NM DEPARTMENT OF INFORMATION TECHNOLOGY

DEPARTMENT OF INFORMATION TECHNOLOGY & OFFICE OF CYBERSECURITY

Science, Technology, & Telecommunication Committee
Las Cruces, NM

October 30, 2023

Raja Sambandam, Acting Cabinet Secretary

State Chief Information Officer & State Chief Information Security Officer

PRESENTATION OVERVIEW

NM DEPARTMENT OF INFORMATION TECHNOLOGY
PROGRESS STARTS HERE

- Department of Information Technology (DoIT)
  - Updates
  - Budgets
  - FY25 IT Funding (C2) Requests
- Office of Cybersecurity
  - Current State
  - Successes and Accomplishments
- Executive Order and Legislation
- Cybersecurity Budget
- Next Steps
  - Update to Cybersecurity Act

DoIT Update

- Department Changes & Transitions
- FY24 Operating Budget
- FTE and Recruiting Efforts
- FY25 Funding Request
- FY25 IT Funding (C2) Funding Request

- Leadership Change June 2023
- Laws 2023 Cybersecurity Act - Office of Cybersecurity administratively attached to DoIT
  - New Program Code Effective FY25
- Office of Broadband and Expansion
  - State Budget Division approval for its own business unit
- Intent to transfer DoIT SHARE team to Department of Finance & Administration
- 2024 Audit Rule Change
  - SOC 2, Type 2 Audit

DoIT FY 24 Operating Budget

(in thousands)

FY24 Sources	
General Fund	$7,090.4
Other Transfers	$9,458.0
Other Revenues	$65,438.3
Fund Balance	$4,658.9
Total	**$86,645.6**

FY24 Sources (w/o OBAE)	
General Fund	$5,720.9
Other Transfers	$9,458.0
Other Revenues	$65,438.3
Fund Balance	$4,658.9
Total	**$85,276.1**

FY24 Uses	
PS&EB (200s)	$19,249.5
Contractual Services (300s)	$9,779.9
Other (400s)	$48,158.2
Other Financing Uses (500s)	$9,458.0
Total	**$86,645.6**

FY24 Uses (w/o OBAE)	
PS&EB (200s)	$18,431.0
Contractual Services (300s)	$9,654.9
Other (400s)	$48,078.9
Other Financing Uses (500s)	$9,111.3
Total	**$85,276.1**

FY25 Budget Request & Expansion

Uses	FY24 Operating Budget	FY25 Base Request	FY25 General Fund Expansion	FY25 Total	Difference	% Chg.
PS&EB (200s)	$18,431.0	$19,158.0	$1,478.4	$20,636.4	$2,205.4	11.97%
Contractual Services (300s)	$9,654.9	$8,633.4	$1,000.0	$9,633.4	($21.5)	-0.22%
Other Services (400s)	$48,078.9	$50,518.9	$276.0	$50,794.9	$2,716.0	5.65%
Other Financing Uses(500s)	$9,111.3	$9,376.7	$0.0	$9,376.7	$265.4	2.91%
Total Uses:	**$85,276.1**	**$87,687.0**	**$2,754.4**	**$90,441.4**	**$5,165.3**	**6.06%**

FY24 FTE and Recruiting Efforts

FY24 Current Status (10/1/23)

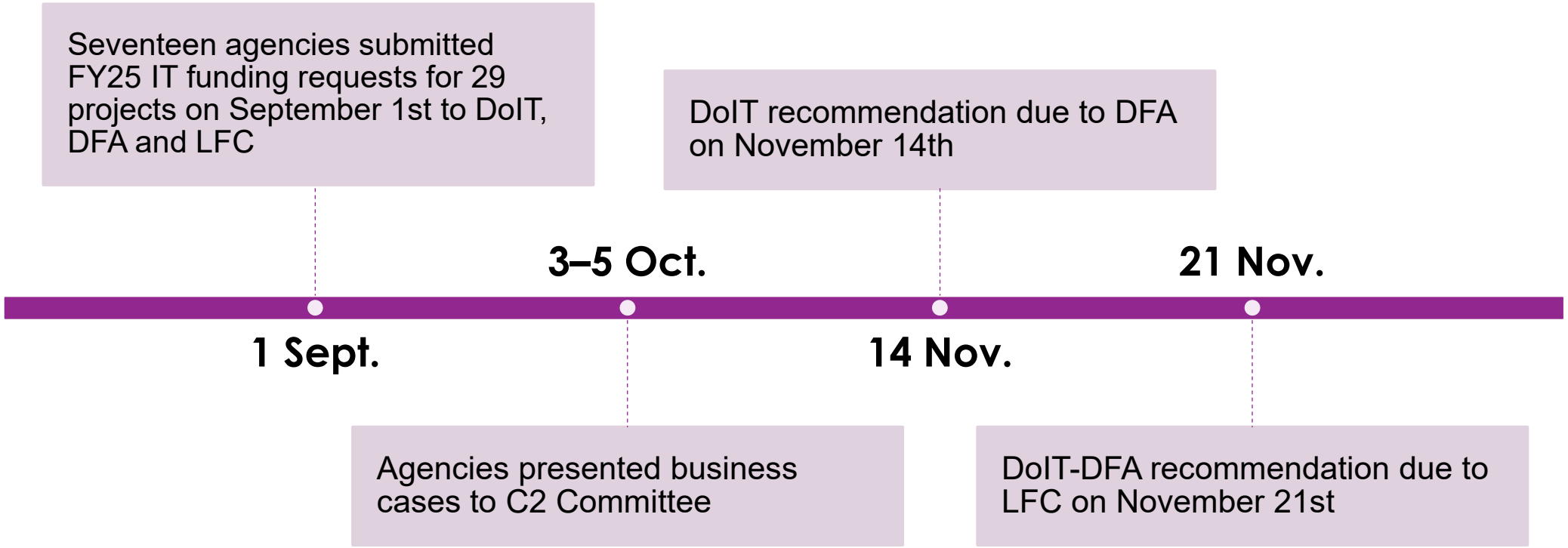
Authorized	**166**
Filled	131
Vacant	35
Vacancy Rate (10/23)	21%

