



Department of Defense

DIRECTIVE

NUMBER 5105.42

August 3, 2010

Incorporating Change 1, March 31, 2011

DA&M

SUBJECT: Defense Security Service (DSS)

References: See Enclosure 1

1. PURPOSE. Pursuant to the authority vested in the Secretary of Defense by sections 113, 191, and 192 of title 10, United States Code (U.S.C.) (Reference (a)), this Directive reissues DoD Directive (DoDD) 5105.42 (Reference (b)) to update the mission, organization and management, responsibilities and functions, relationships, authorities, and administration of the DSS.

2. APPLICABILITY. This Directive applies to OSD, the Military Departments, the Office of the Chairman of the Joint Chiefs of Staff and the Joint Staff, the Combatant Commands, the Office of the Inspector General of the Department of Defense, the Defense Agencies, the DoD Field Activities, and all other organizational entities within the Department of Defense (hereafter referred to collectively as the "DoD Components").

3. MISSION. The DSS, as the DoD Cognizant Security Office for industrial security, shall manage and administer the DoD portion of the National Industrial Security Program (NISP) for the DoD Components and, by mutual agreement, other U.S. Government (USG) departments and agencies; provide security education and training products and services; administer the industrial portion of the DoD Personnel Security Program (PSP), except for those cases that DSS refers to the Defense Office of Hearings and Appeals (DOHA); provide authorized counterintelligence (CI) services; and manage and operate the associated program-specific information technology (IT) systems. The DSS shall also support DoD efforts to improve security programs and processes.

4. ORGANIZATION AND MANAGEMENT

a. The DSS is a Defense Agency under the authority, direction, and control of the Under Secretary of Defense for Intelligence (USD(I)), consistent with responsibilities assigned to the

USD(I) in DoDD 5143.01 (Reference (c)). For purposes of the Defense Civilian Intelligence Personnel System (DCIPS), the DSS is designated as a Defense Intelligence Component.

b. The DSS shall consist of a Director and such subordinate officials and organizational elements as the Director establishes within the resources assigned by the Secretary of Defense. The position of Director is designated as a career Defense Intelligence Senior Executive Service (DISES) position and may be filled by a career DISES member, a Senior Executive Service (SES) member or SES-equivalent grade, or a flag officer military equivalent.

5. RESPONSIBILITIES AND FUNCTIONS. The Director, DSS, under the authority, direction, and control of the USD(I), shall plan, organize, direct, and manage the DSS and all assigned resources consistent with the responsibilities outlined in this Directive and guidance issued by the USD(I), and shall provide technical support to the USD(I) regarding DSS responsibilities, when directed. Unless otherwise directed, the Director, DSS, shall perform assigned functions in the United States, its territories and possessions, and, when authorized, at overseas locations. The Director, DSS, shall:

a. NISP

(1) Administer, implement, monitor, and oversee the NISP, pursuant to DoDD 5220.22 and DoD Instruction (DoDI) 5200.01 (References (d) and (e)) on behalf of the Department of Defense and those USG departments and agencies that have entered into agreements for industrial security services with the Secretary of Defense, pursuant to Reference (d) and Executive Order (E.O.) 12829 (Reference (f)).

(2) Maintain a complete program of certification, accreditation, and oversight of information systems used to process and store classified information at cleared contractor facilities.

(3) Assume security cognizance for those DoD contractors who perform work on Special Access Program contracts, unless expressly relieved of security cognizance by the Secretary or Deputy Secretary of Defense, pursuant to DoDD 5205.07 (Reference (g)).

(4) Administer classified export authorizations related to direct commercial sales and foreign military sales, as required by the International Traffic in Arms Regulations as codified in parts 120-130 of title 22, Code of Federal Regulations (Reference (h)), and by DoD 5220.22-M (Reference (i)); administer, as authorized or directed, the international security requirements of DoD international cooperative projects and programs, pursuant to applicable industrial security agreements and project or program agreements; and administer, as authorized or directed, the security requirements of the North Atlantic Treaty Organization (NATO) and foreign government contracts, pursuant to applicable international agreements.

(5) Assess DoD contractor compliance with DoD physical security requirements for the protection of sensitive conventional arms, ammunition, and explosives when requested, pursuant to DoD 5100.76-M (Reference (j)).

