



DEPARTMENT OF DEFENSE  
DEFENSE OFFICE OF HEARINGS AND APPEALS



In the matter of: )  
 )  
 --- ) ISCR Case No. 19-01525  
 )  
 Applicant for Security Clearance )

**Appearances**

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

12/30/2019

**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 March 21, 2017, Applicant applied for a security clearance and submitted a Questionnaire for National Security Positions (SF 86). On June 7, 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* (AG) (December 10, 2016), 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 sworn statements dated June 26, 2019, and August 28, 2019, as well as with unsworn statements dated June 19, 2019, and August 5, 2019, Applicant responded to the SOR, and she elected to have her case decided on the written record in lieu of a hearing. (Item 2) A complete copy of the Government's file of relevant material (FORM) was mailed to Applicant by the Defense Office of Hearings and Appeals (DOHA) on October 21, 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 his case. Applicant received the FORM on October 29, 2019. Her response was due on November 28, 2019. Applicant timely submitted several statements and documents which were accepted without objection. Embedded in her Response to the FORM was a comment: "If the evidence I have supplied is not conclusive enough to show my worth as a person to hold a clearance then I request a hearing." A DOHA representative sought clarification, and on December 4, 2019, Applicant withdrew her request for a hearing and directed that her case be processed as originally directed, on the written record in lieu of a hearing. The case was assigned to me on December 13, 2019.

### **Findings of Fact**

In her Answers to the SOR, Applicant admitted, with brief comments, nearly all of the SOR allegations pertaining to financial considerations (SOR ¶¶ 1.a., 1.c. through 1.f., and 1.i. through 1.t.). However, while admitting that certain accounts remain unpaid as of the date of the SOR, she also provided contradictory evidence that a number of the accounts had already been paid well before the SOR was issued. Nevertheless, Applicant's admissions 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:

### **Background**

Applicant is a 62-year-old employee of a defense contractor. Her employment history is confusing because she erroneously listed incorrect dates or incorrect employers, and omitted one employer, in her SF 86. She has been serving as the contracts manager with her current employer since February 2018. She also has held a part-time job for over the past year. She received a bachelor's degree in 1990, and a master's degree in 1999. She has never served with the U.S. military. She was granted a secret clearance in 1996. She was married in 1979 and divorced in 1982. She has two children, born in 1980 and 1999.

## Financial Considerations

General source information pertaining to the financial accounts discussed below can be found in the following exhibits: Item 5 (Combined Experian, TransUnion, and Equifax Credit Report, dated July 1, 2017); Item 4 (Equifax Credit Report, dated April 26, 2019); Item 6 (Enhanced Subject Interview, dated December 28, 2018); and Item 2 (Applicant's Answers to SOR, dated July 16, 2019).

After being interviewed by an investigator from the U.S. Office of Personnel Management (OPM) in December 2018, some of Applicant's earlier employment history discrepancies were corrected. She claimed that she was working for one particular employer and earning an annual salary of \$80,000 until she was laid off as part of a company-wide layoff in June 2013. She stated that she worked in a temporary position with another employer for two months. That was followed by a period that saw non-hiring, a 2013 sequestration, and finally a 16-day government shutdown in October 2013. She remained unemployed until July 2014. Although Applicant received \$268 per week in unemployment compensation, and she cashed out her 401k resulting in a \$20,000 penalty, she still did not have sufficient funds to maintain her accounts in a current status. (Item 3, at 17-18; Item 6, at 4-5) Applicant attributed her financial problems to being a single mother; living in a one-income household; her period of unemployment; her father's illness and death in 2014; her son's college needs; and her daughter was almost ready to attend college. (Item 2; Item 3)

When Applicant completed her SF 86 in March 2017, she acknowledged having one delinquent automobile-loan account, and while she specifically denied having other delinquent accounts, she did acknowledge that she was in the process of seeking help in negotiating payoffs of her credit cards and loans. She indicated that she was dealing with a company that was taking \$500 from each paycheck to assist her in resolving her various accounts. (Item 3, at 36-38) During her OPM interview she reported that her relationship with the company started in July 2015 and ended in February 2017, and that during that period, "a lot of her delinquent accounts were satisfied." On June 25, 2019, nearly three weeks after the SOR was issued, Applicant asked the company for a report as to its activities because none of her credit reports reflected that accounts had been resolved. (Item 2 attachment) She did not submit any documents such as receipts, cancelled checks, bank account registers, or an official breakdown or report from the company to support her contention that specific delinquent accounts had been satisfied. She also acknowledged that her annual salary was back to \$80,000. (Item 6, at 4-5)

