DEPARTMENT OF DEFENSE
DEFENSE OFFICE OF HEARINGS AND APPEALS

In the matter of:	)	
	)	
[Name Redacted]	)	ISCR Case No. 18-02521
	)	
Applicant for Security Clearance	)	

Appearances

For Government: Alison O'Connell, Esq., Department Counsel
For Applicant: *Pro se*

04/30/2019

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Decision

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MATCHINSKI, Elizabeth M., Administrative Judge:

Applicant owes $18,463 in medical collection debt incurred after Chapter 7 bankruptcy discharges in March 2001 and June 2011. Promises to pay debts at some future date are not a substitute for a track record of timely repayment. Clearance is denied.

Statement of the Case

On November 9, 2018, 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 4, 2018, Applicant responded to the SOR allegations and requested a decision based on the written record by an administrative judge from the Defense Office of Hearings and Appeals (DOHA). On January 24, 2019, the Government submitted a File of Relevant Material (FORM), consisting of ten exhibits (Items 1-10). DOHA forwarded a copy of the FORM to Applicant and instructed her to respond within 30 days of receipt. Applicant received the FORM on February 5, 2019, and she submitted a timely response that was accepted without any objections by the Government on February 27, 2019. On March 12, 2019, the case was assigned to me to determine whether it is clearly consistent with national security to grant or continue a security clearance for Applicant. I received the case assignment on March 14, 2019, and accepted Applicant's FORM response in the record as Applicant Exhibit (AE) A.

Evidentiary Ruling

Department Counsel submitted as Item 10 a summary report of a subject interview of Applicant conducted on August 21, 2018. The summary report was part of the DOD Report of Investigation (ROI) in Applicant's case. Under ¶ E3.1.20 of the Directive, a DOD personnel background report of investigation may be received in evidence and considered with an authenticating witness, provided it is otherwise admissible under the Federal Rules of Evidence. The summary report did not bear the authentication required for admissibility under ¶ E3.1.20.

In ISCR Case No. 16-03126 decided on January 24, 2018, the Appeal Board held that it was not error for an administrative judge to admit and consider a summary of personal subject interview where the applicant was placed on notice of her opportunity to object to consideration of the summary; the applicant filed no objection to it; and there is no indication that the summary contained inaccurate information. In this case, Applicant was provided a copy of the FORM and advised of her opportunity to submit objections or material that she wanted the administrative judge to consider. In the FORM, Applicant was advised as follows:

> **IMPORTANT NOTICE TO APPLICANT**: The attached summary of your Personal Subject Interview is being provided to the Administrative Judge for consideration as part of the record evidence in this case. In your response to this File of Relevant Material (FORM), you can comment on whether the summary of your Personal Subject Interview accurately reflects the information you provided to the authorized OPM investigator(s) and you can make any corrections, additions, deletions, and updates necessary to make the summary clear and accurate. Alternatively, you can object on the ground that the report is unauthenticated by a Government witness and the document may not be considered as evidence. If no objections are raised in your response to the FORM, or if you do not respond to the FORM, the Administrative Judge may determine that you have waived any objections to the admissibility of the summary and may consider the summary as evidence in your case.

Concerning whether Applicant understood the meaning of authentication or the legal consequences of waiver, Applicant's *pro se* status does not confer any due process rights or protections beyond those afforded her if she was represented by legal counsel. She was advised in ¶ E3.1.4 of the Directive that she may request a hearing. In ¶ E3.1.15, she was advised that she is responsible for presenting evidence to rebut, explain, or mitigate facts admitted by her or proven by Department Counsel, and that she has the ultimate burden of persuasion as to obtaining a favorable clearance decision. While the Directive does not specifically provide for a waiver of the authentication requirement, Applicant was placed on sufficient notice of her opportunity to object to the admissibility of the interview summary report, to comment on the interview summary, and to make any corrections, deletions, or updates to the information in the report. She did not file any objections in her rebuttal (AE A) to the FORM. In the absence of any objections or indication that the interview summary report contains inaccurate information, I accepted Item 10 in evidence, subject to issues of relevance and materiality in light of the entire record.

