



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



In the matter of:	)	
	)	
	)	ISCR Case No. 18-01328
	)	
Applicant for Security Clearance	)	

**Appearances**

For Government: Andre M. Gregorian, Esq., Department Counsel  
For Applicant: *Pro se*

02/06/2019

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**Decision**

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MATCHINSKI, Elizabeth M., Administrative Judge:

Applicant owes approximately \$14,347 in defaulted federal student-loan debt, \$3,619 in child-support delinquency, \$5,807 to a former landlord for past-due rent and damages, and some small collection debts. Unemployment and low income were factors in the delinquencies, but his financial situation continues to raise security concerns. Clearance is denied.

**Statement of the Case**

On May 21, 2018, the Department of Defense Consolidated Adjudications Facility (DOD CAF) issued a Statement of Reasons (SOR) to Applicant, detailing security concerns 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 him. 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.*

Applicant responded to the SOR on June 1, 2018, and requested a hearing before an administrative judge from the Defense Office of Hearings and Appeals (DOHA). On September 7, 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 October 5, 2018, I scheduled a hearing for November 16, 2018. With the agreement of the parties, I rescheduled the hearing for November 14, 2018.

At the hearing, four Government exhibits (GEs 1-4) were admitted. A July 30, 2018 letter (HE 1) and a November 5, 2018 email (HE II) forwarding the proposed GEs to Applicant, and a list of the GEs (HE III) were marked as hearing exhibits (HE) for the record but not admitted in evidence. One Applicant exhibit (AE A) was admitted in evidence. Applicant testified, as reflected in a transcript (Tr.) received on November 27, 2018.

I held the record open for three weeks for post-hearing documentation from Applicant. No documents were received by the December 5, 2018 deadline, and I closed the record on that date.

### **Summary of SOR Allegations**

The SOR alleges under Guideline F that, as of May 21, 2018, Applicant was delinquent on federal student loans totaling \$13,823 (SOR ¶¶ 1.a-1.c) and owed a past-due debt of \$1,891 (SOR ¶ 1.d). He also had three debts of \$5,807 (SOR ¶ 1.e), \$189 (SOR ¶ 1.f), and \$67 (SOR ¶ 1.g) in collections. When he answered the SOR allegations, he admitted the debts without explanation.

### **Findings of Fact**

After considering the pleadings, exhibits, and transcript, I make the following findings of fact.

Applicant is a 30-year-old high school graduate with an electrical certificate received from a technical school in May 2012 and an emergency medical technician license earned in 2015. (GE 1; Tr. 30.) He was married from May 2009 to January 2013. (Tr. 31-32.) He has a nine-year-old son and a six-year-daughter for whom he is obligated to pay child support to his ex-wife. His child support is approximately \$261 a month. (GEs 1-3.) As of November 2018, Applicant and his cohabitant fiancée were living with his parents. Applicant's fiancée receives Social Security disability income (SSDI), and she has never been employed. (Tr. 28, 32-33.)

Applicant graduated from high school in June 2006. More than a decade ago, Applicant worked at a commissary on a military installation. (AE A.) It is unclear whether he held any other employment before matriculating at a community college in August 2007. After withdrawing from the college in October 2007, Applicant worked odd jobs "under the

table” for his uncle. From February 2011 to May 2012, Applicant attended a technical institute to obtain his certificate to work as an electrician. (GEs 1, 4.) Applicant paid for his technical training in part with federal student loans. He obtained loans of \$5,378 (SOR ¶ 1.a) and \$3,500 (SOR ¶ 1.b) in March 2011, and of \$1,125 in March 2012 (SOR ¶ 1.c). (GEs 2-3.) While in school, Applicant worked for a local electric company “under the table” during the summer of 2011. (GE 4; Tr. 34.)

