



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



In the matter of: )  
)  
) ISCR Case No. 19-01323  
)  
Applicant for Security Clearance )

**Appearances**

For Government: Bryan Olmos, Esq., Department Counsel  
For Applicant: *Pro se*

07/13/2020

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**Decision**

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HEINY, Claude R., Administrative Judge:

Applicant contests the Department of Defense’s (DoD) intent to deny her eligibility for a security clearance to work in the defense industry. A Statement of Reasons (SOR) was issued under Guideline F, financial considerations, alleging 31 delinquent accounts, which totaled approximately \$63,000. She has paid some of her delinquent obligations, has repayment agreements to address additional debts, and is waiting until she is financially stable enough to enter into repayment agreements to address the remaining debts. Financial considerations security concerns are mitigated. Eligibility for access to classified information is granted.

**Statement of the Case**

On May 24, 2019, the Department of Defense Consolidated Adjudications Facility (DoD CAF) issued an SOR to Applicant, detailing the security concerns under Guideline F, financial considerations, under which it was unable to find it clearly consistent with the national interest to grant or continue security clearance eligibility for her.

The DoD CAF acted under Executive Order 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 *Adjudicative Guidelines for Determining Eligibility for Access to Classified Information* (AG) effective within the DoD on June 8, 2017.

On June 18, 2019, Applicant answered the SOR allegations and requested a hearing before an administrative judge from the Defense Office of Hearings and Appeals (DOHA). On December 12, 2019, DOHA issued a Notice of Hearing scheduling a hearing conducted on January 16, 2020.

Six Government exhibits (Ex. 1 – 6) and 24 Applicant's exhibits (Ex. A – W and Ex. DD) were admitted into evidence without objection. The record was held open following the hearing to allow Applicant to supplement the record. On April 5, 2020, Applicant submitted additional documents, which were received and admitted, without objection, as Ex. X – CC and Ex. EE – II. Applicant testified at the hearing, as reflected in a transcript (Tr.) received on January 29, 2020.

### **Findings of Fact**

In Applicant's answer to the SOR, she denied one medical account (\$840) and indicated that five delinquent accounts were duplication of other delinquent debts. She admitted the other delinquent accounts listed in the SOR. After a thorough review of the testimony, pleadings, and exhibits, I make the following findings of fact.

Applicant is a 59-year-old risk management team lead who has worked for a defense contractor since July 2000 and seeks to retain a security clearance. (Tr. 16, Ex. 1) A top secret clearance was issued to her in 1996. (Tr. 17) In June 1995, Applicant divorced following a ten-year marriage. (Tr. 19, Ex. 1) She has two children ages 29 and 31. (Tr. 18) She has not served in the military. Her annual salary is \$132,000. (Tr. 23, 64) She also has a part-time job doing photography. (Tr. 24) She anticipates a five percent raise this year, the same percentage as she received last year. (Tr. 73)

Between 2011 and mid-2015, Applicant was the primary breadwinner for her household, which consisted of her two children, her mother who suffered from dementia/Alzheimer's, her mother's grandson who had been under her mother's care and her sister, her sister's two children, and her sister's grandson. (Tr. 19) In May 2004, her mother and her mother's grandson moved in with her. (Tr. 44) In 2011, Applicant, who was timely in paying her bills, began reading up on credit. (Tr. 52) She then started acquiring credit cards. Most of the credit cards listed as SOR delinquents debts were acquired by Applicant between 2012 and 2014. (Ex. 4, 5, 6) Her mother's and her sister's income were included in the household income to meet the household's expenses. Her mother's income consisted of a pension and social security benefits. (Tr. 44) When her mother died in January 2015, and her sister moved out of the home, Applicant realized she could not pay her debts. (Tr. 20) She paid her mother's funeral expenses. (Tr. 67)

Applicant now lives in her home alone. (Tr. 57) She helps her sister financially when she can. Her sister is 66 years old, lives on a fixed income, and suffers from pancreatic cancer. (Tr. 70) Every Friday, Applicant takes time off from work to take her sister to her chemotherapy and radiation treatment and give her sister's children a break. (Tr. 71) She provides her sister approximately \$100 each month in financial support.

