



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



In the matter of:)
)
) ISCR Case No. 21-00291
)
Applicant for Security Clearance)

Appearances

For Government: Erin P. Thompson, Esquire, Department Counsel
For Applicant: *Pro se*

08/30/2022

Decision

GALES, Robert Robinson, Administrative Judge:

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

Statement of the Case

On September 24, 2020, Applicant applied for a security clearance and submitted a Questionnaire for National Security Positions (SF 86). On an unspecified date, the Defense Office of Hearings and Appeals (DOHA) submitted some interrogatories to him asking some questions as well as seeking verification regarding an interview that was previously conducted. He responded to those interrogatories on February 3, 2021. On April 25, 2021, the Defense Counterintelligence and Security Agency (DCSA) Consolidated Adjudications Facility (CAF) issued a Statement of Reasons (SOR) to him 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), effective June 8, 2017.

The SOR alleged security concerns under Guideline F (Financial Considerations) and Guideline E (Personal Conduct) and detailed reasons why the DCSA 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.

On November 28, 2021, Applicant responded to the SOR and elected to have his case decided on the written record in lieu of a hearing. (Item 1) A complete copy of the Government's file of relevant material (FORM) was mailed to Applicant by DOHA on April 11, 2022, and he 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 April 19, 2022. His response was due on May 19, 2022. Applicant chose not to respond to the FORM, for as of June 17, 2022, no response had been received. The case was assigned to me on August 4, 2022. The record closed on May 19, 2022.

Findings of Fact

In his response to the SOR, Applicant admitted, without comments, all of the SOR allegations pertaining to financial considerations (SOR ¶¶ 1.a. through 1.i.). With regard to the allegations pertaining to personal conduct (SOR ¶ 2.a.), he said:

I cannot admit to falsifying information due to the fact that I just didn't remember there is nobody on this earth that can remember every single detail of their life for the past ten years are just general bills that everybody has and I find out offensive that I'm trying to be made out as a liar.

(Item 2 at 2)

Applicant's admissions and comments are incorporated herein. After a complete and thorough review of the evidence in the record, and upon due consideration of same, I make the following findings of fact:

Background

Applicant is a 41-year-old employee of a defense contractor. He has been serving as an inspector since he was employed in January 2019. He was previously employed by another employer as a painter from February 2018 until December 2018. He did not report any prior employment. He received either his high school diploma or a certification from a vocational, technical, or trade school in 2001. He has never served with the U.S. military. He was never granted a security clearance. He was married in 2013. He reportedly has no children.

Financial Considerations and Personal Conduct

General source information pertaining to the financial accounts discussed below can be found in the following exhibits: Item 2 (Answer to the SOR, dated November 28, 2021); Item 4 (Enhanced Subject Interview, dated October 21, 2020, verified on February 3, 2021); and Item 5 (Combined Experian, TransUnion, and Equifax Credit Report, dated October 1, 2020).

In his SF 86, Applicant denied having any financial issues. On October 21, 2020, he was interviewed by an investigator with the U.S. Office of Personnel Management (OPM). During that interview, after again denying any financial issues, he was confronted with information concerning several delinquent accounts. He subsequently described his delinquent accounts and claimed that two factors contributed to his financial difficulties: he was immature and he became ill in 2016 and got behind on his bills. (Item 4 at 5-9)

The SOR alleged nine still-delinquent accounts totaling approximately \$24,727, as set forth below:

SOR ¶ 1.a. refers to an automobile loan with an unpaid balance of \$13,473 that was placed for collection and charged off. Although Applicant claimed to be making payments on his unspecified debt, he offered no documentation associated with this particular account. (Item 5 at 7; Item 4 at 8-9) The account has not been resolved.

SOR ¶ 1.b. refers to a medical account with an unpaid balance of \$718 that was placed for collection. Although Applicant claimed to be making payments on his unspecified debt, he offered no documentation associated with this particular account. (Item 5 at 7; Item 4 at 8) The account has not been resolved.

