



# Roadmap to Getting a Facility Clearance

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# Presenters



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# What will you walk away with today?



A general understanding of how the facility clearance process works, to prepare your small business for the facility clearance process and considerations to be mindful of as your company looks to enter the cleared industrial base.

## **Topics include:**

- Basic Principles Surrounding Facility Clearances
- Overview of the Facility Clearance Process
- Required Roles and Responsibilities
- Top 5 Reasons for Rejection
- Questions and Considerations to Keep in Mind
- FREE DCSA Resources and Training

# Why Should You Care?



- National Industrial Security Program (NISP) is made up of 12,000 facilities
  - 65% of those facilities are small businesses!
- A facility clearance may be one barrier between you and your next contract.
- The Nation is facing a foreign intelligence threat that is unprecedented in our history. The increased threat is a result of advances in technology (primarily cyber), science, and the globalization of business and the American workforce.
- The role of non-traditional collectors has increased significantly, and these factors have combined to cause the Nation to lose significant amounts of technology and information, most of which is unclassified.
- A facility clearance is not a simple check in the box, it is building a security program and posture to ensure the nation's competitive edge is preserved!

# What is a Facility Clearance?



- A Facility Clearance (FCL) is an administrative determination that a company is eligible for access to classified information
  - Think of this as a company clearance
  - The FCL Process requires Key Management Personnel (KMP) to get Personnel Clearances (PCL)
- National Industrial Security Program Operating Manual (NISPOM), DoD 5220.22-M governs the FCL process and procedures.

# The Facility Clearance Basics



## How can you get a FCL?

- A contractor or prospective contractor cannot apply for its own FCL
- Contractors must be sponsored by Government Contracting Agency (GCA) or cleared contractor AND have legitimate need to have access to classified materials.
  - Sponsorship can begin as soon as you have determined the awardee(s).

## What are company requirements?

- Must need access in connection with a legitimate requirement (**prime or subcontract**)
- Must be organized in the US
- Must have a reputation for integrity and lawful business dealings
- Must not be under Foreign Ownership or Controlling Interest (FOCI)
- **Be mindful of FOCI considerations with investors**

## Does a FCL mean you have to have cleared office space?

- It depends on the classified contract work.

## How much does an FCL cost?

- The government funds the processing of PCLs and FCLs for access to classified information. The only cost to you to go through the process is to ensure the business is in compliance with the National Industrial Security Program Operating Manual (NISPOM).

## Does a FCL expire?

- An FCL remains active until the company no longer has a need to access classified information

# Frequently Asked Questions



1. The solicitation requires bidders to have a facility clearance to be eligible to bid. How can my company get a FCL if we've never had the work before?

- Solicitation requirements are decided by the Contracting Officer. Questions regarding solicitation specific requirements should be directed to them.
- Companies can also be sponsored for a facility clearance by another cleared contractor when access to classified is required through subcontracting.

2. All of the JV partners hold current facility clearances at the appropriate levels, why does our JV need a separate facility clearance?

- The Joint Venture is a separate legal entity and therefore requires its own facility clearance, if access to classified is required.

3. If I am part of an SBA JV, how can I get a facility clearance without having to use 1 of my 3 contracts under the JV?

- 13 CFR 121.103(h) notes "For purposes of this paragraph (h), contract refers to prime contracts, and any subcontract in which the joint venture is treated as a similarly situated entity as the term is defined in part 125 of this chapter"
- 3 contracts in 2 years rule is applicable to those prime and subcontracts that meet the definition of "contract" above

# Facility Clearance Sponsorship Timing



## Pre-Award Sponsorship

Must have need to access classified during the bid process.

Must include:

- Solicitation number
- Solicitation release date
- Solicitation close date
- Level of classification
- Copy of pre-award DD254

