



The DD254 & You

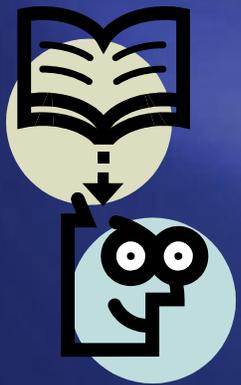
Small Business Innovative Research (SBIR)

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Remember...

To do great important tasks,
Three things are necessary.....



1. A Plan

2. Not quite enough time



3. Small Business Innovative Research



Why Are We Here?

- To help you understand:
 - Access & Performance requirements of classified contracts
 - The Facility Clearance (FCL) process;
 - Personnel Security Clearances (PCL)
 - The Contract Security Classification Specification (DD254);
 - To explain your security responsibilities



Classified Information is:

- Information determined to require protection in the interests of our national security.
- Owned by, produced by or for, or under the control of the U.S. Government.
- Determined to require protection against unauthorized disclosure
- Is so designated (TS, S & C)



Facility Clearances

NAV AIR

- Don't need an Facility Clearance (FCL) when submitting a proposal if classified access won't occur prior to award
 - We can't limit competition
 - Security Team submits Request for FCL on award
- Getting a Facility Clearance (FCL)
 - Key Management Personnel (KMP)
 - Senior Management and Facility Security Officer (FSO)
 - Employees cannot have access until company has been granted an FCL
 - Difference between clearance and access
 - 'Negotiators' can be submitted simultaneously with KMPs



WHY DO YOU NEED A DD254?

“The Official Response”

“The security of the U.S. depends, in part, on the proper safeguarding of classified information released to industry. (The National Industrial Security Program) established by E.O 12829 to assure the safeguarding of classified information in the hands of U.S. industrial organizations, educational institutions, and all organizations and facilities (both prime and sub-contractors).”

Arthur L. Money - Senior Civilian DoD Official
Office of the Assistant Secretary of Defense-C3I

“In other words....”

To make sure 11M classified documents
released to over 11,000 cleared facilities
are protected!

Classified Contracts impose access & performance limitations on Contractors



How do you do that?

(DD254-Contract Security Classification Specification)

• DD 254

- **ONLY** authorized means for providing security requirements and classification guidance to a contractor
- "Commanding Officers shall ensure that a DD254 is incorporated into **every classified contract.**"
- Any contract that requires or will require access to classified information, by a contractor in the performance of a contract
 - All phases of pre-contract activity through award
 - » Solicitations; Bids; Quotations; Proposals
- Can **ONLY** be signed by a Contracting Officer's Security Representative (COSR)/Security COR



**DEPARTMENT OF DEFENSE
CONTRACT SECURITY CLASSIFICATION SPECIFICATION**

*(The requirements of the DoD National Industrial Security Program
Operating Manual apply to all security aspects of this effort.)*

1. CLEARANCE AND SAFEGUARDING



a. FACILITY CLEARANCE REQUIRED

a. LEVEL OF SAFEGUARDING REQUIRED

2. THIS SPECIFICATION IS FOR: *(X and complete as applicable)*

3. THIS SPECIFICATION IS: *(X and complete as applicable)*

a. PRIME CONTRACT NUMBER		a. ORIGINAL <i>(Complete date in all cases)</i>		DATE (YYYYMMDD)
b. SUBCONTRACT NUMBER		b. REVISED <i>(Supersedes all previous specs)</i> Revision Number		DATE (YYYYMMDD)
c. SOLICITATION OR OTHER NUMBER	DUE DATE (YYYYMMDD)	c. FINAL <i>(Complete Item 5 in all cases)</i>		DATE (YYYYMMDD)

4. IS THIS A FOLLOW-ON CONTRACT? YES NO. If YES, complete the following:
 Classified material received or generated under _____ (preceding contract number) is transferred to this follow-on contract.

5. IS THIS A FINAL DD FORM 254? YES NO. If YES, complete the following:
 In response to the contractor's request dated _____ retention of the identified classified material is authorized for the period of _____.