SOR ¶ 1.c. refers to a medical account with an unpaid balance of \$651 that was placed for collection. Although Applicant claimed to be making payments on his unspecified debt, he offered no documentation associated with this particular account. (Item 5 at 7; Item 4 at 7-8) The account has not been resolved.

SOR ¶ 1.d. refers to a credit-card account with an unpaid balance of \$589 that was placed for collection. Although Applicant disputed the alleged status of the account, claiming he had paid it in full in 2018, he offered no documentation associated with this particular account. (Item 5 at 7; Item 4 at 7) The account has not been resolved.

SOR ¶ 1.e. refers to a medical account with an unpaid balance of \$543 that was placed for collection. Although Applicant claimed to be making payments on his unspecified debt, he offered no documentation associated with this particular account. (Item 5 at 7; Item 4 at 6-7) The account has not been resolved.

SOR ¶ 1.f. refers to a medical account with an unpaid balance of \$368 that was placed for collection. Although Applicant claimed to be making payments on his unspecified debt, he offered no documentation associated with this particular account. (Item 5 at 8; Item 4 at 6) The account has not been resolved.

SOR ¶ 1.g. refers to a credit union personal loan account with an unpaid balance of \$155 that was placed for collection and charged off. Although Applicant claimed to be making payments on his unspecified debt, he offered no documentation associated with this particular account. (Item 5 at 8; Item 4 at 5-6) The account has not been resolved.

SOR ¶ 1.h. refers to a medical account with an unpaid balance of \$51 that was placed for collection. Although Applicant claimed to be making payments on his unspecified debt, he offered no documentation associated with this particular account. (Item 5 at 8; Item 4 at 5) The account has not been resolved.

SOR ¶ 1.i. refers to an automobile loan on a vehicle that was repossessed with an outstanding unpaid balance of \$8,179 that was placed for collection and charged off. Although Applicant claimed to be making payments on his unspecified debt, he offered no documentation associated with this particular account. (Item 5 at 8; Item 4 at 5) The account has not been resolved.

Applicant contended to the OPM Investigator that his overall financial situation is good and that he is making payments on his past due debt as needed to repair his credit and become more financially independent. Nevertheless, as noted above, he submitted no documentation such as payment plans, statements from his creditors, cancelled checks, or other items that might support his contentions that his delinquent debts were being addressed. There is no evidence of financial counseling, a budget, or anything to describe with any specificity his current financial situation. Applicant did not report his net monthly income, his monthly household expenses, or any monthly debt payments (for even the most insignificant of his delinquent debts). In the absence of such information, I am unable to determine if he has any monthly remainder available for savings or spending. There is a paucity of evidence to indicate that his financial problems are now under control, and it is difficult to determine if Applicant is currently in a better position financially than he had been.

Personal Conduct

When Applicant completed his SF 86 on September 24, 2020, in response to two specific questions in Section 26 – *Financial Record Delinquency Involving Routine Accounts*: in the past seven years have you had: bills or debts turned over to a collection agency; or have you had any account or credit card suspended, charged off, or cancelled for failing to pay as agreed? Applicant answered “no” to both questions, when, in fact, his response was not true. At that time, he had nine still-delinquent accounts totaling approximately \$24,727, including at least one repossessed automobile. Applicant’s somewhat flippant explanation that he could not remember every single detail of his life for the past ten years, especially concerning “general bills that everybody has,” fails to address the allegation.

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. Sept. 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 nine still-delinquent accounts totaling approximately \$24,727. Applicant attributed his inability to maintain those accounts in a current status to two factors: he was immature and he became ill in 2016 and got behind on his bills. AG ¶¶

19(a) and 19(c) have been established, but there is no evidence that Applicant has been unwilling to satisfy his 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;

(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

AG ¶ 20(b) minimally applies, but none of the other conditions apply. Applicant has acknowledged a history of financial difficulties going back at least to 2016 when he was ill. He never described the illness or indicated in what ways it impacted his ability to maintain his accounts in a current status. Moreover, other than a general statement about making payments on his unspecified debt, Applicant failed to specifically claim that he contacted any creditors or made any verifiable payments in an effort to resolve his debts.