## Post-Award Sponsorship

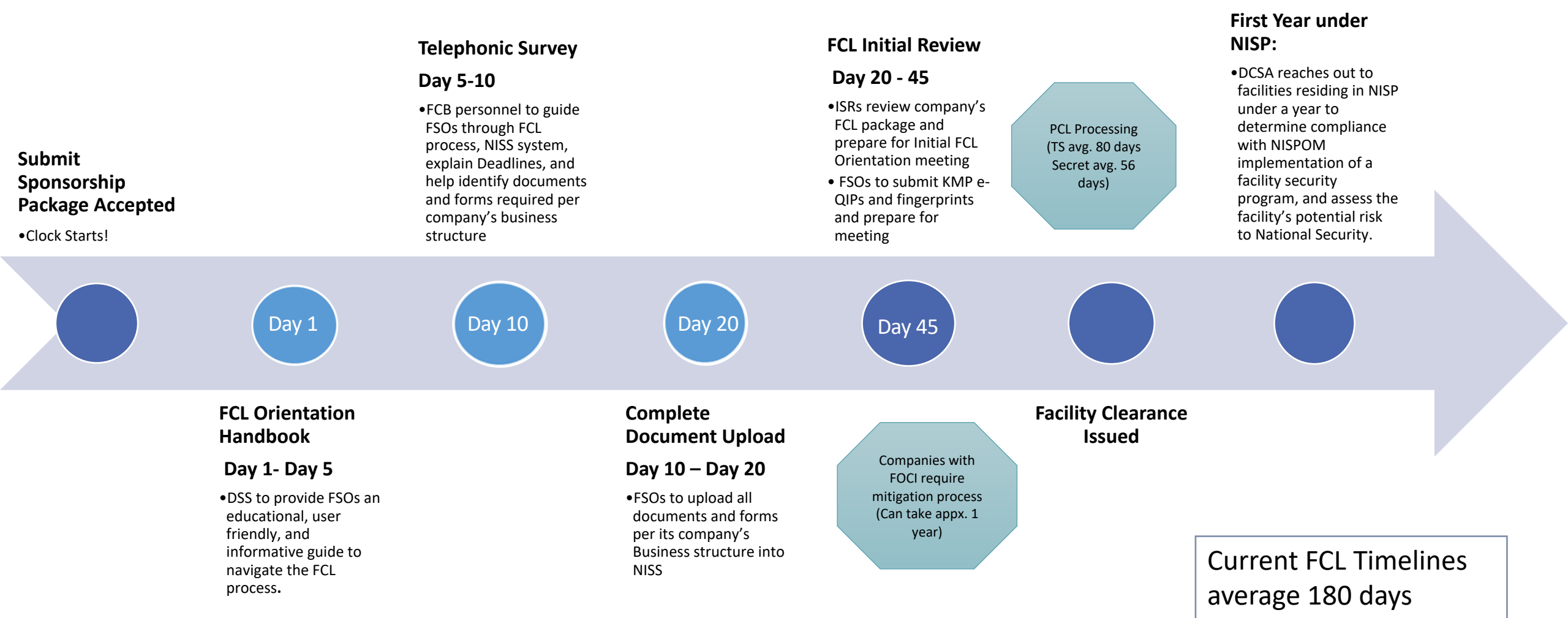
Must have need to access classified during performance of the contract.

Must include:

- DD254
- SOW/PWS
- Written GCA Authorization



# FCL Process



# What are the KMP Requirements?



## Key Management Personnel General Information



**Senior Management Official (SMO)** is required to be cleared in connection with the Facility Clearance in accordance with NISPOM 2-104. The SMO is the person who is the senior management authority of the organization per the organization's business documents.




**Insider Threat Program Senior Official (ITPSO)** is the senior official responsible for establishing and executing the organization's insider threat program.

**Facility Security Officer (FSO)** designated by the organization and responsible for supervising and directing security measures necessary for implementing requirements of the National Industrial Security Operating Manual (NISPOM).

