



FedRAMP

3PAO Obligations and Performance Standards

Version 3.0

August 2020



Info@FedRAMP.gov

[FedRAMP.gov](https://www.fedramp.gov)

DOCUMENT REVISION HISTORY

| Date | Version | Page(s) | Description | Author |
|------------|---------|---------|--|-------------|
| 07/29/2015 | 1.0 | All | Initial Publication | FedRAMP PMO |
| 06/06/2017 | 1.0 | Cover | Updated FedRAMP logo | FedRAMP PMO |
| 12/07/2017 | 2.0 | All | Updated to new document template | FedRAMP PMO |
| 09/01/2020 | 3.0 | All | Updated guidance; added information on roles and responsibilities; performance standards; and corrective actions | FedRAMP PMO |

TABLE OF CONTENTS

| | |
|---|---|
| 1. INTRODUCTION | 1 |
| 2. BACKGROUND | 1 |
| 3. FEDRAMP RECOGNITION | 1 |
| 4. 3PAO OBLIGATIONS STANDARDS | 2 |
| 5. 3PAO PERFORMANCE STANDARDS | 2 |
| 6. PERFORMANCE MANAGEMENT | 3 |
| 7. REFERENCES | 5 |
| 8. APPENDIX A: DETAILED 3PAO ROLES AND RESPONSIBILITIES | 6 |
| 9. APPENDIX B: DETAILED 3PAO PERFORMANCE STANDARDS | 9 |

1. INTRODUCTION

The Federal Risk and Authorization Management Program (FedRAMP) created a conformity assessment process to recognize third party assessment organizations (3PAOs) through accreditation by the American Association for Laboratory Accreditation (A2LA). This process ensures 3PAOs meet the necessary quality, independence, and FedRAMP knowledge requirements to perform independent security assessments required by FedRAMP. To maintain recognition, 3PAOs must continue to demonstrate independence, quality, and FedRAMP knowledge as they perform security assessments on cloud systems.

2. BACKGROUND

FedRAMP provides a cost-effective, risk-based approach, for the adoption and use of cloud services, by making standardized security requirements for the authorization and ongoing cybersecurity of cloud products and services available to executive departments and agencies. In partnership with the National Institute of Standards and Technology (NIST), FedRAMP developed a conformity assessment program with the goal of producing consistent, independent third-party assessments of security controls implemented by cloud service providers (CSPs). FedRAMP developed criteria for 3PAOs to provide independent assessments of a CSP's implementation of the FedRAMP security requirements.

The roles and responsibilities of a FedRAMP 3PAO are critical. 3PAOs independently assess the effectiveness of security controls associated with cloud service offerings (CSOs). 3PAO assessments serve as the basis from which the federal government makes informed, risk-based authorization decisions for the government use of cloud products and services. To learn more about the roles and responsibilities of 3PAOs, refer to Appendix A: Detailed 3PAO Roles and Responsibilities.

Organizations interested in becoming FedRAMP recognized 3PAOs must be accredited by A2LA, which follows International Standardization Organization/International Electrotechnical Commission (ISO/IEC) 17020 (as revised) Requirements for the Operation of Various Types of Bodies Performing Inspection.

3. FEDRAMP RECOGNITION

In order to become a FedRAMP recognized 3PAO, A2LA must perform an initial assessment of the 3PAO and provide an initial assessment recommendation to FedRAMP for approval. For a 3PAO to maintain its FedRAMP recognition, A2LA must perform a favorable annual review and a full on-site reassessment every two years.

