



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



In the matter of: )  
)  
) ISCR Case No. 17-03570  
)  
Applicant for Security Clearance )

**Appearances**

For Government: Andre M. Gregorian, Esq., Department Counsel  
For Applicant: Thomas Albin, Esq.

08/23/2018

**Decision**

MATCHINSKI, Elizabeth M., Administrative Judge:

Applicant defaulted on a \$43,990 private student loan obtained for college because of lack of income for herself and her parents, who had promised to assist her in repayment. She is making timely monthly payments on her other student loans and other debts, and is willing to repay the delinquent loan, but the creditor is not willing to accept what she can afford. The debt is not likely to be a source of pressure for Applicant, given it has been written off by the creditor. Clearance is granted.

**Statement of the Case**

On November 14, 2017, the Department of Defense Consolidated Adjudications Facility (DOD CAF) issued a Statement of Reasons (SOR) to Applicant, detailing a security concern under Guideline F, financial considerations. The SOR explained why the DOD CAF was unable to find it clearly consistent with the national interest to grant or continue security clearance eligibility for her. The DOD CAF took the action under Executive Order (EO) 10865, *Safeguarding Classified Information within Industry* (February 20, 1960), as amended; DOD Directive 5220.6, *Defense Industrial Personnel Security Clearance Review Program* (January 2, 1992), as amended (Directive); and the *National Security Adjudicative*

*Guidelines for Determining Eligibility for Access to Classified Information or Eligibility to Hold a Sensitive Position* (AG) effective within the DOD on June 8, 2017.

On December 1, 2017, Applicant responded to the SOR and requested a hearing before an administrative judge from the Defense Office of Hearings and Appeals (DOHA). On February 9, 2018, the case was assigned to me to conduct a hearing to determine whether it is clearly consistent with the national interest to grant or continue a security clearance for Applicant. On February 27, 2018, I scheduled a hearing for March 21, 2018.

At the hearing, which I convened as scheduled, five Government exhibits (GEs 1-5) and four Applicant exhibits (AEs A-D) were admitted in evidence. A January 3, 2018 letter forwarding a copy of the GEs to Applicant and a list of the GEs were marked as hearing exhibits (HEs) I and II but not admitted as evidentiary exhibits. Applicant and her father testified, as reflected in a transcript (Tr.) received on March 30, 2018.

### **Findings of Fact**

The SOR alleges under Guideline F that, as of November 14, 2017, Applicant owed a single, charged-off debt for \$68,240 (SOR ¶ 1.a). When Applicant answered the SOR, she admitted the debt without explanation. After considering the pleadings, exhibits, and transcript, I make the following findings of fact.

Applicant is 25 years old and unmarried. She is the second of six children born to immigrant parents. (GE 1; Tr. 43-44, 80.) Two of Applicant's sisters (both younger) were in college as of March 2018. (Tr. 44, 87.) Applicant has been cohabiting with her boyfriend in his apartment since July 2016. (GE 5; Tr. 17-18, 51.)

Applicant has worked for a defense contractor since June 2016. She started as a learner in her trade and quickly progressed through six steps. With the approval of management, she was selected for a leadership position in her group and has added responsibilities in that regard. In 2018, she was promoted to a draftsman position. As of March 2018, Applicant was working 45 to 50 hours per week and sometimes 55 hours per week. Applicant held a company-issued clearance that was withdrawn on issuance of the SOR. Because Applicant is a valued employee, her supervisor found work for her that currently does not require a security clearance. (Tr. 19-23.)