In August 2018, Applicant provided an enhanced subject interview during which her delinquent finances were discussed. (Ex. 4, Tr. 54) During that interview, she said she was "very prideful" and chose not to ask for help with her credit issues because she thought that as an adult she should be able to handle her finances. (Tr. 20) She was current on her mortgage and car payments. She was also paying on one of the credit cards. Her mortgage caused her some financial stress in that her monthly mortgage payments began going up \$100 per month each year, and one year her payments jumped \$250 per month. (Tr. 20) Her monthly mortgage payment is currently \$2,249. (Tr. 23) During the summer, her electric bill can run \$2,500 per month. (Tr. 23)

Applicant considered selling her home and using the equity in the home to address her debts. However, she would have then had to buy a smaller home with a loan requiring repayment similar to her current mortgage payments. (Tr. 21) She also considered selling her home and moving in temporarily with her daughter. She owes approximately \$202,000 on her home that has a fair market value of \$320,000. (Tr. 22) She purchased her home in 2011. She had purchased the home in cooperation with her then boyfriend. They anticipated marriage, and she counted on both incomes to meet her mortgage payments, utility bills, and other living expenses. When the relationship ended, Applicant was left having to pay the household expenses on her income alone.

Applicant acknowledges she could have and should have made better decisions concerning her finances. (Tr. 108) However, she takes responsibility for her actions and intends to pay her debts. She provided extensive details about her debts, showing that she is fully aware of her financial situation. (Tr. 109) Department Counsel conceded that when she did act to address her debts, "she acted with great earnest in attempting [to address] these accounts." (Tr. 110) He also acknowledged Applicant was forthright about her past and providing details of her financial difficulties. (Tr. 110)

Applicant plans to retire in four or five years and does not want to enter retirement with large debts. (Tr. 22, 53) She is keenly aware she could lose her job due to her delinquent financial obligations. (Tr. 53) Last year, she attended budgeting workshops through her sorority. (Tr. 25, 63) She has access through her church to the Dave Ramsey Peace University financial studies books. She has started a budget, but believes she needs additional guidance to help her through her financial problems. Applicant sought legal services to assist her with her financial problems. After being quoted \$21,000 for the services, she declined to hire the attorney. She decided if she had \$21,000, she would rather apply those funds to her debts. (Tr. 37)

Applicant completed two extensive spread sheets listing all her debts and the actions she has taken to address those debts. (Ex. C, Ex. Y) She listed the telephone numbers called, the people she talked with, the repayment agreements that have been

made, and included those debts where she has yet to reach agreements with the creditors. She is mindful of not overextending herself by entering into too many repayment agreements at this time. (Tr. 83) Details of her efforts to address the SOR debts follow.

Applicant owed a collection agency \$4,198 on a bank collection debt (SOR 1.a). She reached a repayment agreement with the creditor to make 13 payments of \$50 each and 24 payments of \$150. (Ex. A) Since May 2019, she has made her monthly payments in a timely manner. (Tr. 27) The payments are automatically deducted from her bank account. (Tr. 28) As of March 2020, the current balance was \$3,697. (Ex. Y, Ex. Z)

Applicant also owed \$2,978 on a charged-off credit card account (SOR 1.e). She reached an agreement with the law firm collecting the debt whereby she agreed to make 13 payments of \$50 and 14 payments of \$150. (Ex. E) In June 2019, she started making payments, and by April 2020 the balance on the debt had been reduced to \$1,724. (Ex. C, Ex. Y, Ex. Z)

Applicant reached an agreement with this same law firm to address another SOR debt. She agreed to make 13 monthly payments of \$50 and 7 payments of \$150 to address a \$1,672 collection account (SOR 1.n). (Ex. N) She started making her payments in June 2019. (Ex. N, Tr. 30) As of April 2020, the balance on the account had been reduced to \$820. (Ex. Y, Ex. Z) She credibly asserts the debt in SOR 1.n and SOR 1.p are the same obligation. (Ex. Y) She also has made payments to the same law firm to resolve a \$1,091 department store debt (SOR 1.s). In November 2019, the judgment on this debt was released. (Ex. S, Tr. 30)