6. CONTRACTOR *(Include Commercial and Government Entity (CAGE) Code)*

a. NAME, ADDRESS, AND ZIP CODE	b. CAGE CODE	c. COGNIZANT SECURITY OFFICE <i>(Name, Address, and Zip Code)</i>
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7. SUBCONTRACTOR		
a. NAME, ADDRESS, AND ZIP CODE	b. CAGE CODE	c. COGNIZANT SECURITY OFFICE <i>(Name, Address, and Zip Code)</i>

10. THIS CONTRACT WILL REQUIRE ACCESS TO:	YES	NO	11. IN PERFORMING THIS CONTRACT, THE CONTRACTOR WILL:	YES	NO
 a. COMMUNICATIONS SECURITY (COMSEC) INFORMATION			 a. HAVE ACCESS TO CLASSIFIED INFORMATION ONLY AT ANOTHER CONTRACTOR'S FACILITY OR A GOVERNMENT ACTIVITY		
b. RESTRICTED DATA			b. RECEIVE CLASSIFIED DOCUMENTS ONLY		
c. CRITICAL NUCLEAR WEAPON DESIGN INFORMATION			c. RECEIVE AND GENERATE CLASSIFIED MATERIAL		
d. FORMERLY RESTRICTED DATA			d. FABRICATE, MODIFY, OR STORE CLASSIFIED HARDWARE		
e. INTELLIGENCE INFORMATION:			e. PERFORM SERVICES ONLY		
(1) SENSITIVE COMPARTMENT INFORMATION (SCI)			f. HAVE ACCESS TO U.S. CLASSIFIED INFORMATION OUTSIDE THE U.S., PUERTO RICO, U.S. POSSESSIONS AND TRUST TERRITORIES		
(2) NON-SCI			g. BE AUTHORIZED TO USE THE SERVICES OF DEFENSE TECHNICAL INFORMATION CENTER (DTIC) OR OTHER SECONDARY DISTRIBUTION CENTER		
f. SPECIAL ACCESS INFORMATION			h. REQUIRE A COMSEC ACCOUNT		
g. NATO INFORMATION			i. HAVE TEMPEST REQUIREMENTS		
h. FOREIGN GOVERNMENT INFORMATION			j. HAVE OPERATIONS SECURITY (OPSEC) REQUIREMENTS		
i. LIMITED DISSEMINATION INFORMATION			k. BE AUTHORIZED TO USE THE DEFENSE COURIER SERVICE		
j. FOR OFFICIAL USE ONLY INFORMATION			l. OTHER (Specify).		
k. OTHER (Specify)					

12. PUBLIC RELEASE. Any information (classified or unclassified) pertaining to this contract shall not be released for public dissemination except as provided by the Industrial Security Manual or unless it has been approved for public release by appropriate U.S. government authority. Proposed public releases shall be submitted for approval prior to release.



Direct

Through (Specify):

to the Directorate for Freedom of Information and Security Review, Office of the Assistant Secretary of Defense (Public Affairs)* for review.
*In the case of non-DoD User Agencies, requests for disclosure shall be submitted to that agency.

13. SECURITY GUIDANCE. The security classification guidance needed for this classified effort is identified below. If any difficulty is encountered in applying this guidance or if any other contributing factor indicates a need for changes in this guidance, the contractor is authorized and encouraged to provide recommended changes; to challenge the guidance or the classification assigned to any information or material furnished or generated under this contract; and to submit any questions for interpretation of this guidance to the official identified below. Pending final decision, the information involved shall be handled and protected at the highest level of classification assigned or recommended. (Fill in as appropriate for the classified effort. Attach, or forward under separate correspondence, any documents/guides/extracts referenced herein. Add additional pages as needed to provide complete guidance.)

14. ADDITIONAL SECURITY REQUIREMENTS. Requirements, in addition to NISPOM requirements, are established for this contract. (If Yes, identify the pertinent contractual clauses in the contract document itself, or provide an appropriate statement which identifies the additional requirements. Provide a copy of the requirements to the cognizant security office. Use item 13 if additional space is needed.)

YES

NO

16. CERTIFYING OFFICIAL'S SIGNATURE. Security requirements stated herein are complete and adequate for safeguarding the classified information to be released or generated under this classified effort. All questions shall be referred to the official named below.



	a. TYPED NAME OF CERTIFYING OFFICIAL	b. TITLE	c. TELEPHONE (Include Area Code)
	CONTRACTING OFFICER'S SECURITY REPRESENTATIVE (COSR)		
d. ADDRESS (Include Zip Code)		17. REQUIRED DISTRIBUTION	
		X	a. CONTRACTOR
			b. SUBCONTRACTOR
		X	c. COGNIZANT SECURITY OFFICE FOR PRIME AND SUBCONTRACTOR
			d. U.S. ACTIVITY RESPONSIBLE FOR OVERSEAS SECURITY ADMINISTRATION
e. SIGNATURE			e. ADMINISTRATIVE CONTRACTING OFFICER
		X	f. OTHERS AS NECESSARY
			COR, COSR



What Does the DD254 Tell Us?

