

## **A Guide for the Preparation of a DD Form 254**

### **DoD Contract Security Classification Specification**

**The purpose of this document is to ensure government and industry-wide uniform application of the DD Form 254. Agency-specific guidance may also be available.**

**DD Form 254 contains 17 items. Each item may have one or more boxes.**

#### **Item 1. Clearance and Safeguarding.**

##### **1a. Facility Clearance (FCL) Required**

Insert the highest level of facility clearance required for the contractor to perform on the contract.

- Only one of three classification levels should be listed in this box: Confidential, Secret or Top Secret. Do not cite special categories such as Restricted Data, COMSEC, SCI (Sensitive Compartmented Information), etc.
- The contractor must have an FCL at least as high as the classification level indicated. If the contractor's FCL is lower than the classification level indicated, the GCA or prime contractor must sponsor the contractor for an FCL upgrade. To verify the contractor's facility clearance, contact the DSS (Defense Security Service) Central Verification Activity at (888) 282-7682 or log on to the DSS web site ([www.dss.mil](http://www.dss.mil)) go to the application tab in the upper right-hand corner, click on ISFD (Industrial Security Facility Database), then follow the instructions to either login or request access.

**NOTE:** It is critical to correctly identify the appropriate FCL level for the work to be performed on the contract. If you are unsure of the FCL level required, talk to your program manager. Setting the level too high may cause unnecessary FCL upgrades which may cause the contractor undue costs and delay contract award.

##### **1b. Level of Safeguarding Required**

Insert the highest level of classified material the contractor will be required to store at its own facility.

- The classification level can not be higher than the level specified in Item 1a.
- If no classified material will be stored at the contractor's site, then "None" should be entered.

**NOTE:** This item refers only to the contractor's requirements to safeguard/protect classified information at its own facility.

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### **Item 2. This Specification is for:**

Insert only one "X" into the appropriate box, although information may be entered into both "a" and "b" (i.e., prime contract number and subcontract number).

#### **2a. Prime Contract Number**

- Used when a GCA issues guidance to the Prime Contractor. The issuing activity enters the contract number.
- If Item 11e. is marked "YES" and the services to be performed do not apply to a specific contract (for example guard services or maintenance), enter the term "Multiple Contracts" in 2a instead of the prime contract number.

#### **2b. Subcontract Number**

- Used when there is a Prime/Subcontractor relationship. The contractor issuing the subcontract enters the subcontract number. The Prime contractor's number must also be entered in 2a.

#### **2c. Solicitation or other number**

- Used for an RFP (Request For Proposal), RFQ (Request For Quote), IFB (Invitation For Bid), or other solicitation, that will involve access to classified material for the contract performance, regardless of whether or not a contractor will require access to classified information during pre-contract phases of the procurement. The issuing activity enters the solicitation number and the date by which bids are due.

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### Item 3. This Specification Is:

Insert only one "X" into the appropriate box, although information may be entered into both "a" and "b."

#### 3a. Original

Original DD Form 254s are issued:

- For a solicitation for a classified contract, whether or not the actual bid package contains classified information.
- Upon the award of a classified contract
- Upon the award of a classified subcontract

The date of issuance is entered by the GCA or Prime Contractor for a subcontract.

**NOTE:** 'Original date' refers to the release date of the DD Form 254. This date will not change and will continue to show on any subsequent revisions of the DD Form 254.

#### 3b. Revised

- Revised DD Form 254s are issued when there is a change to classification guidance or security requirements of the contract. Give a sequential number to each revision and enter the date of the Revised DD Form 254.
- Enter the date of the Original DD Form 254 in 3a.

**NOTE:** Revised DD Form 254s should be numbered sequentially starting with number 1. Revised DD Form 254s are required any time there is a change to the security requirements or to the classification guidance. Revised DD Form 254s should be prepared and reviewed by the program, contracts and security offices. Revised DD Form 254s must be incorporated into the contract by modification.

