



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



In the matter of: )  
)  
) ISCR Case No. 24-00718  
)  
Applicant for Security Clearance )

**Appearances**

For Government: Sakeena Farhath, Esquire, Department Counsel  
For Applicant: *Pro se*

12/02/2024

**Decision**

GALES, Robert Robinson, Administrative Judge:

While Applicant mitigated the security concerns regarding personal conduct, he failed to mitigate the security concerns regarding financial considerations. Eligibility for a security clearance is denied.

**Statement of the Case**

On July 14, 2022, 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) issued him a set of interrogatories. He responded to those interrogatories on December 22, 2023. On May 23, 2024, the Defense Counterintelligence and Security Agency (DCSA) Adjudications and Vetting Services (AVS) 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; Department of Defense (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 June 5, 2024, Applicant responded to the SOR and elected to have his case decided on the written record in lieu of a hearing. A complete copy of the Government's file of relevant material (FORM), including proposed Government Exhibits (GE), was mailed to Applicant by DOHA on June 26, 2024, 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 July 10, 2024. His response was due on August 9, 2024. As of September 9, 2024, no response had been received. The case was assigned to me on October 15, 2024, and there was still no response to the FORM. The record closed on August 9, 2024.

### **Findings of Fact**

In his response to the SOR, Applicant admitted, with extensive comments, all the SOR allegations related to financial considerations regarding specific alleged accounts (SOR ¶¶ 1.a. through 1.e.), while denying the conclusory allegation, and denied the sole specific and conclusory allegations related to personal conduct (SOR ¶ 2.a.). 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 46-year-old employee of a defense contractor for which he has been serving as senior logistics manager since June 2021. He previously served with other employers as an armor/mobility technician (March 2021 – June 2021); senior transportation supervisor (November 2018 – March 2021); logistic transportation coordinator (March 2017 – November 2018); supply technician (February 2017 – March 2017); theater logistic lead (April 2016 – February 2017); logistics lead (October 2014 – March 2016); logistics crew (September 2014 – October 2014); master supply technician (September 2013 – September 2014); master supply technician (April 2012 – September 2013); and process coordinator inspector (January 2012 – April 2012). All his service since early 2012 has been in Afghanistan, Kuwait, and Saudi Arabia. A 1996 high school graduate, he has some university credits but no degree. He enlisted in the United States Air Force in August 1996, and he served on active duty until June 2011 when he was honorably discharged. He was initially granted a secret clearance in 1996, and it was periodically reviewed until as recently as 2020. He was married in 1998 and divorced in 2003. He remarried in 2006. It is unclear if he is currently merely separated or if he is divorced. He has four children, born in 1996, 1999, 2008, and 2010.

## Financial Considerations & Personal Conduct

General source information pertaining to the financial accounts discussed below can be found in the following exhibits: Item 4 (Responses to Interrogatories, dated December 22, 2023); Item 5 (Experian Credit Report, dated May 15, 2024); Item 6 (Verato Credit Report, dated November 29, 2023); Item 7 (Combined Experian, TransUnion, Equifax Credit Report, dated August 17, 2022); and Item 9 (XXX Credit Report, dated XXX).

In his July 14, 2022, SF 86, Applicant denied that he had any delinquent accounts. (Item 3 at 71-73) That denial was not accurate for reasons set forth below. As noted above, Applicant has been deployed overseas, either in Kuwait, Afghanistan, or Saudi Arabia nonstop since 2012. Applicant and his wife had an arrangement, described by him as normal for service members and government officials, where he would earn the salary and furnish his spouse with credit cards and savings, and she would be responsible for handling the family finances. That arrangement continued even after they decided to separate and eventually decided to reconcile. It was not until Applicant was interviewed by an investigator with the U.S. Office of Personnel Management (OPM) that he first became aware of any financial delinquencies. When he asked his wife about the various accounts, she gave him a number of explanations – all of which proved to be false – before he realized that she had intentionally taken actions harming his finances while preserving her finances, planning for a divorce. She thought that he would never find out because she was under the impression that his delinquent accounts would be removed from his credit after seven years. (Item 2 at 4-6; Item 4 at 10-11)

After the accounts were identified to him, Applicant purportedly approached the creditors in an effort to resolve them. Because so many years had passed and the accounts had been charged off, repossessed, or foreclosed, he claimed that he was advised that no further actions were possible. (Item 2 at 4-6; Item 4 at 10-11) Applicant failed to submit any documentation to support his actions and the purported information he was given. There were no proposed repayment plans. Furthermore, there is no indication that he had made any payments to any of his creditors.

The SOR alleged five delinquent accounts totaling approximately \$56,259, as set forth below:

SOR ¶ 1.a. refers to a credit union automobile loan with an unpaid balance of approximately \$24,891 that was placed for collection and charged off. (Item 4 at 2; Item 6 at 2; Item 7 at 6; Item 8 at 1) Applicant's wife acknowledged that, out of spite, she did not want him to have the vehicle, and she did not want to be stuck with the loan herself, so she relinquished the vehicle where it was to be sold off. The lender advised him that under state law, it did not have to contact him, they only had to contact his wife. The unpaid balance was written off after 18 months, but because three years had already passed, there was nothing further than could be done, except to await the account falling off his credit report within the next year. (Item 2 at 4; Item 4 at 10). Applicant failed to submit any documentation to verify the information the creditor told him. The account has not been resolved.