In January 2013, Applicant and his ex-wife divorced, and he was ordered to pay child support. (GEs 1, 3.) According to Applicant, his child-support obligation was “pro-rated for [his] earning potential at \$350 a week, based on a job [he] didn’t have.” (Tr. 27.) There is no evidence that he held any employment other than working for his uncle. After two to three months of litigation, his child-support obligation was lowered to \$150 a week. (Tr. 27.)

Applicant was employed by a solar-installation company from April 2015 to July 2015, when he was fired. Applicant told an Office of Personnel Management (OPM) investigator in January 2018 that he was fired for operating a vehicle aggressively in the company’s parking lot. He accidentally accelerated quickly. (GE 4.) At his hearing, Applicant testified somewhat discrepantly that the company had a two-strike system. His first strike occurred when a 19-year-old informally under his charge drove through the back of the main panel and hit the bus barn. The second strike was that Applicant “dumped the clutch” by accident on a company vehicle. (Tr. 34-35.)

In December 2015, Applicant started working for a local electrical business. He indicates that he missed work when his son was hospitalized for a brain tumor, and was terminated for attendance issues in April 2016. (GE 4; Tr. 35.)

In August 2016, Applicant was placed by a temporary agency as a chemical compounder for a pharmaceutical company. He moved from his parents’ home into an apartment with his fiancée. After not reporting to work for three days due to illness in November 2016, Applicant was terminated by the temporary agency, even though he maintains that he left a voice message that he was unable to report due to illness.<sup>1</sup> (GE 4; Tr. 36.) He and his fiancée lived off her disability income, his unemployment compensation, and some financial assistance from his parents, but it was not enough to meet all of his financial obligations while he was unemployed. He fell behind on his child support (SOR ¶ 1.d), and he and his fiancée were evicted from their apartment in late June 2017 for nonpayment of rent.<sup>2</sup> (GE 4.) In August 2017, Applicant’s former landlord placed a \$5,807 debt for back rent and damages to the apartment for collection (SOR ¶ 1.e). Applicant and his fiancée vacated the apartment owing \$744 in utility charges for which Applicant was legally liable for repayment. The debt was placed for collection in August 2018 (not alleged in SOR). (GEs 2-3.)

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<sup>1</sup> Applicant told the OPM investigator in January 2018 that he had the flu. (GE 4.) He testified discrepantly that he lost his job because he had to drive his ill mother for medical treatments every other day. (Tr. 33.)

<sup>2</sup> Applicant testified that his monthly rent was \$791, but he was charged an extra \$300 a month for late payment of his rent. (Tr. 49.)

Applicant and his fiancée moved in with his parents in their home in July 2017. Since then, he has primarily worked for his father, who owns a barbecue company, in lieu of having to pay rent. Applicant has also worked for his uncle, who is a carpenter. Applicant has done odd jobs for neighbors. (AE A; Tr. 29, 38.) Applicant worked in a temporary assignment at a sheet-metal factory from June 2017 to November 2017. (Tr. 37.)

In November 2017, Applicant was offered a position as an outside electrician at \$18.65 per hour with a defense contractor, contingent on him obtaining a security clearance. (Tr. 31.) On November 20, 2017, Applicant completed and certified to the accuracy of a Questionnaire for National Security Positions (SF 86). In response to an inquiry concerning any delinquency involving enforcement in the last seven years, Applicant disclosed that he was \$800 behind in his child-support payments, but that his fiancée has been paying his child support for him “on the first of the month.” Applicant responded negatively to inquiries concerning any delinquency on routine accounts. (GE 1.)

A check of Applicant’s credit on December 12, 2017, revealed that his federal students loans were in collection for \$8,140 (SOR ¶ 1.a), \$4,352 (SOR ¶ 1.b), and \$1,331 (SOR ¶ 1.c). Applicant was 120 days or more past due on his child support in the amount of \$1,891 (SOR ¶ 1.d). Applicant also owed collection debts of \$5,807 to his former landlord (SOR ¶ 1.e), \$189 for medical services from October 2011 (SOR ¶ 1.f), and \$67 for wireless-telephone services from December 2011 (SOR ¶ 1.g). (GE 2.)

