



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



In the matter of:)	
)	
---)	ISCR Case No. 18-02884
)	
Applicant for Security Clearance)	

Appearances

For Government: Gatha Manns, Esquire, Department Counsel
For Applicant: *Pro se*

08/22/2019

Decision

GALES, Robert Robinson, Administrative Judge:

Applicant failed to mitigate the security concerns regarding financial considerations. Eligibility for a security clearance is denied.

Statement of the Case

On May 25, 2017, Applicant applied for a security clearance and submitted an Electronic Questionnaires for Investigations Processing (e-QIP) version of a Security Clearance Application. On an unspecified date, the Defense Office of Hearings and Appeals (DOHA) issued her a set of interrogatories. Applicant responded to those interrogatories on November 13, 2018. On February 15, 2019, the Department of Defense (DOD) Consolidated Adjudications Facility (CAF) issued a Statement of Reasons (SOR) to her, under Executive Order (Exec. Or.) 10865, *Safeguarding Classified Information within Industry* (February 20, 1960), as amended and modified; DOD Directive 5220.6, *Defense Industrial Personnel Security Clearance Review Program* (January 2, 1992), as amended and modified (Directive); and Directive 4 of the Security Executive Agent (SEAD 4), *National Security Adjudicative Guidelines* (December 10, 2016) (AG), for all covered individuals who require initial or continued eligibility for access to classified information or eligibility to hold a sensitive position, effective June 8, 2017.

The SOR alleged security concerns under Guideline F (Financial Considerations) and detailed reasons why the DOD adjudicators were unable to find that it is clearly consistent with the national interest to grant or continue a security clearance for Applicant. The SOR recommended referral to an administrative judge to determine whether a clearance should be granted, continued, denied, or revoked.

In a sworn statement, dated May 3, 2019, Applicant responded to the SOR and elected to have her case decided on the written record in lieu of a hearing. A complete copy of the Government's file of relevant material (FORM) was mailed to Applicant by DOHA on June 7, 2019, and she was afforded an opportunity after receipt of the FORM to file objections and submit material in refutation, extenuation, or mitigation. In addition to the FORM, Applicant was furnished a copy of the Directive as well as the Adjudicative Guidelines applicable to her case. Applicant received the FORM on June 14, 2019. Applicant responded to the FORM by timely submitting a statement and associated documents, all of which were accepted without objection. The case was assigned to me on August 7, 2019.

Findings of Fact

In her Answer to the SOR, Applicant admitted, with brief comments, nearly all, or parts thereof, of the factual allegations pertaining to financial considerations in the SOR (SOR ¶¶ 1.a. through 1.c., and 1.e. through 1.j.). Applicant's admissions and comments are incorporated herein as findings of fact. After a complete and thorough review of the evidence in the record, and upon due consideration of same, I make the following additional findings of fact:

Applicant is a 50-year-old employee of a defense contractor. She has been serving as a certified nursing assistant with her current employer since August 2013. A high school graduate in 1986 or 1987, Applicant received technical and professional certifications as a certified nursing assistant at various levels, as well as a phlebotomist from several community colleges during the 1990s. She has never served with the U.S. military. She was granted a secret clearance in 2011. Applicant was married in 1991. She has one son, born in 1986.

Financial Considerations

General source information pertaining to the financial accounts discussed below can be found in the following exhibits: Item 8 (Combined Experian and TransUnion Credit Report, dated July 2, 2011); Item 7 (Combined Experian and TransUnion Credit Report, dated June 14, 2017); Item 6 (Equifax Credit Report, dated July 20, 2018); Item 9 (Enhanced Subject Interview, dated November 7, 2017); Item 4 (Applicant's Response to the Interrogatories, dated November 13, 2018); Item 1 (Applicant's Answer to SOR, dated May 3, 2019); and Applicant's Response to the FORM, dated July 11, 2019.