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#### **3c. Final**

- A "Final" DD Form 254 is ONLY used to authorize additional retention of classified materials. The NISPOM authorizes an automatic two year retention period beyond the end of the contract for all classified materials received or generated during the contract period.
  - Enter the date the Final DD Form 254 is issued. Complete Item 5 as appropriate.
  - Enter the date of the Original DD Form 254 in 3a.

**NOTE:** In addition to a final DD Form 254, the GCA may also authorize additional retention by letter, e-mail, or other correspondence. It is recommended that authorization for additional retention always be provided in writing.

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#### **Item 4. Is this a Follow-On Contract?**

A Follow-On Contract is a contract that is awarded to the same contractor or subcontractor for the same item or services as a preceding contract. When this condition exists, mark "YES" and enter the preceding contract number in the space provided. This item authorizes the contractor or subcontractor to transfer material received or generated under the preceding contract to the new contract. The material transferred should be reflected in Item 13.

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#### Item 5. Is this a Final DD Form 254?

If this is a Final DD Form 254, mark "YES" and enter the date of the contractor's request for retention and the authorized period of retention in the spaces provided. If this is not for a FINAL, mark "NO."

**NOTE:** A Final DD Form 254 is used only if the contractor requests the right to retain any project related documents beyond NISPOM permitted timeframe (See Item 3c.). If the contractor needs the materials for a longer period, permission must be requested in writing. It is recommended that the contractor maintains a copy of this formal request until retention authorization is received from the GCA. It is up to the GCA to determine if the materials should be destroyed, returned, or retained by the contractor.

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### **Item 6. Contractor**

Used when a GCA issues guidance to a Prime Contractor. Enter information as follows:

NOTE: Also used by the Prime Contractor when issuing a subcontractor

#### **6a. Name and address of the contractor**

Use the contractor's DSS-approved classified mailing address if different from its physical address.

#### **6b. The contractor's CAGE code**

**NOTE:** The CAGE (Commercial and Government Entity) code is a government issued unique identifier required for all companies who do business with the government and can be verified through the Defense Logistics Information Service website at [https://cage.dla.mil/search/begin\\_search.aspx](https://cage.dla.mil/search/begin_search.aspx). It is important to note that not all facilities with CAGE codes are cleared facilities. To verify a contractor's facility clearance see guidance in Item 1a.

#### **6c. The appropriate CSO and address**

**NOTE:** Enter the DSS Cognizant Security Office (CSO) and its address. The local DSS Cognizant Security Office (CSO) and Field office locations can be found by going to [http://www.dss.mil/isp/dss\\_oper\\_loc.html](http://www.dss.mil/isp/dss_oper_loc.html)

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#### **Item 7. Subcontractor**

If the DD Form 254 is for a subcontract, enter information as follows:

##### **7a. Name and address of the subcontractor**

Use the subcontractor's DSS-approved classified mailing address if different from its physical address.

##### **7b. The subcontractor's CAGE code**

**NOTE:** The CAGE (Commercial and Government Entity) code is a government issued unique identifier required for all companies who do business with the government and can be verified through the Defense Logistics Information Service website at [https://cage.dla.mil/search/begin\\_search.aspx](https://cage.dla.mil/search/begin_search.aspx). It is important to note that not all facilities with CAGE codes are cleared facilities. To verify a contractor's facility clearance see guidance in Item 1a.

##### **7c. The subcontractor's CSO and address**

**NOTE:** Enter the DSS Cognizant Security Office (CSO) and its address. The local DSS Cognizant Security Office (CSO) and Field office locations can be found by going to

[http://www.dss.mil/isp/dss\\_oper\\_loc.html](http://www.dss.mil/isp/dss_oper_loc.html)



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#### **Item 8. Actual Performance**

If the work is to be performed at a location other than the one specified in Item 6a (or 7a, as appropriate), enter information as follows:

##### **8a. Facility name and address**

##### **8b. The CAGE code of the facility where the work will be performed.**

##### **8c. The appropriate CSO and address**

This item is used when all contract performance will occur at another cleared site of the same company.

- If the classified work will take place at the facility identified in Item 6a (or 7a) leave blank.
- If there are more places of performance, identify them in Item 13. Include the facility name, address and CAGE code and send a copy of the DD Form 254 to the appropriate CSO(s).

