

CMMC 2.0 COMPLIANCE GUIDE



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NEW REQUIREMENTS FOR A NEW AGE



To help the Department of Defense (DoD) protect controlled unclassified information (CUI) within its supply chain, about 300,000 defense suppliers that are part of the Defense Industrial Base (DIB) must now comply with rigorous cybersecurity standards before being eligible to win DoD contracts. Subcontractors will also be expected to comply with the appropriate cybersecurity maturity level. To meet this challenge, in 2020, the federal government announced Cybersecurity Maturity Model Certification (CMMC) 1.0, a framework for protecting data handled by defense contractors from cyber attacks.

CMMC guidelines have evolved, and in response to almost 1,000 public comments, in late 2021, the DoD decided to make compliance easier and less costly by introducing CMMC 2.0, which significantly streamlined the requirements of CMMC 1.0. The CMMC 2.0 Final Rule was published on October 15, 2024, and is set to become effective on December 16, 2024. Defense contractors are expected to begin entering contracts under CMMC 2.0 requirements by mid-2025.

This guide will help answer some questions and provide clarity around CMMC 2.0 standards and the expectations, costs, and hurdles that come with it.

CMMC 2.0 STANDARDS



Understanding that the foundation of CMMC is NIST Special Publication (SP) 800-171 is key to setting appropriate compliance goals. The framework now has three maturity levels (CMMC 1.0 had five), with tiered assessments based on the sensitivity of information an organization handles, as detailed below.

MATURITY LEVEL		
LEVEL	PRACTICES	FOCUS
LEVEL 1	Foundational	Safeguard Federal Contract Information (FCI)
LEVEL 2	Advanced	Protect CUI
LEVEL 3	Expert	Protect CUI and reduce risk of threats

Level 1— Foundational | Companies with Federal Contract Information (FCI) only: Organizations must adhere to 17 “basic cyber hygiene” controls specified in FAR 52.204-21. Level 1 certification will require annual self-assessments by the DIB company.

