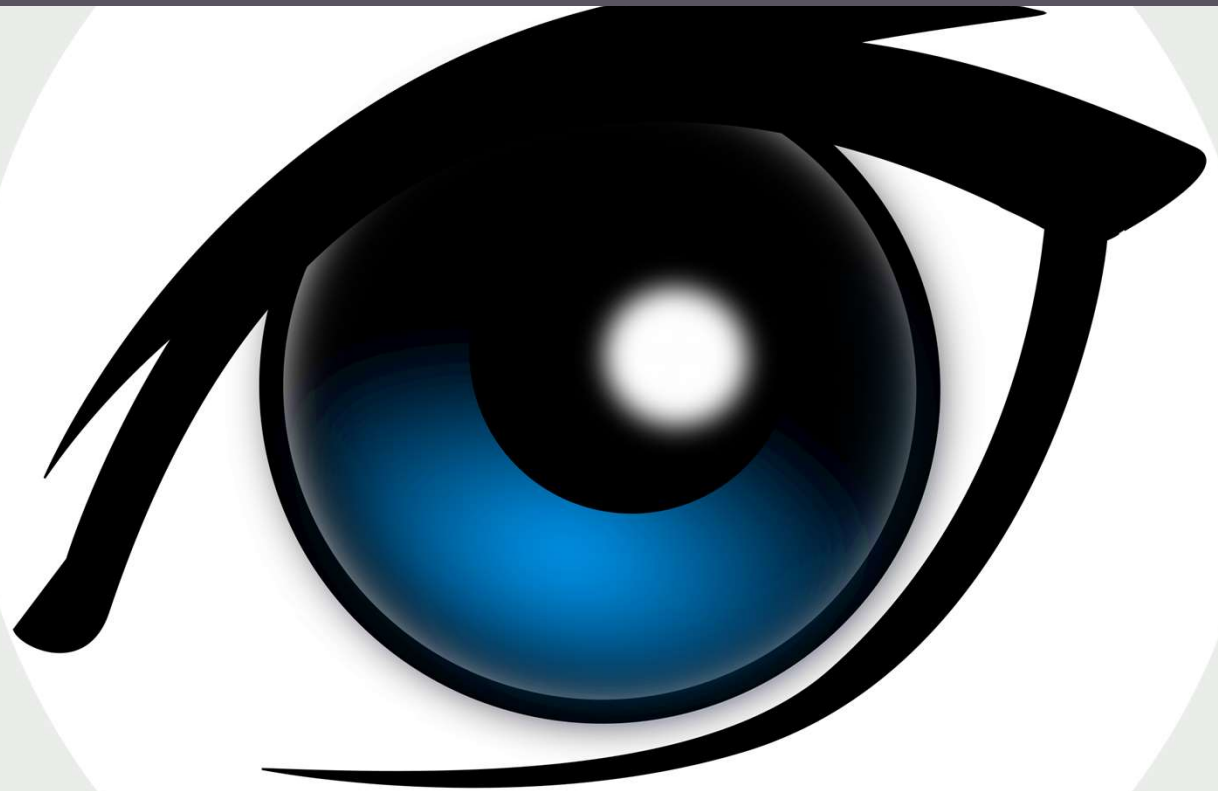
- Potential perpetrators who “case” the facility will observe employees separated and entering via doors observable by many.

Deterrence is achieved by communicating the inability to control all necessary employees, and the potential LE response.

Response

- Subsequent arriving employees alerted to unusual circumstances via physical or app message.
- Employees instructed to take pre-established actions to alert LE and other parties.