NAV AIR

- **A Contractor's Need-To-Know**
 - A determination made by an authorized holder of classified information that a prospective recipient, in the interest of National Security, has a requirement for access to, knowledge, or possession of the classified information in order to perform tasks or services essential to the fulfillment of an official U.S. government program.

- **Unauthorized disclosure:**
 - A communication or physical transfer of classified Information or controlled unclassified information to an unauthorized recipient.

- **Unauthorized Recipient:**
 - An individual who is not cleared and/or does not have a need-to-know in order to perform their official duties.



What Does the DD254 Tell Us (con't)

- Classification Guidance
 - Security Classification Guides
- Security Requirements
 - What level of information can be accessed for this effort
 - Where he can have access
 - Distribution Statements required on technical documents created by the contractor
 - Requirements not addressed in the NISPOM
 - (OPSEC, OSD requirements, SECNAV/Local Command Instructions.



QUESTIONS & ANSWERS





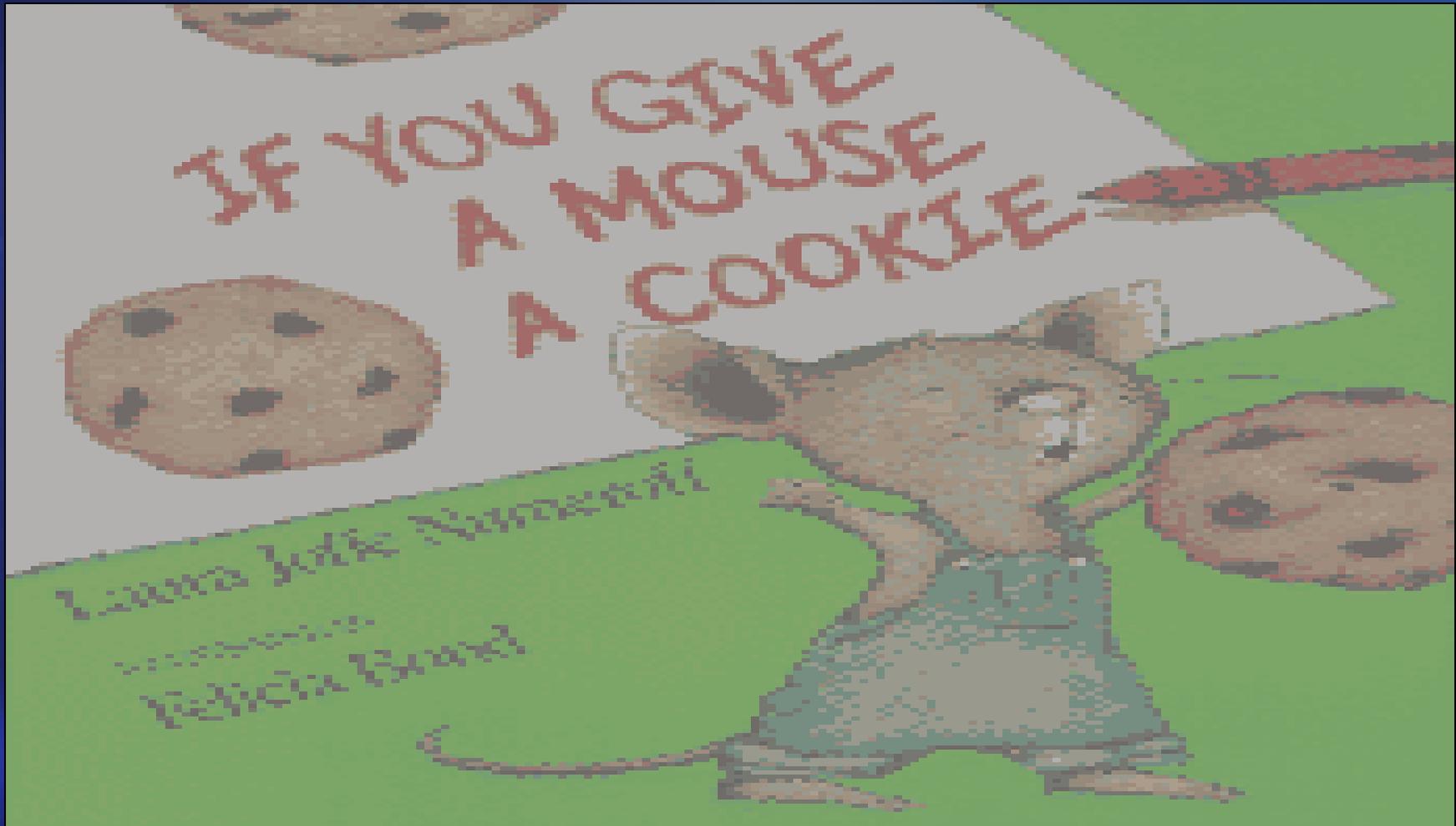
COOKIES.....