Applicant was unemployed from June 2010 until March 2011, during which she received unemployment benefits. Her listed activities during that period were staying home, eating lunch with friends, and window shopping. She did not indicate that she spent

any time searching for a job. (Item 9, at 4) Applicant attributed her financial problems to her husband's seasonal construction work for which there is not much work in the winter; her father-in-law's unspecified illness; her mother-in-law's Alzheimer's disease; and Applicant's own unspecified illness. She did not specify how those issues impacted her finances. A review of her 2011 credit report reveals a significant number of past-due accounts from as far back as 2005; a state tax lien from 2010; and a federal tax lien from 2011. (Item 8) Her more recent 2017 and 2018 credit reports reveal additional delinquent accounts. (Item 6; Item 7) Despite the plethora of delinquent accounts existing in 2017, when Applicant completed her May 2017 e-QIP, she denied having any delinquent accounts during the past seven years, essentially claiming that she was unaware of them. (Item 3, at 30-31; Item 9, at 8)

In November 2017, during her interview with an investigator from the U.S. Office of Personnel Management (OPM), Applicant discussed her delinquent home mortgage; her state and federal tax liens; a judgment which she associated with a property tax issue; and some delinquent medical bills. Only after she was confronted with additional delinquent accounts did she share the facts associated with those accounts. Applicant was given five days by the OPM investigator to furnish documentation associated with her financial delinquencies, but the record is silent as to whether she complied with that request. (Item 9, at 8) She claimed that she is not unwilling or unable to satisfy her debts, and she contended that she had already made payments toward some accounts. She disputed only one account discussed. She claimed to be meeting all of her current financial obligations. Applicant acknowledged that she had never sought financial counseling. (Item 9)

The SOR alleged ten delinquent accounts totaling \$48,364, with the largest such debt – a federal tax lien – in the amount of \$43,926. Six of the remaining accounts have unpaid balances of under \$500. In her answers to the interrogatories, Applicant stated that she had contacted several creditors and had started making payments. In her Answer to the SOR, Applicant repeatedly claimed that she either will start making payments soon, or this month, referring to May 2019. In her Response to the FORM, she repeated some of those promises, and she contended that she had already made some payments, paid off some of the creditors, or entered into repayment agreements with other creditors.

SOR ¶ 1.a.: With respect to the federal income tax lien that was filed in May 2011, attached to her answers to the interrogatories, Applicant submitted a Form 9465, *Installment Agreement Request*, which was signed by her on November 10, 2018, and by her husband on November 20, 2018, offering to start making monthly \$250 payments commencing on December 20, 2018. She offered no indication that the request was accepted by the Internal Revenue Service (IRS). The local court records indicate that, as of February 6, 2019, the unpaid balance of the lien remains approximately \$43,926. (Item 5) In her Answer to the SOR, Applicant simply said that she was working on the account, without offering any additional information. Furthermore, as recently as her Response to the FORM, Applicant conspicuously omitted any statement that the agreement had been accepted by the IRS or that she had made any such payments. In the absence of any other positive information, I must conclude that the account has not been resolved, and

that little, if any, actions have taken place to indicate that it is in the process of being resolved.

SOR ¶ 1.b.: This is an unspecified type of account with an unspecified creditor that was transferred to a collection agent, for which a judgment was obtained in the amount of \$1,006 in February 2013. Attached to her answers to the interrogatories, Applicant submitted documentation from the identified collection agent that had three separate accounts with different creditors with unpaid balances of \$901, \$1,349, and \$2,118, all of which indicated that collection efforts had ceased and there was no further obligations regarding the accounts. Applicant did not submit any documentation to tie any of those accounts to the judgment in question. In her Answer to the FORM, Applicant stated that the collection agent had informed her that the outstanding balance was approximately \$907. She claimed that she would be “making payments.” Applicant did not state that any payments had already been made, and there is still no evidence to indicate that the judgment and the account to which Applicant claimed she was addressing were the same account. In the absence of such documentation and payments, I must conclude that the account has not yet entered the process of being resolved.