On January 22, 2018, Applicant was interviewed by an authorized investigator for the OPM. Applicant related that he and his fiancée were evicted from their apartment in June 2017 for nonpayment of rent. He estimated that he owed his former landlord one month’s rent of \$791 and damage/utility charges of approximately \$2,000. He indicated that he had not received a bill, but he planned to pay the debt once he started working for the defense contractor in approximately March 2018. Applicant volunteered that his child-support arrearage had increased to \$1,000 because of his unemployment, but he also indicated that his cohabitant fiancée has been making payments for him. He also volunteered that he owes an excise-tax debt from 2013 for a vehicle that was totaled in an accident, although the record does not reflect the amount of the debt. He indicated that he owes \$1,200 on a delinquent credit-card account that he opened in 2006 (not alleged in SOR). He had taken a \$900 cash advance for living expenses that he then failed to repay. Applicant admitted that he was still receiving demands for payment from the creditor. When confronted with the adverse credit entries on his credit record, Applicant expressed his belief that the \$189 collection debt was an outstanding cable-television debt from his former apartment that he thought was his fiancée’s responsibility. About the federal student loans, Applicant stated that his parents obtained the loans and have been repaying them. He denied knowing that his name was on the loans, but also indicated that he would discuss them with his mother. Applicant expressed an intention to begin to repay his debts when he starts his employment with the defense contractor. The investigator gave Applicant an opportunity to provide documentation about the debts on his credit record. He provided no documents. (GE 4.)

As of November 5, 2018, Equifax was showing no progress toward resolving his federal student loans, which had accrued to \$8,499 (SOR ¶ 1.a), \$4,486 (SOR ¶ 1.b), and \$1,362 (SOR ¶ 1.c). Likewise, Applicant had not made any payments toward the \$5,807 collection debt owed his former landlord (SOR ¶ 1.e) or a \$744 utility bill in collection from that apartment (not alleged in SOR). His child-support arrearage was \$3,619 (SOR ¶ 1.d). When asked to explain the arrearage, given he had told the OPM investigator that his fiancée was making his child support payments, Applicant responded that “she was at one point.” (Tr. 42.) Applicant made a child-support payment of \$200 in September 2018. (GE 3; Tr. 43.) He testified that his child-support obligation is currently \$50 a week (Tr. 27), while his credit report reflects a scheduled amount of \$261 monthly. (GE 3.) The \$189 and \$67 collection debts (SOR ¶¶ 1.f and 1.g) were no longer on his credit record, but there is no evidence that they have been paid.

Applicant testified that he has paid as many of his bills as he is able based on his limited income. He has been helping to care for his ill mother and grandmother and indicates that he has not had the time or money to pay off his debts. (Tr. 20, 30.) He worked on and off for electrical companies, as he was laid off when the job for which he was hired ended. (Tr. 39.) When he was employed, his take-home pay was approximately \$350 a week from which he paid child support at \$78 weekly, which included \$28 toward the arrearage. He testified that he incurred some \$35,000 in legal fees to obtain joint custody of his children. He averred that he paid a \$10,000 retainer fee upfront in 2012 and then \$300 a month toward the \$25,000 balance. (Tr. 22-23, 26.) Applicant later explained that he and his mother obtained a loan against her credit and paid off his attorney. (Tr. 48.)

Applicant testified about his federal student loans that he was granted four hardship deferments that were each valid for two years. However, he then claimed that when he last obtained a deferment four years ago, he was told that it was good for four years. (Tr. 23-24.) His November 2018 credit report shows that his student loans have been seriously delinquent since September 2016 (GE 3), which calls into question his deferment claim about the length of the latest deferment. He testified that he spent hours on the phone trying to determine if he can get another deferment and that he has had no success in ascertaining to whom he is supposed to make his student-loan payments. He understands his student loans are in collection status. (Tr. 40.) He also indicated that he and his parents have tried unsuccessfully to obtain a consolidation loan to address his student loans. Applicant was granted three weeks after his hearing to submit documentation of any or all of his claimed deferments. He presented no documentation, even though he stated that he had emails about the deferments and documentation showing that he had applied for a consolidation loan. (Tr. 24, 40-42.)

