

Your Biggest Cybersecurity Threat: Your Employees

Cybersecurity is one of those things that many business owners don't think about until it's too late, and a virus or ransomware attack causes their entire business to grind to a halt.

While there are many aspects of cybersecurity, experts agree that the weakest link is almost always your own employees. From weak passwords to clicking on corrupt links to installing problematic apps, your employees' poor habits can unwittingly open the door to cyber threats. The best way to reduce this internal threat is through proper end user training.

Provide training on your cybersecurity plan itself

Everyone at your company must understand the need for cybersecurity, and the details of any cybersecurity-related processes and procedures that affect how they perform their jobs.

Provide training on how to avoid causing problems

This includes such things as...

- Recognizing phishing emails – Make sure your employees realize that these messages can appear to be from a person or organization that they know. Show them samples of what phishing emails may look like.
- Emails from unknown sources – NEVER click on a link or attachment from an unknown source.
- Suspicious-looking emails from known sources – NEVER click on a link or attachment from a suspicious-looking email, even from someone you know. The friend or co-worker's email may have been "hijacked" by a cyber attacker.
- Mobile device apps – If your employees use their mobile devices to connect to your system, you need to be concerned about the apps they download. Be wary of apps that claim to download other apps for you, and what appears to be a "free version" of an app that does not usually have a free version.

Action item: If you are not yet providing this type of training for your employees, get it (as well as periodic refresher courses) on the calendar now. Now is also a good time to speak with your IT team to ensure that all aspects of your cybersecurity program are in good shape.

PIA Lobbying Update: Tariffs on Uncoated Groundwood Paper

Last summer Norpac, a paper producer, filed a trade petition claiming that Canadian papermakers were selling uncoated groundwood paper (the paper used for newsprint and other uses) at less than fair value. In response to this petition there is now a pending tariff case at the Department of Commerce.

Not surprisingly, Norpac is going it alone on this case. Because of the devastating effect it can have on our industry, the tariffs are strongly opposed by the rest of the graphics arts industry, including PIA and all three of the other domestic producers of uncoated groundwood paper.

Already wreaking havoc

Although a final decision has not yet been made on the tariffs, customs officials are now requiring cash deposits from Canadian paper producers at the border. These funds are being held until a final determination is made.

As a result, printers are already seeing price hikes and supply challenges. This seems to be hitting rural newspapers, which were already struggling in today's changing media landscape, especially hard.

PIA is lobbying against these tariffs

PIA is fighting this on Capitol Hill as well as through the quasi-judicial proceedings at the International Trade Commission of the Department of Commerce. PIA has:

- Formed a coalition with the newspaper associations and some of the domestic producers who are not part of the case. Norpak has asked the Department of Commerce to make the tariffs permanent. Our industry coalition is asking that the case be dismissed entirely. To learn more, visit <https://www.StopNewsprintTariffs.org>.
- Introduced legislation, the Print Act, that would "hit the pause button" on the case. The Print Act would suspend this collection of tariffs at the border until the Department of Commerce produced a study on the economic health and viability of the newspaper and printing industries, and sends this study to the President. The President would then have to determine if, going-forward, the case is in the international interest or not.

Next step: July 17 hearing

The next step in this process will be a public hearing on July 17 at the International Trade Commission, where our coalition will present formal testimony. A final determination on whether tariffs will stand and at what rate is expected in September.

Taking Advantage of the New FMLA Tax Credit

The Family and Medical Leave Act (FMLA) provides for twelve weeks of unpaid leave in a twelve-month period. The Tax Cuts and Jobs Act, the new tax law that went into effect on January 1, created a new business credit for employers that choose to offer paid family and medical leave. This is a tax credit that employers may claim based on wages paid to qualifying employees while they are on family and medical leave.

The IRS has now issued its first round of guidance (available at <http://bit.ly/FMLAFAQS>) on how to claim this credit. Here's what you need to know:

- **You must have a written policy in place that meets certain requirements.** This includes providing at least two weeks of paid family and medical leave each year to all qualifying employees, with this pay being not less than 50% of the wages normally paid to the employee.
- **Qualifying employees** are those who have been employed by you for at least one year and who, for the preceding year, had compensation of not more than a certain amount. Currently, this means the employee must not have earned more than \$72,000 in 2017.
- **There is a specific definition of “family and medical leave.”** Paid vacation; personal, medical or sick leave; as well as leave required by State or local law, do not count as “family and medical leave.”
- **The amount of the tax credit is a percentage of the associated wages paid** for up to 12 weeks per taxable year. The minimum percentage is 12.5%. In most cases this increases by 0.25% for each percentage point by which the amount paid to the qualifying employee exceeds 50% of that employee's wages, up to a maximum 25% credit.
- **This credit reduces your tax deduction.** You must reduce your deduction for wages or salaries paid or incurred by the credit amount.

