



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



In the matter of:

Applicant for Security Clearance

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ISCR Case No. 24-01173

Appearances

For Government: Rhett E. Petcher, Esq., Department Counsel

For Applicant: *Pro se*

07/01/2025

Decision

HARVEY, Mark, Administrative Judge:

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

Statement of the Case

On March 4, 2022, August 9, 2023, and January 15, 2025, Applicant completed Electronic Questionnaires for Investigations Processing or security clearance applications (SCA). (Government Exhibit (GE) 1-GE 3) On July 29, 2024, 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 the DCSA 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 August 2, 2024, Applicant provided his response to the SOR. On February 4, 2025, Department Counsel was ready to proceed. On March 3, 2025, the case was assigned to me.

On March 4, 2025, the Defense Office of Hearings and Appeals (DOHA) issued a notice scheduling the hearing on April 10, 2025. The hearing was held as scheduled using the Microsoft Teams video teleconference system.

During the hearing, Department Counsel offered 10 exhibits into evidence, and Applicant offered one exhibit into evidence. (Tr. 9, 19-21; GEs 1-GE 10; Applicant Exhibit (AE) A) There were no objections, and all proffered exhibits were admitted into evidence. (Tr. 20-21) On April 23, 2025, DOHA received a copy of the transcript. One exhibit was received after the hearing, and it was admitted into evidence without objection. (AE B) The record closed on May 14, 2025.

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, 1.c-1.g, and 1.i-1.k. He denied the SOR allegations in ¶¶ 1.b, 1.h, and 1.l-1.n. His admissions are accepted as findings of fact.

Applicant is 59 years old, and he has provided surveillance for facilities, been a technical writer, and served as a facilitator for a government contractor since September of 2021. (Tr. 6-8, 23, 27; GE 1) For the last two years he has worked as a facilitator. (Tr. 23) In 2020, he received a general educational development (GED) certificate. (Tr. 6-7) In 1986, he married, and he has two sons who are ages 33 and 35. (Tr. 9)

Financial Considerations

Applicant said his financial difficulties resulted from confusion over whether he had been granted a security clearance. (Tr. 14) He was initially cleared, and then he was advised that he lacked a clearance. (Tr. 14-17, 37-43; AE A) Delays in approval of his clearance resulted in his inability to apply for certain positions. (Tr. 18, 37, 42)

Applicant has been consistently employed since 2011, except for a five-month period of unemployment in 2020. (Tr. 28-31) Before the COVID-19 pandemic, he was working overseas, and his annual salary was about \$95,000. (Tr. 30) From March to July 2020, after he returned to the United States, he was unemployed. (Tr. 31) He had a security clearance when he was overseas. (Tr. 36) From 2020 to 2021, his annual pay was about \$42,000. (Tr. 27-28) In 2021, he was earning \$65,000 annually as a technical writer for his current employer. (Tr. 26-27) In 2023, his annual pay was \$83,000. (Tr. 26) His current annual pay is \$87,000. (Tr. 27)

Applicant's spouse has been sick for about eight years, and his son is autistic. (Tr. 32-34) His spouse stopped working outside their home in 2017. (Tr. 34-35) She was earning about \$10,000 a year working part time before she became ill. (Tr. 72) His financial problems started around 2017 or 2018. (Tr. 73) He estimated her medical bills in 2020 exceeded \$10,000. (Tr. 76) He gave a high priority to paying his non-autistic son's college tuition. (Tr. 73-74) His 33-year-old autistic son lives with Applicant and his spouse. (Tr. 35) He paid \$1,000 for his autistic son's medical care during an unspecified period. (Tr. 77) He also provides some financial support to his parents. (Tr. 35)

Applicant's July 29, 2024 SOR alleges he has 14 delinquent debts totaling \$69,720:

SOR ¶ 1.a alleges Applicant has a charged-off debt for \$28,581. This debt is listed on his September 18, 2023 credit bureau report (CBR) at 7 as 30 days past due. (GE 7 at 7) This debt is listed on his January 30, 2025 CBR at 1 as charged off. (GE 10 at 1) His vehicle was voluntarily repossessed in September or October of 2024 because Applicant could not afford the payments on his vehicle loan. (Tr. 44-45) He said the dealer was supposed to contact him after the vehicle was sold to advise him of the balance he owed. (Tr. 46)