- How will I get you to remember what you've learned today?
- My grandson's would say.....Bobchi, please read me a story.....



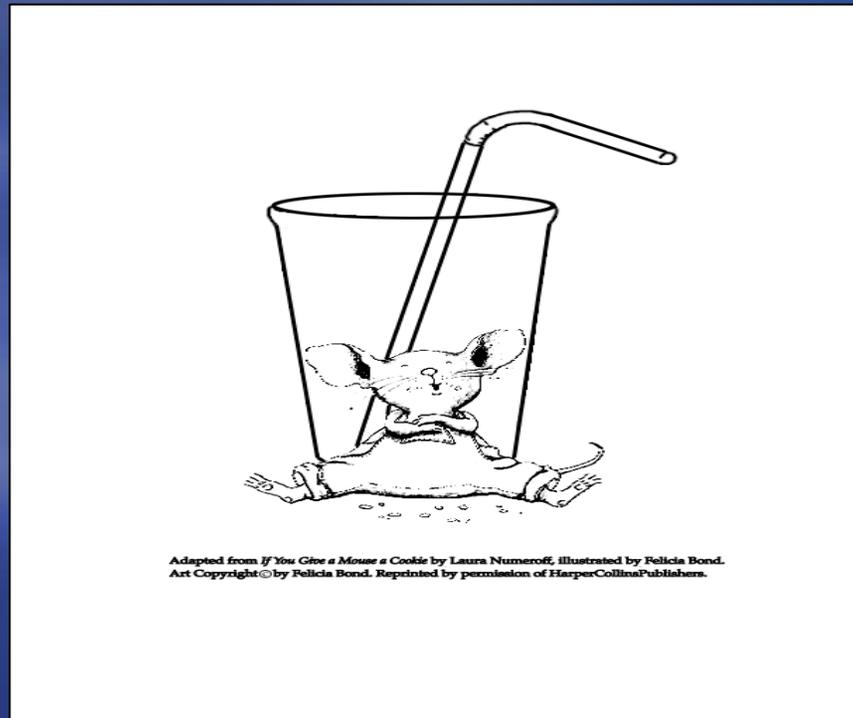
To help you remember....





He's going to ask for.....

A glass of milk....

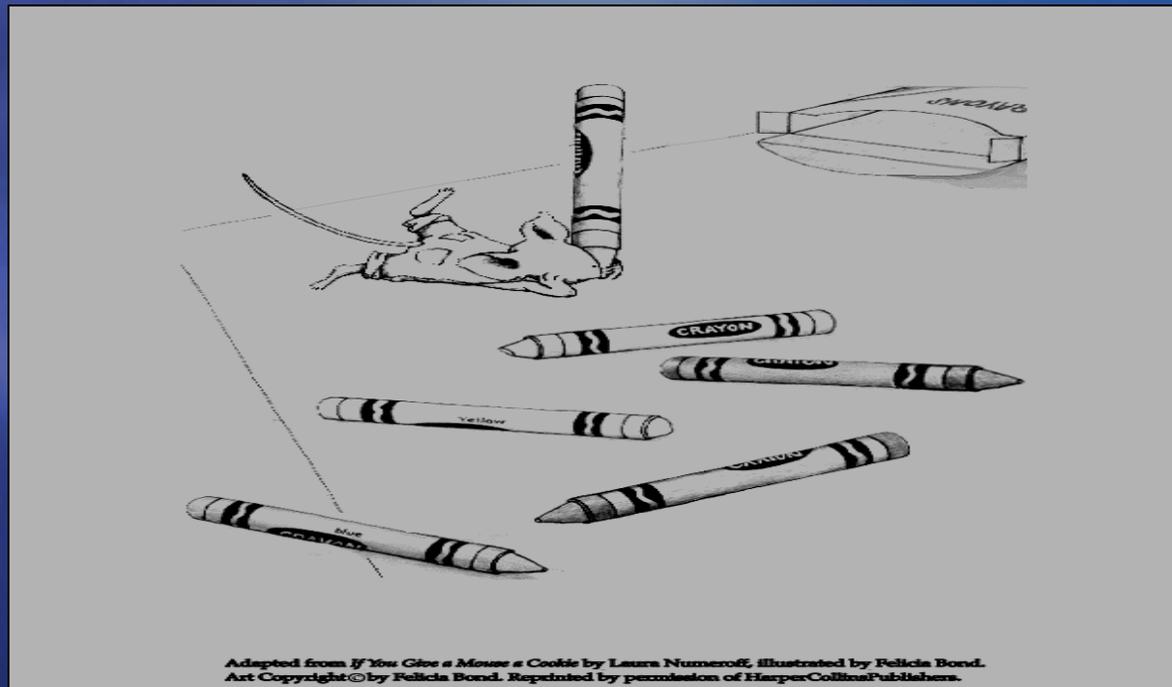


...then he'll want you to read him a story



When he sees the pictures...

he'll want paper and crayons...



