



# Defense Security Service

## Industrial Security Field Operations

### **FCL Orientation Handbook**

February 18, 2015



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## Welcome Message from DSS Director

On behalf of the Defense Security Service (DSS), welcome to the first step in the Facility Security Clearance (FCL) process. We recently received a request from a Government Contracting Activity (GCA) or cleared contractor to sponsor your Facility for a FCL under the National Industrial Security Program (NISP) for performance on a classified government contract.

DSS is delegated security administration responsibilities and is the Cognizant Security Office (CSO) on behalf of the Department of Defense (DoD). As the CSO, DSS will advise and assist your facility during the FCL process. Your facility will be required, at a minimum, to execute certain designated forms, such as the Department of Defense Security Agreement, DD Form 441 (or DD Form 441-1 for division/branch facilities); process Key Management Personnel (KMP) for personnel security clearances; and *appoint a U.S. citizen employee as the Facility Security Officer (FSO)*.

### FCL Roadmap



### **FSO FCL Responsibilities and FCL Discontinuation Points**

Over the course of the next 45 days it is your responsibility to identify your company's business structure and provide required documentation, and forms. To make this process transparent, the FCL Orientation Handbook provides a roadmap, guiding you along the FCL process. In addition to this FCL Orientation Handbook a DSS Industrial Security Representative (ISR) will contact you shortly to assist in obtaining your Facility's FCL.

There are three discontinuation points during the FCL process:

1. Failure to upload the required Documentation and Forms in the Electronic-Facility Security Clearance (e-FCL) system within 20 days after receipt of the FCL Orientation Handbook
2. Failure to submit KMP Electronic Questionnaire for Investigations Processing (e-QIPs) within 45 days after the receipt of the FCL Orientation Handbook
3. Failure to submit KMP fingerprints within 14 days after submitting KMP e-QIPs

### **First Year Post FCL Responsibilities**

Once the FCB issues your FCL, you are required to comply with the DoD 5220.22-M "National Industrial Security Program Operation Manual (NISPOM)" and implement a security program. An Industrial Security Representative will reach out to your facility 120 days after the FCL is issued to conduct a brief outreach assessment of your facility's compliance with NISPOM requirements and implementation of its facility security program.

**Stanley "Stan" L. Sims**  
**Director, Defense Security Service**

**Overview of the National Industrial Security Program (NISP)**

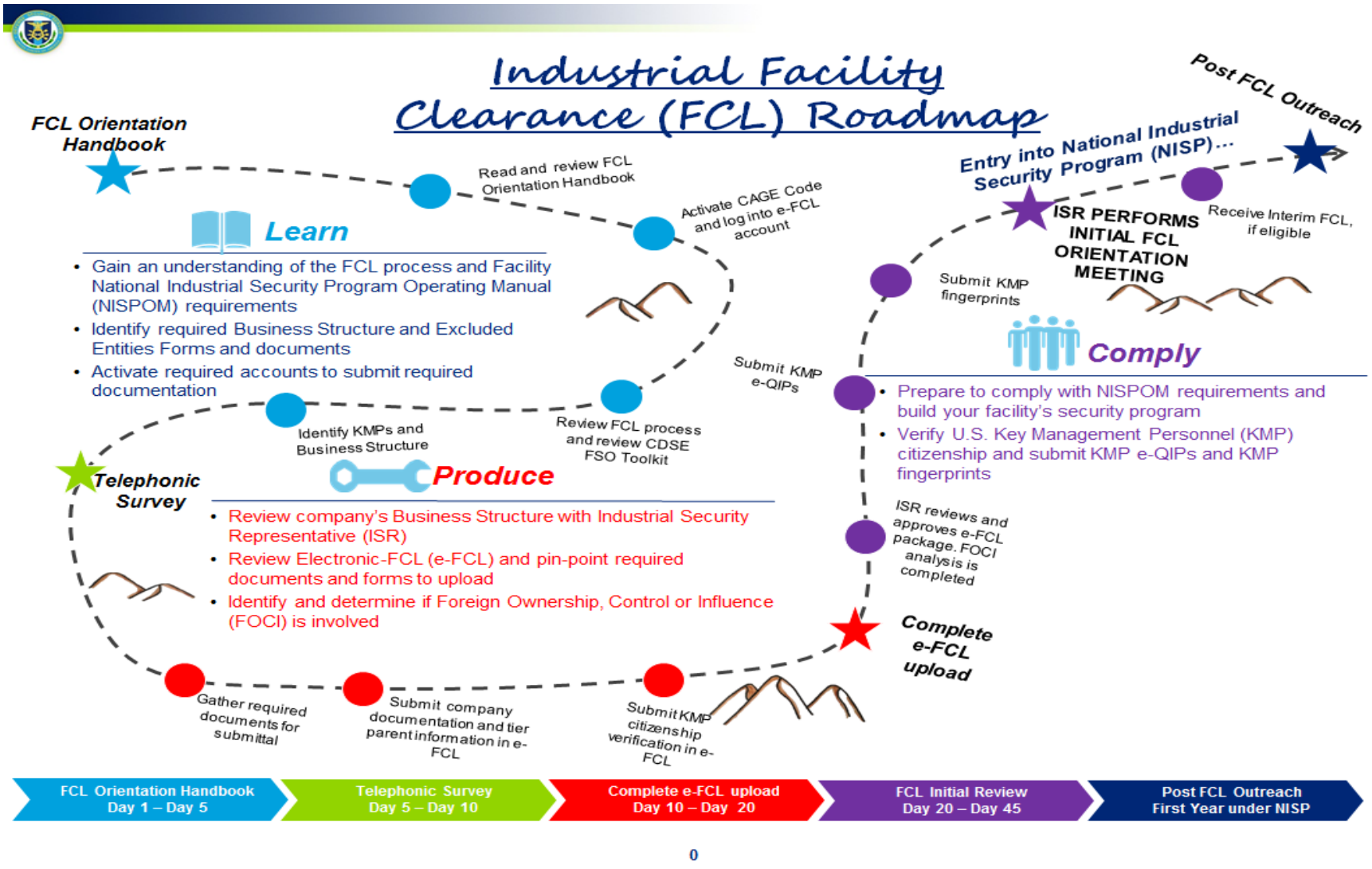
The NISP was established by Executive Order 12829 in January of 1993 for the protection of classified information. The NISP applies to all executive branch departments and agencies, and to all cleared contractor facilities located within the United States, its Trust Territories and possessions. Participation is voluntary, but access to classified information will not be permitted otherwise. When your facility receives its FCL, it will be subject to provisions of the NISPOM; the NISPOM may be downloaded from the DSS web site at <http://www.dss.mil>. This Handbook is not intended to replace the NISPOM, and your first order of business should be to review the NISPOM itself.

The classification levels in the NISP are CONFIDENTIAL, SECRET, and TOP SECRET. The FCL level your facility receives is based upon the classified contract you have been awarded and its requirements. Interim clearances, based upon lesser investigative requirements, may be issued at each of these levels. An Interim FCL may be granted under certain conditions if your facility qualifies. There may be conditions that exist that may preclude the issuance of an interim FCL.

Finally, your facility must not be under Foreign Ownership, Control or Influence (FOCI) to such a degree that the granting of an FCL would be inconsistent with the national interest.



# 1.0 FCL Roadmap





## 2.0 FCL Process Requirements Worksheet

The following table provides a list of the required documents, forms, action items, accounts to activate, training, and discontinuation points throughout the FCL process and first year under NISP.

**Note:** Contractor e-FCL Administrator may begin to upload Documents and Forms into e-FCL once the FCL Orientation Handbook is received on Day 1. ISR will not visit Contractor’s Facility until all information is uploaded into e-FCL.

