



**DEPARTMENT OF DEFENSE  
DEFENSE OFFICE OF HEARINGS AND APPEALS**



In the matter of:

Applicant for Security Clearance

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ISCR Case No. 24-00227

**Appearances**

For Government:

John Renahan, Esquire, Department Counsel

For Applicant:

*Pro se*

06/06/2025

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**Decision**

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CEFOLA, Richard A., Administrative Judge:

**Statement of the Case**

On September 17, 2024, in accordance with DoD Directive 5220.6, as amended (Directive), the Department of Defense issued Applicant a Statement of Reasons (SOR) alleging facts that raise security concerns under Guideline F (Financial Considerations), and Guideline B (Foreign Influence). The SOR further informed Applicant that, based on information available to the government, DoD adjudicators could not make the preliminary affirmative finding it is clearly consistent with the national interest to grant or continue Applicant's security clearance.

Applicant answered the SOR on November 12, 2024, and requested a hearing before an administrative judge. (Answer.) The case was assigned to me on March 12, 2025. The Defense Office of Hearings and Appeals (DOHA) issued a notice of hearing on March 18, 2025, scheduling the hearing for May 1, 2025. The hearing was convened as scheduled. The Government offered Exhibits (GXs) 1 through 10, which were admitted without objection. Applicant testified on his own behalf and called one witness. The record was left open until May 30, 2025, for receipt of additional documentation. Applicant offered three sets of documents, which I marked Applicant's Exhibits (AppXs) A through C, and admitted into evidence. DOHA received the transcript of the hearing (TR) on May 12, 2025.

### **Findings of Fact**

Applicant denied all the SOR allegations. After a thorough and careful review of the pleadings, exhibits, and testimony, I make the following findings of fact.

Applicant is a 53-year-old employee of a defense contractor. He is a college graduate, and has been employed with the defense contractor since February 2022. He retired from the U.S. Army as a Warrant Officer, after 24 years of honorable service, and has held a security clearance since 2005. He is twice divorced, and has four adult children. Applicant attributes the alleged financial difficulties to, unbeknownst to Applicant, last minute spending by his second former spouse, whom he divorced in 2019. His divorce attorney also testified on Applicant's regarding the debt issue. (TR at page 5 line 12 to page 6 line 7, at page 13 line 10 to page 21 line 22, at page 25 line 12 to page 32 line 15, and GX 2 at pages 5, and 9, 10, 14, 17~18, 22~24 and 36.)

### **Guideline F - Financial Considerations**

1.a. Applicant denies the alleged past-due, \$17,976 credit card debt. His former spouse used the credit card during his numerous overseas deployments. She last used it in 2017, just prior to the litigation preceding their 2019 divorce. To expedite the divorce, Applicant assumed all of the credit card debt she incurred. Since February of 2024, Applicant has had his wages garnished to pay this debt. Since the issuance of the SOR, he has paid \$4,507 towards the \$17,976 debt, leaving a current remaining balance of about \$13,469. (TR at page 13 line 10 to page 21 line 22, at page 32 line 16 to page 45 line 17, and AppX C.)

## **Guideline B - Foreign Influence**

2.a. and 2.b. Applicant has various cousins, aunts, uncles, other family members and a friend who are citizens and residents of Mexico. He maintains a close and continuing relationship with these relatives and friend. Since 1994, Applicant has provided financial support for these relatives. In 2024, that financial support was in excess of \$21,000. There is no evidence that any of these Mexican relatives or friend have any connection with the Mexican government. He has submitted 11 letters of support, two from Lieutenant Colonels, regarding his allegiance to the United States. (TR at page 56 line 9 to page 68 line 1, at page 71 line 11 to page 73 line 12, GX 2 at pages 25~26 and 28~29, GX 3 at pages 14~18, GX 5 at pages 3~4, GX 6 at pages 2~5, and AppX A.)

### **Policies**

When evaluating an applicant's national security eligibility, the administrative judge must consider the adjudicative guidelines (AG). In addition to brief introductory explanations for each guideline, the adjudicative guidelines list potentially disqualifying conditions and mitigating conditions, which are to be used in evaluating an applicant's national security eligibility.

