



DEPARTMENT OF THE NAVY
CHIEF INFORMATION OFFICER
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MEMORANDUM FOR DISTRIBUTION

Subj: DEPARTMENT OF THE NAVY APPROACH TO CLOUD COMPUTING

- Ref:
- (a) Under Secretary of the Navy Memorandum of December 3, 2010, Subj: Department of the Navy (DON) Information Technology (IT)/Cyberspace Efficiency Initiatives and Realignment
 - (b) National Defense Authorization Act (NDAA) for Fiscal Year 2012, Section 2867
 - (c) DoD Chief Information Officer (CIO), July 2012, Cloud Computing Strategy
 - (d) DoD CIO Memorandum of June 26, 2012 Subj: Designation of the Defense Information Systems Agency as the Department of Defense Enterprise Cloud Service Broker
 - (e) National Institute of Standards and Technology (NIST) 800-53, February 2012: Security and Privacy Controls for Federal Information Systems and Organizations
 - (f) Committee on National Security Systems Instruction (CNSSI) 1253, 15 March 2012: Security Categorization and Control Selection for National Security Systems

Reference (a) directed the Department of the Navy Chief Information Officer (DON CIO) to lead the Department's Information Technology (IT) Efficiency Initiatives. To increase efficiency without sacrificing operational effectiveness; organizations, system/application owners and program managers must expand their analyses of alternatives for hosting DON systems and information to include Department of Defense (DoD) and commercial cloud service providers (CSPs). This approach is consistent with reference (b), which requires a Department of Defense-wide strategy to address the "Migration of Defense data and government-provided services from Department-owned and operated data centers to cloud computing services generally available within the private sector that provide a better capability at a lower cost with the same or greater degree of security." This approach is also in keeping with the DON's practice of hosting Navy Marine Corps Intranet (NMCI) data in commercial service provider facilities.

References (c) and (d) establish the Defense Information Systems Agency (DISA) as the Enterprise Cloud Service Broker. However, the broker concept is still being developed by DoD and is not fully in place. Therefore, pending further guidance from the DoD CIO, the DON must move forward and employ capable solutions that meet mission and security requirements and provide the best value.

As a first step, DON low-impact information systems and mission functions will move to commercial CSPs that meet mission and security requirements, unless a more cost effective DoD solution is identified. This enables compliance with reference (b) while achieving necessary cost savings. A low-impact system is defined in references (e) and (f) as an information system in which the loss of confidentiality, integrity, and availability could be expected to have limited

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adverse effect. DON organizations are to categorize as low-impact those publicly accessible information systems, applications, and websites that contain only information previously approved for public release.

The DON CIO will use the DON's initial implementations of commercial and governmental cloud hosting services to define the DON security documentation and certification standards and processes unique to cloud systems. Reciprocity of accreditation decisions and the artifacts supporting those decisions will be used to significantly reduce the time and expense of the DoD and Federal certification processes. This approach will also identify the need for additional security controls or verification testing.

Pending further guidance from the DoD CIO, the DON will proceed as follows. The DON Deputy CIO (Navy) and DON Deputy CIO (Marine Corps) will:

- Ensure all systems are properly certified and formally approved by the appropriate Designated Approval Authority, and required entries are made in the DON IT Portfolio Repository (DITPR-DON) and DON Applications and Database Management System (DADMS);
- Ensure commercial CSPs are used to support low-impact systems and mission functions, unless a more cost effective DoD solution is identified;
- Establish a governance process to adjudicate requested exceptions to this policy; and
- Analyze alternatives to identify the most cost effective hosting environment for medium impact systems, as they are defined in references (e) and (f). The analysis will evaluate commercial, Federal, and DoD solutions.

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