(6) Provide security services for critical program information related to classified contracts at cleared contractor facilities, pursuant to DoDI 5200.39 and DoD 5200.1-M (References (k) and (l)); operations security, pursuant to DoDD 5205.02 and DoD 5220.22-R (References (m) and (n)); and treaty readiness, pursuant to DoDI 5205.10 (Reference (o)).

(7) Provide to the USD(I) an assessment of the effectiveness of any measures proposed by the parties to the transaction to mitigate foreign ownership, control, or influence in connection with transactions reported to the Committee on Foreign Investment in the United States by companies cleared, pursuant to Reference (d).

(8) Arrange meetings with representatives of the DoD Components and other USG departments and agencies with an official interest in the NISP to increase awareness of, and address when possible, industrial security issues.

(9) Collaborate with the DoD Components, other USG departments and agencies, and cleared contractors to share threat information as part of the Defense Industrial Base cyber security and information assurance process.

b. Security Education and Training

(1) Provide for security education, training, and professional development of DoD and other USG personnel, contract employees supporting the USG and, when sponsored by authorized DoD Components, representatives of selected foreign governments.

(2) Develop, maintain, and administer current security education and training products and services across the industrial, information, personnel, and physical security disciplines, and, as directed, other communities of practice.

(3) Administer the DoD Security Professional Education Development Program and DoD Personnel Security Adjudicator Certification Program, and perform other assigned security training, assessment, and development functions, pursuant to DoDI 3305.13 (Reference (p)).

(4) Establish and operate a program to provide security awareness products and services to DoD and other USG personnel, contract employees supporting the USG and, when sponsored by authorized DoD Components, representatives of selected foreign governments.

(5) Establish and operate subordinate training organizations to fulfill mission requirements, as required.

(6) Develop and implement security education and training, as they relate to the administration of personnel security clearances, when appropriate, in coordination with the Federal Suitability and Security Clearance Performance Accountability Council.

c. DoD PSP

(1) Adjudicate the security clearance eligibility of NISP contractor personnel, pursuant to References (e) and (f) and DoDD 5220.6 (Reference (q)), and of U.S. citizens hired by NATO civilian or military organizations, pursuant to DoDI 5210.60 (Reference (r)), and refer to DOHA for adjudication all cases which may require the established administrative denial and revocation procedures provided to individuals covered by E.O. 10865 (Reference (s)).

(2) Plan, program, budget, and execute the personnel security requirements of NISP contractors through the use of surveys, modeling, trend and historical analysis, and other planning tools. Validate NISP contractor personnel clearance requirements and invoices submitted by investigative service providers, including the Office of Personnel Management (OPM), and pay invoices for NISP contractor personnel security investigations (PSIs).

(3) Process requests for, and obtain information to adjudicate, the eligibility of NISP contractor personnel for access to classified information.

d. CI

(1) Provide, as authorized in support of cleared contractors and within the DSS, CI analysis and production, functional services, collection, and inquiries including:

(a) Providing CI analytical products, threat information, including threat assessments and CI awareness briefings and training (covering topics such as targeted technologies, methods of operation, and reporting procedures) to cleared contractor personnel, the DoD Components, and other USG departments and agencies.

(b) Receiving, analyzing, and disseminating, as appropriate, reports of suspicious contacts or activities submitted by cleared contractors, and assisting cleared contractors in applying appropriate security countermeasures, pursuant to DoDD O-5240.02 (Reference (t)) and in compliance with DoD 5240.1-R (Reference (u)).

(2) Provide CI-related oversight of PSIs, to include conducting CI inquiries when authorized and referring matters of CI interest, pursuant to Reference (t).

(3) Carry out assigned tasks in support of the Defense Critical Infrastructure Program at cleared DoD industrial base critical asset facilities, pursuant to DoDI 5240.19 (Reference (v)).

(4) Carry out assigned tasks in support of DoD research, development, and acquisition programs occurring at cleared defense contractor facilities, pursuant to Reference (k).

e. IT Systems

(1) Provide IT support for assigned responsibilities, working closely with the Assistant Secretary of Defense for Networks and Information Integration/DoD Chief Information Officer to ensure the Global Information Grid and other DoD-wide IT resources are used effectively in

carrying out the DSS mission.