Applicant owed a collection agency \$2,658 on a bank collection debt (SOR 1.g). She reached a repayment agreement with the creditor to make \$50 monthly payments on the debt. (Tr. 29, Ex. Y) She started making payments in May 2019. (Ex. G) As of March 2020, the balance was \$2,131. (Ex. Z) She reached agreement with the same collection agency to make payments on four other SOR debts. In June 2019, she started paying \$13.96 monthly on an \$838 collection debt (SOR 1.t). (Ex. T-1, T-2, Tr. 31) As of March 2020, the balance was \$712. (Ex. BB) In June 2019, she also started making \$12.62 monthly payments on a \$758 collection debt (SOR 1.u). (Ex. U, Tr. 32) As of April 2020, the balance on the account was \$644. (Ex. Y, Ex. BB) At the same time, she also started making \$12.58 monthly payments on a \$755 collection debt (SOR 1.v). (Ex. V, Tr. 32) As of April 2020, the balance on the account was \$666. (Ex. Y, Ex. BB) The payments on the debts in SOR 1.t, 1.u, and 1.v are made by automatic deduction from her bank account. (Tr. 31) In June, July, and August 2019, she made three payments of \$120.85 each to pay off the \$363 bank collection account (SOR 1.w). (Ex. W, Ex. Y, Tr. 32)

Applicant resolved the \$2,327 collection account that was originally owed an on-line retailer (SOR 1.i). The accounts numbers verify the collection account listed in the SOR was the same account as the on-line seller's account. As of June 2019, this account had been paid leaving a zero balance. (Ex. I, Tr. 29) She reached an agreement with the collection firm collecting the \$1,753 (SOR 1.m) debt, whereby starting in July 2019, \$62.50 would be automatically deducted monthly from her bank account bi-weekly. (Ex. M, Tr. 30) The debt balance as of April 2020 was \$682. (Ex. Y) She asserts the debt listed

in SOR 1.m is the same debt as SOR 1.o, for which she has arranged a repayment agreement. (Tr. 31) All three debts are being collected by the same collection agency for the same bank.

Regarding the alleged medical debts, Applicant incurred a medical emergency at work. Her blood pressure was very high, and she also had vertigo. It was thought she was having a heart attack. (Tr. 33) She was taken by ambulance to the hospital for treatment. She paid the \$425 medical debt (SOR 1.dd). (Ex. DD) She also paid \$315 to settle the \$360 medical bill (SOR 1.x). (Ex. B, Tr. 32) She disputes the \$840 medical debt (SOR 1.cc) for dental work. After x-rays were taken, she was informed the dental treatment would cost \$8,000. She decided not to have the procedures done. (Tr. 101) She had dental insurance to cover the cost of the x-rays. (Ex. Y) The bill for services rendered will be paid once the proper paperwork is submitted. (Tr. 34, 101)

The \$5,900 loan (SOR 1.z) was paid. (Ex. D, Tr. 35) She had obtained the personal loan with a now ex-boyfriend, when she moved into her home, and she paid it over the course of five years. (Tr. 36, 91) Her April 2019 credit report lists a zero balance for this account. (Ex. 6) She paid the \$116 charged-off telephone service account (SOR 1.y) (Ex. Y, Tr. 91)