Applicant graduated from high school in 2010. (Tr. 30, 50.) In August 2010, she matriculated in a private university at a cost of approximately \$44,000 annually, inclusive of room and board and books. Applicant obtained a private student loan for \$43,990 (SOR ¶ 1.a) to pay for her first year of college. She was contractually liable on the loan but signed with the understanding from her parents that they would repay most of the loan for her.<sup>1</sup> (GE 2; Tr. 30-31, 43, 46, 58.) Applicant's father testified that he and his spouse expected to help their daughter repay the loan. He had worked in construction part time while being

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<sup>1</sup> Applicant indicated during her May 18, 2017 subject interview that her father had co-signed on the loan. (GE 5.) Her father testified that he co-signed for the loan. (Tr. 93.) Available credit information indicates that the account was opened individually. (GE 3.)

employed as a police officer for many years. After he retired from the police force in 2006, he began working in construction full time. (Tr. 81.) His income from the construction business fluctuated. He earned \$400,000 annually in 2007 and 2009 and \$200,000 in 2012. He did not anticipate there would be a problem helping Applicant financially. (Tr. 94-97.)

To reduce her college expenses, Applicant transferred to her state university at the start of her sophomore year.<sup>2</sup> She lived on campus, but the move still saved her approximately \$20,000 a year. (Tr. 32-33, 47-48.) Applicant obtained federal student loans for college starting in August 2011 that totaled \$24,501. For her junior year, she and her father jointly obtained a private student loan for \$14,062 from lender X in October 2012. (GE 3.) A Dean's List student at the university, Applicant was forced to withdraw from college in December 2013 when her application for a student loan for her final semester was denied. Applicant's father was to be a co-signer on that loan, but his construction business was not doing very well. (Tr. 33-35, 56-58.) Applicant's father testified that his then business partner in 2012 embezzled approximately \$650,000 from the business and took off for parts unknown. (Tr. 88.) Applicant's father was left holding the notes on several properties owned jointly by him and his former business partner. (Tr. 89, 98.) He sold one of the properties at a loss, but has continued to incur expenses (insurance, mortgage payments, taxes, maintenance) for other properties.<sup>3</sup> (Tr. 90.) After he paid off debts and expenses for the properties, he cleared about \$20,000 to \$30,000 in income. (Tr. 91.) It has been a financial struggle since then, even with his police retirement pay of \$49,250 annually. (Tr. 94-96.)

Applicant had a part-time job at a fast-food restaurant since June 2008, but her income was not enough to cover the costs of college. (GEs 1, 5.) After she left college, in addition to her student loan debts, Applicant owed \$6,200 to the university in unpaid tuition and other expenses. (GEs 1, 5.) Applicant lived at home with her parents and siblings. She worked as many hours as she could at the fast-food restaurant. She became a full-time employee during her last year on the job. (Tr. 52.) She held a second part-time job at night with a competitor from January 2015 to May 2015. In August 2015, she moved into her own apartment and obtained a car loan of \$16,326 for a 2011 model-year vehicle. (GEs 1, 3, 5; Tr. 61.)

Applicant's \$6,200 debt with the university was placed for collection in the summer of 2014. In response to a collection letter, Applicant paid \$100 a month toward the debt by automatic deduction from her bank account. After about a year, her debt was transferred to another collection entity. Applicant failed to notice that the withdrawals for the debt had ceased. In February 2016, she received a notice for collection of the \$4,700 balance. She

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<sup>2</sup> Applicant had applied to the university while she was finishing high school, but she was not accepted. (Tr. 59-60.)

<sup>3</sup> Applicant's father testified that he still has income property purchased by the business consisting of a six-family home, a single-family house, a duplex, and 42 acres of undeveloped land. He managed to sell a property at a loss, but he lost another to foreclosure. (Tr. 101-102.)

made a lump-sum payment to fully satisfy the debt in February 2016 with funds provided by her parents. (GEs 1, 5.)

When her student loan that she obtained at age 18 for her freshman year of college (SOR ¶ 1.a) came out of deferment, Applicant was required to pay \$741 a month, which she could not afford on her income of \$13.50 an hour from the fast-food restaurant. (Tr. 51.) Applicant's account was closed in February 2015 and placed for collection. She made a \$300 payment in April 2015,<sup>4</sup> but while her payment was accepted, she was told that her monthly obligation had increased to \$790. As of February 2016, she owed a charged-off balance of \$68,240. The creditor wrote off the balance to profit and loss.<sup>5</sup> (GE 5; Tr. 38.) Her other private student loan came out of deferment in July 2014 and has not been delinquent. Applicant recalls making payments toward that loan in 2015. (Tr. 33.) As of July 2017, her monthly payment was approximately \$212 on a balance of \$11,804. (GE 3.) Her consolidated federal student loan balance of \$23,772 was reportedly in deferment as of March 2016. (GE 2.) The balance of her consolidated federal student loans was \$24,925 as of June 2017. (GE 3.)

