KEYWORD: Guideline F

DIGEST: In his appeal brief, Applicant contends that Judge miscalculated the combined amount of the two unaddressed debts, noting the Judge stated in his analysis that Applicant "has yet to address two past-due debts totaling over $20,000." Applicant's background interview indicates those two debts were delinquent in amounts totaling well over $20,000. However, his most recent credit report reflects that the combined amount of the two debts is nearly $18,000. Even though the Judge may have miscalculated the combined amount of these debts, this error was harmless because it did not likely affect the outcome of the case. Adverse decision is affirmed.

CASE NO: 19-01869.a1

DATE: 02/07/2020

DATE: February 7, 2020

In Re:	)	
	)	
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	)	
	)	
Applicant for Security Clearance	)	
	)	

APPEAL BOARD DECISION

APPEARANCES

FOR GOVERNMENT
James B. Norman, Esq., Chief Department Counsel

FOR APPLICANT
Pro se

The Department of Defense (DoD) declined to grant Applicant a security clearance. On June 26, 2019, DoD issued a statement of reasons (SOR) advising Applicant of the basis for that decision—security concerns raised under Guideline F (Financial Considerations) of Department of Defense Directive 5220.6 (Jan. 2, 1992, as amended) (Directive). Applicant requested a hearing. On December 9, 2019, after the hearing, Administrative Judge Richard A. Cefola denied Applicant's request for a security clearance. Applicant appealed pursuant to Directive ¶¶ E3.1.28 and E3.1.30.

The SOR alleged that Applicant had seven delinquent debts totaling about $29,000. In responding to the SOR, Applicant admitted each allegation. The Judge found in favor of Applicant on five of those debts and against him on two of them. The Judge concluded that Applicant has a long history of financial delinquencies and has not demonstrated that future financial problems are unlikely.

In his appeal brief, Applicant contends that Judge miscalculated the combined amount of the two unaddressed debts, noting the Judge stated in his analysis that Applicant "has yet to address two past-due debts totaling over $20,000." Appeal Brief at 1, quoting from Decision at 5. Applicant's background interview indicates those two debts were delinquent in amounts totaling well over $20,000. Government Exhibit (GE) 2. However, his most recent credit report reflects that the combined amount of the two debts is nearly $18,000. GE 4. Even though the Judge may have miscalculated the combined amount of these debts, this error was harmless because it did not likely affect the outcome of the case. *See, e.g.*, ISCR Case No 11-15184 at 3 (App. Bd. Jul. 25, 2013).

Applicant also contends that the Judge erred in failing to find that he was addressing those two debts through a credit consulting service. In this regard, Applicant also stated, "I do understand if there was some confusion regarding that contract, due to the fact that those line items the judge is referring to are not named, but the company had yet to investigate the problematic items on my credit reports, therefor could not preemptively name them on said contract." Appeal Brief at 1. Applicant submitted the credit consulting service agreement in his post-hearing submission on September 17, 2019. Applicant's Exhibit (AE) A. Applicant had signed the agreement on September 13, 2019. The agreement provides for the consulting service to review a customer's credit reports and dispute inaccurate information in them. The agreement does not identify specific debts that will be disputed. In a separate post-hearing letter, Applicant indicated that the consulting service will be assisting him "with the wrongful debt" involving the two companies in question. AE B. As noted above, Applicant admitted those debts when he responded to the SOR. At the hearing, he testified that these were business debts that were opened in his name. From our review of the record, we find no reason to disturb the Judge's conclusion that Applicant has not yet addressed those two debts.

Applicant has failed to establish that the Judge committed any harmful error. The Judge examined the relevant evidence and articulated a satisfactory explanation for the decision. The decision is sustainable on this record. "The general standard is that a clearance may be granted only when 'clearly consistent with the interests of the national security.'" *Department of the Navy v. Egan*, 484 U.S. 518, 528 (1988). *See also* Directive, Encl. 2, App. A ¶ 2(b): "Any doubt concerning personnel being considered for national security eligibility will be resolved in favor of the national security."

Order

The Decision is **AFFIRMED**.

Signed: Michael Ra'anan
Michael Ra'anan
Administrative Judge
Chairperson, Appeal Board

Signed: James E. Moody
James E. Moody
Administrative Judge
Member, Appeal Board

Signed: James F. Duffy
James F. Duffy
Administrative Judge
Member, Appeal Board