Applicant has not made any payments toward some accounts, including the \$3,422 charged-off account listed in SOR 1.d, which is likely duplicated in SOR 1.bb. (Tr. 39, 77) Department Counsel acknowledged the \$4,087 charged-off account in SOR 1.b and the \$4,087 charged-off account in SOR 1.aa are the same debt. (Tr. 96) Her plan is to address debts and any additional debts that are not currently in a repayment plan as soon as those debts being repaid through established plans have been satisfied. (Tr. 57, 76) The \$2,848 charged-off account (SOR 1.f), \$2,422 (SOR 1.h) collection account, and the \$1,821 charged-off account (SOR 1.i) are to be included in the next round of payments (phase II of her payment plans). (Ex. Y, Tr. 99) Her plan is to address the smaller debts before attempting to pay the larger debts. (Tr. 100) She asserted the debt listed in SOR 1.c (\$3,590) may also be a duplicate debt, but provided no proof that the debt is otherwise alleged in the SOR. (Tr. 76) Since December 2019, she has made eight payments of \$62.50 each on this debt. (Ex. AA)

The same collection agency attempting to collect the debt listed in SOR 1.c is also collecting seven other SOR debts. Applicant contacted the collection agency and was told the collection agency no longer holds the debt listed in SOR 1.c. She is talking with the collection agency to consolidate the accounts held by the agency so that she can make a single payment. (Ex. Y)

Applicant made two monthly \$50 payments on the \$2,013 charged-off bank account (SOR 1.k). (Ex. CC, Tr. 81) She never received a statement from the creditor following her payments, so she stopped making payments. (Tr. 83) She contacted the bank concerning the debt on learning from the collection entity that it no longer held the debt. (Tr. 83) If contacted by a new collection agency, she intends to arrange a repayment plan. She was also making \$50 monthly payments on a \$1,278 department store account (SOR 1.q). (Tr. 87) She believes the debt has been transferred to another collection

agency. Applicant asserted she had cancelled checks showing payments on this debt and on the \$1,265 charged-off department store account (SOR 1.r). (Ex. CC, Tr. 89) She made a few payments before stopping because she received no acknowledgement of her payments. However, the checks she sent were processed. (Tr. 90)

Applicant acknowledges that she should have taken prompt action to resolve her debts following her August 2018 subject interview, but she felt overwhelmed. (Tr. 56) She found the SOR to be a wake-up call that led her to realize that she had to get her finances under control. She now maintains only a single credit card, and she makes timely monthly payments on that account. (Tr. 60)

Applicant asserts she is current on her \$537 monthly car payment. As of April 2020, the balance owed on her loan is approximated \$1,000. (Ex. II) The car will be paid off in two months, providing her with an additional \$537 of monthly disposable income. (Tr. 42, 106) She has approximately \$300,000 in her company's 401(k) retirement account. (Tr. 66) She had obtained a \$10,000 loan from her 401(k) account to pay her mother's funeral expenses. She has been repaying the loan at \$156 monthly for the last five years. (Tr. 105) The debt will be shortly paid in full leaving her with \$156 more in monthly disposable income. She has filed her income tax returns in a timely manner. Last year, she received a tax refund of a few thousand dollars, which she applied to her debts. (Tr. 102)

Applicant has always been responsible at work, ensuring that deadlines are timely met. (Tr. 58) Applicant's 2019 performance form shows that she was rated as having exceeded the position's requirements. (Ex. EE) Her 2018 performance form shows a rating of having exceeded expectations. (Ex. EE). In October 2018, she received a "Recognition Thanks Award" and a "Recognition Kudos Award" from her employer. (Ex. FF) In October 2019, she was recognized for her leadership and in January 2020, she received another "Recognition Kudos Award." (Ex. FF) She is also active in volunteer work at her work place. (Ex. HH)

## **Character Statement**

A criminal district court judge, who has known Applicant for 12 years, stated Applicant is "constantly on the go with individuals and groups as a volunteer who gives back to the community at large which makes her leadership evident both internally within our organization as well as externally within the surrounding communities." (Ex. GG) He stated Applicant displays outstanding character, loyalty, trustworthiness, dependability, and reliability. He also stated Applicant is an articulate and dynamic woman with high integrity, good moral character, and dedicated to the community she serves. (Ex. GG)

## **Policies**

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 must 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 overarching adjudicative goal is a fair, impartial, and commonsense decision. According to AG ¶ 2(a), the adjudication process is an examination of a sufficient period and a careful weight of a number of variables of an individual's life to make an affirmative determination that the individual is an acceptable security risk. This is known as the whole-person concept.

