



INDUSTRIAL SECURITY

LETTER

Industrial Security Letters are issued periodically to inform cleared Contractors, Government Contracting Activities and DoD Activities of developments relating to industrial security. The contents of these letters are for information and clarification of existing policy and requirements. Suggestions for Industrial Security Letters are appreciated and should be submitted to the local Defense Security Service cognizant industrial security office. Articles and ideas contributed will become the property of DSS. Inquiries concerning specific information in Industrial Security Letters should be addressed to the cognizant DSS industrial security office.

ISL 2013-06

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(Revised Dec 03, 2013)

On March 28, 2013, the Department of Defense released Conforming Change 1 to DoD 5220.22-M, "National Industrial Security Manual Operating Manual (NISPOM)."¹ This Industrial Security Letter (ISL) provides clarification to contractors for specific NISPOM paragraphs in Chapter 4 related to derivative classification. Contractors must ensure that all personnel who perform duties as derivative classifiers complete training by December 31, 2013. DSS will assess contractor compliance with derivative classification responsibilities after that date.

NISPOM paragraph 4-102, Derivative Classification Responsibilities

NISPOM paragraph 4-102d: *Identification of authorized derivative classifiers:*

Contractors must ensure that all contractor cleared personnel authorized to make derivative classification decisions are identified on the documents on which they make derivative classification decisions. Please note that this includes contractor cleared personnel who derivatively classify e-mail. Unless otherwise directed by a government customer, contractors have the option to use name and position or a personal identifier as the identification for the contractor's cleared personnel who are authorized to make derivative classification decisions, in accordance with the provisions of NISPOM paragraph 4-208.

Several examples of how a contractor may implement the requirements are: when contractors choose to have their cleared personnel use personal identifiers in lieu of name and position, the individual personal identifier would be unique, and could be linked to the derivative classifier on a list or roster maintained by the contractor for at least the duration of the individual's employment at the contractor or with the business organization of which the contractor is a part. A business organization² may also maintain such a roster for the entire organization.

¹ A summary of changes in Conforming Change 1 to the NISPOM:

http://www.dtic.mil/whs/directives/corres/pdf/522022m_summaryofchanges.pdf

² Business organization: a legal entity, such as a corporation, its subsidiaries, divisions and branch offices.

NISPOM paragraph 4-208, Markings for Derivatively Classified Documents: This paragraph provides detailed guidance for the derivative classifier. **Unless otherwise evident, the “Classified By” Line shall include the company name and when applicable the division or branch, including what information must be provided (including agency and office of origin, followed by the name and position or personal identifier of the derivative classifier).**

Training: Contractor cleared personnel must be trained initially and at least once every 2 years on the topics set forth in NISPOM paragraph 4-102 before being authorized to make derivative classification decisions after December 31, 2013.

Contractor cleared personnel who can document that they have completed initial derivative classifier training required by NISPOM paragraph 4-102, do not need to take additional derivative classifier training until 2 years have elapsed from the date of their initial training.

Contractors can develop and implement internal training programs or use an existing training course that includes, at a minimum, the topics set forth in NISPOM paragraph 4-102 to meet the NISPOM requirements of derivative classification training for contractor personnel who are authorized to make derivative classification decisions.

Contractors will retain records of the date of the most recent training (initial or refresher) and type of training derivative classifiers receive. Records of training must be available for review during DSS security vulnerability assessments. Records may consist of training attendance records, certificates, or other documentation verifying that personnel assigned duties as derivative classifiers have successfully completed the training requirements outlined in this ISL. If contractor employees perform derivative classification only at a customer location, they may receive training from either the contractor or the customer, but the contractor will maintain a copy of the record of training.

Training resources

The Derivative Classification Training Job Aid at the Center for Development of Security Excellence (CDSE) website has detailed guidance:

<http://www.cdse.edu/documents/cdse/DerivativeClassification.pdf> .

Contractors who wish to use CDSE products can find their courseware on derivative classification at:

- <http://cdsetrain.dtic.mil/derivative/index.htm> (This course includes an exam built into the course. A STEPP account is not required for access to the course.)
- <http://www.cdse.edu/catalog/elearning/IF103.html>. (This course has a separate exam the cleared contractor must pass in order to receive credit for this course. A STEPP account is required for access to the course and exam.)

In addition to the above derivative classification training, the following marking course and training material provides additional information and guidance on derivative classification marking requirements.

- CDSE - Marking Classified Information IF105.16

<http://www.cdse.edu/catalog/elearning/IF105.html>

- CDSE - Marking Classified Information (Job Aid) https://stepp.dss.mil/courseware/marketing/Marking_Classified_Information.pdf