SOR ¶ 1.b. refers to a bank credit-card account with an unpaid balance of approximately \$1,113 that was placed for collection and charged off. (Item 4 at 2; Item 6 at 2; Item 7 at 5; Item 8 at 1) Applicant claimed he had never seen nor used the credit card and that his wife used it before deciding to stop making payments because she had other bills to address in planning for her new life after divorce. (Item 2 at 4-5; Item 4 at 10-11) He did not specifically address any efforts to pay the creditor. The account has not been resolved.

SOR ¶ 1.c. refers to a bank-sponsored multinational consumer electronics retailer with an unpaid balance of approximately \$807 that was placed for collection in 2017 and charged off in 2019. (Item 4 at 3; Item 6 at 2; Item 7 at 5; Item 8 at 1) Applicant initially thought the card was used to purchase furniture “years ago” but later said it was for a company that no longer exists, so he could no longer get access to it. In fact, the company does exist. He did not specifically address any efforts to identify the creditor or to pay that relatively modest amount. The account has not been resolved.

SOR ¶ 1.d. refers to financial services company issued credit-card account with an unpaid balance of approximately \$10,038 that was placed for collection and charged off. (Item 2 at 5; Item 7 at 4; Item 8 at 1) Applicant had this card issued to his wife as a way of increasing his airplane mileage credits. She simply stopped making payments once she decided to ignore the other bills. He did not specifically address any efforts to resolve the account. The account has not been resolved.

SOR ¶ 1.e. refers to a home mortgage for the family residence that went into foreclosure, leaving a deficiency of approximately \$19,410. (Item 2 at 5; Item 7 at 7; Item 8 at 1) Applicant acknowledged speaking to his wife as to what would happen to the residence if they divorced, and he claimed she wanted to keep the house after transferring the mortgage into her name. He said he would continue to pay the mortgage for her under that agreement. However, she vacated the residence and set up a quick sale and moved elsewhere without his knowledge. (Item 2 at 5) He did not specifically address any efforts to contact the creditor or resolve the account. The account has not been resolved.

In December 2023, Applicant submitted a Personal Financial Statement in which he reported approximately \$8,022 in current net monthly income; approximately \$4,181 in monthly household expenses; with zero debt payments, leaving approximately \$3,841 as a monthly remainder available for savings or spending. (Item 4 at 7) There is no evidence of financial counseling or proposed repayment plans.

## **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. 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*, 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 five delinquent accounts totaling approximately \$56,259. Because so many years had passed since they became delinquent, and the accounts had been charged off, repossessed, or foreclosed, Applicant was of the opinion that he could not take further actions to try to resolve them, even though he has known about the accounts for about one year. Although he has a substantial current monthly remainder available for him to start making repayment efforts, there is clear evidence that he has

not made any such efforts, regardless of the ability to do so. AG ¶¶ 19(a), 19(b), and 19(c) have 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(a) and 20(b) partially apply. Despite Applicant's ignorance as to the actual status of the accounts until he was informed of their status by the OPM investigator a little over one year ago, it is clear that the nonpayment of those accounts commenced several years earlier. It was not infrequent because it appears to have been part of a lengthy, possibly multi-year, plan by Applicant's wife, and it occurred under rather unusual but not necessarily unexpected circumstances. For several years, Applicant was the victim of a predatory spouse planning for a divorce but claiming that everything was financially alright even though they were physically (by geography) and emotionally separated but planning to reconcile. Applicant could reasonably rely on his wife's responsible financial actions on his behalf, at least until they became emotionally separated. At that point in their relationship, Applicant should have been placed on a warning that he should be more cautious and perhaps reviewed his finances himself. However, he naively thought she would continue to act in a responsible and honorable manner. Applicant's failure to take more timely corrective actions could be understandable if he at least had started to do so once he spoke with the OPM investigator. Instead, for several accounts, he claimed without verification that nothing could be done. For other accounts, he offered no potential resolution efforts.

The Government cited the Appeal Board decision that says: “An applicant’s lack of awareness of significant debt problems, some of which were caused by his/her spouse, can raise serious questions about the applicant’s attention to detail regarding important matters and thereby also about his/her security clearance worthiness.” (ISCR Case No. 22-00056 at 2 (App. Bd. June 15, 2023); see, e.g., ISCR Case No. 13-00786 at 2 (App. Bd. Mar. 28, 2014)) It added that “a degree of ignorance to one’s financial situation may suggest an indifference to the proper satisfaction of legal obligations that draws into question Applicant’s willingness or capacity to comply with the sometimes complex rules governing the handling and safeguarding of classified information. ISCR Case No. 18-02914 at 4 (App. Bd. Jan. 18, 2020).” While I do not disagree with the overall issue of general inattention to important issues, that potentially inflexible commentary ignores the situation in which Applicant finds himself. He has been overseas non-stop for a multi-year period – sometimes in the war zone – and his wife was handling the family finances. There was nothing unusual about that arrangement, and without substantially more negative evidence, not merely potentially negative inferences, Applicant’s inaction does not suggest an indifference or unwillingness.