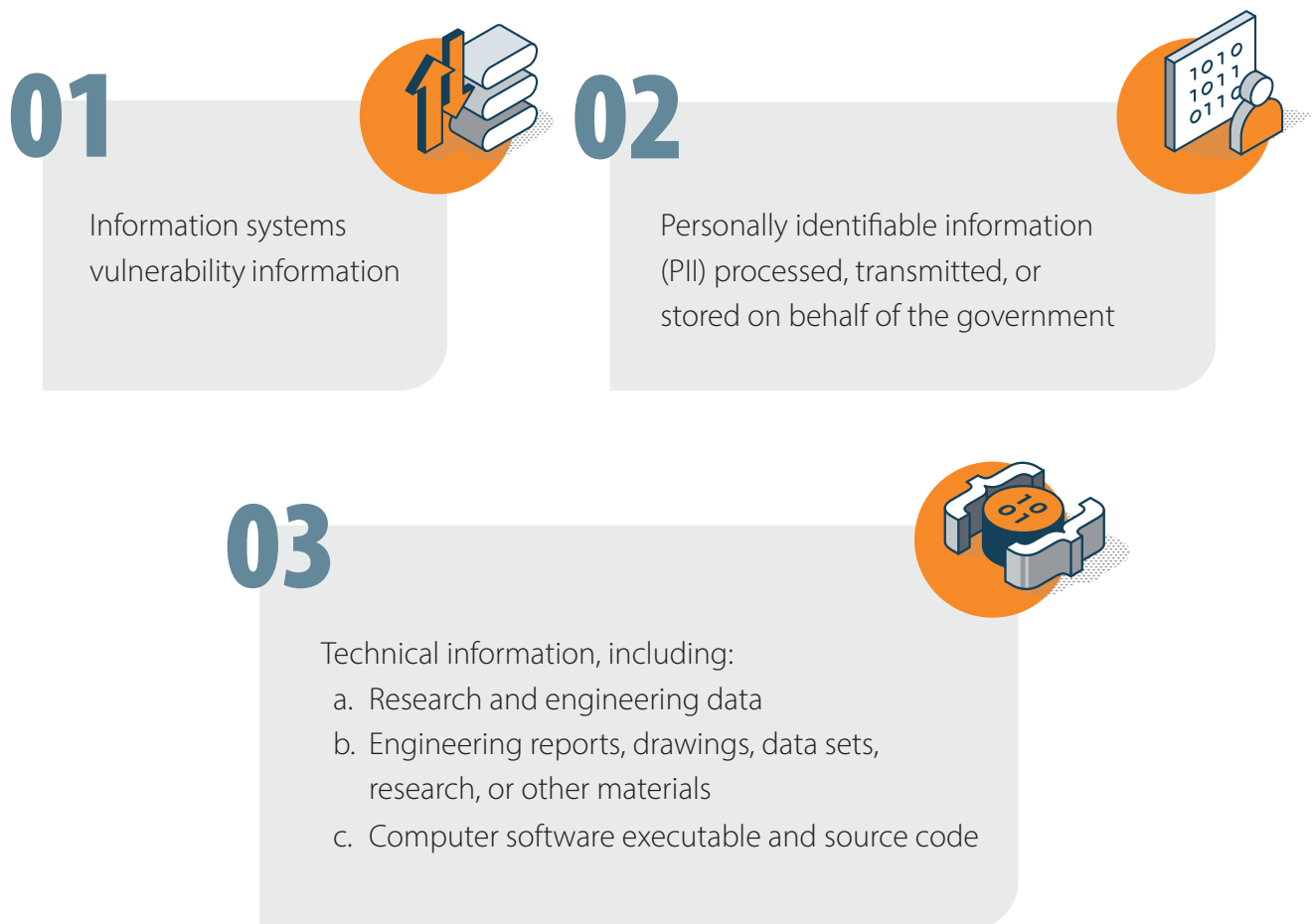
Level 2— Advanced | Companies with Controlled Unclassified Information (CUI): Organizations must adhere to the 110 controls specified in NIST SP 800-171. Level 2 is also separated into two categories based on the criticality of information stored by the contractor. Contractors in the first category handle CUI information that is not critical to national defense, so they can perform self-assessments similar to Level 1. Contractors in the second category handle information critical to national defense, so they will be subject to assessments by a Third Party Assessment

Organization (C3PAO). Level 2 certification will require annual third-party assessments or self-assessments based on the type of information the contractor handles.

Level 3— Expert | Companies with Highly Sensitive CUI: Organizations must adhere to the 110 NIST SP 800-171 controls and up to 35 NIST 800-172 controls. The DoD will conduct assessments for organizations at this level every three years.

To learn more about how organizations proceed through the certification process, refer to the **Steps for Achieving CMMC Compliance** section on page 6.

Knowing which maturity level an organization must comply with requires understanding what type of information (i.e., FCI vs. CUI) it handles. CUI is highly sensitive and requires more restrictive handling than FCI. Common types of CUI include:



Most DoD contractors have CUI data in their infrastructure. The type of CUI dictates the level of protection needed; the more sensitive the contract and information, the more stringent the security requirements.³ Companies that are involved with the highest-level defense programs, approximately 1 percent of all DoD contracts, will require a Level 3 certification.

WHAT TO KNOW ABOUT CMMC 2.0



- 01. Vendors that do not comply with CMMC will not win DoD contracts. This firm rule gives credence to the CMMC certification process and authority to Cyber AB (formerly CMMC-AB), the official CMMC accreditation body.
- 02. Subcontractors must also be CMMC-certified. Compliance with NIST, but not CMMC, standards is not sufficient.
- 03. CMMC is informed by multiple best practice standards, such as the Center for Internet Security (CIS) Controls, Computer Emergency Response Team Resilience Management Model (CERT-RMM), and NIST Cybersecurity Framework (CSF).
- 04. While CMMC 2.0 is heavily influenced by NIST SP 800-171, it is important to note that this framework focuses on control and practice only. Starting at Level 2, CMMC 2.0 covers control, practice, and process requirements, including domains focused on cyber threat intelligence and situational awareness that NIST SP 800-171 does not address.

