DoD Public Meeting:
3/3/10 ANPR on
Safeguarding Unclassified Information

Professional Services Council Presentation

April 22, 2010
Three areas of application to contractors

• Defining covered information and providing standards for safeguarding it
• Establishing proper handling of covered information
• Imposing cyber intrusion reporting for any breach
Scope of Coverage

• Applies to all contracts and subcontracts of any dollar value where DoD information is “resident on or transiting” a contractor’s unclassified information system
• No threshold for coverage at prime or subcontractor level
• No exemption for small businesses
• No exemption for commercial items
• Broad coverage imposes a significant system and cost burden on contractors
• IT system data protection requirements may be preferable to contract-by-contract requirements
Key Definitions

1) “DoD information”
2) “Advanced persistent threat” (APT)
3) “Best level of security and privacy available
4) “Enhanced Safeguarding” of data (252.204-7YYY(b)(2))
5) Policy statement at 204.7XX2(c) valuable, but could be stronger
6) Adopt “Controlled Unclassified Information” regime
Handling of Information

- Organization-wide improvements are preferable to customer-focused requirements
- Contract requirements should not restrict company flexibility and evolution of technological capabilities
- Risk assessment and costs must be factored into adoption of security controls
Reporting of Information

• Gradation of severity or urgency of intrusion would allow for focused, timely reports and reduce reporting overload
• Reasonable government effort to protect reports from disclosure insufficient (252.204-7YYY(d))
• Indirect liability issues arising from reporting may chill timely and complete company reporting
Next Steps

• PSC written comments due 5/3/10
• Answers to questions included in written comments
QUESTIONS?

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