



**DEPARTMENT OF DEFENSE
DEFENSE LEGAL SERVICES AGENCY
DEFENSE OFFICE OF HEARINGS AND APPEALS
APPEAL BOARD
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Date: August 28, 2025

In the matter of:

Applicant for Security Clearance

ISCR Case No. 24-01532

APPEAL BOARD DECISION

APPEARANCES

FOR GOVERNMENT

Julie R. Mendez, Esq., Chief Department Counsel

FOR APPLICANT

Pro se

The Department of Defense (DoD) declined to grant Applicant a security clearance. On December 13, 2024, DoD issued a Statement of Reasons (SOR) advising Applicant of the basis of that decision – security concerns raised under Guideline E (Personal Conduct) and Guideline F (Financial Considerations) of the National Security Adjudicative Guidelines (AG) in Appendix A of Security Executive Agent Directive 4 (effective June 8, 2017) and DoD Directive 5220.6 (Jan. 2, 1992, as amended) (Directive). On July 8, 2025, Defense Office of Hearings and Appeals Administrative Judge Braden M. Murphy denied Applicant national security eligibility. Applicant appealed pursuant to Directive ¶¶ E3.1.28 and E3.1.30.

Discussion

Under Guideline F, the SOR alleged that Applicant filed for bankruptcy five times, including under Chapter 7 in 2009, which resulted in discharge, under Chapter 13 in 2012, 2014, and 2015, all of which were dismissed for failure to make plan payments, and finally under Chapter 7 in 2018, which again resulted in discharge. Additionally, Applicant had since accumulated four new delinquent debts totaling approximately \$20,500. Applicant did not report any financial

concerns on his 2023 security clearance application (SCA) and did not disclose the bankruptcies or delinquent debts until confronted with the information during his background interview. In response to the SOR, Applicant denied two consumer debts – one as fraudulent (SOR ¶ 2.g) and the other as belonging to his father (SOR ¶ 2.h). He admitted the remaining debts and bankruptcies with explanation. The Judge resolved one allegation favorably – a minor judgment entered against Applicant in 2023 (SOR ¶ 2.i) – and resolved the remaining Guideline F allegations adversely.¹

On appeal, Applicant challenges the Judge’s adverse finding regarding the debt alleged at SOR ¶ 2.h, reiterating his denial of liability on the basis that he was merely an authorized user on the account that belonged to his father. The Government acknowledged that Applicant was an authorized user on the account but argued that “[a]s an authorized user, Applicant is still responsible for the debt.” File of Relevant Material at 4. The Judge found that Applicant failed to document his father’s liability for the debt sufficiently and declined to find the debt mitigated. Contrary to the Government’s argument and the Judge’s finding, however, Applicant’s credit report confirms that Applicant was only an authorized user on the account² and, as such, he bears no liability for the debt. The Judge erred in resolving this debt adversely; however, considering the scope of the remaining SOR allegations resolved unfavorably – including Applicant’s lengthy history of bankruptcy and incurring over \$18,000 of additional delinquent debt since the last discharge in 2018, the erroneous adverse finding on SOR ¶ 2.h’s \$1,200 debt was harmless. *See* ISCR Case No. 00-0250 at 4 (App. Bd. Jul. 11, 2001).

The remainder of Applicant’s appeal fails to allege any error by the Judge. Instead, he reiterates the circumstances leading to his financial problems and advocates for a different weighing of those circumstances under the Whole-Person Concept, which is insufficient to demonstrate that the Judge weighed the evidence or reached conclusions in a manner that is arbitrary, capricious, or contrary to law. *See* ISCR Case No. 04-08975 at 1 (App. Bd. Aug. 4, 2006) (citation omitted).

Conclusion

Applicant has not established that the Judge’s conclusions were arbitrary, capricious, or contrary to law. Rather, the Judge examined and weighed the disqualifying and mitigating evidence and articulated a satisfactory explanation for the decision. The record is sufficient to support that the Judge’s findings and conclusions are sustainable. “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). “Any doubt concerning personnel being considered for national security eligibility will be resolved in favor of the national security.” AG ¶ 2(b).

¹ The Judge resolved the Guideline E falsification concern in Applicant’s favor. Although Applicant on appeal reiterates his explanation for not disclosing reportable financial issues on his SCA, thereby implicitly challenging the Guideline E allegation, the Judge’s favorable finding on this concern renders Applicant’s appeal argument moot.

² Government Exhibit (GE) 12 at 3.

Order

The decision in ISCR Case No. 24-01532 is **AFFIRMED**.

Signed: Moira Modzelewski

Moira Modzelewski
Administrative Judge
Chair, Appeal Board

Signed: Jennifer I. Goldstein

Jennifer I. Goldstein
Administrative Judge
Member, Appeal Board

Signed: Allison Marie

Allison Marie
Administrative Judge
Member, Appeal Board