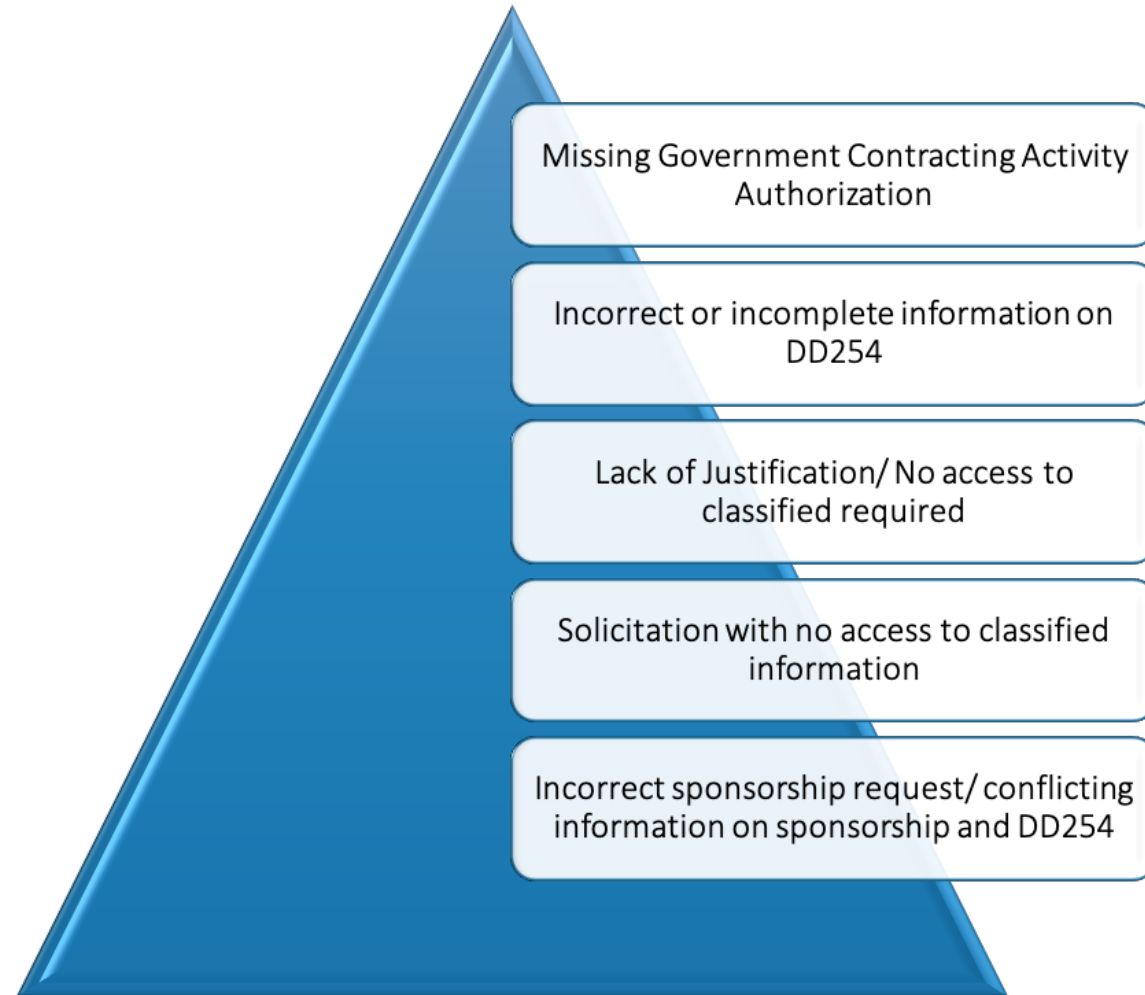
Note: All roles can be fulfilled by one or more people. They can be the people performing the roles under the separate entities currently.

# Business Structure and Required Documents



 University/ College	 Sole Proprietorship	 Joint Ventures
<p><b>Required Documents</b></p> <p>Charter/Bylaws</p> <p>Board/ University Meeting Minutes</p> <p>Legal Organization Chart</p>	<p><b>Required Documents</b></p> <p>Business License</p> <p>Fictitious Name Certificate</p> <p>Certificate of Sole Proprietorship</p> <p><b>Note:</b> An FCL is not required when the sole owner requires access to classified.</p>	<p><b>Required Documents</b></p> <p>Business Type is required</p> <p>JV Agreement</p> <p>Meeting Minutes specific to JV</p>

# Top 5 reasons for rejection



# What questions should you be asking?



When is access to classified information needed?

- This will determine pre-award or post award sponsorship and can reveal if GCA can include time to sponsor awardee.

Is there a transition period and if so, how long?

- There may be time for the GCA to sponsor a company depending on the transition period.

Does the work require immediate access to classified information?

- If the contractor can start portions of the work while they go through the process, this can impact solicitation restrictions.