SOR ¶ 1.c.: This is a bank-issued credit-card account and a past-due and unpaid balance of \$597 that was charged off and sold or transferred to a collection agent. Attached to her answers to the interrogatories, Applicant submitted a statement that she had entered into an agreement with the collection agent and that she had made the first partial bi-weekly payment of \$34. She submitted a photocopy of the MoneyGram, dated November 12, 2018. In her Answer to the SOR, one year after the MoneyGram was issued, Applicant stated that she would be “making payments soon.” In her Response to the FORM, Applicant claimed to be unable to reach anyone with the collection agent. In the absence of an affirmative statement by Applicant that she had continued making her agreed payments, as well as documentation to indicate that payments had been made, I must conclude that the account has not been resolved.

SOR ¶ 1.d.: This is a clothing store charge account with an unpaid balance of \$220 that was placed for collection and charged off in 2016. In her Answer to the SOR, Applicant claimed that she had purchased merchandise but that it did not fit, so she returned it. In her Response to the FORM, she stated that she will pay off the account within the next few weeks. In the absence of an affirmative statement by Applicant that she had made any payments, as well as documentation to indicate that payments had been made, I must conclude that the account has not been resolved.

SOR ¶¶ 1.e. and 1.i.: These are two medical accounts with unpaid balances of \$680 (from 2012) and \$235 (from 2016) that were placed for collection with the same collection agent. In her Answer to the SOR, Applicant stated that she would begin “making payments this month,” referring to May 2019. As recently as her Response to the FORM, Applicant conspicuously omitted any statement that she had made any payments on either account. In the absence of any positive information, I must conclude that the accounts have not been resolved, and that little, if any, actions have taken place to indicate that they are in the process of being resolved.

SOR ¶¶ 1.f. and 1.g.: These are two medical accounts with unpaid balances of \$434 (from 2012) and \$276 (from 2012) that were placed for collection with the same collection agent. In her Answer to the SOR, Applicant stated that she would begin “making payments this month,” referring to May 2019. She submitted a photocopy of the MoneyGram, dated July 11, 2019, indicating that she had made a \$292 payment to the collection agent for the larger of the two accounts. As recently as her Response to the FORM, Applicant conspicuously omitted any explanation with respect to the delay between May and July 2019 in making promised payments on the one account, or that she had made any payments on the other account. In the absence of any further positive information, I must conclude that the larger account is in the process of being resolved, but that the other account has not yet entered into that process.

SOR ¶¶ 1.h. and 1.j.: These are two medical accounts with unpaid balances of \$254 (from 2016) and \$100 (from 2016) that were placed for collection with the same collection agent. Attached to her answers to the interrogatories, Applicant submitted a photocopy of MoneyGram for \$50, dated November 12, 2018, which was applied to the larger of the two accounts. In her Answer to the SOR, Applicant stated that she would begin “making payments [on the larger account] this month,” and would “pay off” the smaller account “this month,” referring to May 2019. She submitted a photocopy of the MoneyGram, dated July 11, 2019, indicating that she had made a \$254 payment to the collection agent for both of the accounts. Since the combined balance for the two accounts was \$354, and Applicant has paid \$304 to date, it appears that the accounts are in the process of being resolved.

During the security clearance review process, Applicant submitted statements and documents to indicate that she had resolved the state tax lien by garnishment in October 2018; and was in the process of resolving a medical account with an unpaid balance of approximately \$235 with a small payment of about \$36 in October 2018, neither of which was listed in the SOR. There is little additional evidence that Applicant made any other efforts, much less good-faith efforts, to address her delinquent accounts, despite having made promises that she would do so by May 2019. It is not known what Applicant’s current financial resources may be because she did not report her current net monthly income; monthly expenses; and any monthly remainder that might be available for discretionary spending or savings. There is no evidence of a budget. In the absence of additional financial information, it remains difficult to determine if Applicant is currently in a better position financially than she had been.

Policies

The U.S. Supreme Court has recognized the substantial discretion of the Executive Branch in regulating access to information pertaining to national security emphasizing, “no one has a ‘right’ to a security clearance.” (*Department of the Navy v. Egan*, 484 U.S. 518, 528 (1988)) As Commander in Chief, the President has the authority to control access to information bearing on national security and to determine whether an individual is sufficiently trustworthy to have access to such information. The President has authorized the Secretary of Defense or his designee to grant an applicant eligibility for access to classified information “only upon a finding that it is clearly consistent with the

national interest to do so.” (Exec. Or. 10865, *Safeguarding Classified Information within Industry* § 2 (Feb. 20, 1960), as amended and modified.)