DoIT is requesting an expansion for 16 FTE in FY25; 4 FTE for Program Support, 6 FTE for Enterprise Services, and 6 FTE for the Cybersecurity Office.

Active Recruitments

- Speed Recruiting Event for 10 Positions
  - For example, IT Security & Compliance Admin II, System Administrator II and III, IT Database Administrator II
- Application Period: 10/2 -10/9/23
- Interviews Dates: 10/12 – 10/18/23
  - Applicants meeting minimum qualifications were interviewed
- Background checks and offers in process

FY25 IT FUNDING (C2) REQUESTS



SUMMARY

FY25 IT FUNDING (C2) REQUESTS

- Twenty-nine projects totaling $128.2 million:
  - $81.5 million – General Fund
  - $10.4 million – Other State Funds
  - $36.3 million – Federal Funds
- Fourteen on-going projects and 15 new projects
  - Seven of 14 have reauthorizations

NM DEPARTMENT OF INFORMATION TECHNOLOGY
PROGRESS STARTS HERE

Office of Cybersecurity

- Current State
- Success Factors & Accomplishments
- Executive Order
  - Federal Grants Statewide Cybersecurity Plan
- Laws 2023 Cybersecurity Act
- FY25 Funding Request
- Next Steps

- Constant changes to the IT landscape increase cyber challenges
- Cybersecurity service offerings are defined
- Threat vectors are complex
- Compliance driven and risk based
- Developing a Statewide Cybersecurity Plan
- State Cyber Eco-system
  - 76 State Agencies
  - 33 Counties
  - 23 Tribal entities
  - 106 Local Municipalities
  - 31 Higher educational institution
  - 189 School district

Cybersecurity Success Factors

- On-going collaboration with Federal, State and Local governments, and Higher Education institutions and K-12 institutions
- Weekly Security Operations Center (SOC) briefing on all state agencies
- Threat alerts communications to all state agencies
- Distributed Denial of Service (DDoS) Protection for all state agencies
- On-going Multi-platform Endpoint Protection
- Enterprise Vulnerability Management, Attack Surface Management, Cybersecurity training, and Penetration testing in effect

Cybersecurity Accomplishments

- Enterprise Vulnerability Management Program
  - 72 out of 76 state agencies onboarded
- Proactively mitigated multiple cyber incidents
- Mean time to detect and respond has been reduced from weeks to days and hours
- Consistent approach to cybersecurity has provided economies of scale

Incident Response Flow - Security Operations Center

76 Agencies Monitored Through MS-ISAC

27 Identified Agencies Monitored Through Defender

4 Tools Utilized

1. **Incident Identification**
2. **Identify Affected Agency**
3. **Acknowledgement of Incident to DoIT and Agency**
4. **Securin Team Conducts Analysis and Generates Report**
5. **Agency Reviews the Report and Notifies DoIT and Securin When Investigation is Closed**

MS-ISAC® Multi-State Information Sharing & Analysis Center®

Microsoft Defender

CISCO Stealthwatch

Microsoft Sentinel

Executive Order and Legislation

- **Executive Order 2022-141 issued to support IIJA Cybersecurity Grant**
  - Cybersecurity Planning Committee, developed a Statewide Cybersecurity Plan
  - CISA and FEMA approved the plan on September 19, 2023, allowing the Office of Cybersecurity and New Mexico Department of Homeland Security and Emergency Management to receive federal funding.
- **New Mexico's Share of Federal Funding – approximately $12.9 million over a four-year period**
  - At least 80% of grant funds must be passed through to local governments as sub-awards or provided to them in the form of items, services, capabilities, or activities by the State on their behalf, and at least 25% of grant funds must benefit rural areas.
- **Laws 2023, Chapter 115 (Senate Bill 280) Section 9-27A-1, NMSA 1978 "Cybersecurity Act"**
  - Cybersecurity Act establishes the:
    - Office of Cybersecurity (Office), administratively attached to DoIT;
    - States first Chief Information Security Officer (CISO), Raja Sambandam;
    - Cybersecurity Advisory Committee (Committee)
    - Roles and Responsibilities

Roles and Responsibilities

The Office

- Establish governance, standards, and policies to protect State IT resources and infrastructure;
- Establish data classification policies, standards, and controls.
- Enact security capabilities to monitor, detect, mitigate, and report security incidents.
- Develop a cybersecurity service catalog for standards, policies, and training.
- Serve as a cybersecurity resource for local governments.
- Centralize cybersecurity and data breach reporting.