Findings of Fact

The SOR alleges under Guideline F that Applicant filed for a Chapter 13 bankruptcy in approximately March 1997 that was converted to a Chapter 7 bankruptcy in October 2000 and then discharged in March 2001 (SOR ¶ 1.a); that she filed in December 2007 for a Chapter 13 bankruptcy that was voluntarily dismissed in February 2011 (SOR ¶ 1.b); and that she filed for a Chapter 7 bankruptcy in February 2011 that was discharged in June 2011 (SOR ¶ 1.c). Additionally, as of the issuance of the SOR on November 9, 2018, Applicant allegedly owed delinquent medical debt totaling $18,463 on nine accounts (SOR ¶¶ 1.d-1.l). (Item 1.) When she responded to the SOR allegations, Applicant admitted the bankruptcies and debts. She explained that she had been unaware of the medical debts before her interview; that she had recently paid off medical bills from her spouse's bypass surgery; and that she would work on paying off the SOR debts once she returns to work. (Item 4.)

After considering the FORM, which includes Applicant's Answer to the SOR (Item 4), and AE A, I make the following findings of fact.

Applicant is a 57-year-old high school graduate. She was twice married and divorced before marrying her current spouse in May 2004. She has three daughters, a son, and a stepdaughter, who are now all adults. Applicant worked as a dispatcher for a county sheriff before entering the defense industry in September 2004. Applicant then worked as a secretary for a federal contractor for 9.5 years. When her then employer lost the contract in April 2014, she was hired by the new contractor. She was still employed full time when she took a second job, 39 hours per week, in March 2018. She worked alternating schedules for the two companies until June 2018, when she resigned from her full-time job. In August 2018, her part-time employer took her on as a full-time employee. (Items 5, 10.)

Applicant's first marriage lasted ten years. In June 1990, she married her second husband. Together they purchased a new home with the intention of renting out their previous residence. The file does not contain any information about when they acquired

their new home or about the mortgages on the two homes. According to Applicant, their tenant did not pay rent for almost a year. The same day that they had their tenant served with an eviction notice, the house caught fire. For almost two years, they had to pay the mortgage on the property while getting it repaired to re-rent it. Having to pay two mortgages placed Applicant and her then spouse in a financial bind. (Item 4.) In late March 1997, they filed a joint Chapter 13 bankruptcy petition. A Chapter 13 bankruptcy plan was confirmed in July 1997 and then modified before they voluntarily converted to a no-asset Chapter 7 filing in October 2000 for reasons not clear in the evidentiary record. In early March 2001, they were granted an automatic discharge in bankruptcy, and their case was closed in late April 2001 (Item 6),[1] shortly after their divorce in March 2001. (Item 5.)

Three years into her current marriage, Applicant and her spouse filed a Chapter 13 bankruptcy petition in December 2007, after completing required credit counseling. Applicant indicated in response to the SOR that they were both "left in financial trouble by [their] previous marriages," although bankruptcy docket information shows that Applicant's debt was discharged shortly before her divorce. Perhaps she reaffirmed debts, but it is unclear. She had previously explained in August 2018 that she had filed for bankruptcy because she had a car loan, a personal loan for a motorcycle, and a credit card debt with a jeweler that she could not repay. (Items 4, 7, 10.) In February 2008, their Chapter 13 plan was confirmed, and they completed a post-petition financial management course. An amended plan was confirmed in July 2009. In January 2011, Applicant and her spouse filed for a voluntary dismissal of their Chapter 13 bankruptcy. Their Chapter 13 bankruptcy was dismissed in February 2011 (Item 7), and they filed a no-asset Chapter 7 voluntary petition.[2] In April 2011, the bankruptcy trustee filed a report of no distribution. In June 2011, they were granted an automatic discharge under Chapter 7. (Item 8.) The amount of debt discharged is not in the record. Applicant and her spouse converted their bankruptcy to a Chapter 7 in part because they had unexpected expenses after taking full custody of her two-year-old granddaughter.[3] (Items 4, 10.)

On April 24, 2018, Applicant completed and certified to the accuracy of a Questionnaire for National Security Positions (SF 86) for a clearance for her current employer. In response to financial delinquencies involving enforcement, Applicant listed $800 in medical bills for bypass surgery for her spouse. She indicated that she was paying the consolidated balance at $200 a month and that it should be paid off in a few months. (Item 5.)

[1] The file does not contain their bankruptcy petition, so the nature and amount of debt discharged is unclear. Item 6 includes only the court docket information, which reflects the conversion from Chapter 13 to Chapter 7 and the discharge.

[2] Applicant indicated in response to the SOR that she and her spouse filed a Chapter 7 bankruptcy in December 2007, which they converted to a Chapter 13 in 2011. (Item 4.) Docket records indicate conversely that they had the Chapter 13 dismissed and then filed a Chapter 7 no-asset bankruptcy. (Items 7-8.)

