



ACQUISITION
AND SUSTAINMENT

THE UNDER SECRETARY OF DEFENSE
3010 DEFENSE PENTAGON
WASHINGTON, DC 20301-3010

JAN 21 2019

MEMORANDUM FOR COMMANDER, U.S. CYBER COMMAND
(ATTN: ACQUISITION EXECUTIVE)
COMMANDER, U.S. SPECIAL OPERATIONS COMMAND
(ATTN: ACQUISITION EXECUTIVE)
COMMANDER, U.S. TRANSPORTATION COMMAND
(ATTN: ACQUISITION EXECUTIVE)
ASSISTANT SECRETARY OF THE ARMY FOR ACQUISITION,
LOGISTICS, AND TECHNOLOGY
ASSISTANT SECRETARY OF THE NAVY FOR RESEARCH,
DEVELOPMENT, AND ACQUISITION
ASSISTANT SECRETARY OF THE AIR FORCE FOR
ACQUISITION, TECHNOLOGY, AND LOGISTICS
DIRECTORS OF THE DEFENSE AGENCIES
DIRECTORS OF THE DOD FIELD ACTIVITIES

SUBJECT: Addressing Cybersecurity Oversight as Part of a Contractor's Purchasing System Review

Defense Federal Acquisition Regulation Supplement (DFARS) Clause 252.204-7012, Safeguarding Covered Defense Information and Cyber Incident Reporting, requires contractors to implement National Institute of Standards and Technology (NIST) Special Publication (SP) 800-171, Protecting Controlled Unclassified Information in Nonfederal Information Systems and Organizations, as a means to safeguard the Department of Defense's (DoD's) controlled unclassified information (CUI) that is processed, stored or transmitted on the contractor's internal unclassified information system or network. Contractors are required to flow down this clause in subcontracts for which subcontract performance will involve DoD's CUI.

To effectively implement the cybersecurity requirements addressed in DFARS Clause 252.204-7012 and NIST SP 800-171, I have asked the Director, Defense Contract Management Agency (DCMA) to validate, for contracts for which they provide contract administration and oversight, contractor compliance with the requirements of DFARS clause 252.204-7012. Specifically, DCMA will leverage its review of a contractor's purchasing system in accordance with DFARS Clause 252.244-7001, Contractor Purchasing System Administration, in order to:

- Review Contractor procedures to ensure contractual DoD requirements for marking and distribution statements on DoD CUI flow down appropriately to their Tier 1 Level Suppliers.
- Review Contractor procedures to assess compliance of their Tier 1 Level Suppliers with DFARS Clause 252.204-7012 and NIST SP 800-171.

To ensure that a similar approach may be taken at companies for which DCMA does not administer contracts (such as the Secretary of the Navy's shipbuilding contracts), we will work with representatives of those communities to implement a similar solution. If you have any questions regarding this matter, my point of contact is Ms. Mary Thomas, at 703-693-7895 or mary.s.thomas.civ@mail.mil. The DCMA point of contact is Mr. John Ellis, at 804-734-0476 or john.a.ellis.civ@mail.mil.

A handwritten signature in black ink, appearing to read "Ellen M. Lord". The signature is fluid and cursive, with the first name "Ellen" being the most prominent part.

Ellen M. Lord