When evaluating an applicant’s suitability for a security clearance, the administrative judge must consider the guidelines in SEAD 4. In addition to brief introductory explanations for each guideline, the guidelines list potentially disqualifying conditions and mitigating conditions, which are used in evaluating an applicant’s eligibility for access to classified information.

An administrative judge need not view the guidelines as inflexible, ironclad rules of law. Instead, acknowledging the complexities of human behavior, these guidelines are applied in conjunction with the factors listed in the adjudicative process. The administrative judge’s overarching adjudicative goal is a fair, impartial, and commonsense decision. 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 meaningful decision.

In the decision-making process, facts must be established by “substantial evidence.” “Substantial evidence [is] such relevant evidence as a reasonable mind might accept as adequate to support a conclusion in light of all contrary evidence in the record.” (ISCR Case No. 04-11463 at 2 (App. Bd. Aug. 4, 2006) (citing Directive ¶ E3.1.32.1)) “Substantial evidence” is “more than a scintilla but less than a preponderance.” (See *v. Washington Metro. Area Transit Auth.*, 36 F.3d 375, 380 (4th Cir. 1994))

The Government initially has the burden of producing evidence to establish a potentially disqualifying condition under the Directive, and has the burden of establishing controverted facts alleged in the SOR. Once the Government has produced substantial evidence of a disqualifying condition, under Directive ¶ E3.1.15, the applicant has the burden of persuasion to present evidence in refutation, explanation, extenuation or mitigation, sufficient to overcome the doubts raised by the Government’s case. The burden of disproving a mitigating condition never shifts to the Government. (See ISCR Case No. 02-31154 at 5 (App. Bd. Sep. 22, 2005))

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 as well. It is because of this special relationship that the Government must be able to repose a high degree of trust and confidence in those individuals to whom it grants access to classified information. Decisions include, by necessity, consideration of the possible risk the applicant may deliberately or inadvertently fail to safeguard classified information. Such decisions entail a certain degree of legally permissible extrapolation as to potential, rather than actual, risk of compromise of classified information. Furthermore, “security clearance determinations should err, if they must, on the side of denials.” (*Egan*, 484 U.S. at 531)

Clearance decisions must be “in terms of the national interest and shall in no sense be a determination as to the loyalty of the applicant concerned.” (See Exec. Or. 10865 §

7) Thus, nothing in this decision should be construed to suggest that I have based this decision, in whole or in part, on any express or implied determination as to Applicant's allegiance, loyalty, or patriotism. It is merely an indication the Applicant has or has not met the strict guidelines the President and the Secretary of Defense have established for issuing a clearance. In reaching this decision, I have drawn only those conclusions that are reasonable, logical, and based on the evidence contained in the record. Likewise, I have avoided drawing inferences grounded on mere speculation or conjecture.

Analysis

Guideline F, Financial Considerations

The security concern relating to the guideline for Financial Considerations is set out 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. Affluence that cannot be explained by known sources of income is also a security concern insofar as it may result from criminal activity, including espionage.

The guideline notes several conditions that could raise security concerns under AG ¶ 19:

- (a) inability to satisfy debts;
- (b) unwillingness to satisfy debts regardless of the ability to do so;
- (c) a history of not meeting financial obligations; and
- (f) failure to file or fraudulently filing annual federal, state, or local income tax returns or failure to pay annual federal, state, or local income tax as required.

The SOR alleged ten delinquent accounts totaling \$48,364, with the largest such debt – a federal tax lien – in the amount of \$43,926. Six of the remaining accounts have unpaid balances of under \$500. Some of the accounts have been delinquent since 2011. AG ¶¶ 19(a), 19(c), and 19(f) have been established, but there is no evidence that

Applicant has been unwilling to satisfy her debts regardless of an ability to do so, and AG ¶ 19(c) has not been established.

