



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



In the matter of:)	
)	
)	ISCR Case No. 22-01925
)	
Applicant for Security Clearance)	

Appearances

For Government: Adrienne Driskill, Esq., Department Counsel
For Applicant: *Pro se*

03/18/2025

Decision

TUIDER, Robert, Administrative Judge:

Guideline F (financial considerations) security concerns are not mitigated. Eligibility for access to classified information is denied.

Statement of the Case

On September 7, 2021, Applicant completed an Electronic Questionnaires for Investigations Processing or security clearance application (SCA). (Government Exhibit (GE) 1) On May 22, 2023, the Defense Counterintelligence and Security Agency (DCSA) issued a statement of reasons (SOR) to Applicant under Executive Order (Exec. Or.) 10865, *Safeguarding Classified Information within Industry* (February 20, 1960); Department of Defense (DOD) Directive 5220.6, *Defense Industrial Personnel Security Clearance Review Program* (Directive) (January 2, 1992), as amended; and Security Executive Agent Directive 4, establishing in Appendix A, the *National Security Adjudicative Guidelines for Determining Eligibility for Access to Classified Information or Eligibility to Hold a Sensitive Position* (AGs), effective June 8, 2017. (Hearing Exhibit (HE) 2)

The SOR detailed reasons why DOHA did not find under the Directive that it is clearly consistent with the interests of national security to grant or continue a security clearance for Applicant and recommended referral to an administrative judge to determine whether a clearance should be granted, continued, denied, or revoked. Specifically, the

SOR set forth security concerns arising under Guideline F. (HE 2) On June 21, 2023, Applicant provided a response to the SOR, and he requested a hearing. (HE 3) On August 22, 2023, Department Counsel moved to amend SOR ¶ 1.b to change the state from X to Y. (Tr. 10; HE 2) On August 22, 2023, Department Counsel was ready to proceed. On August 30, 2023, the case was assigned to me. On September 21, 2023, DOHA issued a notice setting the hearing for November 15, 2023. (HE 1A) On November 14, 2023, DOHA issued a notice cancelling the hearing, and on November 29, 2023, DOHA issued a notice setting the hearing for January 31, 2024. (HE 1B; HE 1C) The hearing was held as scheduled on January 31, 2024. (Tr. 5; HE 1C)

During the hearing, Department Counsel offered four exhibits into evidence, and Applicant did not offer any exhibits into evidence. (Tr. 12-13; GE 1-GE 4) All proffered exhibits were admitted into evidence. (Tr. 13)

On February 9, 2024, DOHA received a copy of the transcript. The record closed on March 15, 2024. (Tr. 68, 72, 79) No post-hearing documents were received.

Some details were excluded to protect Applicant's right to privacy. Specific information is available in the cited exhibits and transcript.

Findings of Fact

In Applicant's SOR response, he admitted the SOR allegations in ¶¶ 1.a and 1.c, and he denied the allegations in SOR ¶¶ 1.b and 1.d. (HE 3) He also provided mitigating information. His admissions are accepted as findings of fact.

Applicant is a 41-year-old director of business development and consulting. (Tr. 13) He has worked for his current employer since October 2013. (Tr. 17, 19) He has held a security clearance for more than 20 years. (Tr. 15) A security clearance is not required for his employment; however, some of his work is with classified information. (Tr. 15) Loss of his security clearance would adversely affect the scope or duties of his employment but he would not be fired. (Tr. 15)

Applicant graduated from high school in 2000, and in 2019, he received a bachelor's degree in psychology with an emphasis in industrial organizational psychology. (Tr. 16-20) In 2001, he joined the Navy, and he was discharged from the Navy Reserve in 2019. (Tr. 17) He served on active duty from 2001 to 2013, and in the Navy Reserve from 2013 to 2019. (Tr. 31) He was having medical issues; he missed some drills; and he received a general discharge under honorable conditions from the Navy Reserve. (Tr. 32) His rate when he left the Navy Reserve was explosive ordnance disposal technician first class (EOD1). (Tr. 18-19)

