32 CFR Part 170: Examining the Final CMMC Rule

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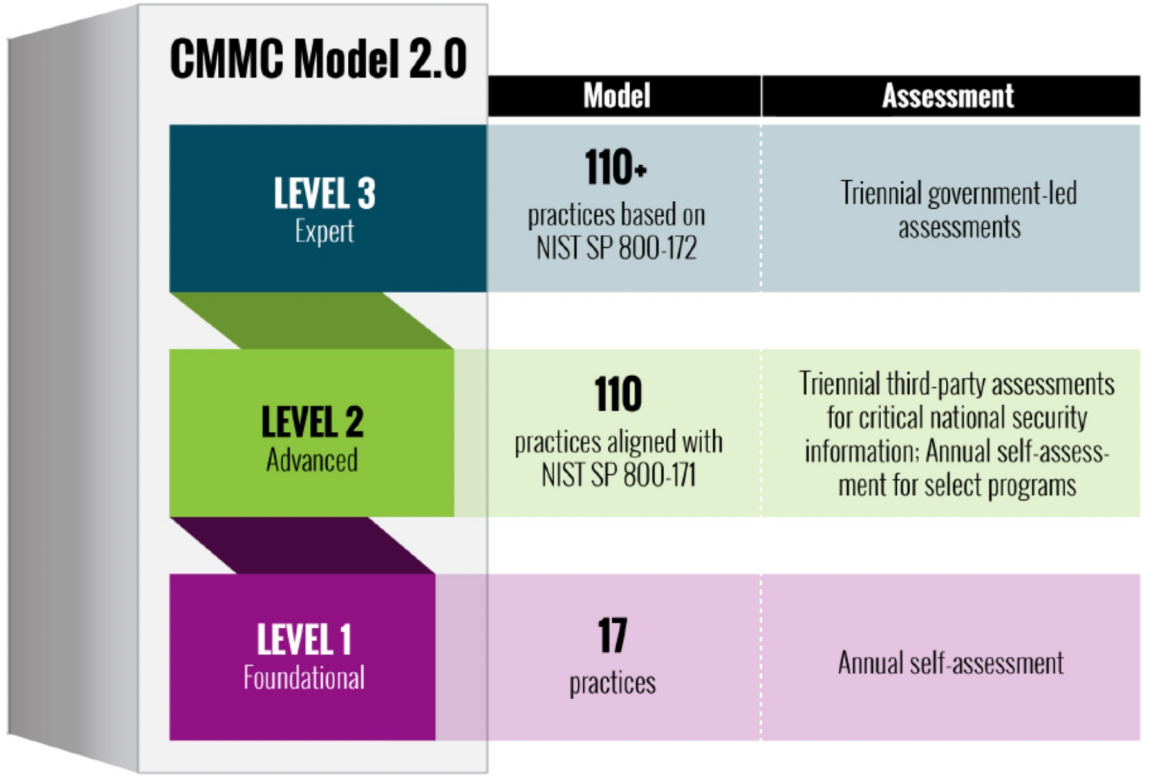
32 CFR Part 170
[Docket ID: DoD-2023-OS-0063]

- Published October 15, 2024
- Effective December 16, 2024
- Program implementation timing depends on Title 48 CFR Parts 204, 212, 217, and 252
  - Docket DARS-2020-0034
- 470 Pages (double-spaced version)
  - Responses to Comments (p. 1)
  - Regulatory Details (p. 263)
  - Actual Rule (p. 384)

Final Rule: https://www.govinfo.gov/content/pkg/FR-2024-10-15/pdf/2024-22905.pdf
Double-spaced version: https://public-inspection.federalregister.gov/2024-22905.pdf

Cybersecurity Maturity Model Certification

- Three-level tier framework
  - Level 1 – Foundational
  - Level 2 – Advanced
  - Level 3 – Expert
- CMMC does not have its own security controls
- CMMC provides *verification* that NIST SP 800-171 controls have been implemented



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CMMC Level 1 Self-Assessment

Level 1 (Self)

- Federal Contract Information (FCI)
- FAR 52.204-21
- Timing:
  - Self-assessment annually
  - SPRS affirmation submitted annually by a senior-level representative[1]
- Fully implement all 15 FAR requirements (17 security controls)
- No POA&Ms are permitted – all controls must be met in their entirety

1 – a the senior-level representative from within each Organization Seeking Assessment (OSA) who is responsible for ensuring the OSA's compliance with the CMMC Program requirements and has the authority to affirm the OSA's continuing compliance with the specified security requirements for their respective organizations.

