

## DFARS 252.204-7012

### Applicability Background and Definitions

#### I. Notes

- This analysis applies to both DOD-supplied information (even from DOD through an industry/other sponsor to GT) and GT-generated information in support of the performance of the contract.
- The 7012 clause uses the term “**Covered Defense Information (CDI)**.” CDI includes two types of data: **Controlled Technical Information (CTI)** and **Controlled Unclassified Information (CUI)**. So, CUI is a subset of CDI.
- CUI includes many different types of information that is identified on the CUI Registry <https://www.archives.gov/cui/registry/category-list>. **Note that all export controlled information (ITAR and EAR) is CUI on the CUI Registry.**
- DOD requires the 7012 clause in all solicitations and contracts, except those solely for the acquisition of commercial-off-the-shelf (COTS) items.  
[http://www.acq.osd.mil/dpap/pdi/docs/FAQs\\_Network\\_Penetration\\_Reporting\\_and\\_Contracting\\_for\\_Cloud\\_Services\\_%2801-27-2017%29.pdf](http://www.acq.osd.mil/dpap/pdi/docs/FAQs_Network_Penetration_Reporting_and_Contracting_for_Cloud_Services_%2801-27-2017%29.pdf).
- For subcontracts, DOD requires flow-down of the 7012 clause if GT’s performance will involve operationally critical support or CDI.

#### II. General Rule

- For contracts that include the 7012 clause, GT shall provide adequate security on all covered contractor information systems.
- Two main questions to determine whether 7012 applies to a particular project:
  - Does the project involve a covered contractor information system?
  - If yes, what are the adequate security measures that are required on the system?

#### III. Covered Contractor Information System

- A covered contractor information system is an unclassified system that is owned, or operated by or for, a contractor and that processes, stores, or transmits covered defense information.
  - **Covered Defense Information** is either:
    - Controlled Technical Information (CTI) → Technical information with a military or space application that is subject to controls on the access, use, reproduction, modification, performance, display, release disclosure, or dissemination. This information usually is marked by distribution statements B through F. CTI does not include lawfully publically available information.
    - Controlled Defense Information (CDI) → Information that is either: (1) unclassified CTI or (2) other information listed as Controlled Unclassified Information (CUI) in the CUI Registry **AND** is:
      - Marked or otherwise identified in the contract, task order, or delivery order and provided to the contractor by or on behalf of DOD in support of the performance of the contract; **OR**
      - Collected, developed, received, transmitted, used, or stored by or on behalf of the contractor in support of the performance of the contract.

#### IV. Adequate Security

- A. If the project involves CDI (either CTI or CUI), then the information systems that process, store, or transmit the CDI must be protected to NIST 800-171 standards or other DOD-approved alternative, but equally effective, security measures.

## DFARS 252.204-7012

### Applicability Step Analysis

If the 7012 clause is in the solicitation, contract, task order, etc., answer the following questions in order to determine whether the 7012 clause actually applies to GT's scope of work. Note that you must ask each question for each of the following types of information you may have in performance of the contract:

**(1) information that is provided by the DOD/sponsor and that is marked or otherwise identified as CDI/CUI; and (2) information that you collect, develop, receive, transmit, use, or store in support of the performance of the contract.**

---

I. Will GT collect, develop, receive, transmit, use, or store information that has a military or space application and is subject to controls on its access, use, reproduction, modification, performance, display, release, disclosure, or dissemination? (This type of information is called Controlled Technical Information – CTI.)

A. Notes

- Note that, in order to qualify as CTI, the information must meet both of the criteria above.
- If GT's contract includes a publication or foreign national restriction, then it is highly likely that the information has a restriction on access, use, or dissemination such that, if it is information of a military or space application, then it is CTI.

B. Conclusions

- If yes, then GT's scope of work involves Controlled Defense Information (CDI) and 7012 applies.
- If no, move to step II.

II. Will GT collect, develop, receive, transmit, use, or store information that is described as Controlled Unclassified Information (CUI) on the CUI Registry? See <https://www.archives.gov/cui/registry/category-list>.

A. Notes

- The CUI Registry includes many types of federal information that is subject to some type of safeguarding or dissemination control.
- The most common type of CUI that GT researchers will have is export controlled information.
- Other types of CUI include government proprietary business information, nuclear-related information, privacy information (including health information and student records), etc.
- If the project does not involve export controlled information, the PI must review the CUI registry to determine that no other types of CUI are involved in the project.

B. Conclusions

- If yes, then GT's scope of work involves CDI (as CUI) and 7012 applies.
- If no (and "no" to step I), then 7012 does not apply.

III. Obligations When 7012 Applies

- A. All CDI (CTI and CUI) must be secured in accordance with the standards set forth in NIST 800-171 as soon as practicable, but not later than December 31, 2017.
- B. For all contracts awarded prior to October 1, 2017, GT must notify the DOD CIO, within 30 days of contract award, of any NIST 800-171 security requirements are not implemented at time of contract award.
- C. Certain cyber incidents (compromises to the covered information system or CDI) must be reported to the DOD.