The guideline also includes examples of conditions that could mitigate security concerns arising from financial difficulties under AG ¶ 20:

(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 individual has received or is receiving financial 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

(g) the individual has made arrangements with the appropriate tax authority to file or pay the amount owed and is in compliance with those arrangements.

AG ¶ 20(b) minimally applies, but none of the other conditions apply. 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)) The nature, frequency, and recency of Applicant's continuing financial difficulties, and her failure to voluntarily and timely resolve her delinquent accounts for several years, make it rather easy to conclude that it was not infrequent and it is likely to remain unchanged, much like it has been for nearly the past decade. Applicant has attempted to attribute her financial problems to her husband's seasonal construction work for which there is not much work in the winter; her father-in-law's unspecified illness; her mother-in-law's Alzheimer's disease; and Applicant's own unspecified illness. She did not specify how those issues impacted her finances.

Furthermore, a review of her 2011 credit report reveals a significant number of past-due accounts from as far back as 2005; a state tax lien from 2010; and a federal tax lien from 2011. Her more recent 2017 and 2018 credit reports reveal additional delinquent accounts. The record is silent as to the reasons why the remaining debts were generated by her. Inaction or refusal to take timely and appropriate action with respect to the

accounts she opened and used indicates irresponsibility toward financial and social obligations in general. When an individual with otherwise good credit, such as Applicant claimed she was, fails to make timely account payments, her actions can be interpreted as a lack of respect for financial obligations.

Clearance decisions are aimed at evaluating an applicant's judgment, reliability, and trustworthiness. They are not a debt-collection procedure. The guidelines do not require an applicant to establish resolution of every debt or issue alleged in the SOR. An applicant needs only to establish a plan to resolve financial problems and take significant actions to implement the plan. There is no requirement that an applicant immediately resolve issues or make payments on all delinquent debts simultaneously, nor is there a requirement that the debts or issues alleged in an SOR be resolved first. Rather, a reasonable plan and concomitant conduct may provide for the payment of such debts, or resolution of such issues, one at a time. Mere promises to pay debts in the future, without further confirmed action, are insufficient.

It should be noted that the Appeal Board has indicated that promises to pay off delinquent debts in the future are not a substitute for a track record of paying debts in a timely manner and otherwise acting in a financially responsible manner. (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)) In this instance, to date, there is evidence that Applicant took little good-faith corrective actions with respect to her delinquent debts until well after she was interviewed by the OPM investigator. Her state tax lien, an account that was not alleged in the SOR, was not resolved until the garnishment was completed in 2018. Other delinquent accounts, one with an unpaid balance of \$100 was not addressed until November 2018, and then again in July 2019. Making rare and isolated modest payments on accounts that have been delinquent, in some instances, since 2012, does not constitute good-faith corrective actions taken by Applicant. Her contentions regarding the status of some accounts, and her unverified comments claiming that she had taken certain actions, without documents, such as an *Installment Agreement Request* that has been approved by the IRS, to support her claims, are insufficient to reflect good-faith actions. The Appeal Board has previously explained what constitutes a good-faith effort to repay overdue creditors or otherwise resolve debts:

In order to qualify for application of [the "good-faith" mitigating condition], an applicant must present evidence showing either a good-faith effort to repay overdue creditors or some other good-faith action aimed at resolving the applicant's debts. The Directive does not define the term "good-faith." However, the Board has indicated that the concept of good-faith "requires a showing that a person acts in a way that shows reasonableness, prudence, honesty, and adherence to duty or obligation." Accordingly, an applicant must do more than merely show that he or she relied on a legally available option (such as bankruptcy [or statute of limitations]) in order to claim the benefit of [the "good-faith" mitigating condition].

(internal citation and footnote omitted) ISCR Case No. 02-30304 at 3 (App. Bd. Apr. 20, 2004) (quoting ISCR Case No. 99-9020 at 5-6 (App. Bd. June 4, 2001)

There is no evidence of financial counseling or a budget. In the absence of additional financial information, it remains difficult to determine if Applicant is currently in a better position financially than she had been. Applicant's actions, or inaction, under the circumstances cast doubt on her current reliability, trustworthiness, and good judgment. (See ISCR Case No. 09-08533 at 3-4 (App. Bd. Oct. 6, 2010).)