Action item: If you choose to pay employees during their FMLA leave, consult with your tax advisor to be sure you do things in a way that will qualify you to take this tax credit.

What You Need to Know about Using E-Signatures

The Electronic Signatures in Global and National Commerce Act (ESIGN) was signed into law in 2000. This federal law grants legal recognition to electronic signatures and records that meet certain criteria. Since then, online platforms such as DocuSign have made it possible for approval cycles that once took days or even weeks to be completed in minutes.

While e-signatures are not appropriate for all types of legal documents (for example, they cannot be used for documents that must be notarized), they can be quite useful. If you would like to take advantage of e-signatures in your business, here are some important things to keep in mind...

What requirements must be met?

To be recognized as valid under U.S. law, e-signatures must meet four major requirements:

- **Intent to sign** – Just like handwritten signatures, e-signatures are only valid if each party actually intended to sign.
- **Consent to do business electronically** – In addition to receiving appropriate disclosures and affirmatively agreeing to use electronic records for the transaction, it should be made clear that each party can opt out of signing the agreement electronically.
- **Record creation** – The e-signature system used to capture the transaction must generate and keep a record proving that the document was executed with an electronic signature.
- **Record retention** – E-signature records must be in a format that can be retained and accurately reproduced for reference by all parties entitled to do so.

How do you verify that the e-signature is made by the right person?

Some court cases related to e-signatures have shown the importance of verifying signer identity as part of the process. Authentication is typically done in one of four ways:

- **Knowledge-based authentication** involves requiring signers to enter a secure, unique password, and/or answer questions that are unique to them.
- **Ownership-based authentication** involves the use of something the user has possession of, such as a bank card.
- **Telephone authentication** involves requiring users to enter a one-time verification code that is delivered to their phone via voice or text message.
- **Biometric authentication**, such as facial, fingerprint or retinal pattern recognition, is becoming more common due to its use on some smart phones.

Many systems provide the option of using a multi-factorial authentication process that requires two or more authentication methods. Whichever approach you choose, it's a good idea to ensure that the authentication data (along with every other step in the signature process) is captured in a secure audit trail.

Student Showcase: SkillsUSA Winner Daniel Long

Daniel Long was first introduced to the excitement of print, and the magic of what can be created when you put ink on paper, when he was just six or seven years old. Daniel's father worked in the print shop at Riverside City College (RCC) and brought him in to see the machines run. Young Daniel was hooked!

Today Daniel is graduating with distinction from Riverside City College, with an Associate of Arts Degree in Math and Science. For the past two years he has worked alongside his father in the school's print shop.

Getting excellent experience at the RCC print shop

RCC's Printing and Graphics Center is the in-house print shop for the Riverside Community College District.

"We're responsible for all of the printed material for three campuses," Daniel explains. "From posters, fliers and brochures to pamphlets, theater programs, promotional items and more—we do it all! My job has been to do everything that happens after the design is complete."

Daniel runs jobs on a digital press or creates plates and prints the job on one of the shop's offset presses. Once a job is printed he handles cutting, bindery and finishing. He has also completed a number of large-format jobs, as well as dye-sublimation printing on coffee mugs, key tags and other items.

In other words, while maintaining a 3.3 grade point average, and competing in swimming and water polo, Daniel has also gained extensive hands-on experience at the RCC print shop.

Turning that experience into a medal at SkillsUSA

The annual SkillsUSA Championships—competitive events that showcase the best career and technical education students in the country—is a big deal at Riverside City College. In fact, RCC has had a medalist at the SkillsUSA Nationals every year since 2001! In 2017, Daniel added his name to the college's long list of champions.

The Graphic Communications competition at SkillsUSA is an eight-part contest that includes production planning, pre-flight, digital and offset press operations, finishing, written tests and a digital workflow section that includes creating digital files in InDesign, Photoshop and Illustrator.

"I wasn't interested in the design section," Daniel relates. "It just wasn't for me. Then I learned just enough InDesign to compete and ended up winning the Regionals. So, I put more effort into it, learned InDesign and went to the State competition, and from there went on to win at Nationals!"

Competing for a spot on the SkillsUSA World Team

The event that Daniel describes as having "bulldozed its way into my life" doesn't stop at the national competition. Every two years the national organizations send teams to the WorldSkills Competition. Daniel is now in the process of competing for a spot on the SkillsUSA World Team that will travel to Kazan, Russia in August 2019.

Looking ahead to his career

While Daniel is clearly already a skilled printer, his goal is to become an engineer. Daniel plans to earn either a degree in mechanical engineering with a manufacturing emphasis, or a civil engineering degree. Instead of being the one running the press, he wants to be the one who designs the press and other mechanical equipment! Daniel's experience at the RCC print shop will undoubtedly be a tremendous asset in this work.