Applicant’s cohabitant fiancée receives disability income of \$791 monthly. Applicant intends to claim her as a dependent on his income tax returns for tax year 2018. He expects that he overpaid his income taxes and that his refund will be seized by the state and applied to his child-support arrearage. (Tr. 28.)

Applicant testified that he attempted to arrange for repayment of his \$5,807 debt to his former landlord, but he was told to deal with the collection entity. (Tr. 43-44.) Applicant

asserts that he would have repaired the little holes in the walls from his children and cleaned the dirty carpets, but he was evicted and so did not have the opportunity to fix the damages to the apartment. (Tr. 44.) Applicant asserts that the \$67 cell-phone debt in collection was supposed to have been paid by his ex-wife on their divorce. He acknowledged that the account was in his name, however. (Tr. 45.) He disputes the validity of the \$189 medical debt in collection because his children had medical insurance coverage from the state. (Tr. 45.) As for the utility debt in collection for \$744, Applicant testified that he was charged for power for six months after his eviction. (Tr. 48.)

Applicant had no funds in checking or savings accounts as of his hearing in November 2018. He was working directly for his parents. His parents require him to work 12 hours a month in exchange for paying rent of \$300. Any work beyond those hours pays for his food, gasoline, and other expenses. (Tr. 45-46.) Applicant has applied for public assistance but been denied because he lives with his parents, and his father's earnings disqualify him. (Tr. 47.)

A longtime friend of Applicant's provided a character reference letter for him. They met 16 years ago, and they were once co-workers at the commissary on a military installation. They see each other frequently. She described Applicant as "an incredibly focused and driven individual." She knows him to be "a very reliable, trustworthy and dependable person." Applicant has kept a positive attitude despite struggling to find full-time, gainful employment. He has been a devoted father to his two children. (AE A.)

## **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. . . .

The Appeal Board explained the scope and rationale for the financial considerations security concern in ISCR Case No. 11-05365 at 3 (App. Bd. May 1, 2012) (citation omitted) as follows:

This concern is broader than the possibility that an applicant might knowingly compromise classified information in order to raise money in satisfaction of his or her debts. Rather, it requires a Judge to examine the totality of an applicant’s financial history and circumstances. The Judge must consider pertinent evidence regarding the applicant’s self-control, judgment, and other qualities essential to protecting the national secrets as well as the vulnerabilities inherent in the circumstances. The Directive presumes a

nexus between proven conduct under any of the Guidelines and an applicant's security eligibility.

Applicant's admissions and the available credit reports establish the delinquencies alleged in the SOR. Applicant defaulted on federal student loans that were obtained for approximately \$10,003 and have accrued to \$14,347. He fell behind on his child support, and his arrearage of \$1,891 as of July 2018 has increased to \$3,619. He was evicted from an apartment in June 2017 for non-payment of rent, and his former landlord placed a debt of \$5,807 for collection.

Applicant's credit record also includes two small collection debts of \$189 for medical service and \$67 for wireless-phone service. He disputes the debts because his children had medical insurance and the phone debt was supposed to have been paid by his ex-wife. Under ¶ E3.1.14 of the Directive, the government has the burden of presenting evidence to establish controverted facts. The Appeal Board held in ISCR Case No. 08-12184 at 7 (App. Bd. Jan. 7, 2010) that a credit report is sufficient to meet the government's burden of producing evidence of delinquency:

It is well-settled that adverse information from a credit report can normally meet the substantial evidence standard and the government's obligations under [Directive] ¶ E3.1.14 for pertinent allegations. At that point, the burden shifts to applicant to establish either that [he or] she is not responsible for the debt or that matters in mitigation apply.