Applicant completed and certified to the accuracy of a Questionnaire for National Security Positions (SF 86) on March 21, 2016. She listed two routine delinquencies, consisting of her debt with the university, which she paid off in February 2016, and the charged-off private student loan alleged in the SOR. She explained that her student loan had been recently charged off because she could not afford the \$790 monthly payments demanded by the creditor. (GE 1.) In early June 2016, Applicant left her position as an assistant manager for the fast-food restaurant to work for her current employer, a defense contractor, at \$15 an hour. (Tr. 52, 78.)

On May 18, 2017, Applicant was interviewed by an authorized investigator for the Office of Personnel Management (OPM). Applicant indicated that she had made only one \$300 payment on a student loan that had been charged off. She made no further payments because the creditor was not willing to accept a smaller monthly payment that she could afford. Applicant added that she had obtained her credit report in March 2016, which showed the account as charged off and closed. She assumed that she no longer had to pay the debt. She had not been contacted about the debt in over a year. Applicant expressed her intention to follow up with the lender to ensure that she no longer owes on the account. If she discovers she is still responsible for repayment, she is willing to make \$200 to \$300 monthly payments until it is satisfied in full. She indicated that she is able to pay her other bills on her income from her defense-contractor employment. She did not intend to fall behind on any accounts in the future or to borrow more money than she can afford to repay. Applicant presented extracts from an updated credit report showing that

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<sup>4</sup> Applicant speculated that she may have paid the \$300 in October 2014. (Tr. 66.) Available credit information shows a date of last payment in April 2015. (GE 5.)

<sup>5</sup> As of May 2017, TransUnion was reporting a date of February 28, 2015, for closure of her account and a last payment on the account of April 17, 2015. Equifax was reporting the debt as in collection/charge off as of February 2015. (GE 5.) The debt was reported in collection for \$68,240 as of March 2016, but also as a charge off. (GE 2.)

she was making timely payments of \$335 per month on her car loan and \$212 on her private student loan with lender X. (GE 5.)

Applicant is paying her car loan, her consolidated federal student loans, and her student loan with lender X on time. Her federal student loans (subsidized and unsubsidized) have been in a debt relief program since 2016 where her repayment is based on her income. She is currently paying \$251 per month toward her federal student-loan debt and approximately \$212 per month toward her private student loan with lender X. (AE C; Tr. 35-37, 50, 71.)

In October or November 2017, Applicant contacted the creditor in SOR ¶ 1.a to possibly arrange for repayment of her charged-off student loan. (Tr. 66-67.) She was given three options to repay the balance: \$1,100 a month until fully satisfied; five years of equal monthly payments toward a reduced settlement of \$64,000; or \$680 a month for the first three months and then equal monthly payments toward the remaining balance over the next 4.75 years. Applicant informed the creditor that she could not afford the payments, but that she could pay \$200 a month until her other student loans and car payment are satisfied. The creditor refused her counteroffer. (Tr. 40-41; Tr. 66.) Applicant did not consider sending any money to the creditor at that time because she “didn’t think it would do anything.” (Tr. 62.) In early March 2018, Applicant sent the creditor a \$200 payment that has not been cashed. The SOR was a factor in her deciding to send the payment. (Tr. 63.) She has not received a 1099-C Cancellation of Debt form from the creditor, but interest is no longer accruing on the debt. (GE 4; Tr. 41-42, 68.) If the creditor accepts the payment, she intends to continue repayment at \$200 a month. (Tr. 42.) When her vehicle loan is paid off in 2021, she will increase her payment on the defaulted student loan by \$335 (the amount of her car payment). In 2023, her private student loan with lender X will be paid off, so she can put another \$215 each month toward the defaulted student loan. (Tr. 49.)

