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

ISL 2011-04  September 23, 2011
REVISED July 15, 2020

(1-302a) Adverse Information

“National Industrial Security Program Operating Manual” (NISPOM) requires that contractors report to DSS any adverse information coming to their attention concerning their cleared employees. Adverse information consists of any information that negatively reflects on the integrity or character of a cleared employee, that suggests that his or her ability to safeguard classified information may be impaired, or that his or her access to classified information clearly may not be in the interest of national security. Examples of adverse information include culpability for security violations meeting the criteria of paragraph 1-304, NISPOM, use of illegal drugs, excessive use of alcohol, wage garnishments or other indications of financial instability, repeated instances of failing to follow established security procedures, the unauthorized release of classified information and/or unauthorized access to classified information systems, or other violations of information systems security requirements.

Contractors are reminded that any adverse information coming to their attention regarding cleared employees must be reported for the full duration of the individual’s employment with the company. An individual’s anticipated departure or termination of employment, for whatever reason, and whether imminent or not, does not change the contractor’s reporting responsibility.

1 Cleared employees: All contractor employees granted personnel security clearances (PCLs) and all employees being processed for PCLs (Appendix C, “Definitions,” NISPOM).
Adverse information reports submitted pursuant to NISPOM 1-302a should be recorded as an incident report in the Joint Personnel Adjudication System (JPAS)-Defense Information System for Security (DISS). The Defense Industrial Security Clearance Office (DISCO) DoD Consolidated Adjudications Facility (DODCAF) will make a final determination of continued eligibility. No later than August 15, 2020, contractors must be provisioned in DISS in order to comply with the reporting requirements of NISPOM 1-302a for adverse information and incident reports.

DISS access requirements, guidance and other information can be found at:

https://www.dcsa.mil/is/diss/

To request support with DISS Provisioning, contact the Industry Provisioning Team at: dcsa.dcsa-northern.dcsa-dvd.mbx.diss-provisioning@mail.mil

For additional information on reporting requirements, contractors can reference the following Center for Development of Security Excellence website at:
https://www.cdse.edu/popular/jpas.html