



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



In the matter of:

Applicant for Security Clearance

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ISCR Case No. 24-01458

Appearances

For Government:

Alison O'Connell, Esquire, Department Counsel

For Applicant:

Pro se

09/15/2025

Decision

CEFOLA, Richard A., Administrative Judge:

Statement of the Case

On January 22, 2025, 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 E (Personal Conduct). 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 February 5, 2025, and requested a hearing before an administrative judge. (Answer.) The case was originally assigned to another administrative judge on March 3, 2025, but reassigned to the undersigned on July 1, 2025. The Defense Office of Hearings and Appeals (DOHA) issued a notice of hearing on July 8, 2025, scheduling the hearing for July 29, 2025. The hearing was convened as scheduled. The Government offered Exhibits (GXs) 1 through 9, which were admitted into evidence. Applicant testified on his own behalf. The record was left open until August 29, 2025, for receipt of additional documentation. Applicant offered three documents, which I marked Applicant's Exhibits (AppXs) A through C, and which were admitted into evidence. DOHA received the transcript of the hearing (TR) on August 13, 2025.

Findings of Fact

Applicant admitted all the allegations in SOR, except for allegation ¶ 2.g. After a thorough and careful review of the pleadings, exhibits, and testimony, I make the following findings of fact.

Applicant is a 65-year-old employee of a defense contractor. He has been employed with the defense contractor since December of 2021. Applicant went to a vocational school, and received a GED in 1984. He is married, and has one stepchild. Applicant served in the U.S. Navy for four years in the 1980s, and was honorably discharged. Applicant currently does not hold a security clearance. (TR at page 10 line 17 to page 15 line 23, at page 20 line 6 to page 21 line 13, and GX 1 at pages 5, 11, 12, and 22~24.)

Guideline F - Financial Considerations

Applicant was unemployed from March of 2020 until December of 2021, due to COVID. (TR at page 19 line 1 to page 20 line 5.)

1.a. Applicant admits that he has a past-due debt to Creditor A in the amount of about \$6,054. He has hired a credit repair service, only to increase his credit score, but has done nothing further to address this admitted debt. (TR at page 21 line 21 to page 25 line 10.)

1.b. Applicant admits that he has a past-due debt to Creditor B in the amount of about \$391. He has done nothing to address this admitted debt. (TR at page 25 line 11 to page 26 line 9.)

1.c.~1.i. Applicant admits ten additional past-due debts totaling about \$28,851. He has done nothing to address these admitted debts. (TR at page 26 lines 10~22.)

Guideline E - Personal Conduct

2.a. Applicant admits that in October of 1984, about 41 years ago, he was charged with and convicted of Driving Under the Influence (DUI). (TR at page 30 line 21 to page 31 line 18.)

2.b. Applicant admits that in October of 1985, about 40 years ago, he was charged with Pointing or Aiming a Gun or Pistol at Another (a neighbor and/or his wife), and with a Simple Battery (on his then wife). (TR at page 31 line 19 to page 35 line 18.)

2.c. Applicant admits that in June of 1987, about 38 years ago, he was charged with and convicted of a Simple Battery. He received a suspended sentence for twelve months. (TR at page 35 line 19 to page 38 line 9.)

2.d. Applicant admits that in December of 1987, also about 38 years ago, he was charged with and convicted of a DUI. (TR at page 38 line 10 to page 39 line 9.)

2.e. Applicant admits that in March of 1989, about 36 years ago, he was charged with a Simple Battery. (TR at page 39 line 10 to page 42 line 20.)

2.f. Applicant admits that in April of 1991, also about 34 years ago, he was charged with and convicted of a DIU. (TR at page 42 line 21 to page 46 line 8.)

2.g. Applicant denies that in September of 1993, about 32 years ago, he was charged with Felony Burglary. (TR at page 46 line 9 to page 47 line 5.) This allegation is found for Applicant.

2.h. Applicant admits that in July of 2004, about 21 years ago, he was charged with Felony Burglary. This charge was later dismissed. (TR at page 47 line 6 to page 51 line 9.) This allegation is found for Applicant.

2.i. Applicant admits that in July of 2004, also about 21 years ago, he was charged with and convicted of a DUI. Applicant was sentenced to two days of confinement, and placed on probation for 12 months. (TR at page 51 line 10 to page 54 line 14.)

2.j. Applicant admits that in October of 2020, about 5 years ago, he was charged with Liquor – Public Intoxication. (TR at page 54 line 15 to page 57 line 18.)

2.k. Applicant admits that he failed to disclose his October 2020, Liquor – Public Intoxication charge (noted in subparagraph 2.j., above), in response to “Section 22 – Police Record – In the last (7) years,” on his June 4, 2023, Electronic Questionnaire for Investigations Processing (e-QIP). Applicant only disclosed this charge when confronted about it during his subject interview. (TR at page 57 line 19 to page 59 line 2, and GX 1 at page 30.)