[3] During her subject interview in August 2018, Applicant attributed the bankruptcy conversion in part to medical issues for her spouse, who had bypass surgery. The medical debts in the SOR were placed for collection between November 2012 and September 2017. Applicant has been repaying other medical debts in collection that were incurred between October 2013 and July 2018. (AE A.) It is unclear to what extent, if any, her spouse's medical issues were a factor in the bankruptcy filing in 2007, or in its conversion in 2011.

As of June 13, 2018, Applicant had no delinquent consumer loans or credit cards on her credit record. She had a department store credit card with a balance of $1,928 and a joint home-furnishings charge card with a balance of $2,159. Payments on those accounts were timely. A $21,776 car loan had been paid off in January 2015. Some medical debts had been or were still in collection. A $146 medical debt placed in March 2012 was paid in September 2012. A $353 medical debt placed in November 2012 was paid in April 2013. Medical debts of $44 and $40 placed in November 2014 were paid in October 2017. However, she still owed $18,463 in past-due medical debt: $9,532 in collection since June 2013 (SOR ¶ 1.d); $50 in collection since June 2015 (SOR ¶ 1.e); $50 in collection since September 2017 (SOR ¶ 1.f); $4,947 in collection since December 2015 (SOR ¶ 1. g); $91 in collection since November 2012 (SOR ¶ 1.h); $126 in collection since April 2015 (SOR ¶ 1.i); $817 in collection since September 2017 (SOR ¶ 1.j); and $1,330 (SOR ¶ 1.k) and $1,520 (SOR ¶ 1.l) in collection since February 2015. (Item 9.)

On August 21, 2018, Applicant was interviewed by an authorized investigator for the Office of Personnel Management (OPM) about her financial record. She discussed her 2011 Chapter 7 bankruptcy filing, which she had previously not disclosed because it was filed over seven years prior to her SF 86. She attributed the filing to being unable to pay several accounts because of her spouse's medical issues and having had to obtain custody of her granddaughter. She could not recall the amount of her and her spouse's listed liabilities or assets but indicated that all listed debt had been discharged. She maintained that her financial situation has been stable since then, except for medical bills incurred for her spouse's surgery. About her previously disclosed medical delinquency, Applicant related that she and her spouse were liable for about $3,200 in medical expenses for his surgery. She indicated that she has been making payments of $200 a month to a receivables company since September 2017 to resolve the debts. When confronted about the outstanding medical collection debts on her credit record, Applicant stated that the accounts were being paid together through one payment of $200 a month. (Item 10.)

On November 9, 2018, the DOD CAF issued the SOR to Applicant because of her history of bankruptcies and the unpaid medical collection debts on her June 2018 credit report. (Item 1.) When she responded to the SOR on December 4, 2018, Applicant indicated that she had not known about the SOR debts before her interview. She explained that the largest medical debt in SOR ¶ 1.d for $9,532 had never been submitted to her medical insurer. She indicated that she had just finished her payments to the receivables company for other medical debts, and that she would work on resolving the SOR debts once she is able to return to work. (Item 4.) She provided no information at that time about the reasons for, or the duration of, her absence from work, or of its impact on her household finances.

In rebuttal to the FORM, Applicant submitted documentation from the receivables company showing that she fully resolved $888 in medical debt incurred on her account between October 2013 and July 2018.[4] Applicant explained that her spouse had his own

[4] The records of the receivables company show transactions in various amounts between September 27, 2017, and October 12, 2018. They appear to represent the dates of disbursements to the creditors rather than

medical bills for his bypass surgery that they were repaying. Regarding the SOR debts, she asserted she was presently unable to make any repayment arrangements because she has been out of work since before Thanksgiving in November 2018. It appears that the security clearance process was a factor in that she stated, "As this process is becoming long term it's also causing more of a financial burden." (AE A.) She attributed her history of financial delinquencies to "several devastating life events that [she] had no control over," although she did not elaborate about those events. (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

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Applicant's payments. (AE A.) Assuming that Applicant had an agreement to pay $200 a month to the receivables company starting in September 2017, it should not have taken her a year to pay off $888 in debt. She indicated in August 2018 that she was still paying $200 a month (Item 10), and in December 2018 that she had "just recently" paid off her husband's medical bills through the receivables company. (Item 4.) Either she failed to make consistent payments or her substantiating documentation is incomplete.