.....**NOTE:** Keep in mind that by identifying an actual performance location, you are limiting all performance under the contract to the location(s) identified in item 8.

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#### **Item 9. General Identification of This Procurement**

Enter a short, concise, and unclassified description of the procurement. The procurement could be research, development, production, study, services, etc.

**NOTE:** Provide enough detail to provide an adequate picture of the project. Keep this field short but informative.

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#### Item 10. This Contract Will Require Access To:

Mark all items "YES" or "NO," as appropriate to the requirements of the contract. An explanation of each item follows.

**IMPORTANT:** These are access requirements for the contractor and their employees. It does not refer to safeguarding. Fill this out regardless of where the access will occur (contractor's facility, a government facility).

**~~ADCFH5 BH~~:** Access to proscribed information by a company cleared under an SSA may require a NID (National Interest Determination) by the GCA.

#### 10a. Communications Security Information (COMSEC)

COMSEC information includes accountable or non-accountable COMSEC information and controlled cryptographic items (CCI).

- If any of the following is involved the contractor must have a COMSEC account and item 11h must be marked "YES:"
  - Accountable COMSEC material
  - Secure Telephone Equipment (STE)
  - Other key-able COMSEC devices
- Prior approval from the GCA is required in order for a Prime Contractor to grant COMSEC access to a subcontractor. The Prime Contractor will (SC) also notify the NSA (National Security Agency) Central Office of Record (COR) before negotiating or awarding subcontracts.

**NOTE:** If accountable, COMSEC material used under the contract required transmission via the Defense Courier Service. Item 11k must also be marked "YES."

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#### 10b. Restricted Data

Mark "YES" if access to RESTRICTED DATA information is required under the contract.

#### 10c. Critical Nuclear Weapon Design Information (CNWDI)

Mark "YES" if access to CNWDI is required under the contract.

- GCA approval is required prior to granting CNWDI access to a subcontractor. Special briefings and procedures are also required. Access to CNWDI requires a final U.S. Government clearance at the appropriate level.
- Since CNWDI is a subset of the RESTRICTED DATA category of classified information, 10b must be marked "YES."

#### .....10d. Formerly Restricted Data

Mark "YES" if access to FORMERLY RESTRICTED DATA is required.

#### .....10e. Intelligence Information

The Director of National Intelligence (DNI) has jurisdiction and control of intelligence information. If intelligence information must be accessed, the GCA is responsible for ensuring that the additional security requirements outlined in various DNI Director of Central Intelligence Directives or Intelligence Community Directives are incorporated in the guidance provided to the contractor. (The CSO does not conduct security reviews for SCI but is still responsible for security reviews involving NON-SCI in the possession of a contractor or subcontractor.)

SCI is very expensive for the contractor to maintain, so if there is no requirement do not mark this item. In some cases the contractor will request this item be marked so they can maintain an existing secure area, but it should not be done because the overhead associated with the facility may cost the program.

If access to SCI is required:

- Mark 10e(1) "YES."
- Mark Items 14 and 15 "YES."

If access to non-SCI is required:

- Mark 10e(2) "YES."
- Mark Item 14 "YES"
- Mark Item 15 "NO."

If access to SCI and non-SCI is required:

- Mark 10e(1) and 10e(2) "YES."
- Mark Item 14 "YES."
- Mark Item 15 as appropriate

Prior approval of the GCA is required before a subcontract involving access to Intelligence Information can be issued.

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#### 10f. Special Access Information

Special Access Programs (SAP) imposes requirements on the contractor that exceed the NISPOM. When SAP information is involved, the program or supporting SAP security office is responsible for providing the contractor with the additional security requirements needed to ensure adequate protection of the information. The additional requirements would be included in the contract document itself or in Item 13 or both, or they might be provided separately. Item 13 should reference a Program Security Guide and Program Classification Guide and the guides should not be older than 5 years. If they are older or getting ready to reach their 5 years, request updated guides from the program or supporting SAP security office.