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))). Between the date he was interviewed by the OPM investigator in October 2020 and the date his response to the FORM was expected in April 2022, he made no claimed or verifiable efforts to address any of the delinquent debts.

Based on the evidence, it appears that Applicant actually ignored his delinquent accounts for a substantial multi-year period. Because of his failure to confirm payment of even his smallest delinquent account (a medical bill for \$51) and his failure to furnish documentation regarding any of the accounts, the overwhelming evidence leads to the conclusion that his financial problems are not under control. He has not acted responsibly by failing to address his delinquent accounts and by failing to make limited, if any, efforts of working with his creditors. The Appeal Board has previously commented on such a situation:

Even if Applicant's financial difficulties initially arose, in whole or in part, due to circumstances outside his [or her] control, the Judge could still consider whether Applicant has since acted in a reasonable manner when dealing with those financial difficulties. ISCR Case No. 05-11366 at 4 n.9 (App. Bd. Jan. 12, 2007) (citing ISCR Case No. 99-0462 at 4 (App. Bd. May 25, 2000); ISCR Case No. 99-0012 at 4 (App. Bd. Dec. 1, 1999); ISCR Case No. 03-13096 at 4 (App. Bd. Nov. 29, 2005)). A component is whether he or she maintained contact with creditors and attempted to negotiate partial payments to keep debts current.

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) In this instance, Applicant has failed to offer any evidence that he has even begun making such efforts.

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. In this instance, Applicant offered no specifics regarding any past or proposed repayment efforts; submitted no documentary evidence to reflect any payments made; and only made promises of proposed actions. Not one delinquent debt has been resolved.

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.”

(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 verifiable evidence of financial counseling, a budget, or current financial information. Applicant’s inaction under the circumstances casts doubt on his current reliability, trustworthiness, and good judgment. See ISCR Case No. 09-08533 at 3-4 (App. Bd. Oct. 6, 2010).

Guideline E, Personal Conduct

The security concern relating to the guideline for Personal Conduct is set out in AG ¶ 15:

Conduct involving questionable judgment, lack of candor, dishonesty, or unwillingness to comply with rules and regulations can raise questions about an individual's reliability, trustworthiness, and ability to protect classified or sensitive information. Of special interest is any failure to cooperate or provide truthful and candid answers during national security investigative or adjudicative processes. The following will normally result in an unfavorable national security eligibility determination, security clearance action, or cancellation of further processing for national security eligibility:

(a) refusal, or failure without reasonable cause, to undergo or cooperate with security processing, including but not limited to meeting with a security investigator for subject interview, completing security forms or releases, cooperation with medical or psychological evaluation, or polygraph examination, if authorized and required; and

(b) refusal to provide full, frank, and truthful answers to lawful questions of investigators, security officials, or other official representatives in connection with a personnel security or trustworthiness determination.

The guideline also includes an example of a condition that could raise security concerns under AG ¶ 16:

(a) deliberate omission, concealment, or falsification of relevant facts from any personnel security questionnaire, personal history statement, or similar form used to conduct investigations, determine employment qualifications, award benefits or status, determine national security eligibility or trustworthiness, or award fiduciary responsibilities.

My discussions related to Applicant’s financial considerations are adopted herein. With respect to the alleged omission, concealment, or falsification on September 24,

2020, when Applicant completed his SF 86, he responded to certain questions pertaining to his financial record (concerning delinquent debts, collection activities, credit card suspensions, etc.). He answered “no” to those questions. He certified that the responses were “true, complete, and correct” to the best of his knowledge and belief, but the responses to those questions were, in fact, incorrect for at that time Applicant had several accounts that fell within the stated parameters. As noted above, in his somewhat flippant Answer to the SOR, he simply stated that he could not remember every single detail of his life for the past ten years, especially concerning “general bills that everybody has.” He did not specifically claim that his false responses to the SF 86 questions were due to oversight or mistake.