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 has had a history of financial difficulties in the last 20 years. She was afforded a financial fresh start in a Chapter 7 bankruptcy discharge in March 2001, shortly before she and her second husband were divorced. Three years later, she married her current spouse, who may have brought some debt into the marriage. By December 2007, Applicant was financially overextended in that she had loans for a car and motorcycle and a credit debt for jewelry that she could not afford to repay. She and her current spouse filed a joint Chapter 13 bankruptcy petition that they had voluntarily dismissed in February 2011. They refiled seeking a Chapter 7 discharge of their liability to repay their indebtedness, and they were granted that relief in June 2011. Applicant's June 2018 credit report shows no recent delinquency on consumer credit accounts, but medical debts totaling $18,463 were in collection. Disqualifying conditions AG ¶ 19(a), "an inability to satisfy debts," and AG ¶ 19(c), "a history of not meeting financial obligations," apply.

The burden is on Applicant to mitigate the negative implications for her financial judgment raised by her bankruptcies and the medical collection debts. 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;
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> (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) has some applicability in that Applicant's bankruptcies were filed, and the debts covered by her Chapter 7 filings were discharged, more than five years ago. Some of the medical debts have been in collection for over five years (SOR ¶¶ 1.d and 1.h) while other medical debts (SOR ¶¶ 1.f ($50) and 1.j ($817)) were assigned in September 2017. Applicant provided no documentation about the medical debts, so it is difficult to conclude whether some or all stem from a medical procedure or event that is not likely to recur. The disparate dates for the medical debts suggest that they were not all for her spouse's bypass surgery as she had claimed during her subject interview. Even if the debts became delinquent several years ago, they are 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." *See* 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)). AG ¶ 20(a) does not mitigate such ongoing delinquency.

AG ¶ 20(b) has some applicability, although in that regard, Applicant provided little detail about the "several devastating life events" outside of her control that impacted her finances. She indicated that her and her second husband's bankruptcy was to alleviate financial stress caused by having to make two mortgage payments when a tenant failed to pay the rent for almost a year, and they had to repair the home after a fire. Those adverse circumstances were not within her control, but it is also unclear whether Applicant acted fully responsibly. She presented no information about her household income or her expenses, including the amount of the mortgages or the expenses associated with the property cleanup and repair.

Concerning Applicant and her current spouse's bankruptcy filed in December 2007, Applicant explained that both she and her husband were left in financial trouble from their previous marriages. The evidence shows that she had a financial fresh start after her previous marriage. She admitted during her subject interview that she had car and motorcycle loans, as well as some credit-card debt. It appears that she overextended herself financially following her bankruptcy discharge and divorce in 2001. Nonetheless, costs associated with taking custody of her granddaughter were an unexpected expense and a significant factor in the voluntary dismissal of the December 2007 Chapter 13 filing in favor of a Chapter 7 filing in February 2011.

Applicant's spouse required bypass surgery that caused some unexpected expenses triggering AG ¶ 20(b). Such medical expenses are not discretionary, and do not carry the same financial judgment concerns as had Applicant abused consumer credit. Even so, the nexus between her spouse's medical treatment and the medical collection debts in the SOR was not clearly shown. Even if Applicant's financial difficulties initially arose, in whole or in part, due to circumstances outside of her control, I have to consider whether Applicant acted in a reasonable manner when dealing with her financial difficulties. *See* ISCR Case No. 05-11366 at 4, n.9 (App. Bd. Jan. 12, 2007) (citing ISCR Case No. 99-0462 at 4 (App. Bd. May 25, 2000); ISCR Case No. 99-0012 at 4 (App. Bd. Dec. 1, 1999); ISCR Case No. 03-13096 at 4 (App. Bd. Nov. 29, 2005)). A component is whether Applicant maintained contact with her creditors and attempted to negotiate partial payments to keep debts current. Applicant's evidence falls considerably short in that regard. She stated during her August 2018 OPM interview that the SOR collection debts on her credit record were being repaid at $200 a month. When she responded to the SOR in December 2018, she discrepantly stated that she was unaware of the medical debts before her interview, and that she intends to address the SOR debts once she returns to work, but there is no evidence that she has contacted the creditors to advise them of her financial situation. With no information in the record about her household income or expenses, it is difficult to determine whether Applicant has acted responsibly toward the medical creditors in the SOR, two of whom are owed only $50 (SOR ¶¶ 1.e and 1.f).