NIST 800-171 AND CMMC CONTROL CAPABILITY DOMAINS		New CMMC Capability Domains
Access Control	Personnel Security	
Asset Management*	Physical Protection	Asset Management
Awareness and Training	Recovery*	Recovery
Audit and Accountability	Risk Management	Situational Awareness
Configuration Management	Security Assessment	
Identification and Authentication	Situational Awareness*	
Incident Response	System and Communications Protection	
Maintenance	System and Information Protection	
Media Protection		

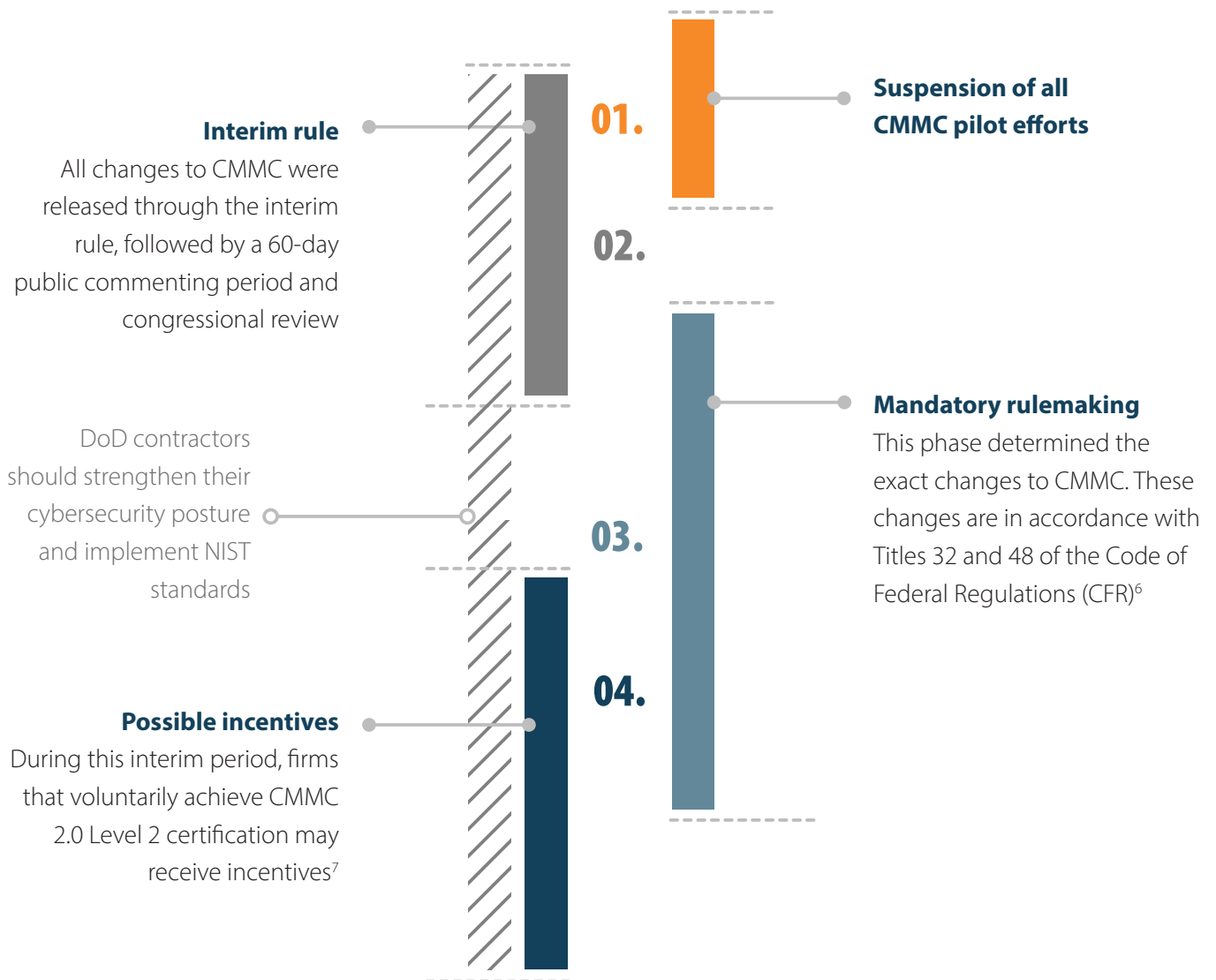
- 05. As noted above, CMMC focuses more on cyber threat intelligence, including indicators of compromise, threat hunting, and cyber threat sharing, than NIST SP 800-171. Because of these additions, compliance with NIST SP 800-171 does not equate to compliance with CMMC. The DoD has intentionally added guidance from multiple frameworks to the NIST SP 800-171 standards to ensure a holistic approach to national cybersecurity.