Applicant’s cohabitant boyfriend is a registered nurse. He is on the lease for their apartment and pays the rent of \$800 a month. (Tr. 29, 50, 70.) Applicant pays the electricity, cable, and telephone bills, which totaled approximately \$413 a month as of March 2018. (AE A; Tr. 29.) Her base hourly wage is now \$19.69. (AE B; Tr. 25.) After paying her expenses and her student loans, including the \$200 toward the defaulted student loan, she is left with \$38 in net discretionary monthly income based on a 40-hour work week. However, because of her routine overtime averaging 45 to 55 hours a week, she nets about \$560 a month. She was paid a \$500 bonus in January 2018. (AE A.) She has approximately \$1,000 in combined checking and savings deposits. (Tr. 69.) She has had no financial counseling. (Tr. 70-71.)

Applicant is only two classes short of earning her bachelor’s degree. She plans to complete her degree when she can afford to return to school. (Tr. 35, 54.)

Applicant’s father cannot presently provide her any financial assistance. After his former partner’s embezzlement, his spouse reorganized the articles and made herself 98% owner of the business. (Tr. 91.) In the fall of 2017, his spouse abandoned their marriage.

Applicant's father still has three children living at home. He is currently helping his two daughters in college with their educational expenses. (Tr. 103-104.)

Applicant's supervisor described Applicant as a highly reliable and exceptional worker. For her excellent performance, she was submitted for two non-automatic progressions in pay and approved as a working leader or "tutor." As a "tutor," Applicant acts as a resource helping with training, mentoring, process improvement, and production support. In her supervisor's opinion, Applicant "continues to grow and improve at an exponential rate." (AE D.)

## Policies

The U.S. Supreme Court has recognized the substantial discretion the Executive Branch has in regulating access to information pertaining to national security, emphasizing that "no one has a 'right' to a security clearance." *Department of the Navy v. Egan*, 484 U.S. 518, 528 (1988). When evaluating an applicant's suitability for a security clearance, the administrative judge must consider the adjudicative guidelines. In addition to brief introductory explanations for each guideline, the adjudicative guidelines list potentially disqualifying conditions and mitigating conditions, which are required to be considered in evaluating an applicant's eligibility for access to classified information. These guidelines are not inflexible rules of law. Instead, recognizing the complexities of human behavior, these guidelines are applied in conjunction with the factors listed in the adjudicative process. The administrative judge's overall 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. Under Directive ¶ E3.1.15, the applicant is responsible for presenting "witnesses and other evidence to rebut, explain, extenuate, or mitigate facts admitted by applicant or proven by Department Counsel. . . ." The applicant has the ultimate burden of persuasion to obtain a favorable security decision.

A person who seeks access to classified information enters 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 that the applicant may deliberately or inadvertently fail to safeguard classified information. Such decisions entail a certain degree of legally permissible extrapolation about potential, rather than actual, risk of compromise of classified information. Section 7 of EO 10865

provides that 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 concerns about financial considerations are articulated 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. . . .

An applicant is not required to be debt free, but is required to manage her finances in a way as to exhibit sound judgment and responsibility. The concern under Guideline F is broader than the possibility that an individual might knowingly compromise classified information in order to raise money. It encompasses concerns about an individual’s self-control, judgment, and other qualities essential to protecting classified information.

Applicant defaulted on a private student loan that she obtained for \$43,990 in July 2010. She could not afford to make the \$741 monthly payments required when her loan came out of deferment in 2014 on her then hourly wage of \$13.50, and her loan was charged off for \$68,240. Disqualifying conditions AG ¶ 19(a), “inability to satisfy debts,” and AG ¶ 19(c), “a history of not meeting financial obligations,” are established. The Government’s case for application of AG ¶ 19(b), “unwillingness to satisfy debts regardless of the ability to do so,” is not persuasive. Applicant testified credibly to her willingness to make \$200 monthly payments toward the debt. Although the creditor is demanding \$790 monthly payments, Applicant sent a \$200 payment in early March 2018 to show her good faith.