The SOR alleged 20 delinquent accounts totaling approximately \$50,000, of which Applicant contended that she had either set up a repayment plan; agreed to a garnishment; will soon start to begin paying; is paying; or has already paid off the account, set forth as follows: SOR ¶ 1.a.: an automobile loan with a high credit of \$30,623 of which \$10,953 was charged off in May 2016 after the vehicle was repossessed; SOR ¶ 1.c.: a note loan with an unpaid balance of \$5,398; SOR ¶ 1.d.: a bank credit-card account that was charged off in the amount of \$4,296; SOR ¶¶ 1.e. and 1.l.: two charge accounts with the same creditor that were charged off in the amounts of \$2,461 in February 2017, and \$1,910 in March 2017, with unpaid balances of \$1,445 and \$2,181; SOR ¶¶ 1.i., and 1.r.

through 1.t.: medical accounts with unpaid balances of \$56, \$250, \$155, and \$52; SOR ¶ 1.j.: an unspecified type of account with an unpaid balance of \$8,017, of which \$5,089 is at least 120 days past due; SOR ¶ 1.k.: an unspecified type of account that was charged off in the amount of \$4,432; SOR ¶ 1.m.: a charge account with an unpaid balance of \$1,081 that was charged off in December 2016; SOR ¶¶ 1.n. through 1.p.: and three credit-card accounts with the same bank with unpaid balances of \$887, \$459, and \$402. (Item 4, at 2-3; Item 5, at 6-9, 17; Item 2)

Applicant submitted a five-page spreadsheet with her Answer to the SOR which appears to set forth numerous financial transactions between June 2016 and February 2018 with the company she had reportedly engaged in assisting her to resolve her delinquent accounts. This is confusing, for Applicant claimed that the relationship ended in February 2017. Aside from guessing the accounts to which payments was made, without any comments or explanations from Applicant, it is nearly impossible to determine if any of the alleged accounts alleged in the SOR have actually had a repayment plan established; payments have commenced; accounts are in the process of being paid; or if any account has in fact been paid off. (Item 2, undated attachment) There are, however, three accounts that appear to have been resolved, not through any evidence submitted by Applicant, but rather by a close scrutiny of Item 4 submitted by the Government. The account alleged in SOR ¶ 1.c. above was actually refinanced, and as of April 2019, it had a zero balance. (Item 4, at 3) The two accounts alleged in SOR ¶¶ 1. m. and 1.n. above were both paid off for less than full balance, and they both had zero balances. (Item 4, at 3) With the exception of these three accounts, there is insufficient evidence to support Applicant's contention that all of the above accounts were being addressed or have been resolved.

In addition to the above accounts, the SOR also alleged several delinquent accounts for which Applicant either denied responsibility; disputed responsibility; failed to address; or simply had no information, set forth as follows: SOR ¶ 1.b.: a joint account with an unpaid balance of \$8,368 for an assisted living facility where Applicant's mother resided for several months before being transferred to a nursing facility; SOR ¶ 1.f.: an unspecified type of account with an unpaid balance of \$448; SOR ¶¶ 1.g. and 1.h.: two unspecified types of account with unpaid balances of \$417 and \$409 which were purchased by the same loan buyer; and SOR ¶ 1.q.: a home security account with an unpaid balance of \$1,433. (Item 4, at 2-3; Item 5, at 16; Item 2) Applicant contended that she did not agree with the type of care the assisted living facility provided to her mother, so she moved her elsewhere. She failed to address the issue of the account being a joint account for which she is also responsible. She claimed to be unaware of the two purchased accounts. She was unhappy with the home security account because the service failed to work properly. She claimed to be unaware that the one remaining account for \$448 was unpaid, and promised to pay it. (Item 2; Response to the FORM)

Other than Applicant's unverified contentions regarding her expenses, garnishments, and payments made, or any of her efforts to resolve certain delinquent accounts, there is no documentary evidence to support that Applicant, or the company she engaged to assist her, made any efforts to address her delinquent accounts after February 2017, the date she claimed she no longer used them. The five-page

spreadsheet is essentially useless because there were no comments or directions from her regarding if any of the payments were made to identified creditors. With the exception of the three accounts that were apparently resolved either through refinance or settlement and payment for less than full balance, as reflected in Item 4, Applicant's delinquent accounts have not been resolved.

Although Applicant claims, without verification, that she now has an annual income of \$80,000, 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. While there is some evidence of a financial relationship with the company that reportedly assisted her, there is no evidence of financial counseling. 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.

### **Character References**

The president of the corporation for which Applicant worked from October 2016 until February 2017, and then rejoined in February 2018, stated that Applicant has a strong work ethic with exceptional working knowledge of government contracting and logistics. Applicant tackles every task with a good attitude and always does in-depth research on any new or different task to assure that the regulatory guidance has not changed. She currently serves as contract manager and facility security officer (FSO). As an FSO, Applicant has exceptional expertise and has always shown good judgment and an excellent work ethic. (Letter, dated November 18, 2019, attached to Response to the FORM)

A retired senior contracts manager and the vice president, contracts and procurement, of companies for which Applicant previously worked, offered equally positive assessments of her. Applicant was highly regarded for her knowledge of the contractual requirements, deliverables requirements and funding status on each task order for which she was responsible. Her interface was consistently professional. She never demonstrated anything but absolute candor, complete honesty and professional and reasonable behavior. (Letters, dated November 25, 2019, and November 26, 2019, attached to Response to the FORM)

