INTELLIGENCE COMMUNITY DIRECTIVE

122

Services of Common Concern

A. AUTHORITY: The National Security Act of 1947, as amended; Executive Order 12333, *United States Intelligence Activities,* as amended; and other applicable provisions of law.

B. PURPOSE

1. This Intelligence Community Directive (ICD) establishes policy for the Intelligence Community (IC) on the establishment, funding, governance, and management of services of common concern (SoCC).

2. This Directive rescinds Director of National Intelligence (DNI) Memorandum E/S 00960, *Designation of Services of Common Concern*, December 27, 2010.

C. APPLICABILITY: This Directive applies to the IC, as defined by the National Security Act of 1947, as amended; and to such other elements of any department or agency as may be designated an element of the IC by the President, or jointly by the DNI and the head of the department or agency concerned.

D. POLICY

1. The DNI may designate, in consultation with affected heads of departments or IC elements, one or more IC elements to develop and maintain SoCC on behalf of the IC (hereinafter in this Directive, "SoCC provider") if the DNI determines such services can be more efficiently or effectively accomplished in a consolidated manner.

2. SoCC designations shall remain in effect, subject to review as specified in Section G., unless the designation memorandum, as described in Section E., includes a specific time limit, or the DNI rescinds the SoCC designation.

3. The SoCC provider will be responsible for the day-to-day management of the SoCC, which may include, but is not limited to, programming and budget execution, administrative support, and records management.

4. The SoCC provider shall adhere to DNI direction or guidance related to oversight and management of the SoCC consistent with law, Executive Order, and other policies.

5. IC elements shall first consider SoCC providers to perform services on their behalf before entering into an agreement with another IC element, or Executive Branch department or agency. For information technology (IT) SoCC, IC elements shall follow the policy in ICD 121, *Managing the Intelligence Community Information Environment.*

6. All IC elements are eligible to provide and receive SoCC. Non-IC Executive Branch departments or agencies may receive IC-provided services from a SoCC provider, subject to approval from the DNI, or designee.

7. The SoCC provider shall act under its own authorities found in law, Executive Order, and other policies unless the DNI's authority is specifically delegated in the designation memorandum or subsequent memorandum.

8. The Office of the Director of National Intelligence (ODNI) and proposed SoCC provider shall ensure that a proposed SoCC meets the following criteria prior to initiating the designation process as described in Section E.:

a. Affects more than one IC element;

b. Is not part of the proposed SoCC provider's primary mission requirements;

c. Is consistent with the proposed SoCC provider's authorities found in law, Executive Order, and other policies;

d. Supports a common capability that enables integration or efficiency; and

e. Provides a service to other IC elements.

9. Executive Agent designations by the DNI (or, before April 21, 2005, by the Director of Central Intelligence (DCI)), shall no longer be recognized two years from the effective date of this Directive. Executive Agent designations may be converted to SoCC designations by the DNI, in accordance with Section E. Requests for such SoCC designations shall be submitted within one year of the effective date of this Directive.

E. PROCESS FOR SOCC DESIGNATION

1. Identification

a. The DNI may identify and designate an IC element or IC elements to perform SoCC, consistent with Section D.1.

b. An IC element head may nominate to the DNI, through the ODNI Executive Secretariat, SoCC to be performed by their IC element.

(1) Upon receipt of a SoCC nomination from an IC element head, the ODNI shall:

(a) Review the nomination for SoCC designation against IC mission requirements and determine if the SoCC is warranted.

(b) Determine if SoCC designation will improve efficiency or effectiveness in the IC. ODNI shall conduct a formal study, when warranted, with input from the IC element identified for SoCC designation.

(c) Consult with affected IC elements or departments.

(d) Determine if the IC element identified for SoCC designation is the appropriate IC element to serve as the SoCC provider.

(e) Identify the ODNI component head responsible for the overall oversight of the SoCC.

2. Development

a. If the proposed SoCC is deemed appropriate, the ODNI, in coordination with the IC element identified for designation, shall create a designation memorandum and governing documents, including, at a minimum, a memorandum of understanding, a memorandum of agreement, or an inter-agency agreement (hereinafter in this Directive, "governing documents") to be signed within 180 days of designation.

3. Designation

a. The designation memorandum shall:

(1) Identify the ODNI component head responsible for the overall oversight of the SoCC.

(2) Identify the Authorizing Official, in accordance with ICD 503, *Intelligence Community Information Technology Systems Security Risk Management*, for each IT SoCC, as determined by the IC Chief Information Officer, in coordination with the IC element identified for designation.

(3) Contain the nature and scope of the SoCC designation.

b. The governing documents shall include:

(1) Roles and responsibilities of ODNI and the SoCC provider;

(2) Funding requirements;

(3) Authorities, laws, Executive Orders, and policies applicable to the SoCC;

(4) Mission needs, capability requirements, and scope, as needed, for the SoCC; and

(5) Signatures of the SoCC provider, and the ODNI component head responsible for the overall oversight of the SoCC.

F. FUNDING OF SOCC

1. Funding between ODNI and SoCC Providers

a. The IC Chief Financial Officer (IC CFO) shall recommend to the DNI the manner of initial funding prior to SoCC designation that shall be in accordance with established goals. Not all SoCC designations shall result in additional funding for the IC elements that are designated as SoCC providers.