Advisory Committee

Assist the Office in the development of:

- A statewide cybersecurity plan;
- Guidelines for best cybersecurity practices; and
- Recommendations on how to respond to a specific cybersecurity threat or attack.

The Advisory Committee is responsible for annual reporting to the LFC, appropriate interim committee, and the Governor's Office addressing the status of cybersecurity preparedness within agencies and elsewhere in the state. First report is due November 30, 2023, and updated reports are due on or before October 30, 2024, and on or before October 30 of each subsequent year.

STATE GOVERNMENT CYBER ROADMAP

DoIT SOC

FY 23

- Update DoIT Act
- Statewide Cyber Training
- Enterprise SOC operational
- Create Office of Cyber /Hire Staff

Enterprise SOC

FY 24

- Incorporate economies of scale
- Consolidate contracts, workforce, Single pane of glass view
- Scale vulnerability & Attack Surface mgmt. Penetration testing and monitoring to all State Agencies, K-12 and Higher eds

Phase 1 K-12/High Ed.

FY 25

- Expand SOC to include K-12 and Higher Ed.
- Provide vulnerability & Attack surface mgmt., monitoring, Penetration testing, cloud storage & Cyber awareness training to Higher Ed, K-12 and local government agencies

Phase 2 Local Gov't.

FY 26

- Expand SOC to include local government agencies
- Continues to Provide vulnerability scanning, Security monitoring, Penetration testing, cloud storage & Cyber awareness training to all schools and local Government agencies.

DoIT CYBERSECURITY
Laws 2022 Special Appropriation FY23 – FY25

Cybersecurity Estimated Expenditures			
Laws 2022 Special Appropriation $20M (FY23-FY25) (in thousands)			
Beginning Balance	**$20,000.0**	**$9,335.0**	**$4,670.0**
Description	**FY23**	**FY24**	**FY25**
Vulnerability & Risk Management	$5,000.0		$5,000.0
Incident Response & Insurance	$2,515.0	$2,515.0	$2,515.0
Perimeter Protection and Hardware	$2,150.0	$2,150.0	$2,150.0
Broadband	$1,000.0	$0.0	$0.0
Total	**$10,665.0**	**$4,665.0**	**$9,665.0**
Fund Balance	$9,335.0	$4,670.0	($4,995.0)
Source: DoIT Files			

DoIT CYBERSECURITY
Laws 2023 Special Appropriations FY24

Cybersecurity Estimated Expenditures	
(in thousands)	
Description $10M SoNM	**FY24**
Regulation and Licensing Department	$3,000.0
Vulnerability and Risk Management	$5,000.0
Perimeter Protection and Hardware	$1,876.0
Training	$123.4
Fund Balance	**$0.0**
Description $3M Higher Education	
Vulnerability and Risk Management	$2,091.4
Fund Balance	**$908.6**
Description $2.5M K-12	
Vulnerability and Risk Management	$2,498.1
Fund Balance	**$1.9**
Source: DoIT files	

FY24 Cybersecurity Budget

FY24 Operating Budget Cybersecurity (in thousands)	
PS&EB	$780.0
Contractual Services	$3,000.0
Other	$1,000.0
Total Expenditures	**$4,780.0**

Source: SHARE and DoIT Files

The FY24 cybersecurity budget resides in the Compliance and Project Management program. A new program code for the Cybersecurity Office is established for FY25.

Cybersecurity Budget Analysis

Total State Agency's Actual IT Operating Costs (in thousands)	
FY19	$244,343
FY20	$240,460
FY21	$270,947
FY22	$283,413
FY23 (Unaudited)	$297,728
FY24 (OpBud)	$321,184
6-Year Total	**$1,658,075**

Source: State Agency IT Strategic Plans (C-1 Form)

Total IT Appropriations Computer System Enhancement Fund (in thousands)	
FY19	$92,158
FY20	$52,412
FY21	$115,057
FY22	$56,348
FY23	$146,675
FY24	$187,439
6-Year Total	**$650,089**

Source: General Appropriation Acts

*A Deloitte study indicated the average business will invest **between 6% and 14% of its annual IT budget** in cybersecurity. This represents less than a quarter of the total budget allocated to cybersecurity overall.*

*In general, most spend around **10% of their IT budget on average.** 11/30/21*

Next Steps

- Implement Statewide Cybersecurity Plan
- Update Cybersecurity Act
- Recurring funding structure
- Technologies upgrades

Thank You!

Questions?

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