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 the applicant may deliberately or inadvertently fail to safeguard classified information. Such decisions entail a certain degree of legally permissible extrapolation of potential, rather than actual, risk of compromise of classified information.

Section 7 of Executive Order 10865 provides that decisions shall be "in terms of the national interest and shall in no sense be a determination of 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**

AG ¶ 18 articulates the security concern for financial problems:

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. . . . An individual who is financially overextended is at greater risk of having to engage in illegal or otherwise questionable acts to generate funds. . . .

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

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

Applicant is alleged to have owed 31 delinquent obligations totaling approximately \$63,000. It is noted that some of the debts listed in the SOR are duplications of other listed debts. AG ¶ 19 includes three disqualifying conditions, which could raise a security concern and may be disqualifying in this case: "(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."

Applicant admitted the delinquent obligations in the SOR with the caveat of some duplication, except for one medical bill for dental services. The record having established the aforesaid disqualifying conditions, additional inquiry about the possible applicability of mitigating conditions is required. Applicant has the burden of establishing that matters in mitigation apply. Five financial considerations mitigating conditions under AG ¶ 20 are potentially applicable in this case:

(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



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

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. See ISCR Case No. 07-06482 (App. Bd. May 21, 2008). The Appeal Board stated in ISCR Case No. 17-00263 (App. Bd. Dec. 19, 2018) that “an applicant must demonstrate a plan for debt repayment, accompanied by concomitant conduct, that is, conduct that evidences a serious intent to resolve the debts.” Applicant has paid some of her debts, is making payment on others, disputes a dental bill, and plans to establish repayment agreements on the remaining debts when she is financially able to do so. She is very cognizant of her financial situation and does not want to become financially overextended by entering into too many repayment agreements immediately.

A number of the debts were incurred when Applicant was receiving additional income when her mother and sister were living with her. When her mother died and her sister left her home, not only was there less income to address her debts, but she also incurred a \$10,000 debt for her mother’s burial expenses. These expenses are unlikely to recur. AG ¶ 20(a) has some applicability.

Applicant’s financial problems were contributed to by the loss of the income supplied by her mother and by her having to pay her mother’s burial expenses. Additionally, she purchased her home anticipating the income of her and her boyfriend. The income from her boyfriend to meet living expenses and to assist with the mortgage payments ended when their relationship ended. Additionally, her monthly mortgage payments have gone up \$100 per month each year, and one year increased by \$250 per month. Additionally, her electric bill can be unusually high during certain months of the year. Therefore, some of the debts were caused by conditions largely beyond her control, to which AG ¶ 20(b) is applicable.

Applicant has obtained financial counseling through her church, her sorority’s workshop, and the Dave Ramsey financial advice program. She has completed two extensive spread sheets listing all her debts and the actions she has taken to address those debts. The spread sheets show her understanding of her financial obligations and documents a viable plan to address her debts.

Applicant’s delay in addressing her debts is not condoned. Initially, Applicant was “very prideful” and chose not to ask for help because she thought that as an adult she should be able to handle her finances. Even though she was current on her mortgage, her car payments, and her payment on one of her credit card, she knew she had to do more to address her finances. She anticipates retiring in five or six years and does not what to have delinquent debt when she retires.

Applicant acknowledges she could have and should have made better decisions concerning her finances. However, she began taking responsibility for her actions in 2019

and has taken substantial steps toward resolving her debts, demonstrating thereby her intention to pay her debts. She provided, in great detail, her understanding of her accounts. Department Counsel conceded that when she did act to address her debts, “she acted with great earnest in attempting [to address] these accounts.” He also acknowledged Applicant was forthright about her past and providing details of her financial difficulties. Applicant has received financial counseling, and with clear indications her financial problems are being resolved, AG ¶ 20(c) applies.