...he'll draw a picture and want to hang it on your refrigerator...



So.....

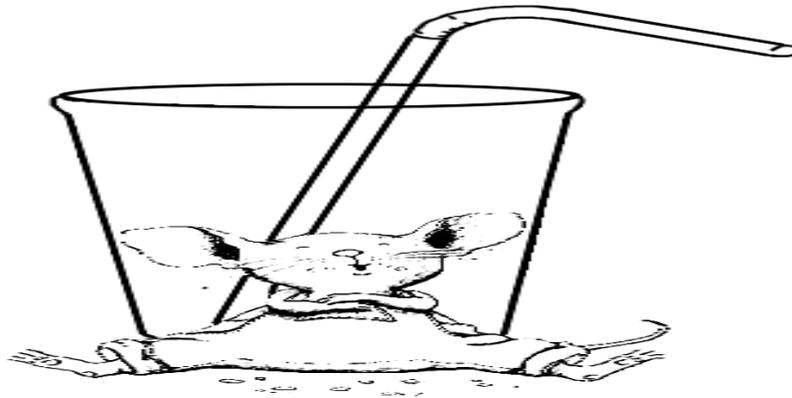
He'll hang up his drawing, and stand back to look at it.....
Looking at the refrigerator will remind him, he's thirsty...



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And chances are....
If he asks for a glass of milk...
he'll want a cookie to go with it!



Adapted from *If You Give a Mouse a Cookie* by Laura Numeroff, illustrated by Felicia Bond.
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I'm not comparing contractors to mice but forming an analogy between contractors being given classified information and a mouse being given a cookie and wanting more and more.....



The DD254 & You

Background Information

(more than you ever wanted to know about the DD254)



Background (continued)

NAVY AIR

- Program Authority

- E.O. 12829 - National Industrial Security Program
- E.O. 12958 (as amended)- Classified National Security Information
- DoD 5220.22-R - Industrial Security Program Regulation (ISR)
- DoD 5220.22-M - National Industrial Security Program Manual (NISPOM)
- DoD Federal Acquisition Regulation
- DoD Defense Federal Acquisition Regulation Supplement
- DoD 5400.7-R - DoD Freedom of Information Act Program



Background (continued)

NAV AIR

- Program Authority (continued)
 - SECNAV 5510.36 DON Information Security Program Instruction
 - SECNAV M-5510.36 - DON Information Security Program Manual
 - SECNAV 5510.30B - DON Personnel Security Program Instruction
 - SECNAV M-5510.30B - DON Personnel Security Program Manual
 - NAVSUP 4205.3B - Contracting Officer's Representative
 - OPNAV 5239.1B - Navy Information Assurance (IA) Program



Background (continued)

NAV AIR

- Program Authority (continued)
 - OPNAV C5510.93F - Navy/Marine Corps Implementation of National Policy on Control of Compromising Emanations (TEMPEST)
 - OPNAV 3432.1 - Operations Security (OPSEC)
- Contracting Officer's Representative



COSR RESPONSIBILITIES

NAVY AIR

- **Review SOW**
 - Ensure that access to or receipt and generation of classified information is required for contract performance.
- **Validate classification guidance**
 - Coordinate review of the DD254 and classification guidance
 - Meet with the COR/TPOC to review the draft DD254
- **Sign DD Form 254**
 - Issue a revised DD254 and other guidance as necessary
 - Resolve problems related to classified information provided to the contractor
 - Provide when necessary, in coordination with the COR/TPOC, additional security requirements, beyond those required by the .36, in the DD254, or the contract document itself.



COSR RESPONSIBILITIES

NAV AIR

- **Initiate all requests for FCLs with DSS OCC**
- **Verify the FCL and storage capability prior to release of classified information**
- **Validate justification for Interim Top Secret FCLs**
- **Validate & endorse requests from industry for LAAs**
- **Certify and approve DTIC requests**
- **Review requests for retention**
 - After 2 year period
 - Provide disposition instructions or issue Final DD254
- **Issue 'task order' DD254s, as appropriate**
- **Review reports of security violations and compromises within industry and advise COR/TPOC**