These guidelines are not inflexible rules of law. Instead, recognizing the complexities of human behavior, administrative judges apply the guidelines in conjunction with the factors listed in AG ¶ 2 describing the adjudicative process. The administrative judge's overarching adjudicative goal is a fair, impartial, and commonsense decision. According to AG ¶ 2(a), the entire process is a conscientious scrutiny of a number of variables known as the whole-person concept. The administrative judge must consider all available, reliable information about the person, past and present, favorable and unfavorable, in making a decision.

The protection of the national security is the paramount consideration. AG ¶ 2(b) requires that “[a]ny doubt concerning personnel being considered for national security eligibility will be resolved in favor of the national security.” In reaching this decision, I have drawn only those conclusions that are reasonable, logical, and based on the evidence contained in the record.

Under Directive ¶ E3.1.14, the Government must present evidence to establish controverted facts alleged in the SOR. Directive ¶ E3.1.15 states the “applicant is responsible for presenting witnesses and other evidence to rebut, explain, extenuate, or mitigate facts admitted by the applicant or proven by Department Counsel, and has the ultimate burden of persuasion as to obtaining a favorable clearance decision.”

A person who applies for access to classified information seeks to enter into a fiduciary relationship with the Government predicated upon trust and confidence. This relationship transcends normal duty hours and endures throughout off-duty hours. The Government reposes a high degree of trust and confidence in individuals to whom it grants access to classified information. Decisions include, by necessity, consideration of the possible risk the applicant may deliberately or inadvertently fail to protect or safeguard classified information. Such decisions entail a certain degree of legally permissible extrapolation as to potential, rather than actual, risk of compromise of classified information.

Section 7 of Executive Order (EO) 10865 provides that adverse decisions shall be “in terms of the national interest and shall in no sense be a determination as to the loyalty of the applicant concerned.” See also EO 12968, Section 3.1(b) (listing multiple prerequisites for access to classified or sensitive information).

### **Analysis**

#### **Guideline F - Financial Considerations**

The security concern relating to the guideline for Financial Considerations is set out in AG ¶ 18:

Failure to live within one's means, satisfy debts, and meet financial obligations may indicate poor self-control, lack of judgment, or unwillingness to abide by rules and regulations, all of which can raise questions about an individual's reliability, trustworthiness, and ability to protect classified or sensitive information. Financial distress can also be caused or exacerbated by, and thus can be a possible indicator of, other issues of personnel security concern such as excessive gambling, mental health conditions, substance misuse, or alcohol abuse or dependence. An individual who is financially overextended is at greater risk of having to engage in illegal or otherwise questionable acts to generate funds. Affluence that cannot be explained by known sources of income is also a security concern insofar as it may result from criminal activity, including espionage.

The guideline notes several conditions that could raise security concerns under AG ¶ 19. Two are potentially applicable in this case:

- (a) inability to satisfy debts; and
- (c) a history of not meeting financial obligations.

Applicant incurred nearly \$18,000 of past-due debt from his divorce. The evidence is sufficient to raise these disqualifying conditions.

AG ¶ 20 provides conditions that could mitigate security concerns. I considered all of the mitigating conditions under AG ¶ 20 including:

- (a) the behavior happened so long ago, was so infrequent, or occurred under such circumstances that it is unlikely to recur and does not cast doubt on the individual's current reliability, trustworthiness, or good judgment;
- (b) the conditions that resulted in the financial problem were largely beyond the person's control (e.g., loss of employment, a business downturn, unexpected medical emergency, a death, divorce or separation, clear victimization by predatory lending practices, or identity theft), and the individual acted responsibly under the circumstances; and
- (d) the individual initiated and is adhering to a good-faith effort to repay overdue creditors or otherwise resolve debts

Applicant's financial problems are directly related to his most recent divorce. He has reduced this debt to about \$13,500 by having his wages garnished. He has demonstrated that future financial problems are unlikely. Mitigation under AG ¶ 20 has been established. Financial Considerations is found for Applicant.