Applicant has paid off seven of the SOR debts: SOR 1.i, 1.s, 1.w, 1.x, 1.y, 1.z, and 1.dd. She has arranged repayment agreements on 11 other debts: SOR 1.a, 1.e, 1.g, 1.k, 1.m (which is also 1.o), 1.n (which is also 1.p), 1.t, 1.u, and 1.v. In addition to the two duplicate debts already listed (SOR 1.m/1.o and SOR 1.n/1.p) the debts in SOR 1.b and 1.aa and the debts in 1.d and 1.bb are duplicate debts. Given Applicant has paid some of her delinquent obligations and is making payments in accord with repayment arrangements on other obligations, AG ¶ 20(d) applies to these debts.

Applicant disputes the dental bill (SOR 1.cc, \$840) because she had dental insurance that should have covered the cost of the x-rays. After the x-rays, she chose not to follow through with the \$8,000 of dental work suggested. She has a reasonable basis to dispute the legitimacy of this debt. AG ¶ 20(e) applies to this debt.

Not all of Applicant’s delinquent obligations have been paid or are currently being paid. She has yet to enter into agreements to repay the remaining eight debts. She has wisely chosen not to over extend herself by attempting to address all her debts at once. She has paid some and is making payment on others. In the next two months, both her 401(k) loan and her car will be paid off. This will provide her with \$693 more each month to address her delinquent obligations. Having viewed her spread sheets, her approach to addressing her debts, and the steps she has already taken, I believe she will continue making her payments in accord with the repayment agreements she has already established and will arrange new repayment agreements on those debts not in repayment when she is financially able to do so.

Applicant has made monthly payments on several accounts since June 2019, by automatic withdrawal from her bank accounts. Her timely payments for almost a year are persuasive evidence that she will continue the repayment agreements to completion. The more payments an applicant has made, the more likely it is that they will continue with the payments.

An applicant is not required to establish that she has paid each of the delinquent debts in the SOR. 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. This she has done. The financial considerations security concerns are sufficiently mitigated.

### **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 AG ¶ 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 AG ¶ 2(c), the ultimate determination of whether to grant eligibility for a security clearance must be an overall common-sense judgment based upon careful consideration of the guidelines and the whole-person concept. I considered the potentially disqualifying and mitigating conditions in light of all the facts and circumstances surrounding this case. The comments under Guideline F are incorporated in the whole-person analysis. Some of the factors in AG ¶ 2(d) were addressed under those guidelines but some warrant additional comment.

A security clearance adjudication is an evaluation of an individual's judgment, reliability, and trustworthiness. It is not a debt-collection procedure. Applicant realizes she could have and should have made better decisions concerning her finances. She takes responsibility for her actions and intends to pay her debts. She provided in great detail her understanding of her accounts and how she intends to pay them. I agree with Department Counsel that when she did act to address her debts, she acted with great earnest in attempting to address these accounts. I also agree that Applicant has been forthright about her past and providing details of her financial difficulties.

In making a determination as to an individual's eligibility for access to classified information I must consider whether Applicant has been truthful and complete in response to questions; whether, she has sought assistance in addressing her financial problems; whether, she has or it appears likely that she will favorably resolve the security concern; and whether she has demonstrated positive changes in behavior to address her financial problems. (Directive, June 8, 2007, Appendix A, ¶ 2(f)) I find in Applicant's favor as to these considerations.

The law, as set forth in *Egan*, Exec. Or. 10865, the Directive, and the AGs, have been carefully applied to the facts and circumstances in the context of the whole person. The issue is not simply whether all the delinquent obligations have been paid, it is whether Applicant's financial circumstances raise concerns about her fitness to hold a security clearance. (See AG ¶ 2(c)) Overall, the record evidence leaves me without questions or doubts about her eligibility and suitability for a security clearance. For all these reasons, I conclude Applicant has mitigated the financial considerations security concerns.

## **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, Financial Considerations: FOR APPLICANT

Subparagraph 1.a – 1.ee: For Applicant

## **Conclusion**

In light of all of the circumstances presented by the record in this case, it is clearly consistent with the national interest to grant Applicant a security clearance. Eligibility for access to classified information is granted.

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CLAUDE R. HEINY II  
Administrative Judge