**Who Does Not Need to Comply with NIST SP 800-171?**

**NIST SP 800-171 is not needed** by any company or organization that:
Does not store, process, or transmit Controlled Unclassified Information (CUI), and is not contractually obligated via DFARS 252.204-7012 or related clauses.

**Types of Organizations That May Be Exempt**

1. Vendors Handling Only Commercial Off-the-Shelf (COTS) Products
    Example: A company selling standard laptops, office supplies, or commercial software.
    COTS items are defined by the Federal Acquisition Regulation (FAR) as products sold in substantial quantities in the commercial marketplace and offered to the government without modification.
    These companies are typically not handling CUI and do not fall under DFARS 252.204-7012.

2. Subcontractors Without CUI Flow-Down
    If a subcontractor does not receive CUI and the prime contract does not flow down DFARS 252.204-7012, NIST 800-171 compliance may not be required.
    Example: A landscaping company contracted to maintain the grounds of a DoD facility may not need to implement NIST 800-171.

3. Companies Only Handling Federal Contract Information (FCI)
    FCI is considered less sensitive than CUI.
    These companies, however, must comply with FAR 52.204-21 (basic safeguarding) and implement the 15 requirements which correspond to CMMC Level 1, however they do not need all 110 requirements of NIST SP 800-171.
    Example: A business providing janitorial or food services under a federal contract might only need CMMC Level 1 compliance

4. Educational or Research Institutions on Exempt Projects
    Universities or nonprofits working on fundamental research, which if by DoD definition is not CUI, may be exempt from NIST 800-171 under certain conditions.
    This must be clearly stated in the contract or agreement.

**Important Caveat**
    Even if a company currently doesn't handle CUI, the situation may change:
    If a future contract includes CUI, ITAR-controlled data, or similar sensitive information, NIST 800-171 would apply. Also, CMMC Level 2 (which includes all of NIST 800-171) will soon become a requirement for many DoD suppliers.

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Bottom Line when NIST 800-171 is required.

| Scenario | NIST 800-171 Required? |
|---|---|
| Handles (store, process, or transit) CUI | ☑ Yes |
| Only handles FCI | ☒ No but FAR 52.204-21 and 15 security requirements apply thus CMMC Level 1 |
| Sells only COTS items | ☒ No |
| Subcontractor without CUI flow-down | ☒ No |
| Educational research (no CUI) | ☒ No (if exempted) |

TransVision offers CMMC compliance software, hardware, and documentation packages to reduce time and resources in certifying.

Contact us, cmmc@transvision.co.jp today to begin your journey to CMMC compliance and secure your position in the DoD supply chain.