



DEPARTMENT OF THE AIR FORCE
WASHINGTON, DC

OFFICE OF THE SECRETARY

DAFGM2023-16-1410

29 June 2023

MEMORANDUM FOR DISTRIBUTION C
MAJCOMs/FLDCOMs/FOAs/DRUs

FROM: SAF/AA
1720 Air Force Pentagon
Washington, DC 20330-1720

SUBJECT: Department of the Air Force Guidance Memorandum Establishing Department of the Air Force Enhanced Security Program to Support the DoD Innovation Initiative in accordance with AFPD16-14, *Security Enterprise Governance*.

By Order of the Secretary of the Air Force, this Department of the Air Force Guidance Memorandum is the first instance of a to-be published Department of the Air Force (DAF) publication that establishes the DAF Enhanced Security Program to Support the DoD Innovation Initiative (hereafter referred to as the "DAF DESP"). Compliance with this memorandum is mandatory. To the extent its directions are inconsistent with other Department of the Air Force publications, the information herein prevails, in accordance with Department of the Air Force Instruction (DAFI) 90-160, Publications and Forms Management and Department of the Air Force Manual (DAFMAN) 90-161, Publishing Processes and Procedures.

This publication applies to all DAF civilian employees and uniformed members of the Regular Air Force, the Air Force Reserve, the Air National Guard, the United States Space Force, the Civil Air Patrol when conducting missions as the official Air Force Auxiliary, and those with a contractual obligation to abide by the terms of DAF issuances. There are no releasability restrictions on this publication.

No tier waiver statement or tier numbering is provided, as the requirements of this guidance memorandum are not waivable. This guidance may not be supplemented. Refer recommended changes and questions about this publication to the OPR using the DAF Form 847, Recommendation for Change of Publication; route DAF Forms 847 from the field through the appropriate functional chain of command.

Ensure all records created as a result of processes prescribed in this publication are maintained in accordance with AFI 33-322, Records Management and Information Governance Program, and disposed of in accordance with the Air Force Records Disposition Schedule (RDS) located in the Air Force Records Management System.

Memorandum becomes void after one year has elapsed from the date of this memorandum, or upon publishing of a new publication permanently establishing this guidance, whichever is earlier.

ANTHONY P. REARDON, SES, DAF
Administrative Assistant
The Office of the Secretary of the Air Force

Attachments:

1. DAF Enhanced Security Program to Support DoD Innovation Initiatives Policy
2. Glossary of References and Supporting Information
3. Sample Memorandums

Attachment 1

DAF Enhanced Security Program to Support DoD Innovation Initiatives Policy

1. Overview.

1.1. This publication implements Department of Defense Instruction (DoDI) 5205.85, Enhanced Security Program to Support the DoD Innovation Initiative, as directed under Section 951 of Public Law 114-328, and provides supplementary policy instruction to the DoD Personnel Security and Industrial Security Programs.

1.2. The goal of the DAF DESP is to support the DoD's Innovation Initiative and better leverage commercial technology by clearing contractor employee personnel that require access to classified information as part of a DoD Innovation Initiative.

1.3. Companies that participate in the DAF DESP shall not have or be in process for entity eligibility determinations, also referred to as "facility security clearances," under the National Industrial Security Program (NISP). Companies that already have or are or in process for entity eligibility determinations are not eligible for the DAF DESP. The DAF DESP is not authorized to be used in place of the NISP.

1.4. If a company participating in the DAF DESP subsequently requires a facility security clearance under the NISP, its personnel security clearances managed under the DAF DESP may continue to be held by the DAF until the Facility Clearance (FCL) is granted.

1.5. Company personnel initiated for clearances under the DAF DESP must be U.S. citizens.

1.6. Companies participating in the DAF DESP are not to store, transmit, or process any classified information at the company's physical location or on any information system or network at or from the DAF DESP company's physical location. DAF DESP company personnel will only have access to classified information at DoD locations, US Government locations, or any NISP cleared contractor facility with a legitimate classified contract or agreement by the Government Contracting Activity (GCA).

1.7. Foreign Ownership, Control, or Influence (FOCI) mitigation or negation agreements are not authorized under the DAF DESP. If it is determined that a company is under FOCI to such a degree that participation in the DAF DESP would be inconsistent with U.S. national security interests, then they are not eligible to participate in the DAF DESP.

