



**DEPARTMENT OF THE AIR FORCE
BUSINESS AND ENTERPRISE SYSTEMS DIRECTORATE
MAXWELL AIR FORCE BASE GUNTER ANNEX ALABAMA**

15 June 2020

**MEMORANDUM FOR: SMALL BUSINESS ENTERPRISE APPLICATION SOLUTIONS
(SBEAS) CONTRACT AWARDEES AND ALL CONTRACTING OFFICERS**

FROM: AFLCMC/HIKA

SUBJECT: FACILITIES CLEARANCE FOR SBEAS CONTRACT AWARDEES

At the request of the SBEAS Contract holders I have looked into the issue of Facilities Clearance(s) (FCL's) for Joint Venture (JV) members in the SBEAS IDIQ contract.

In reviewing the applicable regulation and statute concerning FCL's, in order for a contractor to be eligible for processing for a FCL, the contractor must need access to the classified information in connection with a legitimate U.S. Government or foreign government requirement. Since we do not have a need for classified material at the SBEAS IDIQ level, we, as the Government Contracting Activity (GCA) for the SBEAS contract, cannot act as the sponsor for the FCL. Also, since we do not have a requirement for a security clearance at the IDIQ level (and there was no requirement in the SBEAS RFP for a FCL as a condition of award) we do not meet the criteria as a valid GCA in requesting the FCL.

In reviewing the DISA ENCORE III IDIQ contract, the Contracting Officer for this contract stated that with "a majority of the known DISA requirements needing a Top Secret clearance" the requirement was placed in the ENCORE III RFP as a requirement for award but was modified when they realized that in order to meet the requirement they had to obtain a Top Secret clearance for the IDIQ contract to facilitate the participating vendors obtaining a FCL. It took more than one year after IDIQ contract award to obtain the Top Secret (TS) clearance for the ENCORE III IDIQ. Since the SBEAS IDIQ does not have the same requirement or need to have a TS or even a Secret clearance, it would not be feasible for us to go this route.

Also please note that the Defense Counterintelligence and Security Agency (DCSA) has strict standards they follow for what is needed in the requirement and when contractors will be reviewed. Around the time the SBEAS contract was awarded, DCSA stated, "they wouldn't review our contract awardees until they received a task order award that required the TS clearance."

Based upon the above information, the SBEAS IDIQ contract will not be sponsoring FCL's at the IDIQ level. The National Industrial Security Program Operating Manual (NISPOM) gives an alternate route for the JVs to obtain the FCLs: if one of the vendors has an existing FCL, they may sponsor the JV, but the JV must be populated i.e. at least one eligible person must be assigned/employed to the JV. This is an option that I recommend that the SBEAS contract holders pursue.

If you have any questions, please contact the NETCENTS-2 Help Desk at (334) 416-5070, Ms. Christina Henderson, SBEAS Program Manager at (334) 416-5107, email christina.henderson.3@us.af.mil or Mr. Patrick Kennerson, Contracting Officer at (334) 416-4606, email patrick.kennerson@us.af.mil.

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PATRICK J. KENNERSON
Purchasing Contracting Officer
SBEAS IDIQ

What is a Facility Clearance (FCL)?

A FCL is an administrative determination that, from a national security standpoint, a facility is eligible for access to classified information at the same or lower classification category as the FCL granted to the facility.

Who Can Sponsor a Facility for a FCL?

A government contracting activity (GCA) or a currently Cleared Defense Contractor (CDC) may sponsor an uncleared company for an FCL.

The sponsorship package should include the following:

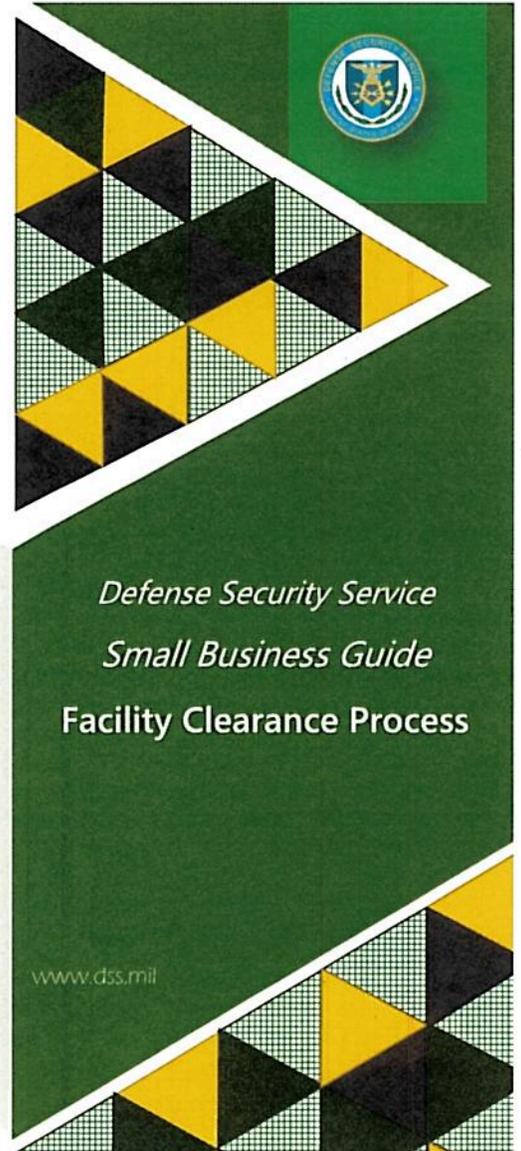
- ▲ Sponsorship Letter: Template available on DSS Website under Sponsorship Section titled "Facility Clearance (FCL) Sponsorship Request Letter".
- ▲ Justification demonstrating bona fide procurement requirement to access classified information. Most common form is DD Form 254.
- ▲ Written GCA or Intelligence Community (IC) Authorization.
- ▲ Statement of Work (SOW)/Performance Work Statement (PWS): Highly recommended that a contract or subcontract specific SOW or PWS be included.

