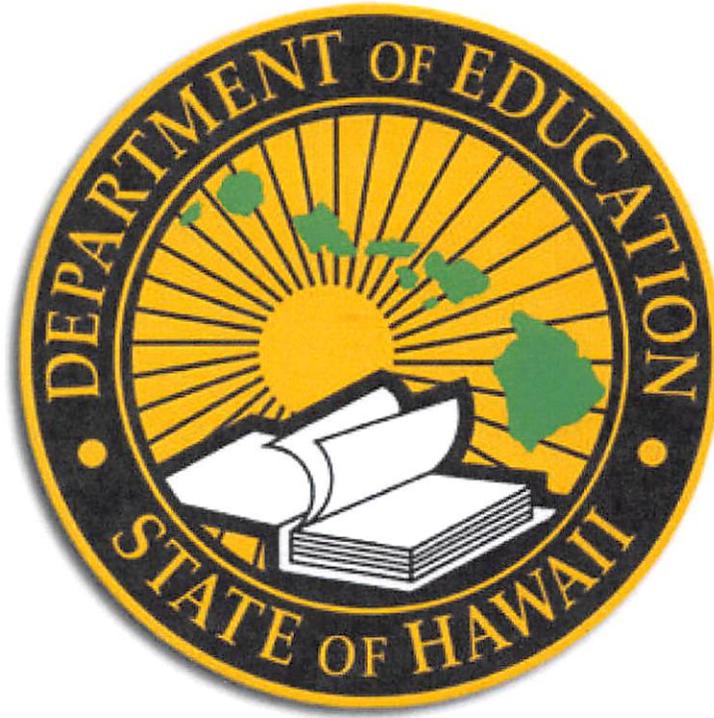


DEPARTMENT OF EDUCATION



REPORT TO THE LEGISLATURE

Report on Potential Security Breach
at the Department of Education, Office of Human Resources,
Workers' Compensation Unit Office

HRS 487N-4

September 9, 2015



STATE OF HAWAII
DEPARTMENT OF EDUCATION
P.O. BOX 2360
HONOLULU, HAWAII 96804

OFFICE OF THE SUPERINTENDENT

September 9, 2015

The Honorable Ronald D. Kouchi,
President of the Senate
Twenty-Eighth State Legislature
State Capitol, Room 210
Honolulu, Hawaii 96813

The Honorable Joseph M. Souki,
Speaker of the House of Representatives
Twenty-Eighth State Legislature
State Capitol, Room 431
Honolulu, Hawaii 96813

Dear President Kouchi, Speaker Souki, and Members of the Legislature:

For your information and consideration, I am transmitting a copy of the report on the potential security breach at the Office of Human Resources, Workers' Compensation Unit Office of the Department of Education, as required under Section 487N-4, Hawaii Revised Statutes. In accordance with Section 93-16, Hawaii Revised Statutes, a copy of this report has been transmitted to the Legislative Reference Bureau Library and the report may be viewed electronically at: <http://bit.ly/DOELegReports>.

If you have any questions, please contact Barbara A. Krieg, Assistant Superintendent of the Office of Human Resources, at 441-8300.

Very truly yours,

Kathryn S. Matayoshi
Superintendent

KSM:dsi

Attachment

c: Legislative Reference Bureau (Attn: Karen Mau)
Stephen Schatz, Deputy Superintendent
Barbara Krieg, Assistant Superintendent, Office of Human Resources
Jessica Worchel, Chief of Staff to the Superintendent
Malia Espinda, Government Affairs

Subject: Report to the Legislature on Potential Security Breach at the Department of Education, Office of Human Resources, Workers' Compensation Unit Office

Date of Potential Breach: August 29 - 30, 2015

Discovery of Breach: August 31, 2015

Location of Breach: Office of Human Resources (OHR) – Workers' Compensation (WC) Unit Office at 650 Iwilei Rd, Suite 300, Honolulu, HI 96817

Nature of Breach: Unauthorized Entry and Burglary

Incident Description

During the weekend of August 29-30, 2015, an unlawful entry occurred in the WC Unit's office at 650 Iwilei Road, Suite 300, Honolulu, HI 96817. An unidentified person(s) broke into the building and accessed the WC Unit office, taking a small amount of cash and some food items. Most of the WC Unit's documentation and files containing personal information were secured in locked file drawers. The few files and other documents maintained outside of the locked files were left undisturbed. The Honolulu Police Department (HPD) was immediately contacted at 8:00 a.m. Monday, August 31, 2015 as well as Dole Cannery Building Management. A police investigation and an investigation and evaluation by the Building Management have been initiated.