SOR ¶ 1.b alleges Applicant has a debt placed for collection for \$14,411. This debt is listed on his September 18, 2023 CBR at 2 and on his January 30, 2025 CBR at 2. (GE 7 at 2; GE 10 at 2) Applicant cosigned on a vehicle loan for his mother. (Tr. 47) His mother passed away. (Tr. 47) He denied the debt in his SOR response because he believed that he paid the debt. (Tr. 47) He said he would look for documentation or ask the creditor for information after his hearing. (Tr. 48)

SOR ¶ 1.c alleges Applicant has a debt placed for collection for \$579. This debt is listed on his September 18, 2023 CBR at 4. (GE 7 at 4) He missed a payment on his vehicle loan, and he received a small loan to make the missed payment. (Tr. 48) The original creditor is the same creditor as in SOR ¶ 1.a. (GE 7 at 4) He believed the debt was supposed to be added into the loan in SOR ¶ 1.a. (Tr. 49) He did not pay the debt. (Tr. 49)

SOR ¶ 1.d alleges Applicant has a debt placed for collection for \$877. This debt is listed on his September 18, 2023 CBR at 3. (GE 7 at 3) He used a credit card to pay "some medical bills and stuff." (Tr. 50) He said he had evidence that he attempted to resolve or did resolve this debt; however, he gave the evidence to an investigator the week before his hearing. (Tr. 50-51) He said he would contact the investigator after the hearing and request return of the documentation. (Tr. 50, 54) He said he made a payment arrangement in March 2025 to pay the creditor \$100 a month, and he made the first \$100 payment. (Tr. 55, 56-57)

SOR ¶ 1.e alleges Applicant has a debt placed for collection for \$2,566. This debt is listed on his January 30, 2025 CBR at 1 and 3. (GE 10 at 1, 3) He opened the account to help pay for his spouse's medical debts. (Tr. 58)

SOR ¶ 1.f alleges Applicant has a charged-off debt for \$1,399. This debt is listed on his September 18, 2023 CBR at 3. (GE 7 at 3) He said he had a \$100 monthly payment plan, which he started in February of 2025. (Tr. 61) He planned to pay this debt, and then work on the next debt. (Tr. 63)

SOR ¶ 1.g alleges Applicant has a charged-off debt for \$502. This debt is listed on his September 18, 2023 CBR at 4. (GE 7 at 4) He said he had a \$100 monthly payment plan, which he started in January of 2025. (Tr. 64) He expects to have completed payment on the debt in May or June of 2025. (Tr. 64) He said he could provide proof of payments after the hearing. (Tr. 64-65)

SOR ¶ 1.h alleges Applicant has a charged-off debt for \$3,447. This debt is listed on his April 12, 2022 CBR at 3, and on his September 18, 2023 CBR at 3. (GE 6 at 3; GE 7 at 3) He said this debt might be related to a medical debt. (Tr. 66) He did not attempt to enter a payment plan or make any payments to this creditor. (Tr. 67)

SOR ¶ 1.i alleges Applicant has a charged-off debt for \$941. This debt is listed on his April 12, 2022 CBR at 3, and on his September 18, 2023 CBR at 3. (GE 6 at 3; GE 7 at 3) He used a credit card to pay for utility bills and other bills. (Tr. 67) He was unable to make any payments. (Tr. 67) He advised the creditor he would make payments when he was able to do so. (Tr. 68)

SOR ¶ 1.j alleges Applicant has a charged-off debt for \$705. This debt is listed on his April 12, 2022 CBR at 7, and on his September 18, 2023 CBR at 4. (GE 6 at 7; GE 7 at 4) He did not recognize the name of the creditor, and he did not pay the debt. (Tr. 68) He did not describe any investigative efforts to ascertain the validity of the debt. (Tr. 68)