If SAP requirements are imposed on the contractor:

Mark Item 10f "YES."

Mark Item 14 "YES."

Complete Item 15 as appropriate. (Some SAPs qualify as "carve-outs," but not all SAPs are "carve-outs.")

If a SAP subcontract is awarded, it is the Prime Contractor's responsibility to incorporate the additional security requirements in the subcontract. Authority for subcontracting and access must be obtained from the program or supporting SAP security office.

**BCH9:** If the contractor requires access to SIPR network, a NATO briefing will be required due to NATO information residing on the SIPR network. Item 13 should be annotated to reflect this requirement.

#### 10g. NATO Information

Mark "YES" if the contract requires access to classified information or documents belonging to the NATO or containing NATO classified information.

The Prime contractor must receive approval from the GCA to impose NATO requirements or grant NATO access to a subcontractor.

#### 10h. Foreign Government Information

This item includes any foreign government information except NATO. Mark "YES" if applicable.

The Prime Contractor must receive approval from the GCA to authorize a subcontractor access to foreign government information.

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#### 10i. Limited Dissemination Information (LIMDIS)

“LIMDIS” is no longer a valid program and this item is no longer used; this option will be removed on the next version of the DD Form 254. Mark this item “NO.”

**NOTE:** The term “LIMDIS” pertaining to classified programs is not to be confused with the National Geospatial-Intelligence Agency’s “LIMDIS” program applied to unclassified NGA material. When NGA LIMDIS is used on a classified contract, the requirements for protecting this unclassified information will be included in a contract clause and may also be addressed in Item 13 of the DD Form 254.

#### 10j. For Official Use Only Information

When this item is marked “YES,” the GCA is responsible for providing the contractor with the classification guidance necessary for the protection of the information. The NISPOM does not provide guidance concerning FOUO so the GCA must provide guidance on protection procedures in Item 13.

#### 10k. Other

Use this item for any other information not included in 10a through 10j. Specify the type of information and include any additional remarks in Item 13.

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### Item 11. In Performing This Contract, the Contractor Will:

Mark all items "YES" or "NO" according to the requirements of the contract. An explanation of each item follows.

**IMPORTANT:** These are the performance requirements for this contract. Mark only those that are required in the performance of this contractual effort.

#### **11a. Have access to classified information only at another contractor's facility or at a government activity.**

"ONLY" is the key word. Mark "YES" when access or storage of classified information is not required at the contractor's facility.

If marked "YES":

- Item 1b should be marked "N/A" or "None."

**NOTE:** If 11a is "YES", then 11b, 11c and, 11d will be "NO" – they are mutually exclusive. This question is about where classified access will take place. If no classified work is to be done at the contractor's facility then they will not be receiving, generating, or fabricating anything classified at that location.

#### **11b. Receive classified documents only.**

"ONLY" is the key word. Mark "YES" when the contractor will receive classified documents for reference purposes. By marking this item "YES" then it is expected that there will be no generation or derivative classification of classified material at the contractor facility.

If the volume or configuration of the documents is such that specialized storage requirements are necessary, contact the CSO to verify storage capacity at the contracting facility.

**NOTE:** If material is received and or stored at the cleared contractor site for reference purposes only and all other classified work is done at a government site or other cleared contractor facility site, mark this "YES."

#### **11c. Receive and generate classified information.**

Mark "YES" when the contractor is expected to receive and generate classified material (documents and/or hardware) and will require detailed security classification guidance in order to perform on the contract.

If this item is marked "YES," detailed security classification guidance must be provided. The guidance may be:

- Included in Item 13, and/or

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- Attached to the DD Form 254, and/or
- Forwarded under separate cover

If the volume or configuration of the classified material is such that specialized storage requirements are necessary, contact the CSO to verify storage capacity at the contracting facility.

Appropriate statements may be included in Item 13 to direct the contractor to the guidance for the contract.

**IMPORTANT:** This is the field to select if the contractor will be receiving, generating, and having access at the cleared contractor facility, as well as a government installation or another cleared contractor site.