The president, chief executive officer, and FSO of another company for which Applicant worked, and as a friend and colleague since 1987, stated that he has no doubts about Applicant's character and trustworthiness in business, security or other matters concerning her moral values and ethics. She has excellent judgment in life's decisions, along with an extraordinary work ethic, and solid moral character. (Letter, dated November 18, 2019, attached to Response to the FORM)

The vice president and director of a community theatre has known Applicant since they were in high school. She characterized Applicant as trustworthy, and noted that she volunteers frequently on several community projects where she has worked tirelessly. (Letter, undated, attached to Response to the FORM)

## 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 (4<sup>th</sup> 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; and
- (c) a history of not meeting financial obligations.

The SOR alleged 20 delinquent accounts totaling approximately \$50,000. Applicant claimed that he had insufficient funds to maintain those accounts in a current status. As of the date the record closed, she had only resolved three delinquent debts for which resolution had been verified by documentation. AG ¶¶ 19(a) and 19(c) 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(b) 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; and

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

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 several years. Applicant has attempted to attribute her financial problems to: being a single mother; living in a one-income household; her period of unemployment; her father's illness and death in 2014; her son's college needs; and her daughter was almost ready to attend college. In the absence of explanations and some documents addressing the reported impact on her finances that were caused by her father's illness and death in 2014; her son's college needs; or why her daughter's anticipated college needs have negatively impacted her finances, it is difficult to assess those issues. The sole significant verified issue that was largely beyond Applicant's control appears to be Applicant's period of unemployment from June 2013 until July 2014.



Applicant ran up a number of delinquent accounts, and essentially ignored them until July 2015. What she and the company chosen to represent her did from that date until the relationship ended in February 2017 is unclear. Also unclear are her purported efforts to address delinquent accounts after February 2017, or what efforts continued until the FORM was issued. Other than a confusing five-page spreadsheet with her Answer to the SOR which appears to set forth numerous financial transactions with the company she had reportedly engaged in assisting her to resolve her delinquent accounts, without any comments or explanations from Applicant, it is nearly impossible to determine if any of the alleged accounts alleged in the SOR have actually had a repayment plan established; payments have commenced; accounts are in the process of being paid; or if any account has in fact been paid off.

An applicant who begins to resolve his financial problems only after being placed on notice that his or her security clearance is in jeopardy may be lacking in the judgment and self-discipline to follow rules and regulations over time or when there is no immediate threat to his or her own interests. (See, e.g., ISCR Case No. 17-01213 at 5 (App. Bd. Jun. 29, 2018); ISCR Case No. 17-00569 at 3-4 (App. Bd. Sept. 18, 2018). Applicant completed her SF 86 in March 2017; underwent her OPM interview in December 2018; and the SOR was issued in June 2019. Each step of the security clearance review process placed her on notice of the significance of the financial issues confronting her. Applicant contended that she had either set up a repayment plan; agreed to a garnishment; will soon start to begin paying; is paying; or has already paid off an account. Nevertheless, with delinquent debts totaling approximately \$50,000, throughout this entire process, Applicant failed to produce documentary evidence of any of the actions she claimed she or the company had taken.

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. Likewise, unverified contentions of actions purportedly taken, 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. Sept. 19, 2008) (citing ISCR Case No. 99-0012 at 3 (App. Bd. Dec. 1, 1999)) In this instance, there is some verified evidence, supported by documentation, that Applicant took some corrective actions with respect to three delinquent debts, but when those actions were taken is unclear. There are also some unverified comments by Applicant that she intended to resolve her remaining delinquent accounts, but she offered no documentation to support her contentions. Her contentions

regarding the status of some accounts, and her unverified comments claiming that she had taken certain actions, without documents, 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. Jun. 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 his 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 62-year-old employee of a defense contractor. She has been serving as the contracts manager with her current employer since February 2018. She also has held a part-time job for over the past year. She received a bachelor's degree in 1990, and a master's degree in 1999. She was granted a secret clearance in 1996. She has a reputation for trustworthiness and excellent judgment in life's decisions, along with extraordinary work ethic, and solid moral character.

The disqualifying evidence under the whole-person concept is simply more substantial. Applicant had 20 delinquent accounts totaling approximately \$50,000. Aside from the three delinquent debts that were resolved, the status of all of her other delinquent debts remain unclear, despite Applicant's previously claimed intentions and actions. Simply contending that an account has been resolved, without documentation to support the contention, is insufficient to prove the status of the account.

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.

There is very little documentary evidence to indicate that most of Applicant's delinquent accounts have been addressed. Three accounts were resolved, but when is unclear. Applicant's current track record is poor at best. 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.c., 1.m., and 1.n.:	For Applicant
Subparagraphs 1.a., 1.b., 1.d. through 1.l., and 1.o. through 1.t.:	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.

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ROBERT ROBINSON GALES  
Administrative Judge