Applicant was married from 2005 to 2014. (Tr. 21) In 2023, he married his current spouse. (Tr. 20) He has two children who are ages 10 and 16 from his first marriage, and he has 50/50 custody of them. (Tr. 22-23, 58) In 2019, he was an inpatient for four weeks to receive treatment for his traumatic brain injury (TBI), and he regularly attends therapy. (Tr. 22, 36-37) He received a 100 percent disability rating from the Department of Veterans Affairs (VA), and his disability is primarily for TBI and post-traumatic stress

disorder (PTSD) from his service in Afghanistan. (Tr. 33-36) He served four tours in Afghanistan. (Tr. 33) He received achievement medals for his service in Afghanistan. (Tr. 35)

Financial Considerations

Applicant's gross annual income including VA disability is about \$120,000. (Tr. 58) Part of Applicant's income is from commissions. (Tr. 21) He received a large commission in tax year (TY) 2017; however, he did not receive an IRS Form 1099. (Tr. 21) When it was time to file and pay his federal income taxes for TY 2017, he did not have the funds to pay his taxes when they were due. (Tr. 21)

SOR ¶¶ 1.a and 1.c allege Applicant failed to timely file as required his federal income tax returns for tax year (TY) 2017, and he owes \$26,626 in federal income taxes for TY 2017.

SOR ¶¶ 1.b and 1.d allege Applicant failed to file as required his state tax return for state X for TY 2017. The state was amended from state X to state Y, and he said he owed about \$6,000 in state income taxes to state Y.

Applicant said he mailed his TY 2017 tax return to the IRS and to state Y in 2019. (Tr. 25-26, 51) He used TurboTax to prepare the returns, and he did not retain a copy of the returns. (Tr. 28) He said he could not find a copy of the tax returns he filed; however, he could probably get them from his TurboTax software. (Tr. 28) The IRS website indicated his TY 2017 tax return was not filed. (Tr. 27) At first, Applicant believed he owed the IRS about \$10,000 and state Y about \$6,000. (Tr. 27, 48-49)

Applicant believed he started a payment plan and made one or two payments possibly in 2020. (Tr. 43) He said, "[t]hey stopped payments on it," and the stoppage could have been due to the COVID 19 pandemic. (Tr. 39, 43) In 2020, Applicant hired a tax attorney. (Tr. 27) Later, he said he probably hired the attorney in March 2022. (Tr. 42-43; GE 4) He believed his attorney filed an amended TY 2017 tax return to reduce his tax bill. (Tr. 24, 29) He stopped using the tax attorney in 2023. (Tr. 27) On April 5, 2022, he started to arrange an IRS payment plan; however, for some reason it did not go into effect. (Tr. 41-42; GE 3) On May 18, 2023, the IRS wrote Applicant and said under the payment plan he was supposed to pay \$361 each month starting in June 2023. (Tr. 40; SOR response) On June 17, 2023, the IRS wrote Applicant and said his tax bill for TY 2017 is \$25,743. (SOR response)

Applicant's June 29, 2023 TY 2017 tax transcript indicates his TY 2017 tax return was filed or received on March 31, 2020. (SOR response) His June 29, 2023 TY 2017 IRS tax transcript shows refunds transferred from TYs 2019 (\$3,127), 2020 (\$1,149), and 2021 (\$791) to address his TY 2017 tax debt. (Tr. 24, 38-39) The IRS refund information proves his tax returns were filed in TYs 2019, 2020, and 2021.

In November 2021, Applicant erroneously told the Office of Personnel Management (OPM) investigator that he paid his state Y tax debt for TY 2017. (Tr. 46,

49; GE 2 at 7) He said around late 2022 or early 2023, he started making \$75 monthly payments to state Y. (Tr. 31, 45-46)

Applicant said he has made \$360 monthly payments to the IRS since about January of 2023. (Tr. 24, 29-31) His TY 2017 tax transcript shows one \$361 payment on June 20, 2023, and does not show any other payments. (Tr. 39; SOR response) He said the tax transcript “might be accurate.” (Tr. 39) Later, he corrected the start date for his federal and state payments to June 2023. (Tr. 51) In November 2023, he checked, and he owed the IRS around \$23,000, and he owed state Y about \$5,000. (Tr. 30, 51-52)

Sometimes Applicants tax returns have problems because his former spouse takes the dependency deduction for their children. (Tr. 55) Applicant has not filed his tax returns for TY 2022. (Tr. 52-54) His attorney said not to worry about the previous year’s tax returns because the IRS owed him a refund. (Tr. 52-54) He had the additional tax returns prepared, and he was ready to file them. (Tr. 53) His failures to file his state and federal income tax returns for TY 2022 will not be considered for disqualification purposes because those allegations were not alleged in the SOR.