#### **11d. Fabricate, modify, or store classified hardware.**

Mark "YES" if the contractor is expected to manufacture or use hardware containing classified material.

Include as much information as possible (additional information can be added in Item 13) to describe the nature and extent of the storage that will be required.

- Will Restricted or Closed Areas as specified in the NISPOM be required?
- How much hardware is involved? How large?

If more than 2 cubic feet of storage is required, contact the CSO to verify storage capacity at the contracting facility.

#### **11e. Perform services only.**

Mark "YES" if the contractor is performing a service only and is not expected to produce a deliverable item.

REMINDER: If Item 11e. is marked "YES" and the services to be performed do not apply to a specific contract (for example guard services or maintenance), enter the term "Multiple Contracts" in 2a instead of the prime contract number.

You should enter a statement in Item 13 that explains the services and that provides appropriate security guidance. Some examples are provided below.

##### **Graphic Arts Services**

"Reproduction services only. Classification markings on the material to be furnished will provide the classification guidance necessary for performance of this contract."

##### **Equipment Maintenance Services**



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“Contract is for equipment maintenance services on equipment which processes classified information. Actual knowledge of, generation, or production of classified information is not required for performance of the contract. Cleared personnel are required to perform this service because access to classified information can not be precluded by escorting personnel.

#### Guard Services

“Contract is for guard services. Cleared personnel are required by the NISPOM to provide supplemental protection.”

#### **11f. Have access to U.S. classified information outside the U.S., Puerto Rico, U.S. Possessions and Trust Territories.**

If “YES,” indicate in Item 13 the U.S. activity where the overseas performance will occur. Also list the city and country. Item 14 may also be marked “YES” and completed as appropriate depending upon the programs involved. Because security reviews will have to be conducted by an organization other than the CSO, Item 15 should also be completed as appropriate.

- For DoD contractors performing on overseas contracts, provide a copy of the DD Form 254 to the appropriate DSS Office of Industrial Security, International. (See NISPOM Appendix A or contact DSS.)
- Foreign companies will not normally be bound by the requirements of the NISPOM, so security requirements should be included in the contract when contracting with foreign contractors. Consult the international security agreement industrial security annex when contracting with foreign firms in order to determine how best to provide classification guidance to foreign companies. See NISPOM paragraph 10-202 for suggested “Security Clauses for International Contracts” for classified contracts involving foreign contractors.

#### **11g. Be authorized to use the services of the Defense Technical Information Center (DTIC) or other secondary distribution center.**

Mark “YES” if the contractor is authorized to obtain classified documents from DTIC. DD Form 1540 and DD Form 2345 must be completed for registration with DTIC.

- The sponsoring GCA must submit the DD Form 1540 “Registration for Scientific and Technical Information Services” to DTIC on behalf of the contractor. For subcontractors, the prime contractor submits the DD 1540 with the GCA verifying need to know.
- The contractor may also submit DD Form 2345 “Militarily Critical Technical Data Agreement” (after registration with DTIC) to the Defense Logistics Services Center for access to unclassified, militarily critical technical data from other DoD sources. The GCA must certify the need-to-know to DTIC.

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### 11h. Require a COMSEC account.

Mark this item "YES" if contractor must store accountable COMSEC information at their cleared facility in the performance of a contract. If non-accountable COMSEC information is involved, mark this item "NO."

**NOTE:** Accountable COMSEC material includes COMSEC aids and equipment which have the purpose to secure telecommunications or to ensure authenticity of such communications to include COMSEC key, CCI, in-process items that describe cryptographic logic and other items which perform COMSEC functions. This material must be controlled within the COMSEC Material Control System (CMCS) or an in-process accounting system.

Non-accountable COMSEC material includes COMSEC equipment or aids that are not controlled within the CMCS or an in-process accounting system but may require control within a document control system.

### 11i. Have TEMPEST Requirements.

Mark "YES" if the contractor is required to impose TEMPEST countermeasures on information-processing equipment after vulnerability assessments are completed.

TEMPEST requirements are additional to the requirements of the NISPOM. Thus, Prime Contractors may not impose TEMPEST requirements on their subcontractors without GCA approval.

