

Analysis of Proposed Consent Order to Aid Public Comment
In the Matter of Blackbaud, Inc., File No. 2023181

- failed to apply adequate multifactor authentication for both employees and customers to protect sensitive consumer information;
- failed to prevent data theft by (1) monitoring for unauthorized attempts to transfer or exfiltrate consumers' personal information from its networks; (2) continuously logging and monitoring its systems and assets to identify data security events; and (3) performing regular assessments as to the effectiveness of protection measures;
- failed to implement and enforce ap 002 Tc -0.002 Tw 0 -1.24 TP)25(r)-1 (codya -25.6)-2 T(asu)a n)1 (

With respect to the fifth count, the proposed complaint alleges that, in its initial breach notification, Respondent claimed that consumers' personal information had not been subject to the breach. The proposed complaint alleges that, in reality, and as noted above, consumers' personal information had been exfiltrated by the attacker in the breach. Such representations were, therefore, deceptive under Section 5 of the FTC Act.

Summary of the Proposed Order with Respondent

The Proposed Order contains injunctive relief designed to prevent Respondent from engaging in the same or similar acts or practices in the future.

Part I prohibits Respondent from misrepresenting the extent (1) to which it maintains, uses, deletes or discloses consumers' personal information; (2) to which it protects the privacy, security, availability, confidentiality, or integrity of consumers' personal information; or (3) of any future data security incident or unauthorized disclosure of consumers' personal information.

Part II requires Respondent to delete or destroy customer backup files containing consumers' personal information that are not being retained to provide its products or services and to refrain from maintaining consumers' personal information that is not necessary for the purposes for which it is TJ0.001hnforas abyts Reidetion.

Parts IX-XII are reporting and compliance provisions, which include recordkeeping requirements and provisions requiring Respondent to provide information or documents necessary for the Commission to monitor compliance.

Part XIII states that the Proposed Order will remain in effect for 20 years, with certain exceptions.

The purpose of this analysis is to facilitate public comment on the Proposed Order, and it is not intended to constitute an official interpretation of the complaint or Proposed Order, or to modify the Proposed Order's terms in any way.