Managing Compliance Risks and Implementation: 
**DFARS Cybersecurity**
Introductions

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• Managing Compliance Risks

• Overview of the DFARS Cybersecurity Requirements

• Example: Managing the Risk and Implementation of DFARS Cybersecurity Requirements
  – Ensuring what needs to be done, gets done
  – Compliance Management Assessment Systems
    • Tool to help manage compliance risk
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Managing Compliance Risk

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Cybersecurity Key Points

Unclassified systems owned or operated by, or for, a contractor and that processes, stores or transmits “Covered Defense Information” must (at a minimum) comply with National Institute of Standards and Technology (NIST) Special Publication (SP) 800-171.

- Deadline to “implement” NIST SP 800-171 was 12/31/2017
- Areas of non-compliance must be reported to DoD CIO 252.204-7012(b)(2)(ii)(A)
- Cyber incidents must be reported within 72 hours to:
  - DoD at http://dibnet.dod.mil
  - Prime Contractor (or your next higher tier subcontractor)
- Required inclusion in all DoD contracts
- Mandatory flow down to all Subcontractor Tiers
Covered Defense Information

Technical Information marked with a DoD Distribution Statement

Export Controlled Information; or

Any other information that requires safeguarding or dissemination controls, and is (a) marked or otherwise identified in the contract and provided by the Government, or (b) developed, received, transmitted, used, stored, etc. by the Contractor in the support of the contract.
“Implementation” means:

• Having a

  – *System Security Plan (SSP)* and a
  – *Plan of Action and Milestones (POAM)*

that accurately reflect the status of a contractor’s compliance with NIST controls, even if the SSP & POAM extend beyond the December deadline.

• NIST SP 800-171, Revision 1, dated December 2016, updated November 28, 2017
Implementation Example

- Use HII Compliance Assessment Management System as an example
  - Compliance Plan
  - Risk Assessment
  - Risk Mitigation
  - Training
  - Controls
  - Evaluation
  - SSP
Questions and Closing

• Q and A

• Thank you for attending
  – This presentation can be found on the HII Supplier webpage at http://supplier.huntingtoningalls.com/sourcing/Webinars.html
  – Questions regarding the software used at HII for managing cybersecurity implementation or any compliance area can be directed to the following:
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Other links