2.l. Applicant admits that he failed to disclose his admitted past-due debts (noted in subparagraphs 1.a~1.l, above), in response to “Section 26 – Financial Records Delinquency Involving Routine Accounts . . .,” on his June 4, 2023, e-QIP. Applicant claims it was an “oversight” on his part. (TR at page 59 line 3 to page 60 line 17, and GX 1 at page 40.)

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 *a/so* 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 has over \$35,000 in past-due indebtedness. 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
- (c) the individual has received or is receiving financial counseling for the problem from a legitimate and credible source, such as a non-profit credit counseling service, and there are clear indications that the problem is being resolved or is under control

Although Applicant can partially attribute his past-due indebtedness to his unemployment, from March of 2020 until December of 2021 due to COVID, since then he has done nothing to address his admitted past-due debts. He has hired a credit repair service, but he hired them was only to increase his credit score, not to pay back his substantial past-due indebtedness. Applicant's financial problems are ongoing. He has a long history of delinquencies, and remains excessively indebted. He has not demonstrated that future financial problems are unlikely. Mitigation under AG ¶ 20 has not been established. Financial Considerations is found against Applicant.

Guideline E - Personal Conduct

The security concern relating to the guideline for Personal Conduct is set out in AG ¶ 15:

Conduct involving questionable judgment, lack of candor, dishonesty, or unwillingness to comply with rules and regulations can raise questions about an individual's reliability, trustworthiness, and ability to protect classified or sensitive information. Of special interest is any failure to cooperate or provide truthful and candid answers during national security investigative or adjudicative processes.

The guideline notes several conditions that could raise security concerns under AG ¶ 16. One is potentially applicable in this case:

(a) deliberate omission, concealment, or falsification of relevant facts from any personnel security questionnaire, personal history statement, or similar form used to conduct investigations, determine employment qualifications, award benefits or status, determine national security eligibility or trustworthiness, or award fiduciary responsibilities

(d) credible adverse information that is not explicitly covered under any other guideline and may not be sufficient by itself for an adverse determination, but which, when combined with all available information, supports a whole-person assessment of questionable judgment, untrustworthiness, unreliability, lack of candor, unwillingness to comply with rules and regulations, or other characteristics indicating that the individual may not properly safeguard classified or sensitive information. This includes, but is not limited to, consideration of:

(1) untrustworthy or unreliable behavior to include breach of client confidentiality, release of proprietary information, unauthorized release of sensitive corporate or government protected information;

(2) any disruptive, violent, or other inappropriate behavior;

(3) a pattern of dishonesty or rule violations; and

(4) evidence of significant misuse of Government or other employer's time or resources.

Applicant has an extensive pattern of rule violations that spans over a period of about forty years from October 1984, which starts with his first DUI, and continues until his June 2023 e-QIP falsifications. The evidence is sufficient to raise these disqualifying conditions.

AG ¶ 17 provides conditions that could mitigate security concerns. I considered all of the mitigating conditions under AG ¶ 17 including:

(a) the individual made prompt, good-faith efforts to correct the omission, concealment, or falsification before being confronted with the facts;

(c) the offense is so minor, or so much time has passed, or the behavior is so infrequent, or it happened under such unique circumstances that it is unlikely to recur and does not cast doubt on the individual's reliability, trustworthiness, or good judgment;

(d) the individual has acknowledged the behavior and obtained counseling to change the behavior or taken other positive steps to alleviate the stressors, circumstances, or factors that contributed to untrustworthy, unreliable, or other inappropriate behavior, and such behavior is unlikely to recur; and

(g) association with persons involved in criminal activities was unwitting, has ceased, or occurs under circumstances that do not cast doubt upon the individual's reliability, trustworthiness, judgment, or willingness to comply with rules and regulations.

None of the above mitigating conditions apply. Applicant's unlawful and questionable behavior was consistent and serious, and shows a pattern that occurred at least nine times (criminal conduct: eight times from October 1984 until October 2020, and falsifications in June 2023) over the last four decades. Personal Conduct is found against 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 E in my whole-person analysis. Some of the factors in AG ¶ 2(d) were addressed under those guidelines, but some warrant additional comment. Applicant is respected in the workplace; he performs well at his job. (AppX C.)

However, overall, the record evidence leaves me with questions and doubts as to Applicant's eligibility and suitability for a security clearance. For all these reasons, I conclude Applicant failed to mitigate the Financial Considerations and Personal Conduct 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:	AGAINST APPLICANT
Subparagraphs 1.a~1.l:	Against Applicant
Paragraph 1, Guideline E:	AGAINST APPLICANT
Subparagraphs 2.a~2.f:	Against Applicant
Subparagraphs 2.g. and 2.h:	For Applicant
Subparagraphs 2.i~2.l:	Against Applicant

Conclusion

In light of all of the circumstances presented by the record in this case, it is not clearly consistent with the national interest to grant Applicant national security eligibility for a security clearance. Eligibility for access to classified information is denied.

Richard A. Cefola
Administrative Judge