(1) The ODNI and IC element identified for designation shall coordinate on the SoCC cost and funding model prior to designation. The funding model may include centralized or distributed funding, or fee-for-service.

(2) Other cost and funding models may be employed on a case-by-case basis.

b. The cost and funding model and budget may be amended after SoCC designation, based on a recommendation from the IC CFO, in consultation with the SoCC provider, and the ODNI component head responsible for the overall oversight of the SoCC.

c. When appropriate, the ODNI shall prepare independent cost estimates or review agency cost positions in accordance with ICD 109, *Independent Cost Estimates*.

2. Funding Guidelines

a. All funding provisions for the SoCC remain subject to the availability of funds and must comply with the Anti-Deficiency Act, 31 U.S.C. Section 1341 and Section 1517.

b. The SoCC provider shall use auditable financial reporting, in accordance with the Federal Managers' Financial Integrity Act of 1982, 31 U.S.C. Section 3512.

c. The SoCC provider shall not misappropriate funding for SoCC, in accordance with the Federal Managers' Financial Integrity Act of 1982, 31 U.S.C. Section 3512.

d. The SoCC provider shall receive payment for actual costs and appropriate fees in accordance with applicable law or policies.

(1) The SoCC provider shall use Generally Accepted Accounting Principles to determine the cost of providing the service to other IC elements.

(2) In cases of dispute related to funding between the SoCC provider and the ODNI or service consumer, the ODNI or service consumer may request that the SoCC provider's Inspector General perform an audit of the SoCC to determine if the SoCC provider followed law and policy.

e. The authority for SoCC funding transfers shall be the National Security Act of 1947, Section 102A, as amended, 50 U.S.C. Section 3024.

f. IC elements may transfer funds between agencies for a SoCC via the Treasury Intra-Governmental Payment and Collection, or Department of Defense Military Interdepartmental Purchase Request.

G. GOVERNANCE AND MANAGEMENT

1. The DNI, or designee, shall provide oversight and strategic guidance with respect to missions and priorities to SoCC providers for all SoCC in accordance with Executive Order 12333, section 1.3(b)(2), and 1.4(d), as amended.

2. The SoCC provider shall ensure the SoCC follows all applicable funding, requirements, acquisition, information technology, and information sharing laws, statutes, and policies to ensure successful provision of the service.

3. The ODNI component head responsible for the overall oversight of the SoCC, along with the SoCC provider, shall review the mission and scope requirements, cost, schedule, capabilities provided, budget, and performance of the SoCC at least annually, and may seek modifications as warranted in accordance with Section G.4.

a. The ODNI component head responsible for the overall oversight of the SoCC, along with the SoCC provider, shall assess the SoCC for continued need, effectiveness, and efficiency in performing the services on behalf of the IC at least annually.

b. The ODNI component head responsible for the overall oversight of the SoCC or the SoCC provider shall identify necessary modifications to the SoCC designation memorandum or governing documents, and provide a recommendation to the DNI, when warranted.

4. Modification of SoCC Designations

a. The DNI may direct a modification to SoCC designation memoranda or governing documents.

b. If either the ODNI component head responsible for the overall oversight of the SoCC or the SoCC provider disagrees on the need for modifications, they may appeal the request for modification to the DNI.

5. The DNI, or designee, may direct further oversight on identified SoCC, in addition to Section G.3.

H. ROLES AND RESPONSIBILITIES

1. The IC CFO shall provide the DNI a list of all SoCC that do not have completed governing documents every six months for review, with a copy to the relevant SoCC providers.

2. The Assistant Director of National Intelligence for Policy and Strategy (ADNI/P&S) shall maintain a repository of SoCC designation memoranda, and make it available to IC elements.

3. IC element heads shall:

a. Identify areas where SoCC would increase efficiency or effectiveness for the IC; and

b. Provide the ADNI/P&S a copy of all existing SoCC and DNI- or DCI-signed Executive Agent designation memoranda within 120 days of the effective date of this Directive.

4. IC elements that are SoCC providers shall:

a. Ensure that the development and maintenance of SoCC provides a benefit to the IC;

b. Ensure that the administration of the SoCC they provide is consistent with their mission and authorities;

c. Perform the functions identified in the SoCC designation memorandum and governing documents;

d. Notify, in writing, to the IC CFO and ODNI component head responsible for the overall oversight of the SoCC, of a proposed budget reduction to a SoCC;

e. Ensure the designated SoCC is managed and overseen as an integrated part of their element's internal management and oversight processes;

f. Facilitate the provision of SoCC by executing necessary support agreements, including contracts or financial transactions, as needed;

g. In addition to the reporting requirements in Section G., report results of the performance of SoCC to the ODNI upon request;

h. Designate a point of contact to coordinate matters related to each SoCC with ODNI and other IC elements; and

i. Maintain a repository of all SoCC governing documents their element provides.

I. EFFECTIVE DATE: This Directive becomes effective on the date of signature.

Dan R. Coats
Director of National Intelligence

May 29, 2018
Date