1.8. DAF DESP company personnel will not be granted higher than a SECRET-level security clearance.

2. Roles and Responsibilities.

2.1. The Administrative Assistant to the Secretary of the Air Force (SAF/AA), is the Department of the Air Force (DAF) Senior Agency Official (SAO) for Security appointed by the Secretary of the Air Force, per Headquarters Air Force Mission Directive (HAFMD) 1-6. SAF/AA:

2.1.1. Is responsible for the oversight of information protection (IP) for the DAF security enterprise

2.1.2. Appoints SAF/AZ as its designee to execute all SAO for Security responsibilities outlined in DoDI 5205.85

2.2. The Assistant Secretary of the Air Force for Acquisition, Technology, and Logistics (SAF/AQ) is a DAF Senior Procurement Executive (SPE) and a Service Acquisition Executive for non-space systems and programs. SAF/AQ:

2.2.1. Is responsible for non-space systems and programs contracting activities, including all actions related to contracts and other instruments to obtain supplies and services

2.2.2. Has authority related to the oversight of independent research and development (IR&D)

2.2.3. Will oversee non-space systems and programs Government Contracting Activity (GCA) compliance with this publication

2.2.4. Submit an update to the Office of the USD(I&S) Counterintelligence, Law Enforcement, and Security Directorate by the end of the second quarter of each fiscal year on the program's effectiveness for non-space programs or need for changes to support the DoD Innovation Initiative

2.3. Assistant Secretary of the Air Force for Space Acquisition and Integration (SAF/SQ) is the Service Acquisition Executive for DAF space systems and programs, and discharges assigned duties & authorities of SPE for DAF space systems & programs, per HAFMD 1-17. SAF/SQ:

2.3.1. Is responsible for providing space-focused input and coordination. SAF/SQ retains decision/approval authority for space systems and programs when SAF/AQ manages an activity as DAF lead

2.3.2. Has authority related to decisions/approvals for the oversight of USSF-funded IR&D

2.3.3. Will provide space-focused input as needed on DAF contracting matters and will oversee space systems and programs GCA compliance with this publication.

2.3.4. Submit an update to the Office of the USD(I&S) Counterintelligence, Law Enforcement, and Security Directorate by the end of the second quarter of each fiscal year on the program's effectiveness for space programs or need for changes to support the DoD Innovation Initiative

2.4. The Director, Security, Special Program Oversight and Information Protection (SAF/AAZ) serves as the principal advisor to SAF/AA for information protection and is designated by the SAO for Security to execute SAO for Security responsibilities outlined in DoDI 5205.85, including:

2.4.1. Provide concurrence with a GCA determination when a company meets the criteria to participate in the DAF DESP

2.4.2. Provide endorsement of personnel security investigation (PSI) requests for DAF DESP company personnel through the Defense Counterintelligence and Security Agency (DCSA)

2.4.3. Oversee security compliance with this publication

2.4.4. Maintain a tracker of DAF DESP companies

2.5. Office of Special Investigations (OSI) provides relevant intelligence information or counterintelligence assessments when requested

2.6. Major Command (MAJCOM)/Field Command (FLDCOM) Security Program Executive (SPE) is responsible for DAF DESP security operations within their command, including

2.6.1. Overall security cognizance of DAF DESP companies

2.6.2. Providing necessary support to GCAs, supporting activity security managers, unit security assistant, servicing information protection offices (IPOs), and other offices as designated by the MAJCOM/FLDCOM Commander

2.7. Government Contracting Activity (GCA) is responsible for executing the following DAF DESP activities:

2.7.1. Establishing and maintaining a Memorandum of Agreement (MOA), as described in Section 4, with DAF DESP companies as required in DoDI 5205.85

2.7.2. Maintaining a tracker of DAF DESP companies used within the command, and provide annual status of program, to include the program's effectiveness, to SAF/AAZ NLT the end of the 1st Quarter of each fiscal year

2.7.3. Directing DAF DESP candidate companies through designated GCA channels to submit required documentation annotated in DoDI 5205.85