Applicant’s responses provide sufficient evidence to examine if his submissions were deliberate falsifications, as alleged in the SOR, or merely the result of misunderstanding of the true facts. I have considered the very limited available information pertaining to Appellant’s background and professional career in analyzing his actions. Proof of an omission, standing alone, does not establish or prove an applicant’s intent or state of mind when the falsification or omission occurred. As an administrative judge, I must consider the record evidence as a whole to determine whether there is direct or circumstantial evidence concerning Appellant’s intent or state of mind at the time the falsification or omission occurred. The Appeal Board has explained the process for analyzing falsification cases, stating:

(a) when a falsification allegation is controverted, Department Counsel has the burden of proving falsification; (b) proof of an omission, standing alone, does not establish or prove an applicant’s intent or state of mind when the omission occurred; and (c) a Judge must consider the record evidence as a whole to determine whether there is direct or circumstantial evidence concerning the applicant’s intent or state of mind at the time the omission occurred.

ISCR Case No. 03-10390 at 8 (App. Bd. Apr. 12, 2005) (citing ISCR Case No. 02-23133 (App. Bd. Jun. 9, 2004)).

While Applicant might not be able to remember every single detail of his life for the past ten years, including “general bills that everybody has,” it is clear that he should have been aware of his delinquent accounts, including his repossessed vehicle, all of which occurred within four years of his submission of his certified SF 86. His eventual acknowledgment as to his financial record is unambiguous (he knew the accounts existed, but he was working towards paying them off at the time). AG ¶ 16(a) has been established.

The guideline also includes an example of a condition that could mitigate security concerns arising from personal conduct under AG ¶ 17:

(a) the individual made prompt, good-faith efforts to correct the omission, concealment, or falsification before being confronted with the facts.

While Applicant's financial record response was made on September 24, 2020, the issues related to his finances continue to this day. Other than finding it offensive that he has been alleged to be a liar, Applicant has still failed to explain why he chose not to candidly report his delinquent accounts when he completed his SF 86. Applicant's actions under the circumstances continue to cast doubt on his current reliability, trustworthiness, and good judgment. AG ¶ 17(a) has not been established.

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 considerations. Applicant is a 41-year-old employee of a defense contractor. He has been serving as an inspector since he was employed in January 2019. He was previously employed by another employer as a painter from February 2018 until December 2018. He received either his high school diploma or a certification from a vocational, technical, or trade school in 2001.

The disqualifying evidence under the whole-person concept is simply more substantial and compelling. Applicant has nine still-delinquent accounts totaling approximately \$24,727. He attributed his inability to maintain those accounts in a current status to two factors: he was immature, and he became ill in 2016 and got behind on his bills. There is no indication that he was out of work or what the actual impact his health had on him or his ability to keep those accounts current. Other than a general statement about making payments on his unspecified debt, Applicant failed to specifically claim that he contacted any creditors or made any verifiable payments in an effort to resolve his debts. When answering financial questions on his SF 86, he denied having any financial difficulties, although at that time he had nine delinquent accounts, including one for a

motor vehicle that had been previously repossessed. There are lingering questions if Applicant is currently in a better position financially than he had been, as well as continuing doubt about his current reliability, trustworthiness, and good judgment.

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.

Applicant’s track record of zero claimed or verifiable efforts to resolve the debts, the lengthy period of non-contact with his creditors, and his failure to be candid about his delinquent debts when he completed the SF 86, is negative and disappointing. Overall, the evidence leaves me with substantial questions and doubts as to Applicant’s eligibility and suitability for a security clearance. Accordingly, I conclude Applicant has failed to mitigate the security concerns arising from his financial considerations and personal conduct. 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.i.:	Against Applicant
Paragraph 2, Guideline E:	AGAINST APPLICANT
Subparagraph 2.a.:	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