A2LA assessments ensure 3PAOs meet the requirements of ISO/IEC 17020 (as revised) and FedRAMP-specific knowledge requirements. A2LA provides an assessment report to FedRAMP that documents the 3PAO:

- Is competent to perform inspections of CSP documents and technical system elements
- Has a documented, fully operational, and adequately maintained Quality Management System (QMS) that meets the standards of ISO/IEC 17020 (as revised) and FedRAMP-specific knowledge requirements
- Is operating in accordance with its QMS
- Demonstrates technical competence of individual assessors through education, training, technical knowledge, skills, and experience as required by A2LA (information regarding A2LA's FedRAMP requirements can be found at <https://www.a2la.org/accreditation/fedramp> and <https://portal.a2la.org/documents/>)

4. 3PAO OBLIGATIONS STANDARDS

FedRAMP requires all 3PAOs to adhere strictly and continuously to FedRAMP requirements and follow their ISO/IEC 17020 (as revised) QMS, as described in their application, and evaluated by A2LA. Among these requirements, a few key items are:

- 3PAOs must be independent from any CSP they assess
- 3PAOs are only allowed to be a Type A or Type C Inspection Body
- 3PAOs must perform assessments that meet a high standard of independence, quality, accuracy, integrity, and timeliness
- 3PAOs must demonstrate knowledge of the Federal Information Security Management Act (FISMA) and FedRAMP-specific requirements when conducting their assessments
- 3PAOs must develop and maintain a training program for their personnel including, at a minimum, content incorporating FISMA, FedRAMP, cloud computing, and cybersecurity
- 3PAOs must meet the requirements for technical proficiency activities set forth by FedRAMP

3PAOs must continuously meet and demonstrate they are performing in accordance with ISO/IEC 17020 (as revised) and FedRAMP requirements to maintain their FedRAMP recognition.

5. 3PAO PERFORMANCE STANDARDS

During FedRAMP assessments, 3PAOs produce a Readiness Assessment Report (RAR) or a complete security authorization package. A complete security authorization package includes:

- Security Assessment Plan (SAP)
 - Inventories
 - Rules of Engagement
- Security Assessment Report (SAR)
 - Security Assessment Test Case Workbook
 - Risk Exposure Table
 - Penetration Test Report
 - Vulnerability Scan Data Files

- Test Artifacts

These 3PAO documents must meet the following standards, reflective of their FedRAMP recognition:

| Performance Standard | Details |
|-----------------------------------|--|
| Complete Authorization Packages | <ul style="list-style-type: none"> • Submit complete and thoroughly prepared documents on the first submission |
| Documentation Quality | <ul style="list-style-type: none"> • Meet all quality standards, as published by FedRAMP, in the FedRAMP General Document Acceptance Criteria guidance • Prepare documents using the most recent standard templates, without alterations and deletions |
| Timeliness and Responsiveness | <ul style="list-style-type: none"> • Deliver documents on time, according to the schedule agreed to between the government, CSP, and 3PAO |
| Testing Accuracy and Completeness | <ul style="list-style-type: none"> • Assure accurate and complete testing of a CSP's offering in accordance with ISO/IEC 17020 (as revised) and FedRAMP security requirements |
| Assessment Integrity | <ul style="list-style-type: none"> • Submit independent assessments of a CSP's security posture uninfluenced by CSP demands |

Failure of a 3PAO to perform according to these standards, as further detailed in Appendix B: Detailed 3PAO Performance Standards, affects the government's ability to authorize cloud systems based on a 3PAO's independent assessment. FedRAMP will pursue corrective actions and possible removal of FedRAMP recognition if 3PAO deliverables do not meet these performance standards.

6. PERFORMANCE MANAGEMENT

The government evaluates all 3PAO products and expects superior quality and performance. Quality is expected across the government, regardless of whether a 3PAO is working directly with the Joint Authorization Board (JAB), FedRAMP PMO, or an agency. In the event that a 3PAO's performance does not meet FedRAMP standards, FedRAMP has the authority and responsibility to pursue corrective actions related to the 3PAO's FedRAMP recognition status. Corrective actions and potential change of a 3PAO's FedRAMP recognition status include the following:

1. Consultation
2. In-Remediation
3. Revoked

FedRAMP reserves the right to place a 3PAO in any of these statuses.