Because compliance with CMMC can be complex, businesses unfamiliar with the frameworks should enlist the help of a third-party cybersecurity expert. Working with a professional can save time, money, and human resources for other important business goals.

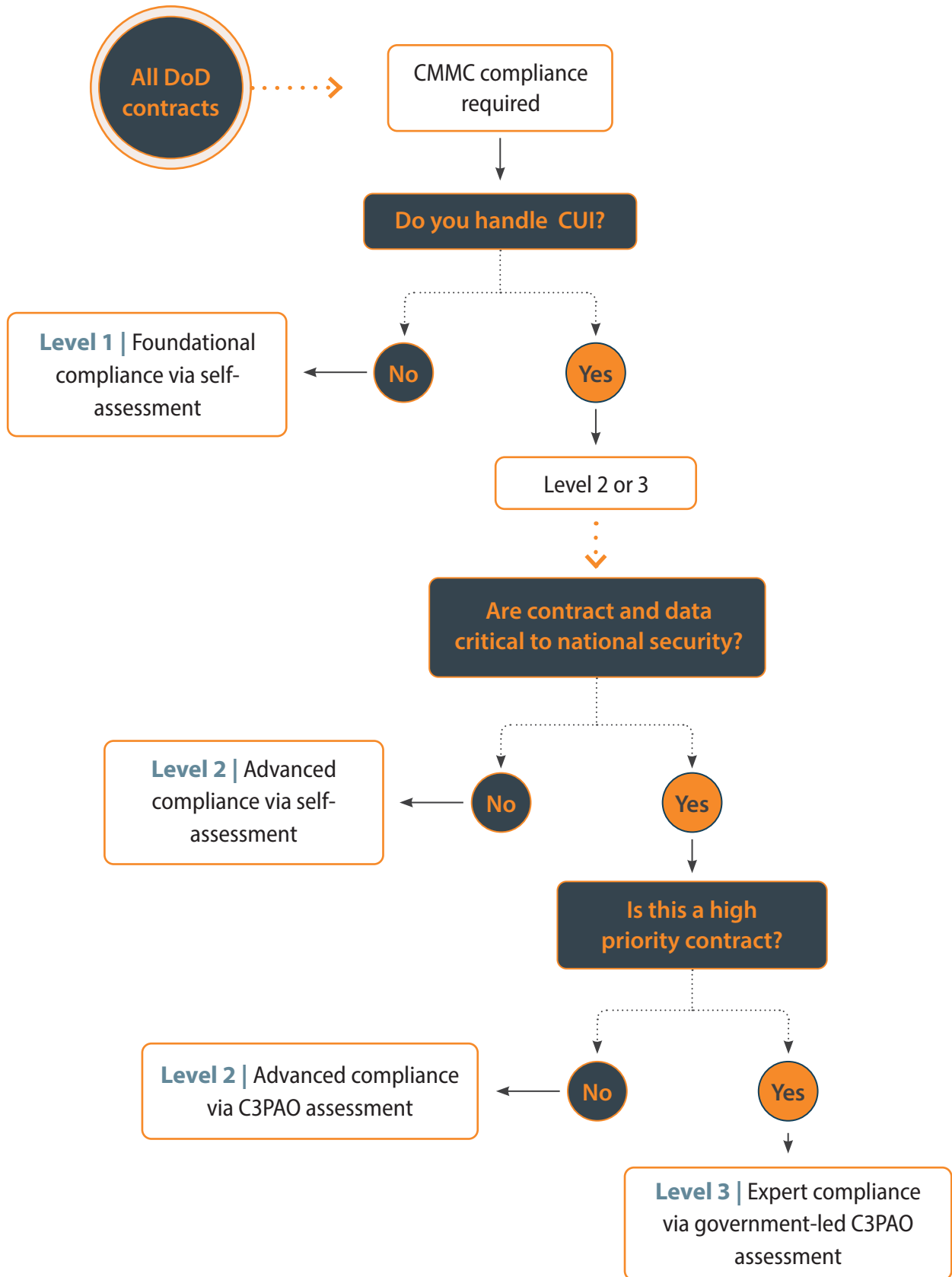
THE ROLLOUT PLAN



CMMC 2.0 will become effective on December 16, 2024, and DoD contracts will begin requiring CMMC 2.0 certification starting in mid-2025. In the interim, DoD contractors are encouraged to strengthen their cybersecurity posture by adhering to NIST SP 800-171. While it is essential that organizations strengthen their posture with NIST and CMMC, it is important to note that compliance with these guidelines are extremely costly and labor-intensive.



Steps for Achieving CMMC Compliance



POTENTIAL SPEEDBUMPS



Until the DoD's rulemaking process is complete, vendors can expect further changes to the CMMC standards. In fact, given Cyber AB's status as a nonprofit with a volunteer board of directors, the industry has raised concerns over its ability to support the rapid implementation that the DoD requires. The volunteers lending their cybersecurity and defense expertise do so out of dedication to national security. Yet, they must balance their commitment to Cyber AB with full-time jobs, which means that the DoD's short timeframe for implementing CMMC may be unrealistic. Without a dedicated team, the potential for chaos is high.

For example, Cyber AB twice published web pages about the new C3PAO program before they were approved for public release.⁷ It also tried to hold webinars last year with little success. These types of missteps attract criticism from government officials, industry groups, and cybersecurity companies, who worry that Cyber AB is under-funded, under-staffed, and poorly organized.

Finally, the accreditation body had to overcome internal challenges after dismissing key executives over conflicts of interest, tax exemption status, and pay-to-play accusations.⁸ The body has been reorganized, but this upheaval has hurt the organization's reputation and impacted the implementation timeline.

CMMC 2.0 should alleviate many of the compliance hurdles contractors face, but implementation issues persist.