- If marked "YES," Item 14 must also be marked "YES" and pertinent contract clauses identified or clarifying information added to Item 13.
- If requested by the GCA, TEMPEST Countermeasure Assessment Requests may be included as an attachment to the DD Form 254.

**NOTE:** TEMPEST is a kind of electronic shielding required for certain areas or equipment. It can be very expensive and is not generally required inside the US without proper justification.

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#### 11j. Have Operations Security (OPSEC) Requirements.

Mark "YES" if the contractor must impose certain countermeasures directed to protect sensitive or classified operations.

OPSEC requirements are additional to the requirements of the NISPOM. Prime Contractors may not impose OPSEC requirements on their subcontractors unless the GCA approves the OPSEC requirements.

- If marked "YES," Item 14 must also be marked "YES" and pertinent contract clauses identified or clarifying information must be added to Item 13.

**NOTE:** Check this if any special security guidance is required. It may require checking 10k as well. OPSEC requirements apply to National Industrial Security Program (NISP) contractors when it is determined that additional safeguards are essential for specific contracts; they are imposed in addition to the standard requirements of the NISP. The contractor must also be provided with a copy of the system, command or unit OPSEC requirements or plan. This can be added to Item 13.

#### 11k. Be authorized to use the Defense Courier Service (DCS)

A "YES" in this item authorizes the contractor to use the services of DCS. The GCA must obtain written approval from the Commander, Defense Courier Service, Attn: Operations Division, Fort George G. Meade, MD. 20755-5370, in order to impose this requirement on contractors. Only certain classified information qualifies for shipment by DCS. The GCA is responsible for complying with DCS policy and procedures. Prior approval of GCA is required before a Prime Contractor can authorize a subcontractor to use the services of DCS.

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#### **11l. Other (Specify)**

Use this item to add any additional performance requirements not covered above. (More information is better than less information.) Item 13 should be appropriately annotated to provide clarifying information when this item is used.

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#### **Item 12. Public Release**

The contractor is responsible for obtaining the approval of the GCA prior to release of any information received or generated under the contract, except for certain types of information authorized by the NISPOM.

GCAs should complete this item as required by internal agency directives to direct the Prime Contractor to the appropriate office in the GCA that has public release authority. Prime Contractors should refer their subcontractors to the GCA office that was referenced in the Prime Contract DD Form 254.

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#### Item 13. Security Guidance

Use this item to expand or explain information referenced in other sections of the DD Form 254. Here are some of the more common questions to consider when completing Item 13.

- What classified information will the contractor need in the performance of this contract?
- Is there an existing Security Classification Guide for the Program?
- Will classified source documents be used? If so, do they contain all the classification guidance the contractor needs?
- What unique characteristics are involved that need protection? Are there design features which require protection? Is there technical information which will require protection?
- What breakthroughs would be significant if achieved in an R&D effort?
- Are there performance limitations that require protection?
- Will classified hardware be furnished to or generated by the contractor?
- What information makes the hardware/services classified?
- Will hardware/data being generated require classification?
- At what stage in its production does hardware/data become classified?
- If subcontracting, is the guidance in the Prime Contract DD Form 254 adequate? Does the entire Prime Contract DD Form 254 apply to the subcontract or are only some portions of the guidance needed by the subcontractor?

Factors to consider when completing Item 13 include:

Each contract is unique in its performance requirements. A standardized format for Item 13 may not necessarily work for every DD Form 254.

Give reasons for classification.

Write the guidance in plain English so it can be easily understood. Use additional pages to expand or explain guidance.

Be as specific as possible and include only that information that pertains to the contract for which the DD Form 254 is issued.

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Avoid references to internal directives and instructions. If such documents provide guidance applicable to the contract, extract the pertinent portions and provide them as attachments. All documents cited in Item 13 should be provided to the contractor, either as attachments or forwarded under separate cover.

Do not extract the requirements of the NISPOM or its supplements and include them in a DD Form 254. The NISPOM provides safeguarding requirements and procedures for classified information, not classification guidance.