(2) Serve as the DoD manager for the Industrial Security Facilities Database, Educational Network Registration and On-Line Learning system, and related IT systems.

f. Additional Activities

(1) Design and manage DSS programs and activities to improve performance, economy, and efficiency, with particular attention to the requirements of DSS organizational customers, internal and external to the Department of Defense.

(2) Convene and participate in meetings, seminars, and conferences with DoD Components, other USG departments and agencies, foreign governments, contractors, international organizations, and industrial security, business, and professional organizations.

(3) Comply with applicable laws, requirements, and DoD policies related to the privacy and civil liberties responsibilities of the Department of Defense.

(4) Perform additional activities and other duties as may be directed by the Secretary of Defense or the USD(I).

6. RELATIONSHIPS

a. The Director, DSS, in the performance of assigned responsibilities and functions, shall:

(1) Report directly to the USD(I), pursuant to Reference (c).

(2) Use existing systems, facilities, and services of the Department of Defense and other USG departments and agencies, when possible, to avoid duplication and achieve maximum efficiency and economy, as well as to preserve the capability of assigned assets to accomplish the DSS mission.

(3) Participate, as appropriate, in the Secretary of Defense Biennial Review of Defense Agencies and DoD Field Activities in coordination with the Director of Administration and Management (DA&M).

(4) Maintain liaison to exchange information and coordinate actions, as appropriate, with the Heads of the DoD Components and those Heads of USG departments and agencies having related functions.

(5) Provide input to the Director, Defense Business Transformation Agency, under the authority, direction, and control of the Deputy Chief Management Officer of the Department of Defense, regarding functional requirements for the Defense Information System for Security in support of the DSS and contractors participating in the NISP.

(6) Maintain a close working relationship with representatives of cleared contractors, as necessary, to fulfill NISP security goals.

(7) Notify the USD(I) and the General Counsel of the Department of Defense within 90 days of the issuance date when the Director, DSS, believes a DoD issuance would damage, limit, or seriously inhibit the DSS from performing its mission.

(8) Coordinate all changes to policies and procedures related to the responsibilities in subparagraph 5.a.(4) with the Office of the Under Secretary of Defense for Policy.

b. The USD(I) shall provide policy guidance, direction, and oversight to the Director, DSS, on policies, programs, and procedures related to DSS responsibilities and functions, and shall coordinate policy and direction on matters described in subparagraph 5.a.(4) and the treaty readiness provisions of subparagraph 5.a.(6) with the Under Secretary of Defense for Policy.

c. The OSD Principal Staff Assistants and the Heads of the DoD Components shall:

(1) Provide assistance, support, data, and information in their respective fields of responsibility and within available resources, to the Director, DSS, to carry out functions assigned herein.

(2) Report promptly to the Director, DSS, information that reflects adversely on the qualifications of any contractor or contractor personnel to be granted, or retain eligibility for, access to classified information.

(3) Provide to the Director, DSS, reports on threats to the security of cleared contractor personnel or classified information in the possession of cleared contractors.

(4) Comply with taskings issued by the Director, DSS, pursuant to this Directive.

(5) Coordinate with the Director, DSS, on all matters concerning the mission, capabilities, functions, and operations of the DSS.

7. AUTHORITIES. The Director, DSS, is specifically delegated authority to:

a. Communicate directly with the Heads of the other DoD Components, as necessary, to carry out assigned responsibilities and functions, including requests for advice and assistance. Communications to the Military Departments shall be transmitted through the Secretaries of the Military Departments, their designees, or as otherwise provided in law or as directed by the

Secretary of Defense in other DoD issuances. Communications to the Combatant Commanders, as appropriate, shall be transmitted through the Chairman of the Joint Chiefs of Staff.

b. Communicate with other Government officials, representatives of the Legislative Branch, members of the public, representatives of cleared contractor facilities, professional associations, educational institutions, international organizations, and representatives of foreign governments, as appropriate, in carrying out assigned responsibilities and functions. Communications with representatives of the Legislative Branch shall be coordinated with the Assistant Secretary of Defense for Legislative Affairs and the Under Secretary of Defense (Comptroller)/Chief Financial Officer of the Department of Defense, as appropriate, and be consistent with the DoD Legislative Program.

c. Obtain reports and information, pursuant to DoDI 8910.01 (Reference (w)), as necessary, to carry out assigned responsibilities and functions.

d. Exercise the administrative authorities contained in Enclosure 2.