CMMC Level 2 Self-Assessment

Level 2 (Self)

- Controlled Unclassified Information (CUI)
- DFARS 252.204-7012
- Timing:
  - Self-assessment every three years[2]
  - SPRS affirmation submitted annually by a senior-level representative
- Fully implement 110 security controls (NIST SP 800-171)
- POA&Ms allowed

2 – a self-assessment must be completed <u>within</u> three years from the CMMC Status Date – the date when results are submitted to SPRS.

CMMC Level 2 Certification Assessment

Level 2 (C3PAO)

- Controlled Unclassified Information (CUI)
- DFARS 252.204-7012
- Timing:
  - Third-party assessment every three years[3]
  - SPRS affirmation submitted annually by a senior-level representative
- Fully implement 110 security controls (NIST SP 800-171)
- Third-party assessment by a C3PAO
- Allowed POA&Ms following the same parameters as Level 2 (self), but must be confirmed completed by C3PAO

3 – a third-party assessment (by a C3PAO) must be completed within three years from the CMMC Status Date – the date when results are submitted to SPRS.

Plan of Action and Milestones (POA&M) at Level 2

- POA&Ms are allowed if:
  - Total score of at least 88 (80% implementation)
- No security controls valued higher than 1 point (exception: SC.L2-3.13.11)
- These security controls must be met:
  - AC.L2-3.1.20 - External Connections (CUI Data)
  - AC.L2-3.1.22 - Control Public Information (CUI Data)
  - CA.L2-3.12.4 - System Security Plan
  - PE.L2-3.10.3 - Escort Visitors (CUI Data)
  - PE.L2-3.10.4 - Physical Access Logs (CUI Data)
  - PE.L2-3.10.5 - Manage Physical Access (CUI Data)
- Open POA&Ms must be closed within 180 days

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CMMC Level 3 Certification Assessment

Level 3 (DIBCAC)

- Controlled Unclassified Information (CUI)
- Timing:
  - Third-party assessment every three years
  - DIBCAC assessment every three years
  - Level 2 and Level 3 affirmations annually by a senior-level representative
- CMMC Level 2 Certification Assessment (C3PAO) – passed
- CMMC Level 3 Certification Assessment (DIBCAC)
  - 24 additional security controls (NIST SP 800-172)
- POA&Ms allowed, but must be confirmed completed by DIBCAC

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POA&Ms at Level 3

- POA&Ms are allowed if:
  - Total score (Level 3) demonstrating 80% implementation
- These security controls must be met:
  - IR.L3-3.6.1e Security Operations Center
  - IR.L3-3.6.2e Cyber Incident Response Team
  - RA.L3-3.11.1e Threat-Informed Risk Assessment
  - RA.L3-3.11.6e Supply Chain Risk Response
  - RA.L3-3.11.7e Supply Chain Risk Plan
  - RA.L3-3.11.4e Security Solution Rationale
  - SI.L3-3.14.3e Specialized Asset Security
- Open POA&Ms must be closed within 180 days

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Key Takeaways – Timeline

** The DoD estimates the 48 CFR rule will be complete in Q2 2025. 31 March 2025 is an estimate. It is at DoD's discretion whether to increase level requirements at each phase.or add a level requirement to exercise an option period.*

Key Takeaways – Scoping

- Contractor Risk Managed Assets (CRMA) should be prepared to be assessed against CMMC security requirements at Level 2, and included in the SSP, asset inventory, and network diagrams.
  - If OSA's risk-based security policies, procedures, and practices documentation or other findings raise questions about these assets, the assessor can conduct a limited check to identify deficiencies.
- Out-of-Scope Assets cannot process, store, or transmit CUI; and do not provide security protections for CUI Assets.
  - Prepare to justify the inability of an Out-of-Scope Asset to process, store, or transmit CUI.