SEAD 4 recognizes the situation in which Applicant finds himself. The financial problems were initially exclusively, not merely largely, beyond Applicant’s control with one significant factor: a predatory spouse who accepted Applicant’s credit cards and salary to pay the family bills, but instead she drained his accounts and simply stopped paying any of his bills, resulting in charged-off accounts, a vehicle repossession, and a mortgage foreclosure. When he inquired of her, she simply lied to him. If Applicant had any failures, they occurred long after the accounts became delinquent because of his wife’s inappropriate, if not illegal, actions.

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))). After Applicant was interviewed by the OPM investigator, he made no verifiable efforts to address any of the delinquent debts simply because he was purportedly told it was too late to do so. 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 or her 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 been silent as to making verifiable efforts even after he was advised of the status of those accounts by the OPM investigator and the SOR was issued.

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 clearly stated that he intended to resolve the accounts but was purportedly told it was too late to do so. The result was that he took no positive actions to resolve any of the accounts.

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)).

I initially considered granting Applicant an exception under SEAD 4, App. C, Condition C – an additional period to address his delinquent accounts, but upon further consideration, I rejected that potential action. During the year that he has been made aware of the delinquencies, Applicant has not exhibited any verifiable effort to resolve his delinquent accounts. In addition, there are several issues for which he has not offered any evidence: his current marital status; whether he sought professional legal assistance in attempting to obtain restitution from his wife; whether he sought professional legal or financial assistance in attempting or to resolve the delinquent accounts; and what specific efforts he has taken to pay any of his creditors. Applicant has left the record silent as to these issues despite being generally informed as to what his obligations are as set forth in the FORM.

There is no verifiable evidence of financial counseling, a budget, or repayment plans. Applicant reported his current net monthly income and his monthly household

expenses. If he had made any verifiable good-faith efforts to resolve his delinquent accounts, or to make any payments associated with them, it would reflect positive actions by him. In the absence of documentary evidence to support his conclusions regarding the impossibility of resolving the delinquent accounts, Applicant's substantial inaction under the circumstances continues to cast 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 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 comments related to Applicant's financial considerations are incorporated herein. As noted above, when Applicant was asked to report any specific financial delinquency issues in Section 26 of his July 2022 SF 86, he answered "no," believing that there were no financial issues. He was relying on his wife's honesty and responsible actions in handling the family finances while he was overseas. There is no evidence that

he knowingly, deliberately, or intentionally intended to falsify or conceal the truth about his delinquent accounts. It was not until the OPM investigator informed him of those accounts that he first became aware of them. When he questioned his wife, she lied. AG ¶ 16(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).

Applicant is a 46-year-old employee of a defense contractor for which he has been serving as senior logistics manager since June 2021. He previously served with other employers as an armor/mobility technician; senior transportation supervisor; logistic transportation coordinator; supply technician; theater logistic lead; logistics lead; logistics crew; master supply technician; master supply technician; and process coordinator inspector. All his service since early 2012 has been in Afghanistan, Kuwait, and Saudi Arabia. He enlisted in the United States Air Force in August 1996, and he served on active duty until June 2011 when he was honorably discharged. He was initially granted a secret clearance in 1996, and it was periodically reviewed until as recently as 2020. While serving overseas – frequently in a war zone – Applicant trusted his wife to handle the family finances. It proved to be a poor decision as she prepared for her own financial future and allowed his finances to plummet into charged-off accounts, a vehicle repossession, and a residence foreclosure.

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 year-long track record of checking with creditors and relying on their unverified advice that there was nothing more he could do to revive and resolve the long-standing delinquent status of his accounts is negative and discouraging. He was clearly the financial victim of a dishonest spouse. But, although he has declared his intention to resolve his debts, to date, he has taken zero verifiable actions to do so even though he has a substantial monthly remainder available for savings or making payments to his creditors. Overall, the evidence of his lengthy inaction leaves me with substantial questions and doubts as to Applicant’s eligibility and suitability for a security clearance. Accordingly, his eligibility for a security clearance should be denied. See SEAD 4, App. A, ¶¶ 2(d)(1) through AG 2(d)(9).

### **Formal Findings**

Formal findings for or against Applicant on the allegations set forth in the SOR, as required by section E3.1.25 of Enclosure 3 of the Directive, are:

Paragraph 1, Guideline F:	AGAINST APPLICANT
Subparagraphs 1.a. through 1.e.:	Against Applicant
Paragraph 2, Guideline E:	FOR APPLICANT
Subparagraph 2.a.:	For Applicant

## **Conclusion**

While Applicant mitigated the security concerns regarding personal conduct, he failed to mitigate the security concerns regarding financial considerations. Eligibility for access to classified information is denied.

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ROBERT ROBINSON GALES  
Administrative Judge