	FCL Orientation Handbook & Telephonic Survey	Complete e-FCL upload	FCL Initial Review	Post FCL Initiatives
Timeline	Day 1 – 10	Day 10 – 20	Day 20 - 45	First Year under NISP
<b>Documentation</b>	<input type="checkbox"/> Identify Business Structure ( <a href="#">see 3.1</a> ) <input type="checkbox"/> Identify Key Management Personnel (KMP) ( <a href="#">see 3.1</a> ) <input type="checkbox"/> Identify Tier Entities, if applicable ( <a href="#">see 3.2</a> )	<input type="checkbox"/> Submit all required e-FCL Documents ( <a href="#">see 3.1</a> )	<input type="checkbox"/> Review <a href="#">CDSE Self-Inspection guide</a>	
<b>Forms</b>		<input type="checkbox"/> Submit all Required e-FCL Forms ( <a href="#">see 3.2</a> )		
<b>Action Items</b>	<input type="checkbox"/> Review <a href="#">Center for Development of Security Excellence (CDSE) FSO Toolkit e-FCL User Guide</a> <input type="checkbox"/> Start uploading documentation into e-FCL <input type="checkbox"/> Verify KMP U.S. citizenship <input type="checkbox"/> Review National Industrial Security Program Operating Manual (NISPOM)	<input type="checkbox"/> Submit KMP citizenship verification (U.S. passport and birth certificate)	<input type="checkbox"/> ISR visits Contractor’s Facility after e-FCL is approved and all required KMPs submit e-QIPs <input type="checkbox"/> Provide KMP citizenship verification during ISR on-site visit <input type="checkbox"/> Submit KMP Electronic Questionnaires for Investigation Processing (e-QIPs) to OPM within 45 days after receipt of the FCL Orientation Handbook ( <a href="#">see 5.0</a> ) <input type="checkbox"/> Submit KMP fingerprints within 14 days after submitting KMP e- QIPs ( <a href="#">see 5.0</a> ) <input type="checkbox"/> Prepare to comply with NISPOM requirements <input type="checkbox"/> Prepare to implement a Security Program	<input type="checkbox"/> Comply with NISPOM requirements <input type="checkbox"/> Implement a facility security program aligned to NISPOM requirements



<b>Activate Accounts</b>	<input type="checkbox"/> Apply for a Commercial and Government Entity (CAGE) Code ( <a href="#">See 5.0</a> ) <input type="checkbox"/> Log-Into e-FCL ( <a href="#">See 4.0</a> ) <a href="#">e-FCL User Guide</a>		Apply for a Secure Web Fingerprint Transmission (SWFT) account Apply for a JPAS Account	
<b>Training</b>		<input type="checkbox"/> Recommend to register and begin FSO training in CDSE	<input type="checkbox"/> Recommend to register and begin FSO training in CDSE	<input type="checkbox"/> Complete FSO training provided by CDSE
<b>Discontinuation Points</b>	<input type="checkbox"/> DSS determines FCL justification is not valid	<input type="checkbox"/> Failure to submit all Documents and Forms into the e-FCL within 20 days after receipt of FCL Orientation Handbook	<input type="checkbox"/> Failure to submit KMP e-QIPs within 45 days after receipt of the FCL Orientation Handbook <input type="checkbox"/> Failure to submit KMP fingerprints within 14 days after submitting KMP e-QIPs	<input type="checkbox"/> Failure to comply with NISPOM requirements or implement a facility security program may result in the invalidation of the facility's FCL



### 3.0 Business Structure and Excluded Tier Entities

The following section details the required Business Structure and Excluded Tier Entity Forms and Documents to submit to the e-FCL.

**Discontinuation Point:** Failure to submit all Forms, Business Structure Documents, and Excluded Tier Entity Documents into the e-FCL **within 20 days** after receipt of your FCL Orientation Handbook results in the discontinuation of your Facility’s FCL.

#### 3.1 Business Structure Required Documents

The following table outlines Business Records and Personnel Security Clearances (PCLs) for KMPs required by Business Structure.

Business Structure	Business Records Required	PCLs for KMPs
<b>Sole Proprietorship</b>	<ul style="list-style-type: none"> <li>▪ Business License</li> <li>▪ Fictitious Name Certificate</li> <li>▪ Recent changes to company structure</li> </ul>	<ul style="list-style-type: none"> <li>▪ Owner of sole proprietorship</li> <li>▪ Senior Management Official (SMO)</li> <li>▪ FSO</li> </ul>
<b>General Partnership</b>	<ul style="list-style-type: none"> <li>▪ Business License</li> <li>▪ Fictitious Name Certificate</li> <li>▪ Partnership Agreement</li> <li>▪ Legal Organization Chart</li> <li>▪ Board/Company Meeting Meetings*</li> <li>▪ Recent changes to company structure</li> </ul>	<ul style="list-style-type: none"> <li>▪ SMO</li> <li>▪ FSO</li> <li>▪ All General Partners, <i>except</i>: Single Partner (must be cleared) Management Committee (all committee members must be cleared)</li> </ul>
<b>Limited Partnership</b>	<ul style="list-style-type: none"> <li>▪ Business License</li> <li>▪ Fictitious Name Certificate</li> <li>▪ Partnership Agreement</li> <li>▪ Certificate of Limited Partnership</li> <li>▪ Legal Organization Chart</li> <li>▪ Board/Company Meeting Meetings*</li> <li>▪ Recent changes to company structure</li> </ul>	<ul style="list-style-type: none"> <li>▪ SMO</li> <li>▪ FSO</li> <li>▪ All General Partners, <i>except</i>: Single Partner (must be cleared) Management Committee (all committee members must be cleared)</li> <li>▪ Limited Partners need PCL if they work on classified contracts or need access to classified information</li> </ul>
<b>Joint Venture (JV)</b>	<ul style="list-style-type: none"> <li>▪ Business License</li> <li>▪ Fictitious Name Certificate</li> <li>▪ JV Agreement</li> <li>▪ Legal Organization Chart</li> <li>▪ Board/Company Meeting Meetings*</li> <li>▪ Recent changes to company structure</li> </ul>	<ul style="list-style-type: none"> <li>▪ SMO</li> <li>▪ FSO</li> <li>▪ JV Partners must be excluded or cleared if their duties require access to classified information</li> <li>▪ Officials working on JV are cleared if their duties require access to classified information</li> </ul>





Business Structure	Business Records Required	PCLs for KMPs
<b>Privately Held Corporation</b>	<ul style="list-style-type: none"> <li>▪ Business License</li> <li>▪ Fictitious Name Certificate</li> <li>▪ Articles of Incorporation</li> <li>▪ By-Laws</li> <li>▪ Stock Ledger</li> <li>▪ Legal Organization Chart</li> <li>▪ Board/Company Meeting Meetings*</li> <li>▪ Recent changes to company structure</li> </ul>	<ul style="list-style-type: none"> <li>▪ SMO</li> <li>▪ FSO</li> <li>▪ Chairman of the Board</li> <li>▪ Vice Chair of Board, if provisions for rotating or Pro Tem duties</li> <li>▪ Corporate Officials are cleared if their duties require access to classified information</li> </ul>
<b>Publicly Held Corporation</b>	<ul style="list-style-type: none"> <li>▪ Business License</li> <li>▪ Fictitious Name Certificate</li> <li>▪ Articles of Incorporation</li> <li>▪ By-Laws</li> <li>▪ Most recent SEC filings</li> <li>▪ Legal Organization Chart</li> <li>▪ Board/Company Meeting Meetings*</li> <li>▪ Recent changes to company structure</li> </ul>	<ul style="list-style-type: none"> <li>▪ SMO</li> <li>▪ FSO</li> <li>▪ Chairman of the Board</li> <li>▪ Vice Chair of Board, if provisions for rotating or Pro Tem duties</li> <li>▪ Corporate Officials are cleared if their duties require access to classified information</li> </ul>
<b>Limited Liability Company</b>	<ul style="list-style-type: none"> <li>▪ Business License</li> <li>▪ Fictitious Name Certificate</li> <li>▪ Certificate of Formation or Articles of Organization</li> <li>▪ Legal Organization Chart</li> <li>▪ Operating Agreement</li> <li>▪ LLC Meeting Meetings*</li> <li>▪ Recent changes to company structure</li> </ul>	<ul style="list-style-type: none"> <li>▪ SMO</li> <li>▪ FSO</li> <li>▪ LLC Members are cleared if their duties require access to classified information</li> <li>▪ Managers</li> </ul>
<b>College/University</b>	<ul style="list-style-type: none"> <li>▪ Charter</li> <li>▪ Board/University Meeting Meetings*</li> <li>▪ Legal Organization Chart</li> <li>▪ Recent changes to university structure</li> </ul>	<ul style="list-style-type: none"> <li>▪ SMO</li> <li>▪ FSO</li> <li>▪ President</li> <li>▪ Regents/Trustees/Directors are cleared if their duties require access to classified information</li> </ul>

\*Include the most recent Meeting Minutes and any Meeting Minutes to reflect changes to a company's address, name, KMPs, etc.