COST



The total cost to vendors remains uncertain. Estimates for Level 2 compliance approach \$20,000, while Level 3 compliance will likely cost hundreds of thousands. The DoD is attempting to keep costs low by allowing contractors to self-certify against Levels 1 and 2 (in some cases). When the final rule comes into effect in December, the DoD will release a cost analysis for compliance with each level.

STAYING AHEAD OF THE CURVE



Navigating the new CMMC 2.0 requirements will require a focused effort from organizations that want to work with the DoD, and the sooner they begin, the better. Contractors should determine the scope of CUI they handle and complete a basic assessment against NIST SP 800-171 requirements. Prime contractors that use subcontractors must recognize that doing so adds an additional layer of complexity to the certification process. Subcontractors not privy to CUI must meet CMMC Level 1 requirements. Subcontractors working with CUI must meet the level of certification required by the contract. It is the responsibility of the prime contractor to ensure all subcontractors meet the appropriate certification requirements.

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Full CMMC compliance is more than a simple checklist. It requires active discovery, planning, assessment, and reassessment. Now that the new CMMC 2.0 guidelines are in place, CMMC is poised to strengthen national cybersecurity and protect critical supply chains in lasting ways.

Contact Securance to learn more about how your organization can protect sensitive information, determine its CMMC maturity level, and better position itself to win DoD contracts.

ABOUT SECURANCE



Securance has two decades of experience helping organizations combat evolved cyber threats, build effective risk management programs, align with compliance standards, and increase operational efficiency. Our comprehensive approach integrates proven methodologies, dependable expertise, and each customer's unique requirements to maximize the benefits and long-term value of each assessment.



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SOURCES



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