Whole-Person Concept

Under the whole-person concept, the administrative judge must evaluate an applicant's eligibility for a security clearance by considering the totality of the applicant's conduct and all the circumstances. The administrative judge should consider the nine adjudicative process factors listed at SEAD 4, App. A, ¶ 2(d):

- (1) the nature, extent, and seriousness of the conduct;
- (2) the circumstances surrounding the conduct, to include knowledgeable participation;
- (3) the frequency and recency of the conduct;
- (4) the individual's age and maturity at the time of the conduct;
- (5) the extent to which participation is voluntary;
- (6) the presence or absence of rehabilitation and other permanent behavioral changes;
- (7) the motivation for the conduct;
- (8) the potential for pressure, coercion, exploitation, or duress; and
- (9) the likelihood of continuation or recurrence.

Under SEAD 4, App. A, ¶ 2(c), the ultimate determination of whether to grant a security clearance must be an overall commonsense judgment based upon careful consideration of the guidelines and the whole-person concept. Moreover, I have evaluated the various aspects of this case in light of the totality of the record evidence and have not merely performed a piecemeal analysis. (See *U.S. v. Bottone*, 365 F.2d 389, 392 (2d Cir. 1966); See also ISCR Case No. 03-22861 at 2-3 (App. Bd. Jun. 2, 2006))

There is some evidence in favor of mitigating Applicant's financial concerns. Applicant is a 50-year-old employee of a defense contractor. She has been serving as a certified nursing assistant with her current employer since August 2013. A high school graduate, Applicant received technical and professional certifications as a certified nursing assistant at various levels, as well as a phlebotomist from several community colleges during the 1990s. She was granted a secret clearance in 2011. Applicant made a few modest payments on some of her delinquent accounts, generally in 2018 and 2019.

The disqualifying evidence under the whole-person concept is simply more substantial. The SOR alleged ten delinquent accounts totaling \$48,364, with the largest such debt – a federal tax lien – in the amount of \$43,926. She has repeatedly stated that she had contacted several creditors and had started making payments, or that she will start making payments soon, or in May 2019. She claimed that she had paid off some of the creditors, or entered into repayment agreements with other creditors. With rare exceptions, because of her failure or refusal to submit documentation associated with her delinquent accounts, such as receipts, cancelled checks, or bank account transactions, to support her contentions that any accounts have been settled, paid off, or otherwise resolved; that any agreed settlements have actually proceeded to resolution; or that

payments have actually been made to her creditors, it is difficult to assess the true situation, for we have only Applicant's unverified comments claiming that she had taken certain actions.

In ISCR Case No. 07-06482 at 2-3 (App. Bd. May 21, 2008), the Appeal Board addressed a key element in the whole-person analysis in financial cases stating:

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. However, an applicant is not required, as a matter of law, to establish that he [or she] has paid off each and every debt listed in the SOR. All that is required is that an applicant demonstrate that he [or she] has ". . . established a plan to resolve his [or her] financial problems and taken significant actions to implement that plan." The Judge can reasonably consider the entirety of an applicant's financial situation and his [or her] actions in evaluating the extent to which that applicant's plan for the reduction of his 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. 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.

While Applicant contended that she took certain actions with respect to her delinquent debts, there is very little documentary evidence to indicate that many of the accounts have been addressed. Despite efforts to have her furnish documentation to support her contentions, she has repeatedly ignored those requests. Her current track record is poor. Overall, the evidence leaves me with substantial questions and doubts as to Applicant's eligibility and suitability for a security clearance. For all of these reasons, I conclude Applicant has failed to mitigate the security concerns arising from her financial considerations. See SEAD 4, App. A, ¶¶ 2(d)(1) through AG 2(d)(9).

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. through 1.e.:	Against Applicant
Subparagraphs 1.f., 1.h., and 1.j.:	For Applicant
Subparagraphs 1.g. and 1.i.:	Against Applicant

Conclusion

In light of all of the circumstances presented by the record in this case, 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.

ROBERT ROBINSON GALES
Administrative Judge