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Key Takeaways – External Service Providers

- If an OSA utilizes an ESP, including a Cloud Service Provider (CSP), that does not process, store, or transmit CUI, the ESP does not require its own CMMC assessment. The services provided by the ESP are assessed as part of the OSC's assessment as Security Protection Assets.
- ESP services and responsibilities need to be documented in the OSA's SSP, service descriptions, and customer responsibility matrix (CRM).
- Any CSP used by the contractor to handle CUI must meet Federal Risk and Authorization Management Program (FedRAMP) Moderate Baseline or the equivalent requirements defined in DoD Policy.

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Recommendations for AEC

- Determine the approximate level you can expect. Look for DFARS 252.204-7012 in your existing contracts or subcontract agreements.
- Avoid CUI, if possible. Otherwise, consider an enclave (narrow the scope).
- Thoroughly define the scope of where FCI/CUI resides within the system.
- Examine your supply chain – if subconsultants will handle CUI, a flow-down is necessary. They must meet the same CMMC-level contract requirement as the Prime.
- Determine all the devices that are connected to your network/enclave, as well as software installed. Remember that any device that you don't control should not contain company or government data, especially CUI (this includes personal devices).
- Documentation is the first thing an assessor will ask for. Be sure you can follow your own documentation. Make employees aware of the documents/rules that pertain to them (they will be interviewed).

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Resources

- 32 CFR CMMC Rule: https://www.federalregister.gov/documents/2024/10/15/2024-22905/cybersecurity-maturity-model-certification-cmmc-program
- 48 CFR Proposed Rule: https://www.federalregister.gov/documents/2024/08/15/2024-18110/defense-federal-acquisition-regulation-supplement-assessing-contractor-implementation-of
- CMMC Resources: https://dodcio.defense.gov/cmmc/Resources-Documentation/
- Controlled Unclassified Information (CUI): https://www.dodcui.mil/

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Terminology (CMMC-custom terms)

- CMMC Third-Party Assessment Organization (C3PAO) - organizations that are responsible for conducting Level 2 certification assessments and issuing Certificates of CMMC Status to OSCs based on the results.
- Organization Seeking Assessment (OSA) - the entity seeking to undergo a self-assessment or certification assessment for a given information system for the purposes of achieving and maintaining any CMMC Status. The term OSA includes all Organizations Seeking Certification (OSCs).
- Organization Seeking Certification (OSC) - the entity seeking to undergo a certification assessment for a given information system for the purposes of achieving and maintaining the CMMC Status of Level 2 (C3PAO) or Level 3 (DIBCAC). An OSC is also an OSA.

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Terminology (cont)

- Contractor Risk Managed Assets (CRMA) – Assets that can, but are not intended to, process, store, or transmit CUI because of security policy, procedures, and practices in place. Assets are not required to be physically or logically separated from CUI assets.
- Supplier Performance Risk System (SPRS) – CMMC assessment results and contractor affirmations of compliance will be posted in SPRS, DoD's authoritative source for supplier and product performance information.
- Defense Industrial Base Cybersecurity Assessment Center (DIBCAC) – a part of DCMA, DIBCAC assesses DIB companies to ensure they are meeting contractually required cybersecurity standards and to ensure contractors have the ability to protect CUI for government contracts they are awarded.

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Terminology (cont)

- External Service Provider (ESP) - external people, technology, or facilities that an organization utilizes for provision and management of IT and/or cybersecurity services on behalf of the organization. In the CMMC Program, CUI or Security Protection Data (e.g., log data, configuration data), must be processed, stored, or transmitted on the ESP assets to be considered an ESP.
- Cloud Service Provider (CSP) - an external company that provides cloud services based on cloud computing. Cloud computing is a model for enabling ubiquitous, convenient, on-demand network access to a shared pool of configurable computing resources (e.g., networks, servers, storage, applications, and services) that can be rapidly provisioned and released with minimal management effort or service provider interaction.

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Terminology (cont)

- Affirming Official – the senior level representative from within each Organization Seeking Assessment (OSA) who is responsible for ensuring the OSA's compliance with the CMMC Program requirements and has the authority to affirm the OSA's continuing compliance with the specified security requirements for their respective organizations.