Neither of those two collection debts appears on Applicant's recent credit report of November 2018. The Fair Credit Reporting Act requires removal of most negative financial items from a credit report seven years from the first date of delinquency or the debt becoming collection barred because of a state statute of limitations, whichever is longer.<sup>1</sup> In that regard, both debts are from 2011, so they may no longer be legally collectible. Debts may be dropped from a credit report upon dispute when creditors believe the debt is not going to be paid or when the debt has been charged off. The mere fact that debts have been deleted from a credit report does not necessarily mean that they were not owed at one time. Applicant did not provide any documentation to disprove his responsibility for repayment. That said, they are so minor that they are unlikely in and of themselves to be a source of undue financial pressure, even given his limited financial means.

Applicant volunteered during his subject interview that he owes a \$1,200 credit-card delinquency from 2009 for which he was still receiving demands for payment. That debt does not appear on any of the available credit reports, perhaps because it is so old. A \$744 collection debt for utility services at his apartment was not assigned for collection until August 2018, which could explain why it was not included on his December 2017 credit report or alleged in the SOR. The credit card and utility delinquencies cannot be considered for disqualifying purposes because they were not alleged.<sup>3</sup> Even without

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<sup>3</sup> In ISCR Case No. 03-20327 at 4 (App. Bd. Oct. 26, 2006), the Appeal Board listed five circumstances in which conduct not alleged in a SOR may be considered, as follows:



considering those debts, disqualifying conditions AG ¶¶ 19(a), “inability to satisfy debts,” and 19(c), “a history of not meeting financial obligations,” clearly apply.

Applicant has the burden of establishing matters in mitigation. One or more of the following conditions under AG ¶ 20 may apply:

(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;

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

(e) the individual has a reasonable basis to dispute the legitimacy of the past-due debt which is the cause of the problem and provides documented proof to substantiate the basis of the dispute or provides evidence of actions to resolve the issue.

Applicant’s delinquencies are too recent for mitigation under AG ¶ 20(a). Available credit information reflects that Applicant’s federal student loans have been seriously delinquent since September 2016, which calls into question his claims of a deferment obtained four years ago for another four years. He was in arrears \$3,619 in his child-support payments as of November 2018. The \$5,807 collection debt owed a former landlord was incurred in 2017. Although the \$189 medical debt and \$67 wireless phone debt were not incurred recently, they have not been resolved.

Divorce is a circumstance contemplated within AG ¶ 20(b). Applicant testified, albeit without corroboration, that he incurred \$35,000 in legal fees to obtain joint custody of his two children, and he had to pay a \$10,000 retainer fee upfront. However, low income

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(a) to assess an applicant’s credibility; (b) to evaluate an applicant’s evidence of extenuation, mitigation, or changed circumstances; (c) to consider whether an applicant has demonstrated successful rehabilitation; (d) to decide whether a particular provision of the Adjudicative Guidelines is applicable; or (e) to provide evidence for the whole-person analysis under Directive Section 6.3.

appears to be the primary cause of his current financial problems. He testified that he has been repeatedly laid off from electrical jobs when projects were completed, and he has struggled to find full-time employment that would provide him the income to address his debts. In that regard, AG ¶ 20(b) has some applicability. Applicant was fired from some positions for attendance issues when either he or family members were ill, although apparently Applicant did not follow company policy regarding reporting his absence in November 2016. He also bears some responsibility for his firing from his job with the solar company in 2015 because it was his conduct in either driving aggressively in the parking lot or “dumping the clutch” on a company vehicle that led to his termination.