- 2.7.4. Ensuring analysis of the company's DAF DESP eligibility and FOCI is accomplished in accordance with DoDI 5205.85 requirements
- 2.7.5. Making a determination of DAF DESP company eligibility
- 2.7.6. Submitting requests for concurrence on GCA's DAF DESP company employee eligibility determination and endorsement of DAF DESP company employee clearance requirements to SAF/AAZ
- 2.7.7. Coordinating with the servicing IPOs to submit personnel security investigations (PSIs) for endorsed DAF DESP company employees to DCSA
- 2.7.8. Requesting support from supporting OSI detachment when required
- 2.7.9. Integrating DAF DESP company employees into the Information Security Program in accordance with (IAW) DoDM 5220.22 Volume 2_AFMAN16-1406V2 and supplements thereto.
- 2.7.10. Coordinating with the servicing IPO on drafting the MOA IAW paragraph 3.4 of this DAFGM and ensure local security procedures are incorporated into the document.
- 2.7.11. Reassessing whether the company is under FOCI when the company reports any material changes concerning FOCI IAW paragraph 5.2 of this DAFGM.
- 2.8. Servicing Information Protection Office (IPO) is responsible for integrating DAF DESP security requirements into operations. The servicing IPO will:
 - 2.8.1. Ensure DAF DESP entities are designated as and categorized as an integrated visitor groups IAW DoDM 5220.22 Volume 2_AFMAN16-1406V2 and supplements thereto when classified performance is on a DAF installation or within a DAF government facility
 - 2.8.2. Provide oversight of the DAF DESP security activities within their organization and enforce standards to ensure classified information to which DAF DESP company employees are authorized access is protected IAW DoDM 5220.22 Volume 2_AFMAN16-1406V2 and supplements thereto
 - 2.8.3. Track and maintain data on DAF DESP companies, as defined by SAF/AAZ under section 2.4. of this DAFGM. Maintain files, either electronic or hard copy, of DAF DESP companies that include a copy of the MOA, point of contact at the GCA, and names of DAF DESP company employees performing on the installation or government facility.
- 2.9. Unit Security Manager/Assistants will:
 - 2.9.1. Provide security oversight of DAF DESP personnel IAW DoDM 5220.22 Volume 2_AFMAN16-1406V2 and supplements thereto
 - 2.9.2. Initiate, submit, and/or release personnel clearance investigations for DAF DESP company employees as they would direct consultants in the DoD personnel security system of record IAW DoDM 5200.02_AFMAN 16-1405, unless otherwise delegated
 - 2.9.3. Own DAF DESP company employee personnel security clearance records when performance is at another government activity or cleared contractor location
 - 2.9.4. Submit visit requests in the system of record to external organizations on behalf of the DAF DESP employee
 - 2.9.5. Assess reports submitted under the DAF DESP, including suspicious contacts; loss, compromise, or suspected compromise of classified information; information that adversely reflects on the integrity or character of a DAF DESP company employee; and material changes to the submitted SF 328, and coordinate such reports as required IAW DoDM 5220.22V2_AFMAN16-1406V2
 - 2.9.6. Provide required security training to DAF DESP company employees
 - 2.9.7. Track and maintain data, as defined by SAF/AAZ, on DAF DESP company companies

3. Evaluating DAF DESP Eligibility.

3.1. When a company has been identified as requiring access to classified information in support of DAF efforts to capitalize on innovative technologies and solutions, the GCA will immediately initiate engagement with the company to obtain basic company information, including:

3.1.1. Company name

3.1.2. Physical Address

3.1.3. Commercial and Government Entity (CAGE) code

3.1.4. Point of contact email

3.1.5. Point of contact phone number

3.2. The GCA will leverage this information to verify whether the company already has an entity eligibility determination under the NISP via the DCSA industrial security system of record, or whether the company is in process for an entity eligibility determination (i.e. FCL) by contacting the DCSA help desk, and if the company has already been evaluated by DCSA under the DAF DESP.