\*\* If Business Structure is not identified, discuss with ISR during Telephonic Survey

**Excluded KMPs:** DSS will determine which Officers and Directors of the company not accessing classified information are considered excluded, and do not need a PCL. The company must submit exclusion resolutions for these Officers and Directors ([see Appendix C](#)).

**If Key Management Personnel are cleared for contractual performance reasons and not in connection with the FCL then this difference needs to be identified.**



### 3.2 Required Forms

The following outlines the Forms required for upload into the e-FCL.

Forms	To Include on Forms
<b>SF-328; Certificate Pertaining to Foreign Interests</b>	<ul style="list-style-type: none"> <li>▪ Certificate pertaining to a company’s foreign interests</li> <li>▪ Execute two original SF328 forms for DSS and contractor retention</li> <li>▪ SF328 must be signed by an employee or representative of the company who has actual authority to execute agreements with the U.S. Government on behalf of the company</li> <li>▪ Upload signed SF328 into e-FCL</li> <li>▪ Provide all supplemental responses to affirmative SF328 questions (See supplemental data sheets in e-FCL)</li> </ul>
<b>Summary Data Sheet</b>	<ul style="list-style-type: none"> <li>▪ List company website</li> <li>▪ Include stock information</li> <li>▪ List all previous business names</li> <li>▪ List all Tiered Parents</li> <li>▪ Match number of Directors in Articles of Organization to Company Bylaws</li> <li>▪ List all addresses dating back 10 years</li> <li>▪ Current Chairman of the Board</li> </ul>
<b>Key Management Personnel (KMP) Form</b>	<ul style="list-style-type: none"> <li>▪ Spell out entire KMP names</li> <li>▪ Social Security Number not required for excluded KMPs</li> <li>▪ Citizenship of all personnel listed as required to be cleared</li> <li>▪ KMPs must match the Articles of Organization, by-laws or amendments</li> </ul>
<b>Tiered Parent List</b> If applicable	<ul style="list-style-type: none"> <li>▪ List of all Parent Companies (<a href="#">see 3.3</a>)</li> </ul>
<b>DD Form 441</b>	<ul style="list-style-type: none"> <li>▪ Agreement between your organization and the United States Government that details the security responsibilities of both the cleared organization and the United States Government</li> <li>▪ Execute two original DD441 forms for DSS and contractor retention.</li> <li>▪ DD441 must be signed by an employee or representative of the company who has actual authority to execute agreements with the U.S. Government on behalf of the company.</li> <li>▪ Upload signed DD441 into e-FCL upon receipt of countersignatures from DSS.</li> <li>▪ <a href="#">DD Form 441</a></li> </ul>
<b>DD Form 441-1</b> If applicable	<ul style="list-style-type: none"> <li>▪ Attachment to the DD Form 441 listing cleared divisions or branch offices that are included in and covered by the provisions of the organization's Security Agreement and Certificate Pertaining to Foreign Interest.</li> <li>▪ <a href="#">DD Form 441-1</a></li> </ul>

#### 3.2.1 Required e-FCL Forms Signatures per Business Structure

The following guidelines provide information to sign the DD441, DD441-1 and SF328 forms according to your company’s Business Structure.

Business Structure	Business Structure
<b>Sole Proprietorship</b>	<ul style="list-style-type: none"> <li>▪ Sole proprietor will execute the DD 441/ SF328.</li> <li>▪ “Certification” section of DD 441/ SF328 will not be executed, but one witness must sign these forms</li> </ul>
<b>General Partnership</b>	<ul style="list-style-type: none"> <li>▪ All general partners will execute DD 441/ SF328</li> <li>▪ One witness signature is required</li> </ul>
<b>Limited Partnership</b>	<ul style="list-style-type: none"> <li>▪ One witness signature is required</li> </ul>



Business Structure	Business Structure
<b>Joint Venture</b>	<ul style="list-style-type: none"><li>▪ DD 441/ SF328 forms must be executed by an authorized representative of one the contractor participants performing on the classified contract</li></ul>
<b>Privately Held Corporation</b>	<ul style="list-style-type: none"><li>▪ Authorized management personnel may execute the DD441/ SF328 forms</li><li>▪ Witness is not required</li><li>▪ Corporate seal must be applied, if applicable</li></ul>
<b>Publicly Held Corporation</b>	<ul style="list-style-type: none"><li>▪ Authorized management personnel may execute the DD441/ SF328 forms</li><li>▪ Witness is not required</li><li>▪ Corporate seal must be applied, if applicable</li></ul>
<b>Limited Liability Company (LLC)</b>	<ul style="list-style-type: none"><li>▪ LLC member or authorized manager may execute the DD 441/ SF328 forms</li><li>▪ Two witnesses must sign the DD 441 and SF328</li><li>▪ Certification, at bottom, does not need to be completed</li></ul>

**If only one officer exists within your organization then work with your assigned Industrial Security Representative to determine how the forms must be certified or whether an alternate process with witnesses should be utilized.**



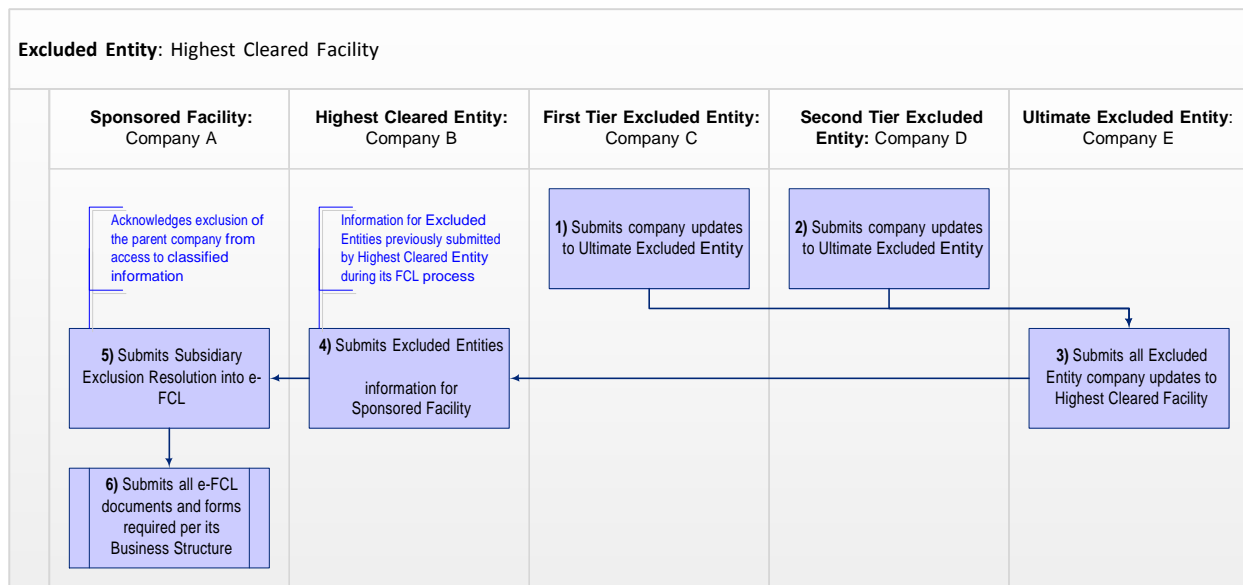


Entity	Responsibility
<b>Ultimate Parent/Owner Entity</b>	<ul style="list-style-type: none"> <li>Provides all Entities Organization Charts, KMP Lists, and Business Records to Sponsored Facility</li> <li>Provides Sponsored Facility the requested Exclusion Resolution on behalf of its company and Intermediate parents to be Excluded</li> </ul>
<b>Sponsored Facility (Highest Cleared Facility)</b>	<ul style="list-style-type: none"> <li>Submits Parent entities to be Excluded Organization Charts, KMP Lists, Business Records, and Exclusion Resolution for entities</li> <li>Submits Subsidiary Exclusion Resolution acknowledgement</li> <li>Submits all required e-FCL Forms and Documents per its Business Structure</li> </ul>