The burden is on Applicant to mitigate the negative implications for her financial judgment raised by her student loan default. Application of the aforesaid disqualifying conditions triggers consideration of the potentially mitigating conditions under AG ¶ 20. Four of the seven mitigating conditions warrant some consideration and could potentially apply in whole or in part. They are:

(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;

(c) the person has received or is receiving 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; and

(d) the individual initiated and is adhering to a good-faith effort to repay overdue creditors or otherwise resolve debts.

AG ¶ 20(a) applies in that the financial behavior of concern is "so infrequent." Her default of a single student loan, albeit her largest loan, appears aberrational and not characteristic of her handling of her financial obligations generally. Applicant does not have a history of serious delinquency on credit cards, car loans, utilities, rent, or other living expenses. Moreover, the student loan was obtained when she was only 18 years old to pay for her first year of college with a reasonable expectation that her parents would assist her in repaying the loan. The circumstances are not likely to recur, given that Applicant has no intention of returning to school to finish her degree before she can afford to cover the cost. Even so, the mitigating impact of AG ¶ 20(a) is undermined somewhat because of her lack of progress toward resolving the debt. She made only one payment toward the debt, of \$300 in April 2015, while her account was in collections. Since then, she attempted a payment of \$200 in early March 2018, but it was unclear as of the close of the record whether it was accepted. Furthermore, a debt that became delinquent several years ago is still considered recent because "an applicant's ongoing, unpaid debts evidence a continuing course of conduct and, therefore, can be viewed as recent for purposes of the Guideline F mitigating conditions." ISCR Case No. 15-06532 at 3 (App. Bd. Feb. 16, 2017) (citing ISCR Case No. 15-01690 at 2 (App. Bd. Sept. 13, 2016)).

Applicant obtained the student loan at age 18 knowing that she would be legally liable for repayment at some future date. Even so, she reasonably relied on assurances from her parents that they would assist her in repayment, and she could not have foreseen the negative financial impact that persists on her father's income from his former partner's criminal activity in 2012. AG ¶ 20(b) applies in that her ability to repay the debt was compromised by circumstances beyond her control. As to whether Applicant acted responsibly, in response to a collections effort, she made a \$300 payment in April 2015, which was what she could afford at the time. The creditor was not willing to accept anything less than the full monthly payment, which by then was \$790. She lived with her parents, and it is unclear whether she contributed to the household expenses, but she was earning



only \$13.50 an hour. She had living expenses and other student loans to repay. One could question Applicant's financial judgment in that she moved into an apartment from her parents' home in August 2015 and obtained a car loan. The rent and car expenses could have instead gone to pay her defaulted student loan.<sup>6</sup> Applicant did not explain why she moved at that time. However, she held a reasonable belief based on the student loan lender's unwillingness to accept lower, affordable monthly payments that the creditor would not work with her toward resolving the debt.

AG ¶ 20(c) is not established, given the lack of progress toward resolving her defaulted student loan. She has also not had financial counseling, although she has a budget and has demonstrated that she does not live beyond her means. AG ¶ 20(d) has some applicability in that she paid \$300 in April 2015 in an effort to demonstrate her good-faith willingness to make payments toward the delinquency. Applicant re-contacted the creditor in October or November 2017 about possible repayment arrangements. She was given three repayment options, none of which she could afford. Just two weeks before her security clearance hearing, she sent the creditor \$200 in an attempt to start repayment, but had yet to receive confirmation of its acceptance. Applicant expressed her intention to continue to pay \$200 a month toward the debt if the creditor accepts her payment. The Appeal Board has consistently held that a promise to pay a debt in the future is not a substitute for a track record of paying debts in a timely manner. See *e.g.*, ISCR Case No. 09-05390 at 2 (App. Bd. Oct. 22, 2010). Even so, an applicant is not required, as a matter of law, to establish that she has paid off every debt in the SOR. She is required to demonstrate that she has established a plan to resolve her financial problems and taken significant actions to implement the plan. See ISCR Case No. 07-06482 at 2-3 (App. Bd. May 21, 2008) (internal citations and quotation marks omitted). Applicant's track record of payments on her private student loan with lender X and her consolidated federal student loan under an income-based debt relief program inspire confidence that she would make the \$200 monthly payments if the creditor is willing to accept them.