Applicant offered to collect and provide documentation after his hearing. (Tr. 40, 60-70) I asked Applicant to provide his federal and state income tax returns for TYs 2017 to 2022, and proof of payments after his hearing. (Tr. 25, 62-64, 66-75) I also suggested he provide performance evaluations, a budget, letters of recommendation, and VA and Navy records. (Tr. 60-66) As indicated previously, Applicant did not provide any documentation at his hearing or after his hearing.

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.” *Id.* at 527. The President has authorized the Secretary of Defense or his designee to grant applicant’s 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.

Eligibility for a security clearance is predicated upon the applicant meeting the criteria contained in the adjudicative guidelines. These guidelines are not inflexible rules of law. Instead, recognizing the complexities of human behavior, these guidelines are applied in conjunction with an evaluation of the whole person. An administrative judge’s overarching adjudicative goal is a fair, impartial, and commonsense decision. An administrative judge must consider all available, reliable information about the person, past and present, favorable and unfavorable.

The Government reposes a high degree of trust and confidence in persons with access to classified information. This relationship transcends normal duty hours and

endures throughout off-duty hours. 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 about potential, rather than actual, risk of compromise of classified information. 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 it is based, in whole or in part, on any express or implied determination about applicant’s allegiance, loyalty, or patriotism. It is merely an indication the applicant has not met the strict guidelines the President, Secretary of Defense, and Director of National Intelligence have established for issuing a clearance.

Initially, the Government must establish, by substantial evidence, conditions in the personal or professional history of the applicant that may disqualify the applicant from being eligible for access to classified information. The Government has the burden of establishing controverted facts alleged in the SOR. See *Egan*, 484 U.S. at 531. “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 guidelines presume a nexus or rational connection between proven conduct under any of the criteria listed therein and an applicant’s security suitability. See ISCR Case No. 95-0611 at 2 (App. Bd. May 2, 1996).

Once the Government establishes a disqualifying condition by substantial evidence, the burden shifts to the applicant to rebut, explain, extenuate, or mitigate the facts. Directive ¶ E3.1.15. An applicant “has the ultimate burden of demonstrating that it is clearly consistent with the national interest to grant or continue his [or her] security clearance.” ISCR Case No. 01-20700 at 3 (App. Bd. Dec. 19, 2002). The burden of disproving a mitigating condition never shifts to the Government. See ISCR Case No. 02-31154 at 5 (App. Bd. Sep. 22, 2005). “[S]ecurity clearance determinations should err, if they must, on the side of denials.” *Egan*, 484 U.S. at 531; see AG ¶ 2(b).

Analysis

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. 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.

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.

AG ¶ 19 includes one disqualifying condition that could raise a security concern and may be disqualifying in this case: "(f) failure to file or fraudulently filing annual Federal, state, or local income tax returns or failure to pay annual Federal, state, or local income tax as required." The record establishes the disqualifying condition in AG ¶ 19(f) for TY 2017 requiring additional inquiry about the possible applicability of mitigating conditions. Discussion of the disqualifying condition is contained in the mitigation section, *infra*.

The financial considerations mitigating conditions under AG ¶ 20 which may be applicable in this case are as follows:

- (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;
- (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; and

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

The Appeal Board in ISCR Case No. 10-04641 at 4 (App. Bd. Sept. 24, 2013) explained Applicant's responsibility for proving the applicability of mitigating conditions as follows:

Once a concern arises regarding an Applicant's security clearance eligibility, there is a strong presumption against the grant or maintenance of a security clearance. See *Dorfmont v. Brown*, 913 F. 2d 1399, 1401 (9th Cir. 1990), *cert. denied*, 499 U.S. 905 (1991). After the Government presents evidence raising security concerns, the burden shifts to the applicant to rebut or mitigate those concerns. See Directive ¶ E3.1.15. The standard applicable in security clearance decisions is that articulated in *Egan, supra*. "Any doubt concerning personnel being considered for access to classified information will be resolved in favor of the national security." Directive, Enclosure 2 ¶ 2(b).

Applicant provided some important mitigating information. His IRS Form 1099 was delayed and he had a large, unexpected federal and state tax bill. Filing and payments were delayed due to the COVID 19 pandemic. However, "[e]ven if [an applicant's] financial difficulties initially arose, in whole or in part, due to circumstances outside his [or her] control, the [administrative judge] could still consider whether [the 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. 03-13096 at 4 (App. Bd. Nov. 29, 2005); ISCR Case No. 99-0462 at 4 (App. Bd. May 25, 2000); ISCR Case No. 99-0012 at 4 (App. Bd. Dec. 1, 1999)).