Nature and Scope of the Breach

Approximately 2,089 open or recently active WC claims were in the WC Unit office at the time of the unauthorized entry and burglary. 1,648 individuals, some having multiple open claims, were potentially affected and are considered "at risk". Since it cannot be determined which WC claims may have been accessed or if any WC claims were accessed, we are treating all WC claims in the office as potentially breached. The potential breach relates to access to files with personal information only. No database or electronic confidential information was known to be accessed. Personal Information maintained in the WC Unit office include full names, addresses, social security numbers, dates of birth, and medical records. Per HRS 487N-2, notification letters have been sent to these individuals at their last known postal mailing addresses. A phone number, mailing address, and email address have been provided for concerned individuals to contact the Department of Education (DOE) OHR WC Unit office for more information.

Action Plan and Procedures Implemented

The following actions and procedures were implemented to prevent the breach from reoccurring:

1. HPD was notified and is conducting an investigation;
2. The OHR staff located at 650 Iwilei Road, Suite 300, Honolulu, HI 96817 have been instructed to lock office doors when not there and keep file drawers locked when not needing immediate access. They were also reminded to be careful if they are in the office before or after normal work hours, and urged to only do so if others are present.
3. WC Unit vendors have been notified and directed not to divulge any information unless authorized by the WC Unit or until further notice.

4. Building Management has increased the security on the access points to the building and is evaluating additional security measures.
5. Notices of the potential security breach were sent to all 1,648 individuals with open or recently active WC claims on September 8, 2015. The 15 WC staff members who may have had items displaying some of their own personal information on their desks have been notified also.

No law enforcement agency has informed the DOE that notification to the legislature may impede a criminal investigation or jeopardize national security.

A copy of the notification letter is included as Attachment A



**STATE OF HAWAII
DEPARTMENT OF EDUCATION
P.O. BOX 2360
HONOLULU, HAWAII 96804**

OFFICE OF HUMAN RESOURCES

September 8, 2015

**NOTICE TO DEPARTMENT OF EDUCATION WORKERS' COMPENSATION CLAIMANTS
WITH OPEN OR RECENTLY ACTIVE CLAIMS**

You are receiving this notice because you have an open or recently active workers' compensation claim handled by the State of Hawaii, Department of Education (DOE), Workers' Compensation (WC) Unit. Pursuant to Hawaii Revised Statutes Chapter 487N, you are being notified of a potential security breach related to personal information.

During the weekend of August 29-30, 2015, an unlawful entry occurred in the WC Unit's office at 650 Iwilei Road, Suite 300, Honolulu, HI 96817. An unidentified person broke into the building and accessed the WC Unit office, taking a small amount of cash and some food items. Most of the WC Unit's documentation and files containing personal information were secured in locked file drawers. The few files and other documents maintained outside of the locked files were left undisturbed.

Given the circumstances of the incident, it is very unlikely that a security breach occurred or that any personal information was compromised. However, given the types of personal information maintained in the WC Unit (full names, addresses, social security numbers, dates of birth, and medical records) and the risks associated with identity theft, we are providing this notification out of an abundance of caution.

The following actions have been taken to protect your personal information and minimize the risk of similar future incidents:

- The Honolulu Police Department was notified and is conducting an investigation;
- Reminders have been issued to DOE employees and the building's custodial staff to keep exterior and internal office doors locked outside of work hours;
- The vendors of the WC Unit have been instructed not to release personal information in response to inquiries unless and until a verification has been provided by the WC Unit;
- Building Management has increased the security on the access points to the building; and
- Building Management is conducting an evaluation of additional security measures.

We urge all potentially affected individuals to take routine protective measures against identify theft and suggest the following:

- Obtain and carefully review your credit reports. You can order free credit reports from all three credit agencies at <http://www.annualcreditreport.com>.

- Review your bank and credit card statements regularly and look for unusual or suspicious activities.
- Contact appropriate financial institutions immediately if you notice any irregularity in your credit report or any account.
- If your identity or accounts have been compromised, you should take actions such as contacting your financial institution and/or credit card company immediately. Specific recommendations to protect yourself against identity theft and actions you can take if it happens to you are available at <http://www.ftc.gov/bcp/edu/microsites/idtheft/consumers>.

We apologize for any concern or inconvenience resulting from this incident.

If you have any questions or need assistance regarding the above, please contact the WC Unit at (808) 441-8484 or you may email inquiries to workers_compensation@notes.k12.hi.us. Written inquiries may be mailed to:

Department of Education
Workers' Compensation Unit
P.O. Box 2360
Honolulu, HI 96804