**Your Bank
From the Eye
of Potential
Perpetrators**



Time needed by an adversary = delay achieved by physical security measures

Adversary progress



Perimeter breached



Security zone breached



Asset accessed



Exit

INCIDENT
TIMELINE

TIME TO BREACH SECURITY ZONE

TIME TO ACCESS ASSET

TIME TO EXIT

TIME TO DETECT & ASSESS

TIME TO INTERCEPT

SAFETY ZONE

Security response



Breach detected



Response dispatched



Adversary intercepted

Initial Breach



Security Zone



Asset Accessed



Safely Out



Time to Breach Security

Time to Access Asset

Time to Exit Safely

Time to Detect/Assess

Time to Intercept

Safety Zone

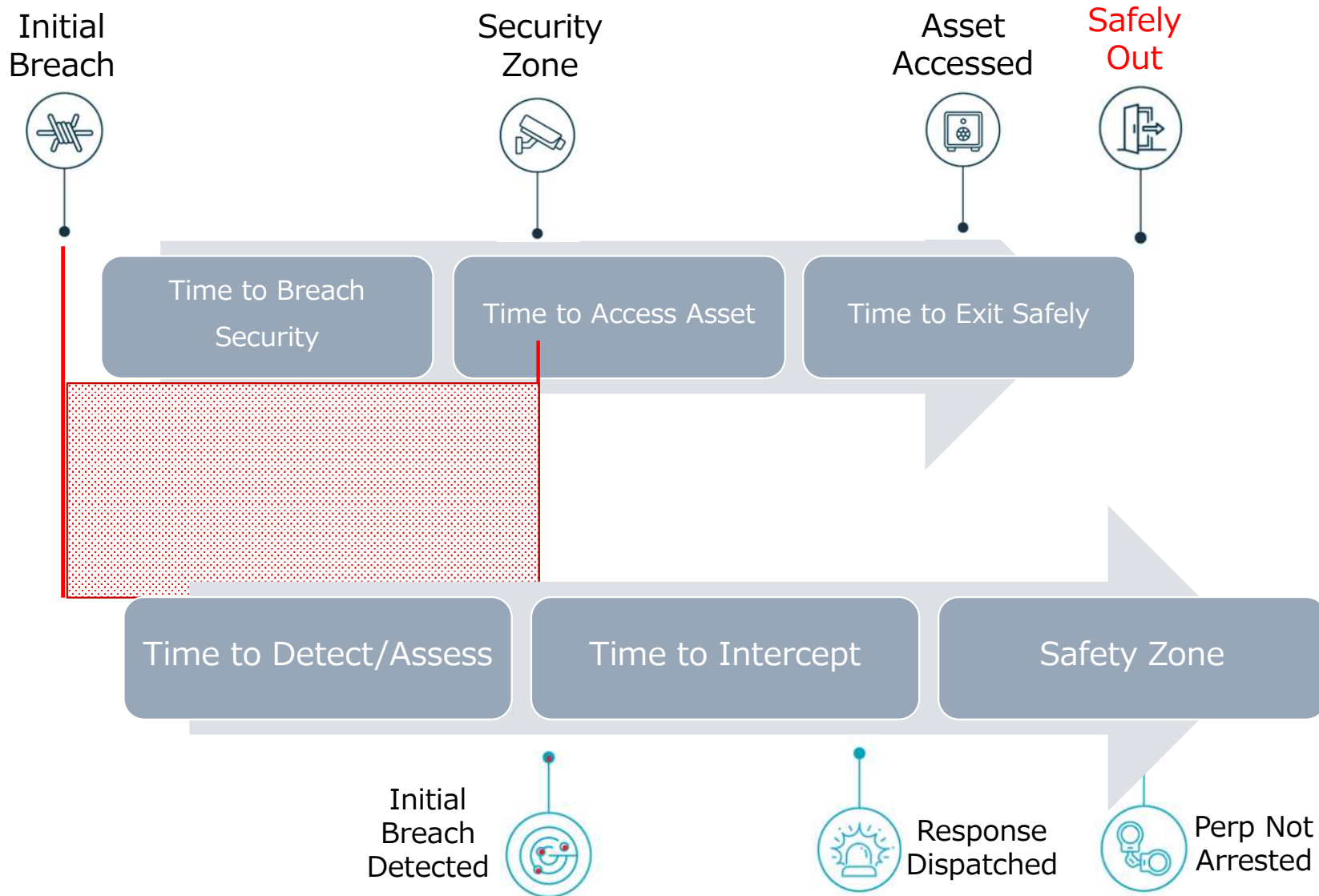


Initial Breach Detected



Response Dispatched





Initial Breach



Security Zone



Asset Accessed



Safely Out



Time to Breach Security

Time to Access Asset

Time to Exit Safely

Time to Detect/Assess

Time to Intercept

Safety Zone



Initial Breach Detected



Response Dispatched

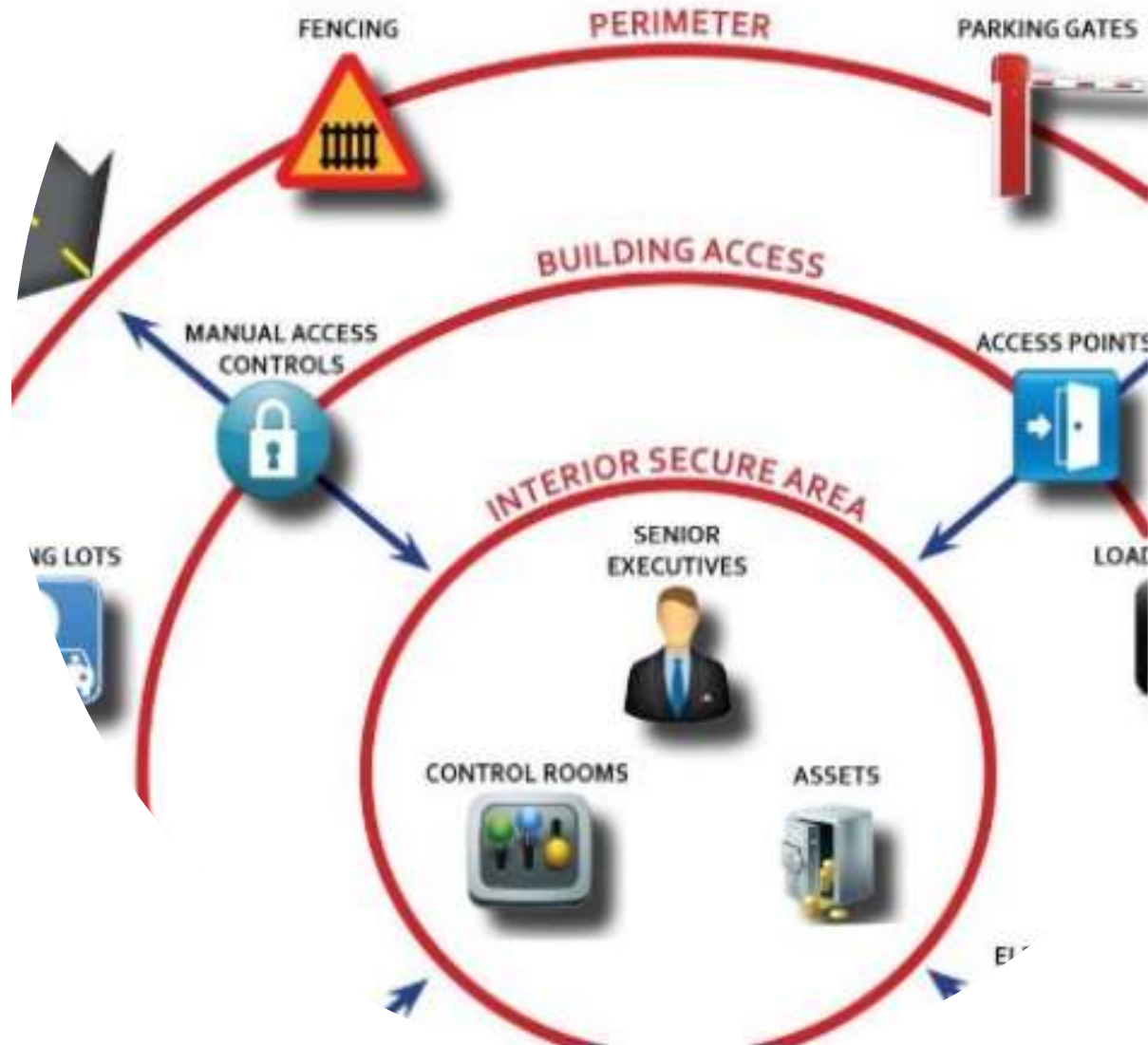


Perp Arrested

TYPICAL SECURITY ZONES

Deter
Detect
Delay
Defend

↓
Recover
Re-evaluate



SECURITY ZONES: OVERVIEW



The **branch will include** a drive-thru, a lobby, provide loans, house State National Insurance, offer office space for lease and will also **feature a basketball court.**