| Corrective Action Status | Corrective Action Details |
|--------------------------|---|
| Consultation | <p>If a 3PAO has minor deficiencies, such as incomplete testing, poor document quality, or inaccurate testing associated with FedRAMP's 3PAO performance standards (see Appendix B):</p> <ul style="list-style-type: none"> • FedRAMP will require a meeting with 3PAO representatives to discuss the specific deficiencies in the 3PAO's performance • The 3PAO must develop and submit an internal Corrective Action Plan (CAP) to info@fedramp.gov within 10 business days of the meeting • The internal CAP: <ul style="list-style-type: none"> ◦ Details all deficiencies identified by FedRAMP, the root cause of the deficiencies, and how and when they will remediate the deficiencies ◦ Requires FedRAMP Director approval ◦ Is documented in the 3PAO's performance records and shared with A2LA during the 3PAO's next assessment |
| In-Remediation | <p>If a 3PAO has deficiencies, such as repeated performance issues (see Appendix B), submission of conditional CSP authorization recommendations, or fails to complete the internal CAP as part of the "Consultation" status corrective action requirements:</p> <ul style="list-style-type: none"> • A letter is sent from FedRAMP to the 3PAO, notifying the 3PAO of specific deficiencies in the 3PAO's performance <ul style="list-style-type: none"> ◦ FedRAMP informs the 3PAO that their FedRAMP recognition status is "In-Remediation" and is noted as such on the 3PAO's FedRAMP Marketplace page ◦ The 3PAO must submit a formal CAP to FedRAMP, via info@fedramp.gov, within 10 business days of the date of the letter from FedRAMP • The formal CAP: <ul style="list-style-type: none"> ◦ Details all deficiencies identified by FedRAMP, the root cause(s) of the deficiencies, and how and when the deficiencies will be remediated ◦ Requires FedRAMP Director approval ◦ May require a re-assessment by A2LA for validation of the successful completion of the CAP, as determined by FedRAMP ◦ Is documented in the 3PAO's performance records and shared with A2LA during the 3PAO's next assessment |
| Revoked | <p>If a 3PAO has severe deficiencies in their performance or a 3PAO fails to complete the formal CAP, as required while in the "In-Remediation" status:</p> <ul style="list-style-type: none"> • A letter is sent from FedRAMP to the 3PAO, notifying the 3PAO of the revocation of its FedRAMP recognition status, why the revocation occurred, and that its organization's page has been removed from the FedRAMP Marketplace |

- The 3PAO's "Revoked" status will remain in effect for a minimum of six months
- Revoked organizations are not authorized to provide FedRAMP assessment services for CSPs pursuing or maintaining FedRAMP authorizations
- If a 3PAO wishes to continue to be recognized by FedRAMP, FedRAMP will require the 3PAO to commit to a formal CAP, or a revised formal CAP, if revocation is due to the 3PAO's failure to complete the required activities in a formal CAP while in "In-Remediation"
 - The formal CAP:
 - Details all deficiencies identified by FedRAMP, remaining deficiencies to complete, the root cause(s) of the deficiencies, and how/when they will remediate the deficiencies
 - Requires FedRAMP Director approval
- Upon completion of the formal CAP, A2LA will re-assess the 3PAO, validate the 3PAO's successful completion of the CAP, and attest to the remediation of deficiencies
 - If the 3PAO does not complete a formal CAP, within six months, FedRAMP will require the 3PAO to re-apply to be a FedRAMP recognized 3PAO and A2LA will need to re-assess the 3PAO

7. REFERENCES

The following are references 3PAOs should review and incorporate into their FedRAMP assessments and quality systems:

- [R301 – General Requirements: Accreditation of ISO/IEC 17020 Inspection Bodies](#)
- [R311 – Specific Requirements: Federal Risk and Authorization Management Program \(FedRAMP\)](#)
- [ISO/IEC 17020:2012 – Conformity Assessment: Requirements for the Operation of Various Types of Bodies Performing Inspection](#)
- [FedRAMP General Document Acceptance Criteria](#): Details the general acceptance criteria for documents submitted to FedRAMP focused on clarity, completeness, conciseness, and consistency (these acceptance criteria do not address technical content)
- Sample [Agency Authorization Review Report Template](#): Used by the FedRAMP PMO to review agency authorization packages (may be updated as needed)