### 3.3.2 Highest Cleared Tier Entity

The process flow below documents the required documents the Sponsored Facility and Highest Cleared Entity must provide to DSS on behalf of any Intermediate Excluded Entities and the Ultimate Excluded Entity. In this process the Highest Cleared Entity holds a FCL and provides DSS updates on behalf of the Ultimate Excluded Entity and Intermediate Tier Entities. Highest Cleared Entity previously submitted all required Documents and Forms for Excluded Entities during its FCL process.

#### 3.2.2.1 Process Flow



#### 3.3.2.2 Entity Roles and Responsibilities

Entity	Responsibility
<b>Intermediate Entity</b>	<ul style="list-style-type: none"> <li>Submit changes to Ultimate Entity, if applicable</li> </ul>
<b>Ultimate Entity</b>	<ul style="list-style-type: none"> <li>Provides Intermediate Entity changes to Highest Cleared Entity, if applicable</li> </ul>
<b>Highest Cleared Entity</b>	<ul style="list-style-type: none"> <li>Provides Entity changes to DSS, if applicable</li> </ul>
<b>Sponsored Facility</b>	<ul style="list-style-type: none"> <li>Submits all required e-FCL Forms and Documents per its Business Structure</li> <li>Submits Subsidiary Acknowledgement of Exclusion Resolution</li> </ul>



## 4.0 e-FCL Process

The e-FCL web based system to submit company data in an electronic format for facility clearance and FOCI mitigation e-FCL Submission Site URL: <https://submission.dssfcl.anl.gov>. Your account will have been registered by the Facility Clearance Branch (FCB) upon receipt of your Sponsorship Package from the cleared contractor or GCA. The Company designates a representative, usually the FSO, as the e-FCL Administrator. Below outlines the e-FCL process steps:



### 4.1 Logging into e-FCL

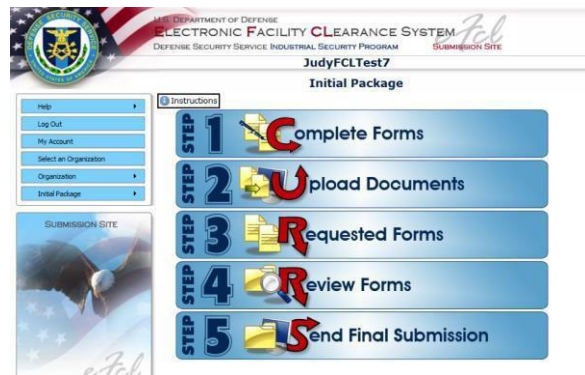
**Prior to Logging-In:** It is recommended that you download the e-FCL [“ Submission Site User Guide ”](#), to gain a better understanding of the system, how to Log-In the first time, and the required documents and forms to upload into the system.

**First Time Log-In:** The Log-In requires a User ID and Password. The initial User ID is the e-mail address entered when the User was registered by DSS or by the company’s e-FCL Administrator. The temporary password was sent to the e-mail address entered when the User was registered by the DSS or by the company’s e-FCL Administrator. First time Log-In also requires the e-FCL Administrator to enter the Company’s Organization Type and Organization’s Employer Identification (EIN) Tax ID or SSN. The e-FCL automatically generates the forms required by Organization Type as well as a list of required document uploads.

### 4.2 e-FCL in 5 Steps

The e-FCL Submission Site provides Users with an easy five step process for completing and submitting e-FCL submission packages. The package consists of all of the forms and attachments required for a facility clearance submission. The user can navigate between steps as needed and enter or exit the package as many times as needed before sending the final submission.

Below provides a list of the five steps and the required forms and documents to submit into the e-FCL. All potential forms and documents are listed under [A.1](#) this document.



Step #	e-FCL Submission Step	e-FCL Submission Description
1	<b>Complete Forms</b>	Electronic copies of all required forms are provided for completion based on the type of contractor organization
2	<b>Upload Documents</b>	Uploads are requested of key business documents. Also review required documents per your company’s business structure
3	<b>Requested Forms</b>	Forms requested by DSS for FOCI Mitigation are stored here, this step will be empty the first time an Initial Package is submitted
4	<b>Review Forms</b>	After reviewing all documents and uploads, the system checks to ensure that all forms and uploads have been completed and displays those that still need to be completed
5	<b>Send Final Submission</b>	Final submission, once the package is submitted the contractor cannot edit the package unless DSS “unlocks” it



## 5.0 Accounts and Systems

The table below outlines the Accounts and Systems the FSO must activate or leverage to submit additional documents for its Facility to receive its FCL and to maintain a compliant security program after obtaining the FCL.

**Discontinuation Point:** Failure to submit all KMP e-QIPs **within 45 days** after receipt of the FCL Orientation Handbook results in the discontinuation of your Facility’s FCL. Failure to submit KMP fingerprints **within 14 days** after submitting KMP e-QIPS results in the discontinuation of your Facility’s FCL.

Accounts	Reason for Account	Description	Links
<b>Commercial and Government Entity (CAGE) Code</b>	Provides a standardized method to identify your specific facility	The CAGE Code is a five-character ID number used extensively within the federal government, assigned by the Department of Defense’s Defense Logistics Agency (DLA). It tracks basic facility information. If your company does not already have a CAGE Code for the facility requiring clearance, one may be obtained by submitting a DD Form 2051 to Commander, Defense Logistics Services Center, ATTN: DLSC-SBB, Federal Center, 74 North Washington, Battle Creek, MI 49017-3084. Alternatively, you may visit System for Award Management (SAM) to obtain your CAGE Code	<a href="#">DD Form</a> <a href="#">SAM</a>
<b>Joint Personnel Adjudication System (JPAS)*</b>	System to support adjudication process. <b>(Account created after Facility is issued its FCL.)</b>	JPAS standardizes the adjudication process within DoD, and provides a database and processes within the security manager realm of functions. It allows communication between the central adjudication facility (CAF) and the security personnel in the field who actually give cleared individuals access to classified information. For JPAS access, submit DMDC’s new Personnel Security System Access Request (PSSAR) form to the DMDC Contact Center for processing A Public Key Infrastructure (PKI) is required for JPAS. Please see link	<a href="#">JPAS</a> <a href="#">PKI</a>
<b>Electronic Questionnaires for Investigations Processing (e-QIP)*</b>	Submit KMP information through this system as part of the PCL process	e-QIP allows the user to electronically enter, update and transmit their personal investigative data over a secure internet connection to a requesting agency	<a href="#">e-QIP</a>
<b>ISFD</b>	Provides FCL and safeguarding status for prime and subcontractors	Web enabled database that maintains FCL related information	