3.2.1. If the company has or is in process for a NISP entity eligibility determination, then it is not eligible for the DAF DESP and the GCA will notify the company of its ineligibility (reference Attachment 4)

3.2.2. If the company has been evaluated for DAF DESP eligibility by the DAF, the GCA will consider how long it has been since the assessment was completed and whether there have been any material changes since then to determine if a new FOCI analysis is required. If the assessment was completed within one year, the GCA will request the entity to provide certification that it did not encounter any material changes since the last DCSA assessment. The GCA must use the date of the last FOCI assessment in this communication

3.2.3. If the company was evaluated for DAF DESP eligibility by another DoD Component, the GCA will request a copy of the FOCI analysis for review and will request certification from the DAF DESP entity if it encountered any changed conditions since the date of the component FOCI analysis

3.3. If the company does not have and is not in process for a NISP entity eligibility determination and therefore may be eligible under the DAF DESP, the GCA will request the following from the company:

3.3.1. A security point of contact

3.3.2. A completed SF 328, *Certificate Pertaining to Foreign Interests*

3.3.3. Documentation detailing the company's business structure, ownership, and governance. Reference DCSA's "FCL Orientation Handbook" for business records required based on business structure: <https://www.dcsa.mil/Industrial-Security/Entity-Vetting-Facility-Clearances-FOCI/Facility-Clearances/>

3.3.4. Executed SF 312, *Classified Information Nondisclosure Agreements*, for company employees that will require access to classified information under the DAF DESP.

3.4. Upon receipt of the required paperwork, the GCA will collaborate with the servicing IPO or Unit Security Manager/Activity (as appropriate) to execute an MOA with the company. In addition to the requirements outlined in DoDI 5205.85, Section 4, the MOA must:

3.4.1. Include company and GCA points of contact, including company security point of contact

3.4.2. Outline training that DAF DESP company employees must complete, and completion timelines

3.4.3. Include additional security requirements, such as Operations Security (OPSEC) or relevant local security policies applicable to the company's on-installation access to classified information

3.4.4. Provide a description of reporting expectations, including reports of suspicious contacts; loss, compromise, or suspected compromise of classified information; information that adversely reflects on the integrity or character of a DAF DESP company employee; and material changes to the submitted SF 328. It must also include procedures for submitting such reports

3.4.5. Summarize the DAF DESP eligibility decision appeal process and requirements outlined DoDI 5205.85

3.4.6. Indicate that the DAF DESP company and its employees are subjected to all on-installation, government facility, or host cleared NISP contractor security procedures and oversight

3.5. When all required paperwork is received and the MOA has been executed, the GCA will ensure a FOCI analysis is completed that meets DoDI 5205.85 requirements, and may leverage Supplier Analysis processes that are in place for Supply Chain Risk Management assessments

3.6. The GCA will form a DAF DESP eligibility recommendation (i.e., eligible or not eligible) by considering the FOCI analysis results and:

3.6.1.1. Technology involved in innovation effort

3.6.1.2. Impact to innovation effort if company is not able to access classified information

3.6.1.3. Criticality of innovation and capability to DAF needs

3.7. The GCA will submit its eligibility determination to SAF/AAZ for concurrence (reference Attachments 2 and 3, as appropriate)

3.8. Upon SAF/AAZ concurrence of GCA's eligibility determination and endorsement, the GCA will provide completed paperwork to the Unit Security Manager/Assistant to initiate necessary PSIs

4. Submitting Personnel Security Investigation Requests

4.1. Using the information provided by the GCA, the Unit Security Manager/Assistant will establish an owning security management relationship with the DAF DESP company employees in the personnel security system of record and submit the PSI requests to DCSA

4.2. If additional information is required from the company employees, the Unit Security Manager/Assistant will go through the GCA to obtain it

4.3. The Unit Security Manager/Assistant must ensure PSIs are submitted only for company employees outlined in the MOA and endorsed by SAF/AAZ

4.4. The PSI requests will be tagged for prioritization and submitted in accordance with DCSA procedures

5. Overseeing DAF DESP Company Employees.

5.1. The Unit Security Manager/Assistant will manage DAF DESP company employees as integrated visitor groups INAW DoDM 5220.22 Volume 2_AFMAN16-1406V2, DoDM 5200.02_AFMAN16-1405, and supplements. This includes, but is not limited to:

5.1.1. Maintaining an owning-security management relationship in personnel security system of record

5.1.2. Submitting and acting on reports as required in DoDM 5200.02_AFMAN 16-1405

5.1.3. Executing training requirements required in DoDM 5200.02_AFMAN 16-1405 and DoDM5200.01V3_AFMAN16-1404V3

5.1.4. Processing security incidents involving DAF DESP company personnel in accordance with DoDM 5200.01 V3_AFMAN 16-1404 V3 requirements

5.1.5. Sending visit requests in support of classified meetings and visits

5.2. The Commander and/or Director of the GCA will integrate DAF DESP company employees into their Information Security Program IAW DoDM 5220.22 Volume 2_AFMAN 16-1406 V2, DoDM 5200.02_AFMAN 16-1405 and supplements thereto.

