

Wiley Updates DCSA and FOCI Handbook for 2025

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Wiley has updated its Defense Counterintelligence and Security Agency (DCSA) and Foreign Ownership, Control or Influence (FOCI) handbook for 2025. Since 2019, DCSA has maintained industrial security responsibilities concerning the disclosure of classified information and administers security clearance responsibilities for the federal government. As part of its security clearance work, DCSA determines whether contractors are operating under the direct or indirect power of a foreign interest and what mitigation measures are required to reduce the risk of unauthorized disclosure of classified information.

The handbook, authored by partner Tessa Capeloto and senior public policy advisor Nova J. Daly of the International Trade and National Security practices, provides an overview of both DCSA and FOCI, including FOCI mitigation mechanisms, updates to the security review and rating process (SRRP), what contractors can do to stay compliant, and other recent developments, such as:

- The new version of Standard Form 328, *Certificate Pertaining to Foreign Interests*, which expands disclosure requirements for ownership structures, foreign research or outsourcing ties, debt obligations, and revenue from foreign sources, with the threshold for reporting foreign-sourced revenue being reduced to just 15%. The updated form is mandatory for new Facility Security Clearance (FCL) applications, upgrades, and FOCI mitigation agreements submitted on or after May 12, 2025.
- The expansion of Section 847 of the National Defense Authorization Act, which places unclassified U.S. Department of Defense (DoD) contracts and R&D projects valued at \$5 million

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or more under enhanced FOCI review. Contractors must disclose beneficial ownership and report changes throughout the contract term, but commercial providers remain exempt unless a senior DoD official requires otherwise; and

- The importance of submitting a complete and accurate FCL application, as newly streamlined submission rules give contractors only one chance to fix deficiencies if their package is returned.

Read the updated handbook [here](#).