Even assuming that the creditor is willing to accept \$200 monthly payments and that she increases her monthly repayment amount once her private student loan with lender X and her car loan are paid off, it will be many years before Applicant fully satisfies her \$68,240 student loan delinquency. It is a substantial debt burden based on her current income, even with her overtime earnings. However, student loans are an investment in one's future and do not carry the same judgment concerns as would excessive credit card debt. Applicant has no record of irresponsible spending or overreliance on consumer credit card debt. It is unlikely that the defaulted student loan will be a source of undue pressure for her, given the creditor has written off the debt to profit and loss. While the Government has legitimate concerns about Applicant earning college credits that she has not paid for, she acted reasonably by attempting to work out affordable repayment terms.

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<sup>6</sup>When asked on cross-examination whether her cohabitation with her boyfriend since July 2016 has freed up money for her to address some of her financial obligations, Applicant responded, "Yes because instead of paying \$400 in rent I don't pay the rent. He pays the \$800 in rent total and I just pay the extras—electricity, phone bill, and cable. (Tr. 69-70.) Applicant clearly reduced her rent expenses, but it is unclear whether the \$400 was her previous rent or whether she was saving \$400 because her boyfriend is not asking her for her share of their present rent.

## **Whole-Person Concept**

In assessing the whole person, the administrative judge must consider the totality of an applicant's conduct and all relevant circumstances in light of the nine adjudicative process factors in AG ¶ 2(d). The analysis under Guideline F is incorporated in my whole-person analysis. Some of the factors in AG ¶ 2(d) were addressed under that guideline, but some warrant additional comment.

Applicant's situation is not unlike that of many students of her generation who take out loans for their college education expecting to land a job at some future date at an income sufficient to repay them, but then find themselves underemployed when the loans come due. Applicant showed sound financial judgment in attempting to minimize her college costs by transferring from a private college to her state university at the end of her freshman year. Circumstances outside of her control forced her to withdraw from the university just one semester short of earning her degree. It had negative consequences for her in that it compromised her chances of obtaining employment at an income sufficient to repay her student loans and escalated the date on which she was required to begin repayment of her student loans.

Applicant obtained a part-time job for a few months in 2015 while working full time as an assistant manager for a fast-food establishment. Her willingness to work a second job to address her financial obligations shows a positive attitude toward handling her finances. She is credited with being willing to start at the bottom as a learner in a trade with a defense contractor. She has fulfilled her duties in an exceptional manner, and her commitment and progress have been rewarded through non-automatic progressions in pay and promotions. Her supervisor attested to her growth having been at an exponential rate. She has not displayed behavior that would lead one to doubt her intentions with regard to resolving her defaulted student loan under a repayment plan that she can afford on her income if given the opportunity.

The security clearance adjudication involves an evaluation of an applicant's judgment, reliability, and trustworthiness in light of the security guidelines in the Directive. See ISCR Case No. 09-02160 (App. Bd. Jun. 21, 2010). It is not intended as a debt collection process or designed to punish applicants for past mistakes or shortcomings. After considering all the facts and circumstances of record, I conclude that it is clearly consistent with the national interest to grant or continue security clearance eligibility for Applicant.

### **Formal Finding**

Formal finding for or against Applicant on the allegation set forth in the SOR, as required by section E3.1.25 of Enclosure 3 of the Directive, is:

Paragraph 1, Guideline F:	FOR APPLICANT
Subparagraph 1.a:	For Applicant

## **Conclusion**

In light of all of the circumstances, it is clearly consistent with the national interest to grant or continue Applicant's eligibility for a security clearance. Eligibility for access to classified information is granted.

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Elizabeth M. Matchinski  
Administrative Judge