5.3. The GCA will reassess whether the company is under FOCI IAW appendix 3A of DoDI 5205.85 when the company reports any material changes concerning FOCI, and request DCSA assistance with evaluating the changes, if necessary

Attachment 2

GLOSSARY OF REFERENCES AND SUPPORTING INFORMATION

References

P.L. 114-328, Sec. 952
DoDI 5205.85, *Enhanced Security Program to Support the DoD Innovation Initiative*, August 16, 2022
DoDM 5200.01V3_AFMAN 16-1404V3, *Information Security Program: Protection of Classified Information*, 12 April 2022
DoDM 5200.02_AFMAN 16-1405, *Air Force Personnel Security Program*, 1 August 2018
DoDM 5220.22V2_AFMAN 16-1406V2, *National Industrial Security Program: Industrial Security Procedures for Government Activities*, 8 May 2020
Secretary of Defense Memorandum, *The Defense Innovation Initiative*, 15 November 2014

Abbreviations and Acronyms

CAGE Code - Commercial and Government Entity Code
DAF - Department of the Air Force
DAFGM - Department of the Air Force Guidance Memorandum
DAFI - Department of the Air Force Instruction
DAFMAN - Department of the Air Force Manual
DCSA - Defense Counterintelligence and Security Agency
DESP - Defense Enhanced Security Program
DoDI - Department of Defense Instruction
FCL - Facility Clearance
FLDCOM - Field Command
FOCI - Foreign Ownership, Control, or Influence
GCA - Government Contracting Activity
IP - Information Protection
IPO - Information Protection Office
IR&D - Independent Research and Development
MAJCOM - Major Command
MOA - Memorandum of Agreement
NISP - National Industrial Security Program
OSI - Office of Special Investigations
PSI - Personnel Security Investigation
SAO - Senior Agency Official
SPE - Service Program Executive

Terms

CAGE Code - A five-character alpha-numeric identifier assigned to entities located in the United States and its territories and used to support a variety of procurement and acquisition processes throughout the U.S. Government.

GCA - An element of a DoD Component designated and delegated by the DoD Component head or designee with broad authority regarding acquisition functions, to include the appropriate resources and personnel (e.g., contracting officers or their designees, program managers, program offices, and security personnel) with appropriate security education and training.

IPO - Defined in DAFI16-1401.

PSI - Any investigation required for the purpose of determining the eligibility of DoD military and civilian personnel, contractor employees, consultants, and other persons affiliated with the DoD for access to classified information, acceptance or retention in the Military Departments, assignment or retention in sensitive duties, or other designated duties requiring such investigation. It also includes investigations of allegations that arise subsequent to adjudicative action and require resolution to determine an individual's current eligibility for a national security position.

Attachment 3

SAMPLE MEMORANDUMS

Figure A3.1. Sample Memorandum to SAF/AAZ for Concurrence on DAF DESP Eligibility and Personnel Security Investigation Endorsement.

<p style="text-align: center;">(APPROPRIATE LETTERHEAD)</p> <p>MEMORANDUM FOR SAF/AAZ</p> <p>FROM: Government Contracting Activity Official Address</p> <p>SUBJECT: Concurrence on DAF DESP Eligibility and Personnel Security Investigation Endorsement for <i>(Insert Company Name, Address, CAGE code)</i></p> <p>In accordance with Department of the Air Force Guidance Memorandum XXX, I request SAF/AAZ concurrence of my determination of subject company's eligibility to participate in the DAF DESP and endorsement of identified company employees requiring personnel security investigations and national security adjudications for eligibility for access to classified information under the DAF DESP.</p> <p>The source, nature, and extent of subject company's Foreign Ownership, Control, or Influence (FOCI) was examined and it was determined that the company <i>(is not under FOCI - or- is not under FOCI to any extent that may result in unauthorized access to classified information)</i> (Attachment 1).</p> <p>Additionally, I have determined that the company meets all additional criteria for participation in the DAF DESP. I recommend concurrence with this determination and endorsement of the personnel security investigations requirements outlined in Attachment 2.</p> <p>My point of contact for this action is <i>(insert name, phone number, and email)</i>.</p> <p style="text-align: right;">Government Contracting Activity Official</p> <p>Attachments:</p> <ol style="list-style-type: none">1. DCSA Eligibility Recommendation2. List of Company Employees Requiring Clearances under the DAF DESP <i>(must include first and last names, social security numbers, position titles, and justifications for each company employee that requires a clearance under the DAF DESP)</i>

Figure A3.2. Sample Memorandum to SAF/AAZ for Concurrence on DAF DESP Ineligibility.