Applicant's June 29, 2023 TY 2017 tax transcript indicates his TY 2017 federal income tax return was filed or received on March 31, 2020. He failed to prove his state income tax return for TY 2017 was filed when due. On June 17, 2023, the IRS wrote Applicant and said his tax bill for TY 2017 is \$25,743. His state tax bill is about \$5,000. He started a payment plan for his state and federal tax debts in June 2023; however, he only provided proof of one payment in June 2023. He may not have filed his federal and state tax returns for TY 2022.

A willful failure to timely make (means complete and file with the IRS) a federal income tax return is a misdemeanor-level federal criminal offense. Title 26 U.S.C. § 7203, willful failure to file return or supply information, reads:

Any person . . . required by this title or by regulations made under authority thereof to make a return, keep any records, or supply any information, who willfully fails to . . . make such return, keep such records, or supply such information, at the time or times required by law or regulations, shall, in addition to other penalties provided by law, be guilty of a misdemeanor. . . .

A willful failure to make return, keep records, or supply information when required, is a misdemeanor without regard to the existence of any tax liability. *Spies v. United States*, 317 U.S. 492 (1943); *United States v. Walker*, 479 F.2d 407 (9th Cir. 1973); *United States v. McCabe*, 416 F.2d 957 (7th Cir. 1969); *O'Brien v. United States*, 51 F.2d 193 (7th Cir. 1931). For purposes of this decision, I am not weighing Applicant's failure to timely file his federal income tax returns against him as a crime. In regard to the failure to timely file a federal income tax return, the Appeal Board has commented:

Failure to file tax returns suggests that an applicant has a problem with complying with well-established governmental rules and systems. Voluntary compliance with such rules and systems is essential for protecting classified information. ISCR Case No. 01-05340 at 3 (App. Bd. Dec. 20, 2002). As we have noted in the past, a clearance adjudication is not directed at collecting debts. See, e.g., ISCR Case No. 07-08049 at 5 (App. Bd. Jul. 22, 2008). By the same token, neither is it directed toward *inducing an applicant to file tax returns*. Rather, it is a proceeding aimed at evaluating an applicant's judgment and reliability. *Id.* A person who fails repeatedly to fulfill his or her legal obligations does not demonstrate the high degree of good judgment and reliability required of those granted access to classified information. See, e.g., ISCR Case No. 14-01894 at 5 (App. Bd. Aug. 18, 2015). See *Cafeteria & Restaurant Workers Union Local 473 v. McElroy*, 284 F.2d 173, 183 (D.C. Cir. 1960), *aff'd*, 367 U.S. 886 (1961).

ISCR Case No. 14-04437 at 3 (App. Bd. Apr. 15, 2016) (emphasis in original). See ISCR Case No. 15-01031 at 4 (App. Bd. June 15, 2016) (citations omitted); ISCR Case No. 14-05476 at 5 (App. Bd. Mar. 25, 2016) (citing ISCR Case No. 01-05340 at 3 (App. Bd. Dec. 20, 2002)); ISCR Case No. 14-01894 at 4-5 (App. Bd. Aug. 18, 2015). The Appeal Board clarified that even in instances where an “[a]pplicant has purportedly corrected [his or her] federal tax problem, and the fact that [applicant] is now motivated to prevent such problems in the future, does not preclude careful consideration of [a]pplicant’s security worthiness in light of [his or her] longstanding prior behavior evidencing irresponsibility” including a failure to timely file federal income tax returns. See ISCR Case No. 15-01031 at 3 & n.3 (App. Bd. June 15, 2016) (characterizing “no harm, no foul” approach to an applicant’s course of conduct and employing an “all’s well that ends well” analysis as inadequate to support approval of access to classified information with focus on timing of filing of tax returns after receipt of the SOR).

The Appeal Board in ISCR Case No. 15-01031 (App. Bd. June 15, 2016) explained that in some situations, even if no taxes are owed when tax returns are not timely filed, grant of access to classified information is inappropriate. In ISCR Case No. 15-1031 (App. Bd. June 15, 2016), the applicant filed his 2011 federal income tax return in December 2013, his 2012 federal tax return in September 2014, and his 2013 federal tax return in October 2015. He received federal tax refunds of at least \$1,000 for each year. Nevertheless, the Appeal Board reversed the administrative judge’s decision to grant access to classified information.