Accounts	Reason for Account	Description	Links
<b>Secure Web Fingerprint Transmission (SWFT)*</b>	Submit KMP fingerprints through SWFT or third party vendor to complete KMP's PCL process <b>(Account created after Facility is issued its FCL.)</b>	SWFT allows the submission of fingerprints to be uploaded electronically through its system. (All fingerprint images that are provided in support of background investigations must be captured and submitted electronically) <i>For SWFT access, submit DMDC's new Personnel Security System Access Request (PSSAR) form to the DMDC Contact Center for processing</i>	<a href="#">SWFT</a>
<b>Security Training, Education and Professionalization (STEPP)</b>	Provides courses for Contractor's security professionals	Program maintaining the list of courses DSS provides Contractor's security professionals. The courses are intended for use by Department of Defense and other U.S. Government personnel and contractors within the National Industrial Security Program.	<a href="#">STEPP</a>

\* For support on e-QIP, JPAS, or SWFT please contact Defense Manpower Data Center (DMDC) at 1-800-467-5526 or [dmdc.contactcenter@mail.mil](mailto:dmdc.contactcenter@mail.mil)





## 6.0 Telephonic and FCL Initial Review Preparation

### 6.1 Telephonic Survey Preparation

In preparation for the upcoming Telephonic Survey please be prepared to discuss and ask questions on the following topics with the ISR:

- Company Business Structure and required Documents and Forms
- KMP List; KMPs requiring PCLs and Excluded KMPs
- Tier Entity process and required documentation
- e-FCL submission process
- e-QIP submission process
- CAGE Code account
- SWFT account
- Review [CDSE FSO Toolkit](#)

### 6.2 FCL Orientation Meeting

In preparation for the FCL Initial Orientation Meeting please be prepared to discuss the following topics with the ISR during their on-site visit:

- Company's NISPOM requirements
- Facility's Security Program
- Provide KMP U.S. citizenship verification (Passport or Birth Certificate)



## Appendix A: Requirements

The following are the required Documents, Forms, Accounts, and Training an FSO will need to submit or complete prior to the Discontinuation Point for its Facility to receive a FCL.

### A.1 Required e-FCL Forms and Documents

The table below lists the Documents that are always required in the e-FCL, those required for a particular business structure, and those required only if DSS uploads files into the e-FCL folder designated as “Shared Files”, which can be viewed by both the Company and DSS personnel. NO CLASSIFIED DOCUMENTS CAN BE UPLOADED INTO THE E-FCL SYSTEM.

Document	Always Required	Business Structure Requirement	Shared File Requirement
Articles of Organization/Incorporation	✓		
Operating Agreement/By-laws	✓		
DD-254	✓		
DD-441/DD-441-1	✓		
Excluded Parent Documents			✓
Miscellaneous Documents			✓
Shared DSS Files			✓
Cover Letter			✓
Technology Control Plan			✓
Electronic Control Plan			✓
Articles of Incorporation		<ul style="list-style-type: none"> <li>▪ Privately Held Corporation</li> <li>▪ Publicly Held Corporation</li> </ul>	
Business License		<ul style="list-style-type: none"> <li>▪ Sole Proprietorship</li> <li>▪ General Partnership</li> <li>▪ Limited Partnership</li> <li>▪ Joint Venture</li> <li>▪ Privately Held Corporation</li> <li>▪ Publicly Held Corporation</li> <li>▪ Limited Liability Company</li> </ul>	
Bylaws		<ul style="list-style-type: none"> <li>▪ Privately Held Corporation</li> <li>▪ Publicly Held Corporation</li> </ul>	
Fictitious Name Certificate		<ul style="list-style-type: none"> <li>▪ Sole Proprietorship</li> <li>▪ General Partnership</li> <li>▪ Limited Partnership</li> <li>▪ Joint Venture</li> <li>▪ Privately Held Corporation</li> <li>▪ Publicly Held Corporation</li> <li>▪ Limited Liability Company</li> </ul>	
Partnership Agreement		<ul style="list-style-type: none"> <li>▪ General Partnership</li> <li>▪ Limited Partnership</li> </ul>	
Joint Venture Agreement		<ul style="list-style-type: none"> <li>▪ Joint Venture</li> </ul>	



Document	Always Required	Business Structure Requirement	Shared File Requirement
Stock Ledger		<ul style="list-style-type: none"> <li>Privately Held Corporation</li> <li>Publicly Held Corporation</li> </ul>	
Organization chart		<ul style="list-style-type: none"> <li>General Proprietorship</li> <li>Limited Partnership</li> <li>Joint Venture</li> <li>Privately Held Corporation</li> <li>Publicly Held Corporation</li> <li>Limited Liability Company</li> </ul>	
Charter		<ul style="list-style-type: none"> <li>College/University</li> </ul>	

## A.2 Required KMP PCLs

KMP	Business Structure
SMO	<ul style="list-style-type: none"> <li>All Business Structures</li> </ul>
FSO	<ul style="list-style-type: none"> <li>All Business Structures</li> </ul>
General Partners	<ul style="list-style-type: none"> <li>General Partnership</li> <li>Limited Partnership</li> </ul>
Limited Partners	<ul style="list-style-type: none"> <li>Limited Partnership</li> </ul>
JV Partners	<ul style="list-style-type: none"> <li>Joint Venture</li> </ul>
Chairman of the Board	<ul style="list-style-type: none"> <li>Privately Held Corporation</li> <li>Publicly Held Corporation</li> </ul>
Corporate Officials	<ul style="list-style-type: none"> <li>Privately Held Corporation</li> <li>Publicly Held Corporation</li> <li>Joint Venture</li> </ul>
Regents/Trustees/Directors	<ul style="list-style-type: none"> <li>College/University, Company, Corporation</li> </ul>
Chief Executive Officer (CEO)	<ul style="list-style-type: none"> <li>College/University, Company, Corporation, Partnership, Sole Proprietorship</li> </ul>
Managing Member / Member	<ul style="list-style-type: none"> <li>Limited Liability Corporation</li> </ul>

## A.3 Defining KMP Authorities of Position

Please note that the descriptions of the Authorities of the Position are general and do not include all characteristics for each position. Roles may differ per your company.

KMP Role	Authorities of the Position
CEO	<ul style="list-style-type: none"> <li>Highest ranking executive manager in a corporation or organization’s by-laws or organizational documents</li> <li>Responsible for the overall success/management of the organization</li> <li>Ultimate authority to make final decisions for an organization</li> <li>Responsibility for creating, planning, implementing, and integrating the strategic direction/vision of an organization</li> <li>Reports to a Board of Directors and serves at the discretion of the Board of Directors</li> </ul>



KMP Role	Authorities of the Position
<b>President</b>	<ul style="list-style-type: none"><li>▪ Creates, communicates, and implements the organization's vision, mission, and overall direction</li><li>▪ Leads, guides, directs, and evaluates the work of other executive leaders including senior vice presidents, vice presidents and directors</li><li>▪ Formulates and implements the strategic plan that guides the direction of the business</li><li>▪ Oversees the organization in accordance with the direction established in the strategic plans</li></ul>
<b>Chairman of the Board</b>	<ul style="list-style-type: none"><li>▪ Trusted with the responsibility of chairing a board or organization</li><li>▪ Governs the board according to the bylaws of the organization. The chairman must attend the board meetings and committees regularly.</li><li>▪ Committed to board duties and has vast knowledge of the organization itself</li><li>▪ Evaluates annual performance of the organization</li><li>▪ Chairman rarely involves themselves in the company's day-to-day operations, instead concentrating on the bigger picture and various strategies to increase the company's bottom line</li><li>▪ Institutes company policies and guidelines, and make certain that they are carried out via upper management</li><li>▪ Recruits, interviews, and hires the CEO</li><li>▪ Votes on key issues surrounding the company; when board is at a standstill on an issue, the chair makes the final decision</li></ul>
<b>Manager</b>	<ul style="list-style-type: none"><li>▪ For an LLC, only a manager or authorized officer can bind the LLC as specified in the Operating Agreement or when there is no operating agreement, State Law where LLC is formed</li><li>▪ Elected by the members</li><li>▪ Decision authority on key policies, transactions, and establishment of guidelines for how the LLC will operate</li><li>▪ Can appoint officers to serve at the pleasure of the manager</li></ul>
<b>General Partner</b>	<ul style="list-style-type: none"><li>▪ Full management control and also accepts full personal responsibility for partnership liabilities as specified by state law where the partnership was formed and the partnership agreement</li><li>▪ Right to manage the business, conduct transactions on the behalf of the business, and are liable for the business' debts</li><li>▪ Commonly is active in the day-to-day operations of the business</li><li>▪ May be an individual or company</li></ul>
<b>Shareholder</b>	<ul style="list-style-type: none"><li>▪ Makes a financial investment in the corporation, which entitles those with voting shares to elect the directors as specified in the Shareholders agreement and/or state law</li><li>▪ Does not normally have any rights to be involved directly in company management</li><li>▪ Connection to company management is typically via the Board of Directors</li><li>▪ If shareholder is not satisfied with the performance of the directors, they may remove the directors or refuse to re-elect them</li></ul>