Considering Starting a Joint Venture (JV) ?

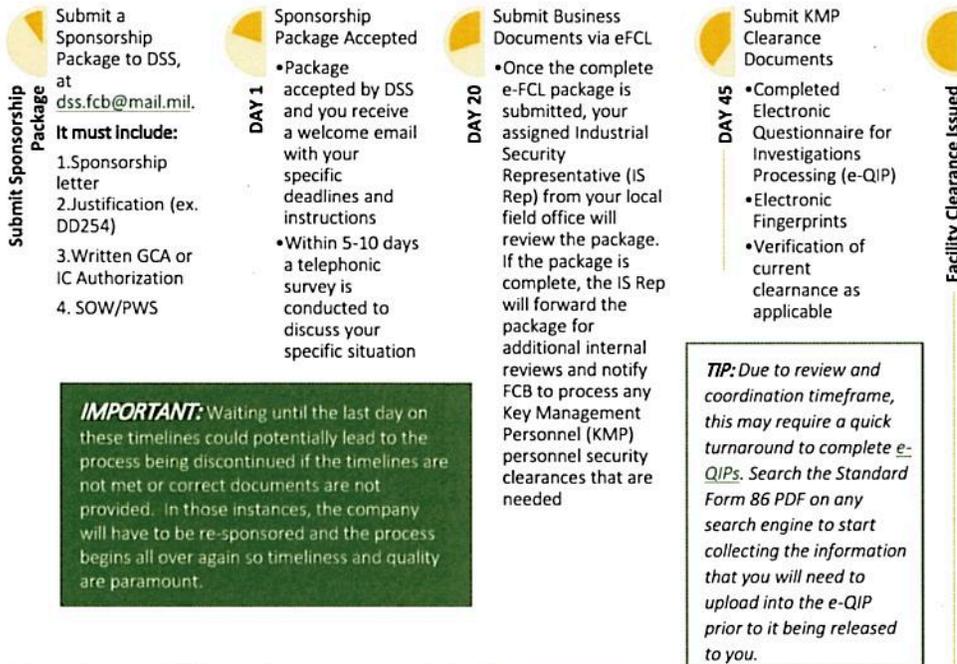
With new Mentor-Protégé Programs available to small businesses, more joint ventures are being considered. If you form a JV that is awarded a classified contract, the JV entity will require a FCL. This applies to all JVs, regardless if the separate entities of the JV currently hold a FCL.

There also can be confusion associated with populated and unpopulated JVs. The Facility Security Officer (FSO), the Insider Threat Program Senior Official (ITPSO), and the SMO Senior Management Official (SMO) must be employees of the organization holding the Facility Clearance. Therefore, the JV must have at least one employee who hold these positions. The SBA regulations, 13 CFR 121.103 (h) do allow a joint venture to have its own separate employees to perform administrative functions. Thus, a joint venture may be populated with employee(s) and still be considered an unpopulated joint venture so long as these employees are not performing the contracts awarded to the joint venture.

TIP: When forming a JV, review the security requirements of the contracts you will be bidding on and ensure FCL sponsorship and timelines are considered.



The FCL Process



IMPORTANT: Waiting until the last day on these timelines could potentially lead to the process being discontinued if the timelines are not met or correct documents are not provided. In those instances, the company will have to be re-sponsored and the process begins all over again so timeliness and quality are paramount.

TIP: Due to review and coordination timeframe, this may require a quick turnaround to complete e-QIPs. Search the Standard Form 86 PDF on any search engine to start collecting the information that you will need to upload into the e-QIP prior to it being released to you.

How long will the whole process take?

- It depends on the individual situation. The two main hold points in the process that add time are processing of Personnel Clearances (PCL) for Key Management Personnel (KMP) and mitigations for businesses with Foreign Ownership or Controlling Interest (FOCI). Interims are granted, when possible, to allow contractors to begin performance.
- *Example:* If you are a business where the KMP currently holds an active personnel clearance at the level required by the contract and have no FOCI then the process will most likely go faster. The same is likely for two cleared businesses that form a Joint Venture (JV) and require the JV to be cleared.

TIP: Please note that the biggest opportunity to expedite your Facility Clearance Process is in being prepared to provide the required information and documentation quickly at each stage of the process.

Tips for Small Businesses

- Cleared contractors can process individual consultants for a PCL and NOT a FCL when the consultant and immediate family members are the sole owners and only the consultant requires access to classified information. **Be aware of this when looking into subcontracting opportunities!**
- DSS Facility Clearance Branch (FCB) cannot adjust agency contract requirements that require a FCL at time of bid. If you have a concern, engage with the agency directly.
- 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).
- Leverage your business relationships and small business status to find subcontracting opportunities that will sponsor your business.
- See back flap for important information on joint ventures.

Resources Available to you:

- Visit www.DSS.mil to view a detailed and very helpful video on the [FCL process](#), FCL checklist, FAQs, [NISPOM](#).
- Call the DSS Knowledge Center at 888-282-7682 and select option #3 for all FCL-related questions or status updates on your submission.
- Visit www.CDSE.edu for FREE training, toolkits, job aids, security shorts and more such as FSO training, FSO Toolkit, and Merger/Acquisition/Reorganizations Job Aids.