In ISCR Case No. 15-06440 at 4 (App. Bd. Dec. 26, 2017) the Appeal Board reversed the grant of a security clearance, discussed how AG ¶ 20(g) applied, and noted:

The timing of the resolution of financial problems is an important factor in evaluating an applicant's case for mitigation because an applicant who begins to resolve financial problems only after being placed on notice that his clearance was in jeopardy may lack the judgment and self-discipline to follow rules and regulations over time or when there is no immediate threat to his own interests. In this case, applicant's filing of his Federal income tax returns for 2009-2014 after submitting his SCA, undergoing his background interview, or receiving the SOR undercuts the weight such remedial action might otherwise merit.

In this instance, Applicant failed to timely file as required his federal and state income tax returns for TYs 2017 and 2022. He owes about \$25,000 to \$30,000 in state and federal income taxes. He may have, but he did not document that he had an established payment plan with the state or federal government. He did not prove that he was unable to make greater progress sooner in the filing of tax returns and paying of taxes. Under all the circumstances, financial considerations security concerns are not 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), "[t]he ultimate determination" of whether to grant a security clearance "must be an overall common-sense judgment based upon careful consideration of the guidelines" and the whole-person concept. My comments under Guideline F are incorporated in my whole-person analysis. Some of the factors in AG ¶ 2(d) were addressed under that guideline but some warrant additional comment.

Applicant is a 41-year-old director of business development and consulting. He has worked for his current employer since October 2013. He has held a security clearance for more than 20 years. There is no evidence of security violations. In 2019, he received a bachelor's degree in psychology with an emphasis in industrial organizational psychology. In 2001, he joined the Navy, and he was discharged from the Navy Reserve in 2019. He served on active duty from 2001 to 2013, and in the Navy Reserve from 2013 to 2019. He was having medical issues; he missed some drills; and he received a general

discharge under honorable conditions from the Navy Reserve. His rate when he left the Navy Reserve was EOD1.

In 2019, Applicant was an inpatient for four weeks to treat his TBI, and he regularly attends therapy. He received a 100 percent VA disability rating, and his disability is primarily for TBI and PTSD from his service in Afghanistan. He served four tours in Afghanistan. He received achievement medals for his service in Afghanistan. His Navy service in Afghanistan is particularly praiseworthy and provides important mitigation.

The evidence against grant of a security clearance is detailed in the financial considerations section, *supra*, and this evidence is more substantial at this time than the evidence of mitigation. Applicant did not establish that he was unable to timely file his federal and state income tax returns for TY 2017. His TY 2022 tax returns were not filed by the time of his hearing on January 31, 2024. He did not prove that he made sufficient payments to the IRS to establish his payment plans to address his tax debt for TY 2017. His failure to take timely, prudent, responsible, and good-faith actions in regard to his taxes raise unmitigated questions about his reliability, trustworthiness, and ability to protect classified information. See AG ¶ 18.

It is well settled that once a concern arises regarding an applicant's security clearance eligibility, there is a strong presumption against granting a security clearance. See *Dorfmont*, 913 F. 2d at 1401. "[A] favorable clearance decision means that the record discloses no basis for doubt about an applicant's eligibility for access to classified information." ISCR Case No. 18-02085 at 7 (App. Bd. Jan. 3, 2020) (citing ISCR Case No.12-00270 at 3 (App. Bd. Jan. 17, 2014)).

This decision should not be construed as a determination that Applicant cannot or will not attain the state of reform necessary for award of a security clearance in the future. With more effort towards resolution of his tax issues, he may well be able to demonstrate persuasive evidence of his security clearance worthiness.

I have carefully applied the law, as set forth in *Egan*, Exec. Or. 10865, the Directive, the AGs, and the Appeal Board's jurisprudence to the facts and circumstances in the context of the whole person. Applicant failed to mitigate 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, Guideline F:	AGAINST APPLICANT
Subparagraphs 1.a through 1.d:	Against Applicant

Conclusion

I conclude that it is not clearly consistent with the interests of national security of the United States to grant or continue Applicant's national security eligibility for access to classified information. Eligibility for access to classified information is denied.

Robert Tuidor
Administrative Judge