KMP Role	Authorities of the Position
<b>Board of Director</b>	<ul style="list-style-type: none"> <li>▪ Protects shareholders' assets and ensure they receive a decent return on investment</li> <li>▪ Provides oversight and strategic direction on behalf of the shareholders as authorized in the by-laws or State law</li> <li>▪ Monitors corporate governance within an organization</li> <li>▪ Approves financial statements</li> <li>▪ Selects and evaluates CEO; approves appropriate compensation for CEO</li> <li>▪ Evaluates attractiveness of and pay dividends</li> <li>▪ Oversees share repurchase programs, recommend stock splits, etc.</li> <li>▪ Recommends or discourages mergers and acquisitions</li> </ul>
<b>Vice President</b>	<ul style="list-style-type: none"> <li>▪ Second in command in an organization and has specific responsibilities depending on the needs of his or her organization as directed by the by-laws</li> <li>▪ Assists in formulating and implementing the strategic plan that guides the direction of the business or their area of responsibility</li> <li>▪ Leads, guides, directs, and evaluates the work of other executive leaders including assistant vice presidents, directors, and managers</li> <li>▪ Achieves the organization's overall strategic goals and profitability requirements as determined by the strategic plans</li> <li>▪ Assists creating, communicating, and implementing the organization's vision, mission, and overall direction</li> <li>▪ In the President's absence, the Vice President acts in the role</li> </ul>
<b>Chief Operating Officer (COO)</b>	<ul style="list-style-type: none"> <li>▪ Responsible for the daily operations.</li> <li>▪ Provides communication, leadership, and guides management as necessary to ensure that company has the proper operational controls, administrative and reporting procedures in place to effectively grow the organization</li> <li>▪ Ensures effective communication with the President/CEO by keeping him/her informed of daily operations</li> <li>▪ Ensures that operating objectives and standards of performance are understood by management and employees</li> <li>▪ Ensures that Company complies with all applicable legal and regulatory requirements and, where appropriate, best practice to maximize the financial integrity of Company</li> <li>▪ Ensures appropriate and satisfactory systems are in place for monitoring Company performance against planned and budgeted expectations</li> </ul>
<b>Limited Partner</b>	<ul style="list-style-type: none"> <li>▪ Generally does not have any kind of management responsibility.</li> <li>▪ They are not material participants, strictly investors</li> <li>▪ Share in profits and losses based on share of ownership</li> </ul>
<b>Member</b>	<p>Similar to a stockholder in a corporation. Responsible for formation of the LLC and/or having owning interest in the LLC as designated in the Operating Agreement and/or State Law when there is no Operating Agreement</p> <ul style="list-style-type: none"> <li>▪ Chooses a manager to manage the LLC</li> <li>▪ Can also be the manager</li> </ul>

## A.4 Training

Training Classes	Link
<b>FSO Initial Training</b>	<a href="http://www.cdse.edu/resources/resources-fso.html">http://www.cdse.edu/resources/resources-fso.html</a>



## Appendix B: e-FCL FAQs

Question	Answer
How do I set up an e-FCL account?	The DSS Facility Clearance Branch registers all companies in the process of obtaining a new facility clearance for an e-FCL account. The account is issued to the company's Facility Security Officer (FSO).
Is the FSO the only person at the company who can have an account and password? If so, what happens if a change takes place with the company when the FSO is on leave?	Upon registration, the FSO is typically designated as the User Administrator and account holder. The FSO can create additional accounts under the Organization tab allowing others access to their information. If an FSO unexpectedly leaves without providing access to the account, please contact your assigned ISR.
Do I need to keep a copy of the SF 328 even though I uploaded an electronic copy into the e-FCL system?	Even though the signed and sealed copy of the SF 328 is uploaded in the system, you must keep the original document for viewing by the ISR upon request.
How long will my account be valid for?	Your account is valid until such time as you no longer hold a facility clearance.
Because of the social security information on the KMP lists, is information transmitted and stored in a secure manner?	The e-FCL system meets government standards for the protection of proprietary and personal information.
I uploaded an incorrect file in the system. Can I delete the file?	Yes, you can delete and replace any uploaded file as long as the package is "unlocked" by DSS. To complete this action, follow these steps: <ul style="list-style-type: none"><li>▪ Right click on the uploaded document.</li><li>▪ Then perform one of the following actions:<ul style="list-style-type: none"><li>View (allows the user to view the document)</li><li>Replace (allows the user to replace whatever the document is with a new one)</li><li>Delete (allows the user to delete the document)</li></ul></li></ul>
Can a Home Office of a Multi-facility Organization see subsidiary e-FCL account information?	Yes, if the subsidiary e-FCL user administrator establishes a secondary 'user account' for the home office user under their CAGE Code. To accomplish this, the subsidiary user administrator must go into the "Organization" tab on the left hand of the page, then choose "Users", then "Add a New User." If the new user already has an existing e-FCL account, the next time they log into e-FCL they will see the multiple organizations listed for viewing (as long as the same email address is used for all accounts).
Do I need to upload DoD Contract Security Classification Specification DD Form 254s in e-FCL?	DSS requests that you include copies of DD -254s under the DD -254 tab within the Upload Documents section of the e-FCL system.
Is there a file size limit to attachments in the system?	Yes, 5MB per individual file.
Is there a way to make my files smaller to meet the 5MB size upload limit?	Yes, if you have Adobe Acrobat Professional you can reduce the size of a file.



Question	Answer
What if reducing the size of a file still doesn't make it less than 5MB in size?	You will then have to split apart the document and upload it in sections that are 5MB and under in size.
Where do I register for an account?	Companies that are currently cleared or which are a U.S. Excluded Parent who require an e-FCL account to report a changed condition should contact their ISR who can register them for an account. Companies who are in-process for a clearance will be contacted directly by the Facilities Clearance Branch who will register them for an account.
As a currently cleared facility, do I need to complete a full package in order to just report a changed condition?	All companies, existing and in-process must complete an "initial package." An initial package requires that an electronic version of the SF-328 and KMP lists be completed. Corporate documents must be uploaded as well. Once this initial package is completed, all your documentation is retained in the system and future changed conditions are quick and easy to report.
As an existing cleared company do I really need to complete a new SF-328 since my information has not changed?	The e-FCL system requires that an electronic SF-328 form be completed, printed and a hard copy of it uploaded with signatures. However, if your SF328 information has not changed, once you have completed the electronic copy, you can upload into the system a copy of your existing SF-328. The same principle applies to the KMP list.
My facility falls under a consolidated SF-328 from our home office. Does the system require that I complete the electronic SF-328 and upload a signed hard copy as well?	No, if you fall under a consolidated SF-328, within Step 1 of the system, you can check a box which states that you fall under a consolidated SF-328. Once that box is checked, you will not be required to complete the electronic copy, nor will you be asked to upload one in the system. .



## Appendix C: Exclusion Resolutions

### C.1 Highest Cleared Entity Noting Excluded Entity's Exclusion and Resolution to Exclude Parent Organization

I, *(Insert Full Name)*, the duly elected Secretary of *(Insert Name of Highest Cleared Entity)*, a corporation in the State of *(Insert Name of State)*, do hereby certify that the following is a true and complete copy of a resolution passed at a meeting of the Board of Directors of said Corporation, at which a quorum was present, duly called, and held *(Insert Month Day, Year)*.