## **Guideline B - Foreign Influence**

The security concern relating to the guideline for Foreign Influence is set out in AG ¶ 6:

Foreign contacts and interests, including, but not limited to, business, financial, and property interests, are a national security concern if they result in divided allegiance. They may also be a national security concern if they create circumstances in which the individual may be manipulated or induced to help a foreign person, group, organization, or government in a way

inconsistent with U.S. interests or otherwise made vulnerable to pressure or coercion by any foreign interest. Assessment of foreign contacts and interests should consider the country in which the foreign contact or interest is located, including, but not limited to, considerations such as whether it is known to target U.S. citizens to obtain classified or sensitive information or is associated with a risk of terrorism.

The guideline notes several conditions that could raise security concerns under AG ¶ 7. Two are potentially applicable in this case:

- (a) contact, regardless of method, with a foreign family member, business or professional associate, friend, or other person who is a citizen of or resident in a foreign country if that contact creates a heightened risk of foreign exploitation, inducement, manipulation, pressure, or coercion; and
- (b) connections to a foreign person, group, government, or country that create a potential conflict of interest between the individual's obligation to protect classified or sensitive information or technology and the individual's desire to help a foreign person, group, or country by providing that information or technology.

Applicant has numerous relatives and a friend who are citizens and residents of Mexico. He has provided them with significant financial support. The evidence is sufficient to raise these disqualifying conditions.

AG ¶ 8 provides conditions that could mitigate security concerns. I considered all of the mitigating conditions under AG ¶ 8 including:

- (a) the nature of the relationships with foreign persons, the country in which these persons are located, or the positions or activities of those persons in that country are such that it is unlikely the individual will be placed in a position of having to choose between the interests of a foreign individual, group, organization, or government and the interests of the United States; and
- (b) there is no conflict of interest, either because the individual's sense of loyalty or obligation to the foreign person, or allegiance to the group, government, or country is so minimal, or the individual has such deep and longstanding relationships and loyalties in the United States, that the individual can be expected to resolve any conflict of interest in favor of the U.S. interest.

None of the Applicant's relatives or his friend have any connection with the Mexican government. They have little or no influence over him. Applicant served honorably in the U.S. Army for 24 years, and is a retired Warrant Officer. He has submitted 11 letters of support from those who knew him in the military, and in the workplace. I have no doubt as to his allegiance to the United States. Foreign Influence is found for Applicant.

### **Whole-Person Concept**

Under the whole-person concept, the administrative judge must evaluate an applicant's eligibility for a security clearance by considering the totality of the applicant's conduct and all relevant circumstances. The administrative judge should consider the nine adjudicative process factors listed at AG ¶ 2(d):

- (1) the nature, extent, and seriousness of the conduct; (2) the circumstances surrounding the conduct, to include knowledgeable participation; (3) the frequency and recency of the conduct; (4) the individual's age and maturity at the time of the conduct; (5) the extent to which participation is voluntary; (6) the presence or absence of rehabilitation and other permanent behavioral changes; (7) the motivation for the conduct; (8) the potential for pressure, coercion, exploitation, or duress; and (9) the likelihood of continuation or recurrence.

Under AG ¶ 2(c), the ultimate determination of whether to grant eligibility for a security clearance must be an overall commonsense judgment based upon careful consideration of the guidelines and the whole-person concept.

I considered the potentially disqualifying and mitigating conditions in light of all facts and circumstances surrounding this case. I have incorporated my comments under Guidelines F and B in my whole-person analysis. Some of the factors in AG ¶ 2(d) were addressed under those guidelines, but some warrant additional comment.

Applicant has a distinguished history of working in the defense industry and in the U.S. Army. He performs well at his job. Overall, the record evidence leaves me without questions or doubts as to Applicant's eligibility and suitability for a security clearance. For all these reasons, I conclude Applicant mitigated the Financial Considerations and Foreign Influence security concerns.

## **Formal Findings**

Formal findings for or against Applicant on the allegations set forth in the SOR, as required by ¶ E3.1.25 of the Directive, are:

Paragraph 1, Guideline F:                   **FOR APPLICANT**

Subparagraph 1.a:                           For Applicant

Paragraph 1, Guideline B:                   **FOR APPLICANT**

Subparagraph 2.a:                           For Applicant

Subparagraph 2.b:                           For Applicant

## **Conclusion**

In light of all of the circumstances presented by the record in this case, it is clearly consistent with the national interest to grant Applicant national security eligibility for a security clearance. Eligibility for access to classified information is granted.

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Richard A. Cefola  
Administrative Judge