8. ADMINISTRATION

a. The USD(I) shall recommend, and the Secretary of Defense shall appoint, the Director, DSS.

b. The Secretaries of the Military Departments shall assign military personnel to the DSS in accordance with approved Joint Manpower Program (JMP) authorizations and procedures for assignment to joint duty.

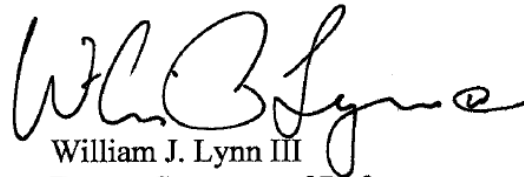
c. The Chairman of the Joint Chiefs of Staff shall review and provide recommendations on the DSS JMP to the USD(I), as appropriate.

d. The Heads of the other DoD Components shall provide administrative support to the DSS through support and interservice agreements, in accordance with DoDI 4000.19 (Reference (x)).

9. RELEASABILITY. UNLIMITED. This Directive is approved for public release and is available on the Internet from the DoD Issuances Website at <http://www.dtic.mil/whs/directives>.

10. SUMMARY OF CHANGE 1. The technical changes to this issuance correct the Mission, Responsibilities and Functions of the Director, DSS, and Relationships sections in accordance with OSD 03113-11, March 17, 2011 (Reference (y)).

11. EFFECTIVE DATE. This Directive is effective immediately.



William J. Lynn III
Deputy Secretary of Defense

Enclosures

1. References
 2. Delegations of Authority
- Glossary

ENCLOSURE 1

REFERENCES

- (a) Title 10, United States Code
- (b) DoD Directive 5105.42, "Defense Security Service (DSS)," May 13, 1999 (hereby cancelled)
- (c) DoD Directive 5143.01, "Under Secretary of Defense for Intelligence (USD(I)),
November 23, 2005
- (d) DoD Directive 5220.22, "National Industrial Security Program," September 27, 2004
- (e) DoD Instruction 5200.01, "DoD Information Security Program and Protection of Sensitive Compartmented Information," October 9, 2008
- (f) Executive Order 12829, "National Industrial Security Program," January 6, 1993, as amended
- (g) DoD Directive 5205.07, "Special Access Program (SAP) Policy," July 1, 2010
- (h) Parts 120-130 of title 22, Code of Federal Regulations
- (i) DoD 5220.22-M, "National Industrial Security Program Operating Manual,"
February 28, 2006
- (j) DoD 5100.76-M, "Department of Defense Physical Security of Sensitive Conventional Arms, Ammunition, and Explosives," August 12, 2000
- (k) DoD Instruction 5200.39, "Critical Program Information (CPI) Protection Within the Department of Defense," July 16, 2008
- (l) DoD 5200.1-M, "Department of Defense Acquisition Systems Protection Program,"
March 16, 1994
- (m) DoD Directive 5205.02, "DoD Operations Security (OPSEC) Program," March 6, 2006
- (n) DoD 5220.22-R, "Industrial Security Regulation," December 4, 1985
- (o) DoD Instruction 5205.10, "DoD Treaty Inspection Readiness Program (DTIRP),"
February 20, 2009
- (p) DoD Instruction 3305.13, "DoD Security Training," December 18, 2007
- (q) DoD Directive 5220.6, "Defense Industrial Personnel Security Clearance Review Program," January 2, 1992
- (r) DoD Instruction 5210.60, "Security Clearance Program for U.S. Citizens Employed Directly By the North Atlantic Treaty Organization (NATO)," December 4, 2005
- (s) Executive Order 10865, "Safeguarding Classified Information Within Industry,"
February 20, 1960, as amended
- (t) DoD Directive O-5240.02, "Counterintelligence," December 20, 2007¹
- (u) DoD 5240.1-R, "Procedures Governing the Activities of DoD Intelligence Components That Affect United States Persons," December 7, 1982
- (v) DoD Instruction 5240.19, "Counterintelligence Support to the Defense Critical Infrastructure Program," August 27, 2007
- (w) DoD Instruction 8910.01, "Information Collection and Reporting," March 6, 2007
- (x) DoD Instruction 4000.19, "Interservice and Intragovernmental Support," August 9, 1995
- (y) OSD Memorandum 03113-11, "Approval of Substantive Change to DoD Directive 5105.42, 'Defense Security Service (DSS),'"
March 17, 2011

¹ For official use only. Authorized users may obtain a copy at <http://www.dtic.smil.mil/whs/directives>.