**BE IT RESOLVED** that officials of *(Insert Name of Highest Tier Excluded Entity and any Intermediate Entities)*, the ultimate tier entity organization, or any of the intermediate tier entities of *(Insert Name and Address of Highest Cleared Entity)*, shall not require and shall not have access to classified information in the custody of *(Insert Name of Highest Cleared Entity)*, a subsidiary organization or any other facilities reporting to *(Insert Name of Highest Cleared Entity)* that require access to classified information.

**BE IT FURTHER RESOLVED** that *(Insert Name of Highest Cleared Entity)* hereby acknowledges the execution of a resolution by *(Insert Name and Address of Highest Excluded Entity)* whereby the Corporation, its officers and directors, as such, and intermediate entities will not require and will not have access to classified information in the custody of *(Insert Name of Highest Cleared Entity)*, a subsidiary corporation, and further that this action will not affect adversely the policies of said subsidiary involving the security and safeguarding of classified information or performance of classified contracts.

**BE IT FURTHER RESOLVED** that these actions of the Board of Directors of the *(Insert Name of Highest Cleared Entity)* are taken for the purpose of exempting the *(Insert Name of Highest Tier Excluded Entity and Intermediate Tiers)* from the necessity of being processed for a Facility Security Clearance equivalent to that held by the *(Insert Name of Highest Cleared Entity)* in conformity with the "National Industrial Security Program Operating Manual."

**IN WITNESS WHEREOF** I have hereunto set my hand and affixed the seal of *(Insert Name of Highest Cleared Entity)* this *(Insert Date)*.

\_\_\_\_\_  
Signature

Note: Two copies shall be furnished to the local DSS Industrial Security field office with an original signature and corporate seal on each. One copy shall be furnished to the subsidiary. Both the highest tiered excluded entity and the highest cleared subsidiary must execute a "Certificate Pertaining to Foreign Interest" (SF 328).

If the parent is to be excluded from a higher category of classified information, the next to last paragraph should read "... from the necessity of having to be processed for a Facility Security Clearance equivalent to that held by the (Name of Subsidiary)."





## C.2 Exclusion Resolution of Corporate Organization

I, *(Insert Full Name)*, the duly elected Secretary of *(Insert Name of Highest Tier Excluded Entity)*, a corporation organized in the State of *(Insert Name of State)*, located at *(Insert Address of Highest Tier Excluded Entity)* do hereby certify that the following is a true and complete copy of a resolution passed at a meeting of the Board of Directors of said Corporation, at which a quorum was present, duly called and held *(Insert Month Day, Year)*.

**BE IT RESOLVED** that *(Insert Name and Address of Highest Tier Excluded Entity and Intermediate Entities)*, its officers and directors, as such, will not require and will not have access to classified information in the custody of *(Insert Name of Highest Cleared Entity)*, or any other facilities reporting to *(Insert Name of Highest Cleared Entity)* that require access to classified information, and further that *(Insert Name of Highest Cleared Entity)*, has been delegated full authority to act completely independent of *(Insert Name of Highest Tier Excluded Entity and intermediate tiers)* in all matters that involve or relate to *(Insert Highest Cleared Entity's)* responsibility to perform on classified contracts, to include safeguarding classified information.

**BE IT FURTHER RESOLVED** that this action is taken for the purpose of exempting *(Insert Name of Highest Tier Excluded Entity and Intermediate Tiers)* from the necessity of being processed for a Facility Security Clearance (FCL) in conformity with the "National Industrial Security Program Operating Manual (NISPOM)." In lieu of a Facility Security Clearance, *(Insert Name of Highest Tier Excluded Entity)* will report any changed conditions, as defined in NISPOM 2-102, within the complete organizational structure that may impact the FCL eligibility of *(Insert Name of Highest Cleared Facility)*. Any changes that may impact FCL eligibility of *(Insert Name of Highest Cleared Facility)* will be disclosed to the Facility Security Officer at *(Insert Name of Highest Cleared Facility)* or in special circumstances, directly to the Defense Security Service.

**IN WITNESS WHEREOF** I have hereunto set my hand and affixed the seal of *(Insert Name of Company)* this *(Insert Date)*.

---

Signature



### C.3 Exclusion Resolution for LLC Member (Organization)

I, *(Insert Full Name)*, the duly elected *(Management Official Title)* of *(Insert Name of LLC Member)*, a *(Type of Organization)* organized in the State of *(Insert Name of State)*, located at *(Insert Address of LLC Member)* do hereby certify that the following is a true and complete copy of a resolution passed at a meeting of the *(Type of Management Board)* of *(Management Officials)* of said *(Type of Organization)*, at which a quorum was present, duly called and held *(Insert Month Day, Year)*.

**BE IT RESOLVED** that *(Insert Name and Address of LLC Member)*, its management officials, as such, will not require, shall not have, and can be effectively and formally excluded from access to classified information disclosed to *(Insert Name of subject LLC)*, a *Limited Liability Company*, and further that *(Insert Name of subject LLC)*, has been delegated full authority to act completely independent of *(Insert Name of LLC Member)* in all matters that involve or relate to *(Insert Name of subject LLC)*'s responsibility to safeguard information.

**BE IT FURTHER RESOLVED** that *(Insert Name and Address of LLC Member)*, is taken for the purpose of exempting the *(Insert Name of LLC Member)* from the necessity of being processed for a Facility Security Clearance in conformity with the "National Industrial Security Program Operating Manual."

Signature \_\_\_\_\_

Date \_\_\_\_\_

**(Senior Management Official of LLC Member)**



### C.4 Exclusion Resolution for Certain Directors, Officers, and LLC Member (if Person)

I, *(Insert Full Name)*, do hereby certify that I am *(Identify eligible KMP officer/position title)* of *(Insert Name of Corporation)*, a *(Insert Corporation, Company)* organized and existing under the laws of the State of *(Insert Name of State)*, and that the following is a true and correct copy of a resolution adopted by the Board of Directors, management board, or a similar type of executive body of the said *(Insert Corporation, Company)* at a meeting held at *(Insert Location)* on *(Insert Month, Day, Year)* at which time a quorum was present.

**WHEREAS**, current Department of Defense Regulations contain a provision making it mandatory that the Chairman of the Board, Senior Management Official and Facility Security Officer meet the requirements for eligibility for access to classified information established for a contractor facility security clearance; and

**WHEREAS**, said Department of Defense Regulations permit the exclusion from the personnel of the requirements for access to classified information of certain members of the Board of Directors and other officers, provided that this action is recorded in the corporate minutes.

**NOW THEREFORE BE IT DECLARED** that the Chairman of the Board, Senior Management Official and Facility Security Officer at the present time do possess, or will be processed for, the required eligibility for access to classified information; and

**BE IT RESOLVED** that in the future, when any individual enters upon any duties as Chairman of the Board, Senior Management Official and Facility Security Officer, such individual shall immediately make application for the required eligibility for access to classified information; and

**BE IT RESOLVED AND DIRECTED** that the following members of the Board of Directors and other officers or members shall not require, shall not have, and can be effectively and formally excluded from access to all **CLASSIFIED** information disclosed to the corporation/company and shall not affect adversely corporate/company policies or practices in the performance of classified contracts for the Department of Defense or the Government contracting activities (User Agencies) of the National Industrial Security Program.

NAME	TITLE

**IN WITNESS WHEREOF** I have hereunto set my hand and affixed the seal of *(Insert Name of Company)* this *(Insert Day/Month of Year)*.

\_\_\_\_\_  
Signature

Note: Two copies shall be furnished to the local DSS Industrial Security field office with an original signature and corporate seal on each. One copy shall be furnished to the subsidiary. Both the highest excluded entity parent and highest cleared subsidiary must execute a "Certificate Pertaining to Foreign Interest" (SF 328).