8. APPENDIX A: DETAILED 3PAO ROLES AND RESPONSIBILITIES

| 3PAO Activity | 3PAO Roles and Responsibilities |
|---|--|
| Achieving FedRAMP 3PAO Recognition | |
| 1. Assessment Organization Wishes to Begin FedRAMP 3PAO Recognition Process | <ul style="list-style-type: none"> • Submits notice to A2LA for Independent Assessment Organization (IAO) accreditation • Performs successfully under A2LA's standards (ISO/IEC 17020 and R335) for one year <p>Note: IAOs must be able to demonstrate compliance to the A2LA defined standards in the context of their defined scope of accreditation</p> |
| 2. Assessment Organization Successfully Completes the One Year Period as an IAO and Notifies A2LA of their Desire to Become a FedRAMP Recognized 3PAO | <ul style="list-style-type: none"> • Completes proficiency testing exercise successfully • Completes an A2LA surveillance assessment successfully |
| 3. FedRAMP Approves IAO to Become a FedRAMP Recognized 3PAO | <ul style="list-style-type: none"> • Provides further artifacts, as requested, to support FedRAMP's analysis and recognition <p>Note: If an assessment organization is denied FedRAMP recognition, the organization will need to decide if they want to reapply to become a FedRAMP recognized 3PAO</p> |
| 4. Assessment Organization Becomes a FedRAMP Recognized 3PAO | <ul style="list-style-type: none"> • Provides FedRAMP with requested information in order for the organization to be listed on the FedRAMP Marketplace • Follows the FedRAMP Branding Guidance and can advertise on their website that they are a FedRAMP recognized 3PAO once FedRAMP approves their marketing materials |
| Readiness Assessment | |
| 3PAO Conducts Readiness Assessment | <ul style="list-style-type: none"> • Ensures the system being assessed is operational • Follows all requirements in accordance with the FedRAMP High Readiness Assessment Report (RAR) template or FedRAMP Moderate RAR template |

- Provides a clear attestation in the RAR with no conditional or ambiguous attestations
 - All attestations must be logical and align with the proposed residual risk of operating the system
- Notifies FedRAMP, at least two weeks prior to submission of a RAR, via info@fedramp.gov
- Uploads RAR to appropriate repository for FedRAMP PMO review and provides notification email to info@fedramp.gov of the availability of the RAR
- Accepts feedback from FedRAMP to facilitate FedRAMP Ready decisions
- Collects additional artifacts, as may be required from the CSP, to clarify the security posture of the system
- Maintains proper chain of custody, as applicable, for artifacts and documents associated with the readiness assessment
- Reviews 3PAO performance feedback from FedRAMP and utilizes the 3PAO's QMS or corrective action plans, as needed

Initial Security Assessment

3PAO Conducts Initial Security Assessment

- Conducts assessment of security controls implemented by CSPs
- Follows requirements available on the FedRAMP website in accordance with all applicable FedRAMP templates
- Notifies FedRAMP, at least two weeks prior to package submission, via info@fedramp.gov
- Provides a clear, independent authorization recommendation in the SAR
 - Conditional or ambiguous authorization recommendations are not accepted
 - Authorization recommendation must be logical and align with the residual risk for operating the system
- Uploads all required documentation to appropriate repository and provides notification email to info@fedramp.gov as well as applicable stakeholders to include the agency AO or JAB representative
- Accepts SAP, SAR, and Penetration Testing Report feedback from the JAB, FedRAMP PMO, and agency AOs to facilitate FedRAMP Authorization decisions
- Collects additional artifacts, as required from the CSP, to clarify the system's security posture
- Maintains proper chain of custody, as applicable, for artifacts and documents associated with the initial security assessment
- Reviews organizational feedback from FedRAMP and utilizes the 3PAO's QMS or corrective action plans, as needed