ENCLOSURE 2

DELEGATIONS OF AUTHORITY

Pursuant to the authority vested in the Secretary of Defense, and subject to the authority, direction, and control of the USD(I), and in accordance with DoD policies and issuances, the Director, DSS, or in the absence of the Director, the person acting for the Director, is hereby delegated authority, as required, in the administration of DSS missions and operations to:

a. Human Resources

(1) Exercise the authority vested in the Secretary of Defense by sections 301, 302(b), 3101, and 5107 of title 5, U.S.C., and chapter 83 of title 10, U.S.C., as amended, on the employment, direction, and general administration of DSS civilian personnel.

(2) Fix rates of pay for wage-rate employees exempted from the Classification Act of 1949 according to section 5102 of title 5, U.S.C., on the basis of rates established under the Federal Wage System. In fixing such rates, the Director, DSS, shall follow the wage schedule established by the DoD Wage Fixing Authority.

(3) Pursuant to the authority vested in the Secretary of Defense by section 1609 of title 10, U.S.C., terminate the employment of DSS employees. This authority may NOT be further delegated.

(4) Administer oaths of office to those entering the Executive Branch of the Federal Government or any other oath required by law in connection with employment therein, pursuant to section 2903 of title 5, U.S.C., and designate in writing, as may be necessary, officers and employees of the DSS to perform this function.

(5) Carry out delegations regarding the DCIPS as prescribed in DoDD 1400.35.

(6) Issue and manage appropriate badges and credentials needed to carry out assigned functions to DSS or other Federal Government employees or contractors assigned or detailed to the DSS.

(7) Establish a DSS Incentive Awards Board and pay cash awards or incur necessary expenses for the honorary recognition of civilian employees of the Government whose suggestions, inventions, superior accomplishments, or other personal efforts, including special acts or services, benefit the DSS, pursuant to section 4503 of title 5, U.S.C., OPM regulations, and DoDD 1400.25.

(8) Collect and pay employment taxes imposed by Federal, State, and local governments.

(9) As necessary, use advisory committees and employ temporary or intermittent experts or consultants, as approved by the Secretary of Defense or the DA&M, in support of DSS

functions in accordance with section 173 of title 10, U.S.C.; section 3109(b) of title 5, U.S.C.; the Federal Advisory Committee Act, title 5 of U.S.C., Appendix 2; and DoDIs 5105.04 and 5105.18.

(10) Authorize and approve:

(a) Temporary duty travel for military personnel assigned or detailed to the DSS, pursuant to the Joint Federal Travel Regulations, Volume 1.

(b) Official travel for DSS civilian employees, pursuant to the Joint Travel Regulations, Volume 2.

(c) Invitational travel to non-DoD personnel whose consultative, advisory, or other services are required in direct connection with DSS activities, pursuant to section 5703 of title 5, U.S.C., and the Joint Travel Regulations, Volume 2.

(d) Overtime work for DSS civilian employees, pursuant to chapter 55, subchapter V, of title 5, U.S.C., and applicable OPM regulations.

(e) Funds available for travel by military personnel assigned or detailed to the DSS for expenses incident to attendance at meetings of technical, scientific, professional, or other similar organizations in such instances when the approval of the Secretary of Defense, or designee, is required by section 412 of title 37, U.S.C., and sections 4110 and 4111 of title 5, U.S.C.

b. Security. Pursuant to E.O.s 10450, 12333, as amended, 12958, as amended, and 12968; DoDD 5200.2; and DoDI 5200.01:

(1) Designate any position in the DSS as “sensitive.”

(2) Authorize, in an emergency, the appointment of a person to a sensitive position in the DSS for a limited period for whom an appropriate security investigation has not been completed.

(3) Initiate PSIs and, if necessary and in the interest of national security, suspend eligibility for access to classified information for personnel assigned or detailed to or employed by the DSS. Any action under this subparagraph shall be taken in accordance with procedures described in DoD 5200.2-R.