The contractor may be encouraged to participate in the preparation of classification guidance and submission of comments and/or recommendations for changes in the guidance that has been provided.

**NOTE:** Use this section as a place to explain anything that might be unclear, confusing, or particularly important. Be careful not to include anything that might be seen as a contradiction to information elsewhere on this form. This section can extend to additional pages if needed. There is no set page limit.

**NOTE:** Item 13 can be used to record the signatures of those parties that assisted in the completion of the form (i.e. contracting officer, program manager and security officer).

**NOTE:** DD Form 254 is a legal document and part of the contract. It is a source of security guidance provided by the Government. List applicable government manuals, page numbers, and other helpful designations. Attach or forward under separate cover all referenced documents.

**NOTE:** If there are additional pages required for Item 13, be sure to note how many extra pages there are in Item 13. Include the contract number on additional pages to ensure proper identification if separated from the DD Form 254. Number the pages as needed.

Example of Expansion Page Header:

CONTINUATION – DD FORM 254 ITEM 13  
Solicitation or Contract #

.....**NOTE:** Properly identify the applicable item when Item 13 is used to expand on other sections of the DD Form 254.

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#### **Item 14. Additional Security Requirements**

Complete this item whenever security requirements imposed on a contractor are in addition to the requirements of the NISPOM or its supplements.

Additional requirements translate into additional costs so it is essential that only necessary additional requirements are imposed.

- A "YES" in this item requires the GCA or Prime Contractor to incorporate the additional requirements in the contract itself or to incorporate the additional requirements by statements or reference in Item 13.
- Costs incurred due to additional security requirements are subject to negotiation between the contractor and the GCA.
- Prior approval of the GCA is required before a Prime Contractor can impose additional security requirements on a subcontractor.
- A copy of additional security requirements contained elsewhere in the contract should be provided to the CSO. (as well as the 254?)



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#### Item 15. Inspections

This section is used to indicate an area that is “carved out” of the CSO’s inspection responsibility and to identify the activity responsible for security cognizance of a particular area. The presence of a “carve out” can be validated by DSS.

Mark “YES” if the CSO is relieved, in whole or in part, of the responsibility to conduct security reviews and provide security oversight to the contractor. The areas for which the CSO is relieved and the agency assuming responsibility must be identified in this item.

The CSO is relieved of the responsibility to inspect:

- SCI material. When access to SCI is required (Item 10.e.(I)), the following statement must be added: “(Enter appropriate Agency/Military Department Senior Intelligence Officer) has exclusive security responsibility for SCI classified material released or developed under this contract and held within the contractor’s SCIF.”
- Special Access Programs where the Program Security Office has “carved out” the CSO from inspection responsibility. Not all SAPs are “carve outs” because, in some instances, the program or supporting SAP Security Office will allow the CSO to retain inspection responsibility.
- Contractor facilities operating on military installations when the installation commander has elected to retain security cognizance.

In all cases, provide the CSO a copy of the DD 254.

**NOTE:** If inspections will be conducted by an organization other than the CSO, complete Item 15. Inspections by an agency other than the CSO do not change the CSO designation. It does not relieve the contracting activity from the responsibility of providing a copy of the DD 254 to the CSO.

\*\*\***NOTE:** This section is used to indicate an area that is “carved out” of the CSO’s inspection responsibility and to identify the activity responsible for security cognizance of that area. The presence of a “carve out” can be validated by DSS.

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#### **Item 16. Certification and Signature**

Enter the name, title, telephone number, address and signature of a designated official certifying that the security requirements are complete and adequate for performance of the classified contract.

- The individual signing the DD Form 254 should ensure it has been adequately coordinated with the appropriate contracting, program and security personnel.

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### **DoD Contract Security Classification Specification**

#### **Item 17. Required Distribution**

Distribute copies of the DD Form 254, as appropriate, and indicate the distribution in the respective items. Additional copies can be distributed internally to your visit control office, contracts department, department heads, etc.

NOTE: It is recommended that, as a minimum, the DD Form 254 is provided to DSS, contractor/subcontractor FSO if applicable, and the GCA point(s) of contact.