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Cybersecurity in Government  
Contracting

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# Cybersecurity in Government Contracting – New Standards

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- New Global Standard
  - FAR 52.204-21, Basic Safeguarding of Covered Contractor Information Systems
  - Applicable to all federal contractors
- New Military Contract Standard
  - DFARS 252.204-7012, Safeguarding Covered Defense Information and Cyber Incident Reporting
  - Applicable to all defense contractors
- Similar Concepts, Divergent Consequences

# Cybersecurity in Government Contracting—Common Concepts

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- Key Concepts in FAR/DFARS Clauses:
  - “Information”
  - “Information System”
  - “Covered Information”
  - “Covered Contractor Information System”
- Technical Definitions Differ, but Core Concepts are Similar

# Cybersecurity in Government Contracting

## – The FAR Clause (FAR 52.204-21)

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- Basic Safeguarding Standards for (Almost) All Contractors
  - Includes 15 performance-based security safeguards that contractors must implement to protect their covered information systems.
  - “Common Sense” Safeguards
    - Limiting System Access
    - Sanitizing/Destroying Media
    - Limiting Physical Access
    - Escorting Visitors
    - Monitoring, Controlling Communications
- FAR Clause Does Not Override Specific Security Requirements
- Flowdown Requirement – Subcontractors!

# Cybersecurity in Government Contracting – The DFARS Clause (DFARS 252.204-7012)

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- Detailed Safeguarding Standards for Military Contractors
  - Contractors must provide “adequate security,” which includes implementation of NIST SP 800-171
  - Contractors must report cyber incidents to the government
  - System Security Plan must be prepared
- National Institute of Standards and Technology (NIST) SP 800-171
  - 100+ Performance Based Metrics
    - Limiting System Access
    - Training organizational personnel
    - Maintaining system audit records
    - Performing regular risk assessments
- Onerous Compliance!

# Cybersecurity in Government Contracting – The DFARS Clause (DFARS 252.204-7012)

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- NIST Standard Compliance
  - Assessment of System, Remediation of System
  - IT Consultants and Dashboard Tools
  - Deadline of December 31, 2017
- Variance Requests

# Cybersecurity in Government Contracting

## – Practical Considerations and Conclusion

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- Compliance Risk Is Higher
- Self-Assessments Are Key
- Consider Variance Requests
- Take Incident Reporting Seriously
- Competitive Tool!

# Questions?

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