(4) Protect the security of DSS installations, activities, property, information, and personnel by appropriate means, including the publication of necessary security regulations.

c. Records

(1) Maintain an official seal and attest to the authenticity of official DSS records under that seal.

(2) Develop, establish, and maintain an active and continuing Records Management Program, pursuant to section 3102 of title 44, U.S.C., and DoDD 5015.2.

d. Publications

(1) Authorize the publication of advertisements, notices, or proposals in newspapers, magazines, or other public media, as required, for the effective administration and operation of the DSS, pursuant to section 3702 of title 44, U.S.C.

(2) Establish and maintain, for the functions assigned, an appropriate publications system for common supply and service regulations, instructions, and reference documents, and changes thereto, pursuant to DoDI 5025.01.

e. Acquisition, Procurement, Financial Management, and Property

(1) Enter into support and service agreements with the Military Departments, other DoD Components, and other USG departments and agencies, as required, for the effective performance of DSS responsibilities and functions.

(2) Enter into and administer contracts, directly or through a Military Department, DoD contract administration services component, or other USG departments and agencies, as appropriate, for supplies, equipment, and services required to accomplish the DSS mission. To the extent that any law or E.O. specifically limits such authority to persons at the secretarial level of a Military Department, such authority shall be exercised by the appropriate Under Secretary or Assistant Secretary of Defense.

(3) Use the Government purchase card for making appropriate purchases of material and services, other than personal services, for the DSS when it is determined to be more advantageous and consistent with the best interests of the Government.

(4) Establish and maintain appropriate property accounts for the DSS and appoint Boards of Survey, approve reports of survey, relieve personal liability, and drop accountability for DSS property contained in the authorized property accounts that have been lost, damaged, stolen, destroyed, or otherwise rendered unserviceable, pursuant to applicable laws and regulations.

(5) Lease non-excess personal property under the control of the DSS, under terms that will promote national defense or that will be in the public interest, under section 2667 of title 10, U.S.C.

(6) Enter into interdepartmental and intragovernmental support agreements, as receiver or supplier, with other DoD Components, other USG departments and agencies, and State and local governments, as required for effective performance of DSS responsibilities and functions, in accordance with section 1535 of title 31, U.S.C., and DoDI 4000.19.

(7) Enter into contractual instruments for commercial-type concessions, and maintain general supervision over commercial-type concessions operated in DSS facilities considered

necessary to promote the health, morale, welfare, and productivity of DSS employees, pursuant to allocable nonappropriated fund regulations.

(8) Exercise the authority delegated to the Secretary of Defense by the Administrator of the General Services Administration on the disposal of surplus personal property for responsibilities assigned herein.

(9) Serve as the designated approval authority for DSS IT systems and networks for less than Acquisition Category (ACAT) 1A programs, or serve as the Milestone Decision Authority (MDA) for ACAT 1A programs when delegated by the USD(I) in consultation with the Under Secretary of Defense for Acquisition, Technology, and Logistics. The Director, DSS, shall exercise delegated MDA in accordance with DoDD 5000.01 and DoDI 5000.02.

(10) Enter into personal-services contracts to the extent permitted by law.

f. Training. Establish and administer training programs as prescribed in DoDI 1430.04.

g. Re-delegation. Re-delegate these authorities as appropriate, and in writing, except as otherwise restricted in this enclosure or by law or regulation.

GLOSSARY

ABBREVIATIONS AND ACRONYMS

ACAT	Acquisition Category
CI	counterintelligence
DA&M	Director of Administration and Management
DCIPS	Defense Civilian Intelligence Personnel System
DISES	Defense Intelligence Senior Executive Service
DoDD	DoD Directive
DoDI	DoD Instruction
DOHA	Defense Office of Hearings and Appeals
DSS	Defense Security Service
E.O.	Executive order
IT	information technology
JMP	Joint Manpower Program
MDA	Milestone Decision Authority
NATO	North Atlantic Treaty Organization
NISP	National Industrial Security Program
OPM	Office of Personnel Management
PSI	personnel security investigation
PSP	Personnel Security Program
SES	Senior Executive Service
U.S.C.	United States Code
USD(I)	Under Secretary of Defense for Intelligence
USG	United States Government