



**DEFENSE LEGAL SERVICES AGENCY
DEFENSE OFFICE OF HEARINGS AND APPEALS
APPEAL BOARD**



Date: June 25, 2026

In the matter of:)
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ISCR Case No. 25-00833

Applicant for Security Clearance)
_____)

APPEAL BOARD DECISION

APPEARANCES

FOR GOVERNMENT

Andrea M. Corrales, Esq., Deputy Chief Department Counsel

FOR APPLICANT

Pro se

The Department of Defense (DoD) declined to grant Applicant a security clearance. On July 22, 2025, DoD issued a Statement of Reasons (SOR) advising Applicant of the basis of that decision – security concerns raised under 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 March 31, 2026, Defense Office of Hearings and Appeals Administrative Judge Benjamin R. Dorsey denied Applicant national security eligibility. Applicant appealed pursuant to Directive ¶¶ E3.1.28 and E3.1.30.

On appeal, Applicant raised a due process issue regarding materials submitted with his Answer to the SOR (Answer) that were not included in the record and not considered by the Judge. Finding merit, the majority remanded. On May 26, 2026, the Judge again denied Applicant national security eligibility. Applicant appealed pursuant to Directive ¶¶ E3.1.28 and E3.1.30.

The SOR alleged three delinquent debts totaling approximately \$85,300. Two of the alleged debts are owed to the same creditor (SOR ¶¶ 1.a and 1.b) and represent about \$74,300 of

the total debt. In his Answer, Applicant admitted the debts with explanations and elected a decision on the written record.

Scope of Review

On appeal, the Board does not review a case de novo. Rather, the Board addresses the material issues raised by the parties to determine whether there is factual or legal error. There is no presumption of error below, and the appealing party must raise claims of error with specificity and identify how the judge committed factual or legal error. When a judge's factual findings are challenged, the Board must determine whether the findings "are supported by such relevant evidence as a reasonable mind might accept as adequate to support a conclusion in light of all the contrary evidence in the same record" and shall give deference to the judge's credibility determinations. Directive ¶ E3.1.32.1.

When a judge's ruling or conclusions are challenged, we must determine whether they are arbitrary, capricious, or contrary to law. Directive ¶ E3.1.32.3. A judge's decision can be arbitrary or capricious if: it does not examine relevant evidence; it fails to articulate a satisfactory explanation for its conclusions, including a rational connection between the facts found and the choice made; it does not consider relevant factors; it reflects a clear error of judgment; it fails to consider an important aspect of the case; it offers an explanation for the decision that runs contrary to the record evidence; or it is so implausible that it cannot be ascribed to a mere difference of opinion. See ISCR Case No. 95-0600, 1996 WL 480993 at *3 (App. Bd. May 16, 1996) (citing *Motor Vehicle Mfrs. Ass'n v. State Farm Mut. Auto. Ins. Co.*, 463 U.S. 29, 43 (1983)). In deciding whether a judge's rulings or conclusions are contrary to law, the Board will consider whether they are contrary to provisions of Executive Order 10865, the Directive, or other applicable federal law. See ISCR Case No. 03-22861 at 2 (App. Bd. Jun. 2, 2006).

Discussion

On appeal, Applicant raises a claim of error in the Judge's findings of fact pertaining to a California property that the Judge found was "in his name" based on property records in evidence. Decision at 4. Our reading of the record confirms that it was Applicant's brother, not Applicant, who owned the particular property in question. FORM Item 6 at 17. Thus, the Judge erred.

If an appealing party demonstrates factual or legal error, then the Board must consider if the error is harmful or harmless. See ISCR Case No. 02-11489 at 2 (App. Bd. Sep. 11, 2003) (citations omitted). An error is harmless when there is not a significant chance that, but for the identified error, the judge would have reached a different result. DISCR OSD Case No. 91-0129, 1992 WL 388334 at *3 (App. Bd. Jul. 23, 1992). Here, the error was harmless because the Judge did not rely on the ownership of the home in his analysis. Thus, correction of this error would not be reasonably likely to change the outcome of the case.

Second, Applicant asserts that the Judge failed to evaluate whether Applicant's conduct was reasonable under the circumstances under AG ¶ 20(b). However, the Judge explicitly noted, "For AG ¶ 20(b) to fully apply, he must also show that he acted responsibly under the circumstances." Decision at 7. He then examined the Applicant's lack of corroborating

documentation of payments and his motivation to find that Applicant “has not met his burden to show that he has established a track record of financial responsibility.” *Id.* at 8.

The remainder of Applicant’s arguments involve the Judge’s characterization and weight assigned to the evidence, including analyzing Applicant’s broader debt-resolution efforts in a piecemeal manner and ignoring his pre-SOR efforts and his income-linked capacity, and the manner in which the Judge weighed documented dependent-support payments as evidence of child-support arrears rather than responsible prioritization. Additionally, he objected to the characterization of rotational deployment-based income as the known structure of Applicant’s employment rather than as adverse income uncertainty and to the Judge’s characterization of his whistleblowing as resignation over an air conditioning unit.

We have previously held, “An analysis that merely is considered inadequate in the eyes of a party does not equate to an analysis that is arbitrary and capricious.” ISCR Case No. 23-01559 at 2 (App. Bd. Sep. 16, 2024). “Unless a judge’s weighing of the record evidence is patently absurd, clearly illogical, or obviously unreasonable, the appealing party must present a cogent reason or argument as to how or why the judge’s weighing of the record evidence is arbitrary, capricious, or contrary to law.” ISCR Case No. 03-05072 at 4 (App. Bd. Jul. 14, 2005). Here, Applicant advocates for an alternative weighing of the record evidence but fails to demonstrate error. His arguments are unpersuasive, as we have long held that the presence of some mitigating evidence does not compel a favorable security clearance decision. *See* ISCR Case No. 04-08975, 2006 WL 2725032 at *1 (App. Bd. Aug. 4, 2006). Rather, the judge must weigh the evidence as a whole and decide whether the favorable evidence outweighs the unfavorable, or *vice versa*. *Id.* The Judge articulated adequate support for his conclusion that it is not clearly consistent with the national interest to grant Applicant security clearance eligibility.

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.’” *Dep’t 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).

Order

The decision in ISCR Case No. 25-00833 is **AFFIRMED**.

Signed: Moira Modzelewski

Moira Modzelewski
Administrative Judge
Chair, Appeal Board

Signed: Jennifer Goldstein

Jennifer Goldstein
Administrative Judge
Member, Appeal Board

Signed: Allison Marie

Allison Marie
Administrative Judge
Member, Appeal Board