Annual Security Assessment

3PAO Conducts Annual Security Assessment for FedRAMP Authorized Products

- Ensures the system being assessed is still operational
- Ensures all significant changes to the system, since the last assessment, have appropriate documentation and are uploaded into the respective package repository
- Ensures all requirements are followed in accordance with the FedRAMP Annual Assessment templates
- Notifies FedRAMP, at least two weeks prior to annual security assessment submission, via info@fedramp.gov
- Uploads all required documentation to appropriate repository and provides notification email to info@fedramp.gov as well as applicable stakeholders to include the agency AO or JAB representative
- Accepts and incorporates SAP, SAR, and Penetration Testing Report feedback and works with the JAB, FedRAMP PMO, and agency AOs to facilitate continued FedRAMP Authorization decisions
- Collects additional artifacts, as required, from the CSP to clarify the system's security posture
- Maintains proper chain of custody, as applicable, for artifacts and documents associated with the annual security assessment
- Reviews organizational feedback from FedRAMP and utilizes the 3PAO's QMS and corrective action plans, as needed

Significant Change Assessment

3PAO Conducts Significant Change Assessment for FedRAMP Authorized Products

- Submits Significant Change Requests (SCRs) to the JAB or agency AO, at least 30 days before implementing the changes, to provide time for documentation review and to conduct the assessment
- Signs and completes the SCR template to indicate the form has been reviewed
- Provides recommendations and status updates to the JAB, FedRAMP PMO, and agency AO related to significant changes
- Uploads all required documentation to appropriate repository and provides notification email to info@fedramp.gov as well as applicable stakeholders to include the agency AO or JAB representative
- Maintains proper chain of custody, as applicable, for artifacts and documents associated with significant change assessments

9. APPENDIX B: DETAILED 3PAO PERFORMANCE STANDARDS

| Performance Standard | Note: The details below are a representative description of FedRAMP's performance standards and are not all-inclusive. FedRAMP maintains the ability to identify additional performance standards, as needed. |
|-----------------------------------|---|
| Complete Authorization Packages | Complete authorization packages are uploaded to the appropriate secure repository (refer to Section B of the FedRAMP Agency Authorization Review Report Sample Template to learn more about what a complete authorization package entails) |
| Documentation Quality | <ul style="list-style-type: none"> Documentation content is clear, complete, concise, and consistent (refer to the FedRAMP General Document Acceptance Criteria to learn more about what a complete document entails) FedRAMP templates are used <ul style="list-style-type: none"> Prepared documents use the most recent FedRAMP templates, without alterations and deletions Insertions must be agreed upon by the JAB or FedRAMP PMO |
| Timeliness and Responsiveness | <ul style="list-style-type: none"> Delivered documents are on time, according to the agreed upon schedule, between the government, CSP, and 3PAO Formal communications from FedRAMP are acknowledged and responded to in a timely manner |
| Testing Accuracy and Completeness | <ul style="list-style-type: none"> The SAP Test Case Procedures include tailored test procedures for all security controls with alternative implementations The penetration testing addresses all threat vectors and requirements in accordance with the FedRAMP Penetration Test Guidance The Test Case Procedures Workbook (TCW) captures observations and evidence for all security test control requirements The Control Implementation Summary (CIS) and associated Customer Responsibility Matrix (CRM) are validated and consistent with the control status and customer responsibilities specified in the SSP The CSP's SSP authorization boundary and data flow diagrams are validated against the actual state of the system using methods that include discovery scanning and penetration testing Testing of a CSP's authorization boundary is in accordance with the FedRAMP Authorization Boundary Guidance <ul style="list-style-type: none"> All system interconnections, including corporate shared services, are identified, tested, and validated External services lacking FedRAMP Authorization are appropriately captured as risks in the SAR |

Assessment Integrity

- 3PAOs act as an independent assessment body, on behalf of the federal government, and must report attempts to subvert this independence, FedRAMP's security requirements, process, and rigor
- A clear authorization recommendation is provided in the SAR
 - Conditional or ambiguous authorization recommendations are not accepted
 - Authorization recommendations are logical and align with the residual risk for operating the system
- A clear attestation is provided for a RAR
 - Conditional or ambiguous attestations are not accepted
 - Attestations are logical and align with the proposed residual risk of operating the system
- 3PAOs are responsible for maintaining chain of custody and the integrity of the security assessment materials to include RARs, SAPs, SARs, and associated testing artifacts