SOR ¶ 1.k alleges Applicant has a charged-off debt for \$426. This debt is listed on his April 12, 2022 CBR at 4, and on his September 18, 2023 CBR at 4. (GE 6 at 4; GE 7 at 4) He recognized this credit card debt, and he said he may be paying the creditor \$25 monthly to address it. (Tr. 68) He may have started payments in February or March of 2025. (Tr. 69)

SOR ¶ 1.l alleges Applicant has a debt placed for collection for \$9,108. This debt is listed on his April 12, 2022 CBR at 2, and on his September 18, 2023 CBR at 2. (GE 6 at 2; GE 7 at 2) He said he did not recognize the debt, and he asked the creditor to provide information about the basis for the debt. (Tr. 69) He said the creditor did not provide any information to him. (Tr. 69) He said it might be a scam. (Tr. 70) He did not have any documents verifying or disproving the debt. (Tr. 70)

SOR ¶ 1.m alleges Applicant has a debt placed for collection for \$4,885. This debt is listed on his April 12, 2022 CBR at 3, and on his September 18, 2023 CBR at 2. (GE 6 at 3; GE 7 at 2) He said he did not remember any information about this debt. (Tr. 71) He did not have any documents verifying or disproving the debt. (Tr. 71)

SOR ¶ 1.n alleges Applicant has a charged-off debt for \$1,293. This debt is listed on his April 12, 2022 CBR at 4, and on his September 18, 2023 CBR at 3. (GE 6 at 4; GE

7 at 3) He said he owes this debt; however, he did not make any payments to address it because he could not afford any payments. (Tr. 72)

Applicant did not disclose any delinquent federal income taxes on his January 15, 2025 SCA. (GE 1) There is no allegation of delinquent federal income taxes on his SOR. At his hearing he disclosed that he owes about \$25,000 in delinquent federal income taxes, and he said he has been paying \$387 monthly since 2020 to address this debt. (Tr. 77-78) All of his tax returns are filed. (Tr. 78) I suggested he provide IRS tax transcripts for the previous five years after his hearing. (Tr. 83) After his hearing, he provided an IRS record of account for tax year 2024 showing an adjusted gross income of \$96,000 (rounded to nearest \$1,000) and taxes due of \$7,000 (rounded to nearest \$1,000). (AE B) The withholding shown is \$3, and the account balance is \$0. (AE B) This document is not an IRS tax transcript. No adverse inference is drawn from the IRS record of account because he may have made a substantial payment when he filed his tax return. (AE B)

Applicant said he is current on his living expenses. (Tr. 75) He does not have any current credit cards or signature loans. (Tr. 74) At the end of the month after paying his expenses, he has a remainder of about \$700. (Tr. 81) He lives paycheck-to-paycheck. (Tr. 81) Applicant said he is making his best efforts to take care of his family and to pay his debts. (Tr. 82)

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 disqualifying conditions that could raise a security concern and may be disqualifying in this case:

- (a) inability to satisfy debts; and
- (c) a history of not meeting financial obligations.

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.

In ISCR Case No. 08-12184 at 7 (App. Bd. Jan. 7, 2010), the Appeal Board explained the role of CBRs in financial considerations analysis:

It is well-settled that adverse information from a credit report can normally meet the substantial evidence standard and the government's obligations under [Directive] ¶ E3.1.14 for pertinent allegations. At that point, the burden shifts to applicant to establish either that [he or] she is not responsible for the debt or that matters in mitigation apply.

(internal citation omitted).

The record establishes the disqualifying conditions in AG ¶¶ 19(a) and 19(c), requiring additional inquiry about the possible applicability of mitigating conditions. Discussion of the disqualifying conditions 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; and

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

The Appeal Board 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).

AG ¶ 20(a) does not apply to the SOR debts. "It is also well established that an applicant's ongoing, unpaid debts demonstrate a continuing course of conduct and can be viewed as recent for purposes of the Guideline F mitigating conditions." ISCR 22-

02226 at 2 (App. Bd. Oct. 27, 2023) (citing ISCR Case No. 15-06532 at 3 (App. Bd. Feb. 16, 2017)).