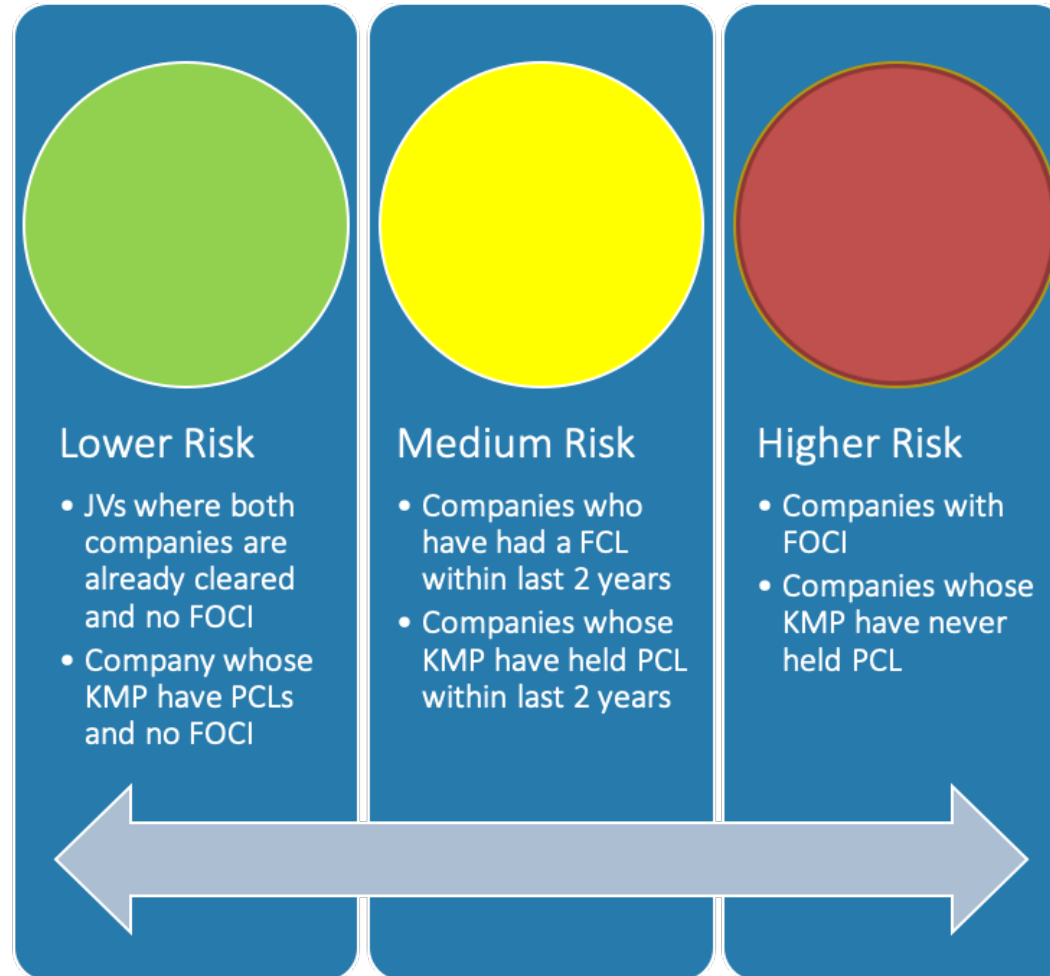
Is this a competitive or non-competitive award?

- If you are contemplating a non-competitive award, there can be more flexibility on when in the acquisition process you sponsor a facility.
- i.e. 8(a) Company whose KMP have PCL but no FCL. The process will go much faster and you could sponsor while you are negotiating the contract.

# Risk Continuum



- Risk levels impact timelines to get an FCL and therefore impact solicitation language
- Create plans of action for how your company can obtain a FCL based on where you may be on the continuum



# Roadmap to Success



- ✓ Get smart on the NISPOM
- ✓ Include “security” in your “market research”
- ✓ Have a plan for how the JV can obtain a FCL
- ✓ Subcontract
- ✓ Be prepared for the security process



# Resources



- ✓ Visit [www.dcsa.mil](http://www.dcsa.mil)
  - ✓ FCL Process Orientation Video
  - ✓ Facility Clearance Checklist
  - ✓ FCL Orientation Handbook
  - ✓ NISPOM
  
- ✓ Contact the DCSA Knowledge Center 888-282-7682 (option 3) with any FCL related questions
  
- ✓ Visit DCSA Center for Development of Security Excellence (CDSE) at [www.CDSE.edu](http://www.CDSE.edu) for FREE training and resources
  - ✓ Facility Security Officer toolkit
  - ✓ Training videos



# Questions?



Facility Clearance Related Questions:

[DCSA.FCB@mail.mil](mailto:DCSA.FCB@mail.mil)

Small Business Office Related Questions:

[DCSA.Small-Business@mail.mil](mailto:DCSA.Small-Business@mail.mil)

Thank you!



# Q&A

**Please submit your questions in the chat!**



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