Applicant has demonstrated some improvement in her handling of her financial matters since her June 2011 bankruptcy discharge by her timely repayment of her car loan and credit-card debts in recent years. Also viewed favorably are her payments to the receivables company from September 2017 to February 2019 that paid off $888 of medical debt. The Appeal Board has held that an applicant is not required to establish that she has paid off each debt in the SOR, or even that the first debts paid be those in the SOR.[5]

[5] The Appeal Board stated in ISCR Case No. 07-06482, decided on May 21, 2008, in part:

> In evaluating Guideline F cases, the Board has previously noted that the concept of "'meaningful track record' necessarily includes evidence of actual debt reduction through payment of debts." *See, e.g.,* ISCR Case No. 05-01920 at 5 (App. Bd. Mar. 1, 2007). However, an applicant is not required, as a matter of law, to establish that [she] has paid off each and every debt listed in the SOR. *See, e.g.,* ISCR Case No. 02-25499 at 2 (App. Bd. Jun. 5, 2006). All that is required is that an applicant demonstrate that [she] has ". . . established a plan to resolve [her] financial problems and taken significant actions to implement that plan." *See, e.g.,* ISCR Case No. 04-09684 at 2 (App. Bd. Jul. 6, 2006). The

However, an applicant needs to show that she has a plan to resolve her debts and that she has taken significant steps to implement her plan. Applicant expressed an intention to begin addressing the medical debts in the SOR, which total approximately $18,463, when she returns to work. A promise to pay debts at some future date is not a substitute for a track record of timely payments. *See* ISCR Case No. 07-13041 at 4 (App. Bd. Sep. 19, 2008) (citing ISCR Case No. 99-0012 at 3 (App. Bd. Dec. 1, 1999)).

Available information does not enable a predictive judgment that Applicant can be counted on to make payments toward the medical collection debts in the SOR. She has repeatedly asserted that she was paying the receivables company $200 a month, but payment records confirm repayment of only $888 of medical debt through the company. Applicant presented no income or expense information from which I could extrapolate that her financial situation is stable. She has been off the job since November 2018, when the SOR was issued. Applicant is not presently in a situation where she is able or willing to reach out to her SOR creditors about repayment arrangements. AG ¶ 20(c) has some applicability in that the debts that caused her to file the bankruptcies are no longer an issue. However, neither AG ¶ 20(c) nor AG ¶ 20(d) can reasonably mitigate the medical collection debts, which continue to be ignored. Too many unanswered questions exist about her present financial situation. The record evidence falls considerably short of mitigating the financial considerations security concerns.

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 has worked for a succession of federal contactors on the same base since September 2004. She presented no employment or character references attesting to her judgment and reliability on the job, although good performance may reasonably be inferred from her consistent employment on the base. The Appeal Board has repeatedly held that the government need not wait until an applicant mishandles or fails to safeguard classified information before denying or revoking security clearance eligibility. *See*, *e.g.*, ISCR Case No. 08-09918 (App. Bd. Oct. 29, 2009, citing *Adams v. Laird*, 420 F.2d 230, 238-239 (D.C. Cir. 1969)). 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

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judge can reasonably consider the entirety of an applicant's financial situation and her actions in evaluating the extent to which that applicant's plan for the reduction of her outstanding indebtedness is credible and realistic. *See* Directive ¶ E2.2(a)("Available, reliable information about the person, past and present, favorable and unfavorable, should be considered in reaching a determination.") There is no requirement that a plan provide for payments on all outstanding debts simultaneously. Rather, a reasonable plan (and concomitant conduct) may provide for the payment of such debts one at a time. *See, e.g.,* ISCR Case No. 06-25584 at 4 (App. Bd. Apr.4, 2008). Likewise, there is no requirement that the first debts actually paid in furtherance of a reasonable debt plan be the ones listed in the SOR.

clearance. *See Dorfmont v. Brown*, 913 F. 2d 1399, 1401 (9th Cir. 1990). Applicant owes some $18,463 in medical collection debt that she now claims first came to her attention during her August 2018 interview with the OPM investigator. She had previously indicated mistakenly or wrongly that she was making $200 monthly payments toward the delinquencies on her credit record. A significant component of financial responsibility is being attentive to one's finances, including knowing whether they were being paid. Applicant's repayment of some $888 in other medical debt is not enough to fully mitigate the concerns about her financial judgment.

This decision should not be construed as a determination that Applicant cannot or will not attain the financial reform and rehabilitation necessary to be eligible for a security clearance in the future. After applying the disqualifying and mitigating conditions to the evidence presented, I conclude that it is not clearly consistent with the national interest to grant security clearance eligibility for Applicant 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.c:	For Applicant
Subparagraphs 1.d-1.l:	Against Applicant

Conclusion

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

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Elizabeth M. Matchinski
Administrative Judge