For AG ¶ 20(b) to fully apply, Applicant is required to have acted responsibly under the circumstances. An element of financial responsibility is knowing the status of one’s financial obligations. Regarding his child-support delinquency, Applicant told the OPM investigator that his cohabitant fiancée was making payments on the debt, but also that his arrearage had risen to \$1,000 because of his unemployment. His arrearage was then \$1,891. When asked about his student loans during his January 2018 interview with an OPM investigator, Applicant denied knowing that his name was on the student loans. He claimed that his parents obtained the loans and were repaying them. At his hearing, he testified that he obtained hardship deferments over the years, which cannot be reconciled with his claims that the loans were not in his name and that his parents were making payments. He testified about a deferment of his student loans in 2014 that he claims was valid for four years rather than the usual two years. Available credit information showing delinquency status for the loans since September 2016 belies his claim about the deferment. Applicant had the opportunity to provide documentation showing efforts by him to obtain hardship deferments, and he presented no documents, which makes it difficult to find that he acted responsibly with regard to his student loans.

Given that his child-support arrearage accrued to \$3,619 as of November 2018, it is evident that his fiancée made little to no payments for him in the past year. Applicant made a child-support payment in September 2018, but this one payment is not enough to establish either AG ¶ 20(c) or AG ¶ 20(d). Applicant has made no payments toward the other debts in the SOR, including his student loans and the \$5,807 collection debt. Applicant’s assertion that he would have cleaned the apartment and repaired the damages had he been given time does not relieve him of his legal liability for the full \$5,807. He did not present documentation showing that any of the debts in the SOR are not his legal responsibility. Accordingly, AG ¶ 20(e) also does not apply.

In ISCR Case No. 17-01473, decided on August 10, 2018, the Appeal Board reaffirmed that a security clearance adjudication is not a proceeding aimed at collecting an applicant’s personal debts. In evaluating Applicant’s judgment, reliability, and trustworthiness, I note that apart from working for relatives, he has not had any sustained employment for several years now, and he lacks the income to meaningfully address his debts. Applicant expressed an intention to repay his debts if he is granted security clearance eligibility so that he can start working for a defense contractor.

Appendix C of Security Executive Agent Directive (SEAD) grants administrative judges the discretionary authority to grant initial or continued eligibility for a security clearance despite the presence of an issue(s) that can be partially but not completely mitigated with the provision of additional security measures. I have considered the exception in Appendix C of the Directive and decline to apply it. Applicant's financial situation is far from resolved. He was either ignorant about the status of his federal student loans or not fully forthcoming about them during his subject interview. As for his child support, he indicated on his SF 86 that his fiancée has been paying his child support "on the first of the month." He told the OPM investigator that his fiancée has been paying his child support. Yet, when confronted with the evidence showing that his arrearage had almost doubled by November 2018, Applicant responded that his fiancée was making payments "at one point." Applicant did not explain why his fiancée had been unable to make payments in the last year, especially given her ongoing receipt of SSDI and the fact that they do not pay rent to his parents. Applicant's checkered employment record does not suggest reliability. He presented no documentation showing that he has done all that he could within his limited means to address his debts. The financial considerations security concerns are not adequately mitigated.

### **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.

A longtime friend of Applicant's has known him to possess good judgment, reliability, and trustworthiness. Applicant testified about repeatedly being laid off when jobs ended, and his friend indicates that Applicant has struggled to find full-time, gainful employment. For most of the past decade, Applicant has either worked "under the table" for his uncle or for his father, who does not charge him rent provided he puts in 12 hours a month. Applicant lacks a track record of reliability with respect to his employment record and his handling of his financial obligations. Even accounting for some circumstances beyond his control, Applicant has not shown that he possesses the judgment, reliability, and trustworthiness required for security clearance eligibility. It is well settled that once a concern arises regarding an applicant's security clearance eligibility, there is a strong presumption against the grant or renewal of a security clearance. See *Dorfmont v. Brown*, 913 F. 2d 1399, 1401 (9th Cir. 1990). For the reasons noted, I cannot find that it is clearly consistent with the national interest to grant Applicant a security clearance at this time.

### **Formal Findings**

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

Paragraph 1, Guideline F:

AGAINST APPLICANT

Subparagraphs 1.a-1.g:

Against Applicant

**Conclusion**

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

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Elizabeth M. Matchinski  
Administrative Judge