<p style="text-align: center;">(APPROPRIATE LETTERHEAD)</p> <p>MEMORANDUM FOR SAF/AAZ</p> <p>FROM: Government Contracting Activity Official Address</p> <p>SUBJECT: Concurrence on DAF DESP Ineligibility for <i>(Insert Company Name, Address, CAGE code)</i></p> <p>In accordance with Department of the Air Force Guidance Memorandum XXX, I request SAF/AAZ concurrence of subject company's ineligibility to participate in the DAF DESP. I have examined the source, nature, and extent of subject company's Foreign Ownership, Control, or Influence (FOCI) and determined that the company <i>is under FOCI and therefore is not eligible for the DAF DESP -or- does not meet DAF DESP eligibility criteria due to (insert reason here)</i>.</p> <p>Upon your concurrence, subject company will be notified of its ineligibility and may appeal the determination no later than 30 days after receipt of written notification that the company does not meet the DAF DESP criteria.</p> <p>My point of contact for this action is <i>(insert name, phone number, and email)</i>.</p> <p style="text-align: right;">Government Contracting Activity Official</p> <p>Attachments: DCSA Eligibility Recommendation</p>

Figure A3.3. Sample Company Notification of DAF DESP Ineligibility.

<p style="text-align: center;">(APPROPRIATE LETTERHEAD)</p> <p>MEMORANDUM FOR <i>INSERT COMPANY NAME HERE</i></p> <p>FROM: Government Contracting Activity Official Address</p> <p>SUBJECT: Notice of DAF DESP Ineligibility for (<i>Insert Company Name, Address, CAGE code</i>)</p> <p>This serves to notify you that your company, (<i>insert company name</i>), is not eligible to participate in the Defense Enhanced Security Program. We have reviewed your submitted documentation in collaboration with the Defense Counterintelligence and Security Agency and identified that (<i>insert disqualifying factors here</i>). As such, you do not meet the eligibility criteria outlined in Department of Defense Instruction 5205.85 and are not authorized to participate in the DAF DESP.</p> <p>You may appeal the determination no later than 30 days after receipt of this notification and must identify the specific relief sought and grounds for that relief.</p> <p>My point of contact for this notification is (<i>insert name, phone number, and email</i>).</p> <p style="text-align: right;">Government Contracting Activity Official</p>
--

Figure A3.4. Sample Company Notification of DAF DESP Approval.

<p style="text-align: center;">(APPROPRIATE LETTERHEAD)</p> <p>MEMORANDUM FOR <i>INSERT COMPANY NAME HERE</i></p> <p>FROM: Government Contracting Activity Official Address</p> <p>SUBJECT: Notice of DAF DESP Participation Approval for (<i>Insert Company Name, Address, CAGE code</i>)</p> <p>This serves to notify you that your company, (<i>insert company name</i>), was approved by the Department of the Air Force (DAF) to participate in the Defense Enhanced Security Program. We have reviewed your submitted documentation in collaboration with the Defense Counterintelligence and Security Agency and confirmed that you meet the eligibility criteria outlined in Department of Defense Instruction 5205.85.</p> <p>Only the employee(s) identified in the attached Memorandum of Agreement and endorsed by the DAF may participate in Defense Enhanced Security Program. These employees can only access classified information under this program following granting of personnel security clearance eligibility at the appropriate level and will only have access to classified information at Department of Defense locations, or an authorized National Industrial Security Program cleared contractor location. Your company is not authorized to store, transmit, or process any classified information at the company's physical location or on any information system or network at or from the company's physical location.</p> <p>My point of contact for this notification is (<i>insert name, phone number, and email</i>).</p> <p style="text-align: right;">Government Contracting Activity Official</p> <p>Attachment Memorandum of Agreement</p>