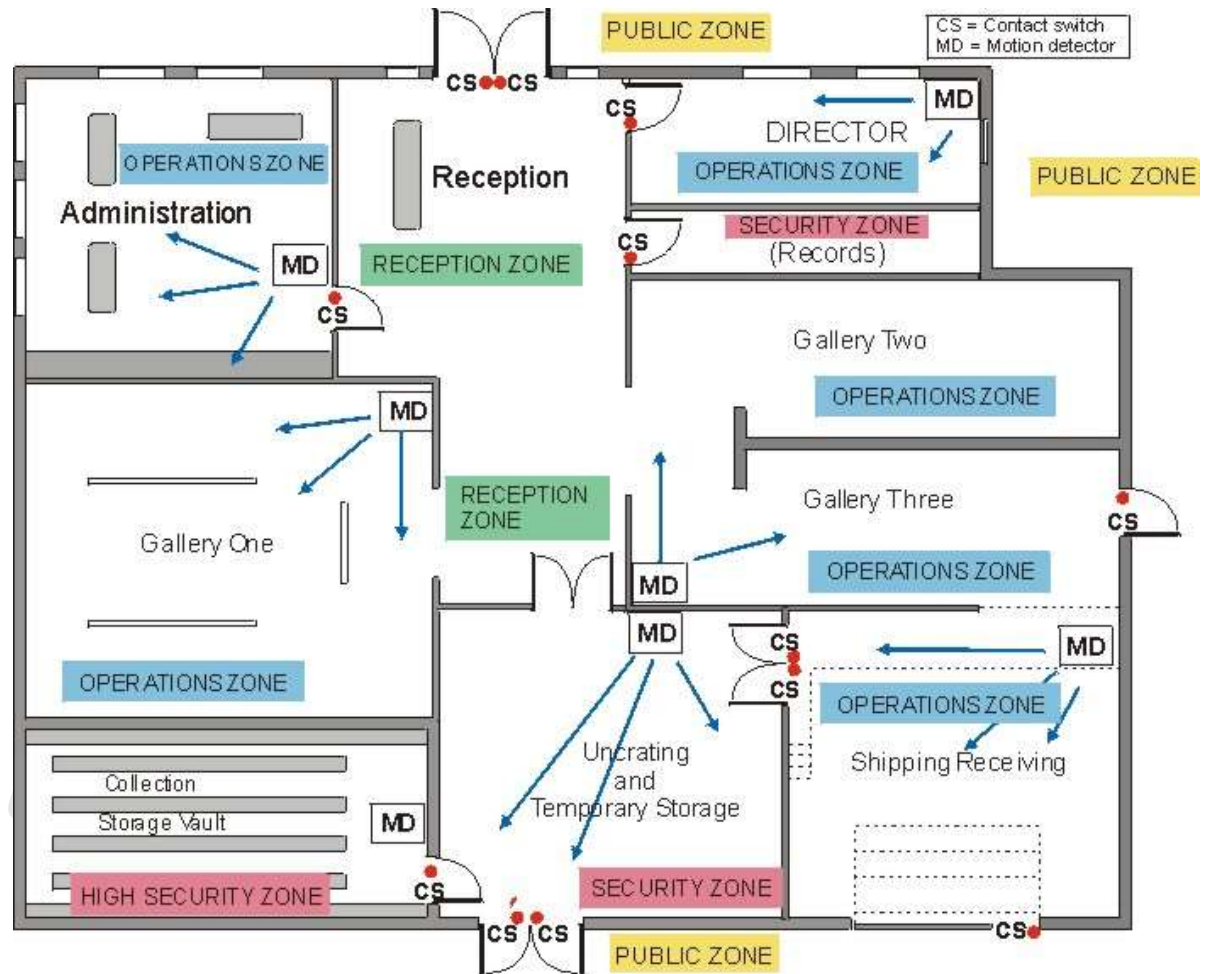
“The basketball court is a community room, so there’s going to be movie screenings, pickleball, there’ll be the equipment for that so it’s not just basketball,” Ley said.



Security Zone Fundamental Zones: Overview

ZONE	Description
Public	Public has unimpeded access and generally surrounds branch.
Reception	Transition area from public to operations areas.
Operations	Employees and approved visitors only.
Security	Authorized only personnel and escorted visitors
High Security	Authorized and screened personnel and escorted visitors

SECURITY ZONE OVERVIEW



Security Zone Fundamental Zones: Overview

Public Zone	Public has unimpeded access and generally surrounds branch.
Example	Grounds surrounding all bank facilities, from building to property line
Perimeter	Employ CPTED principles to delineate bank property
Monitoring	As detailed in Bank Security Program Appendix _____

Security Zone Fundamental Zones: Overview

Reception Zone	Transition area from public to operations areas.
Example	Entry location for public, access may be limited by operating hours
Perimeter	Signage and access control as dictated at each location
Monitoring	Access will be monitored by (cameras, access control, receptionist)

Security Zone Fundamental Zones: Overview

Operations Zone	Employees and approved visitors only. May include secure access.
Example	Offices and other bank operations areas
Perimeter	Explicit signage and enhanced access control devices
Monitoring	Access will be monitored by alarms, exception reports, personnel

Security Zone Fundamental Zones: Overview

Security Zone	Authorized only personnel and escorted visitors
Example	Offices and areas where confidential information is stored or used
Perimeter	Explicit signage and additional enhanced access control
Monitoring	Access will be monitored 24x7

Security Zone Fundamental Zones: Overview

High Security

Authorized and screened personnel and escorted visitors

Example

Offices and areas where high value items are stored or used

Perimeter

Explicit signage and enhanced access control procedures and devices

Monitoring

Access will be monitored 24x7, recorded and audited on regular basis



Secure Area

Facility owners/operators have the discretion to designate their entire facility as a restricted area. In this situation, the restricted area and secure area would be one and the same.

**RESTRICTED
AREA
AUTHORIZED
PERSONNEL ONLY**

Unauthorized Presence
Constitutes a Breach of Security

33 CFR 104.270(c)(6) 33 CFR 105.260(b)(6)

Modu-Mark, Inc. 2007 www.securitap.com 800-795-6887 USA





THANK YOU

HAVE A GREAT CONFERENCE

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