## Appendix D: Glossary

### D.1 Terms

Roles	Responsibilities
<b>Center for Development of Security Excellence (CDSE)</b>	<ul style="list-style-type: none"> <li>Provides the DoD with a security center of excellence for the professionalization of the security community and be the premier provider of security education and training for the DoD and industry under the National Industrial Security Program (NISP)</li> </ul>
<b>Commercial and Government Entity (CAGE) Code</b>	<ul style="list-style-type: none"> <li>Five-character ID number used extensively within the federal government, assigned by the Department of Defense’s Defense Logistics Agency (DLA). It tracks basic facility information</li> </ul>
<b>Contractor</b>	<ul style="list-style-type: none"> <li>Provides cleared government support to a Prime Contractor and/or a GCA</li> </ul>
<b>Defense Security Service (DSS)</b>	<ul style="list-style-type: none"> <li>Provides security oversight of the 14,000 facilities performing on classified contract work for US federal agencies within the NISP</li> </ul>
<b>Discontinuation Point</b>	<ul style="list-style-type: none"> <li>Facility failure to meet submission deadlines results in the termination of continuing with the facility’s FCL process</li> </ul>
<b>Electronic Facility Clearance System (e-FCL)</b>	<ul style="list-style-type: none"> <li>Online system utilized by Contractor’s Facility administrator to upload Documents and Forms for the FCL process</li> </ul>
<b>Electronic Questionnaires for Investigations Processing (e-QIP)</b>	<ul style="list-style-type: none"> <li>System managed by the US Office of Personnel Management (OPM) that automates the common security questionnaires used to process federal background investigations</li> </ul>
<b>Facility Clearance Branch (FCB)</b>	<ul style="list-style-type: none"> <li>Administers and oversees the approval or rejection process of a Sponsored Facility’s FCL</li> </ul>
<b>Facility Security Clearance (FCL)</b>	<ul style="list-style-type: none"> <li>Issued by DSS, allowing a company to perform cleared government contract work on behalf of a GCA or another contractor</li> </ul>
<b>Facility Security Officer (FSO)</b>	<ul style="list-style-type: none"> <li>Provides operational oversight of a cleared Facility’s compliance with the requirements of the National Industrial Security Program (NISP)</li> <li>Acts as Facility’s senior security officer</li> </ul>
<b>Industrial Security Representative (ISR)</b>	<ul style="list-style-type: none"> <li>Focuses efforts on assisting Contractor to identify and mitigate processes, people, or systems posing the greatest risk to a Contractor’s facility</li> <li>Assists the Contractor to receive its FCL</li> <li>Performs Pre-Assessment research and conducts the Annual Assessment</li> <li>Reviews Security Violation <i>Final Reports</i> submitted by FSOs and conducts Administrative Inquiries</li> <li>Assists the FSO and/or FCB in the Invalidation, Revocation, Revalidation, and Termination processes</li> </ul>
<b>Joint Personnel Adjudication System (JPAS)</b>	<ul style="list-style-type: none"> <li>Standardizes the adjudication process within DoD, and provides a database and processes within the security manager realm of functions</li> </ul>
<b>Key Management Personnel (KMP)</b>	<ul style="list-style-type: none"> <li>Individuals required to be cleared or excluded as determined by the Cognizant Security Agency or when delegated, its CSO, as part of issuing a Facility Security Clearance. This may include Owners, Officers Directors, Executive Personnel, Partners, LLC Members, Managers, Trustees, Regents, Proxy Holders, NISP Facility Security Officer, Insider Threat Program Manager, etc.</li> </ul>



Roles	Responsibilities
<b>National Industrial Security Program Operation Manual (NISPOM)</b>	<ul style="list-style-type: none"> <li>Provides baseline standards for the protection of classified information released or disclosed to industry in connection with classified contracts under the NISP</li> </ul>
<b>National Industrial Security Program (NISP)</b>	<ul style="list-style-type: none"> <li>Program outlining criteria for cleared facilities to safeguard classified information while performing work on contracts, programs, bids, or research and development efforts</li> </ul>
<b>Prime Contractor</b>	<ul style="list-style-type: none"> <li>Provides sponsorship for a Contractor to obtain a FCL</li> <li>Responsible for ensuring that sub-contractors have a valid FCL</li> <li>Responsible for reporting information that may affect their FCL and their subcontractors FCL to DSS.</li> </ul>
<b>Senior Management Official (SMO)</b>	<ul style="list-style-type: none"> <li>Contractor’s senior most official at the facility</li> </ul>
<b>Secure Web Fingerprint Transmission (SWFT)</b>	<ul style="list-style-type: none"> <li>System used to submit fingerprints for e-QIPs</li> </ul>
<b>Security Training, Education and Professionalization (STEPP)</b>	<ul style="list-style-type: none"> <li>Program maintaining the list of courses DSS provides Contractor’s security professionals</li> </ul>
<b>Telephonic Survey</b>	<ul style="list-style-type: none"> <li>Robust informal survey conducted by ISR with FSO to walk through the requirements of the FCL process; occurs 5 – 10 days after receipt of FCL Orientation Handbook</li> </ul>

## D.2 Business Structure

Roles	Responsibilities
<b>General Partnership</b>	<ul style="list-style-type: none"> <li>Refers to an association of persons or an unincorporated company with the following major features: created by agreement, proof of existence and estoppel, formed by two or more persons, and the owners are all personally liable for any legal actions and debts the company may face</li> </ul>
<b>Highest Cleared Facility</b>	<ul style="list-style-type: none"> <li>Parent company that has previously received its FCL and provides updates on Intermediate Tiered company’s while its subsidiary is going through its FCL process</li> </ul>
<b>Intermediate Excluded Company</b>	<ul style="list-style-type: none"> <li>Subsidiary of the Ultimate Excluded Entity and a parent of the facility undergoing the FCL process. It is also excluded from reviewing classified information its subsidiary is contracted to perform by a Prime Contractor or GCA</li> </ul>
<b>Joint Venture</b>	<ul style="list-style-type: none"> <li>Business agreement in which the parties agree to develop, for a finite time, a new entity and new assets by contributing equity. They exercise control over the enterprise and consequently share revenues, expenses and assets</li> </ul>
<b>Limited Partnership</b>	<ul style="list-style-type: none"> <li>Partnership in which only one partner is required to be a general partner</li> </ul>
<b>Limited Liability Company</b>	<ul style="list-style-type: none"> <li>Flexible form of enterprise that blends elements of partnership and corporate structures. An LLC is not a corporation; it is a legal form of company that provides limited liability to its owners in the vast majority of United States jurisdictions</li> </ul>



Roles	Responsibilities
<b>Privately Held Corporation</b>	<ul style="list-style-type: none"><li>Owned either by non-governmental organizations or by a relatively small number of shareholders or company members which does not offer or trade its company stock (shares) to the general public on the stock market exchanges, but rather the company's stock is offered, owned and traded or exchanged privately</li></ul>
<b>Publicly Held Corporation</b>	<ul style="list-style-type: none"><li>Offers its securities (stock/shares, bonds/loans, etc.) for sale to the general public, typically through a stock exchange, or through market makers operating in over the counter markets</li></ul>
<b>Sponsored Facility</b>	<ul style="list-style-type: none"><li>Facility sponsored by a Prime Contractor or GCA to receive a FCL to perform classified government work</li></ul>
<b>Sole Proprietorship</b>	<ul style="list-style-type: none"><li>Refers to a type of business entity that is owned and run by one individual and in which there is no legal distinction between the owner and the business.</li></ul>
<b>Tiered Company (Parent Company)</b>	<ul style="list-style-type: none"><li>Defined as a company owning at least a majority of another company's voting securities</li></ul>
<b>Ultimate Excluded Entity</b>	<ul style="list-style-type: none"><li>Highest parent company facility that is excluded from reviewing classified information its subsidiary is contracted to perform by a Prime Contractor or GCA</li></ul>