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501C CYBERSECURITY LEADERSHIP
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WHY CYBERSECURITY IS CRITICAL FOR NONPROFITS AND ASSOCIATIONS

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1. Protecting our Member and Donor Data

Nonprofits collect sensitive donor information, such as personal contact details and financial data. Cyberattacks targeting this information can lead to reputational damage and loss of donor trust.

- According to the *Nonprofit Times* (2022), over 50% of nonprofits experienced a cyberattack, with donor or member data being the primary target.

- **Why it matters**: Breaches not only compromise sensitive information but can also deter future engagement such as donations and harm relationships with our key stakeholders.

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2. Compliance with Data Privacy Laws

Regulations like GDPR and CCPA impose legal requirements to safeguard data. Noncompliance can result in severe penalties.

- A 2023 report from *TechSoup* highlights that many nonprofits struggle to meet compliance standards due to underfunded cybersecurity efforts.

- **Why it matters**: Failing to comply with these laws can lead to fines, lawsuits, and public backlash.

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3. Maintaining Operational Continuity and Mission Focus

Cyberattacks such as ransomware can disrupt our operations and delay mission-critical work. Nonprofits often lack the resources for rapid recovery.

- The *National Council of Nonprofits* (2023) emphasizes that nonprofits are disproportionately impacted by ransomware attacks, with some losing access to their systems for weeks.

- **Why it matters**: Downtime affects not only internal operations but also impactour programs and services that we deliver to our stakeholders.

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4. Nonprofits Are a Growing Target

Hackers increasingly view nonprofits as "soft targets" because they often lack robust security measures.

- According to IBM's 2023 *Cost of a Data Breach Report*, the average cost of a data breach for nonprofits has risen by 9% over the past three years.

- **Why it matters**: Cybercriminals are exploiting the sector's limited defenses and lack of staff training, resulting in growing financial and operational losses.

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5. Maintaining Our Credibility and Public Trust

A security breach can erode public confidence, negatively impacting membership, fundraising and partnerships.

- A survey by *Blackbaud* (2023) found that 82% of donors would hesitate to give again if a nonprofit experienced a major data breach.

- **Why it matters**: Public trust is our most valuable asset. Losing it can take years to recover.

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6. Proactive Cybersecurity Saves Money

Investing in cybersecurity is more cost-effective than responding to a breach.

- Research by the *Ponemon Institute* (2022) shows that the average cost to remediate a breach is $4.35 million globally, far exceeding the cost of preventative measures.

- **Why it matters**: A modest investment in cybersecurity is an investment in risk management. It can protect against significant financial loss and ensure long-term sustainability.

7. Cybersecurity Protects Vulnerable Communities

Many nonprofits serve vulnerable populations. A breach could expose sensitive client information, exacerbating harm to those already at risk.

- **Cited source**: The *Nonprofit Technology Network* (NTEN) stresses in a 2023 report that cybersecurity is an ethical responsibility, especially for organizations working with marginalized groups.

- **Why it matters**: Protecting these communities should be a priority to uphold the nonprofit's mission and values.

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8. Cybersecurity Enhances Board and Funders' Confidence

Foundations and donors increasingly expect nonprofits to adopt strong cybersecurity practices as part of good governance.

- **Cited source**: A 2023 *Charity Digital Skills Report* revealed that 65% of funders prioritize organizations with robust digital and data security policies.

- **Why it matters**: Demonstrating a commitment to cybersecurity can strengthen relationships with funders and board members.

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