Applicant's spouse has been sick for about eight years, and his son is autistic. His spouse stopped working outside their home in 2017. She was earning about \$10,000 a year working part time before she became ill. His financial problems started around 2017 or 2018. He estimated her medical bills in 2020 exceeded \$10,000. He gave a high priority to paying his non-autistic son's college tuition. His 33-year-old autistic son lives with Applicant and his spouse. He paid \$1,000 for his autistic son's medical care during an unspecified period. He also provides some financial support to his parents.

Applicant was unemployed for five months in 2020. Before the COVID-19 pandemic, he was working overseas, and his annual salary was about \$95,000. From 2020 to 2021, his annual pay was about \$42,000. In 2021, he was earning \$65,000 annually as a technical writer for his current employer. In 2023, his annual pay was \$83,000. His current annual pay is \$87,000.

Illness of his spouse and medical needs of his autistic son, unemployment of Applicant and his spouse, medical bills, and Applicant's underemployment are circumstances largely beyond his control, which adversely affected his finances. 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). The DOHA Appeal Board has said:

[A]n applicant must act responsibly given his or her circumstances and develop a reasonable plan for repayment, accompanied by concomitant conduct even if it may only provide for the payment of debts one at a time. ISCR Case No. 07-06482 at 3 (App. Bd. May 21, 2008). What constitutes responsible behavior depends on the facts of a given case and the fact that an applicant's debts will not be paid off for a long time, in and of itself, may be of limited security concern. ISCR Case No. 09-08462 at 4. Relevant to the equation is an assessment as to whether an applicant acted responsibly given [his or] her limited resources See, e.g., ISCR Case No. 08-06567 at 3-4 (App. Bd. Oct. 29, 2009).

ADP Case No. 23-00547 at 3 (App. Bd. Apr. 23, 2024). A component is whether he maintained contact with creditors and attempted to negotiate partial payments to keep debts current. Applicant did not describe in sufficient detail how the circumstances beyond his control affected his finances. He did not provide a detailed budget or provide documentation showing payments to SOR creditors. He did not provide correspondence from or to the creditors showing he maintained contact with them. He did not prove that he acted responsibly under the circumstances.

Applicant's SOR alleges he has 14 delinquent debts totaling \$69,720. "[A] single debt can be sufficient to raise Guideline F security concerns." ISCR Case No. 19-02667

at 3 (App. Bd. Nov. 3, 2021) (citing ISCR Case No. 14-05366 at 3 (App. Bd. Feb. 5, 2016)). “Additionally, a single debt that remains unpaid over a period of years can properly be characterized as a history of not meeting financial obligations.” *Id.*

Applicant disputed his responsibility for several SOR debts and they may have been dropped from his CBR. “[T]hat some debts have dropped off his [or her] credit report is not meaningful evidence of debt resolution.” ISCR Case No. 14-05803 at 3 (App. Bd. July 7, 2016) (citing ISCR Case No. 14-03612 at 3 (App. Bd. Aug. 25, 2015)). The Fair Credit Reporting Act requires removal of most negative financial items from a credit report seven years from the first date of delinquency or the debt becoming collection barred because of a state statute of limitations, whichever is longer. See Title 15 U.S.C. § 1681c. Debts may be dropped from a credit report upon dispute when creditors believe the debt is not going to be paid, a creditor fails to timely respond to a credit reporting company’s request for information, or when the debt has been charged off.

Applicant’s IRS debt of about \$25,000 was not alleged in the SOR. This debt will not be considered for disqualification purposes; however, it will be considered: “(a) in assessing [his] credibility; (b) in evaluating [his] evidence of extenuation, mitigation, or changed circumstances; (c) in considering whether [he] has demonstrated successful rehabilitation; and (d) in applying the whole-person concept.” ISCR Case No. 20-02787 at 4 (App. Bd. Mar. 9, 2022) (citing ISCR Case No. 15-07369 at 3 (App. Bd. Aug. 16, 2017)). He did not provide any documentation from the IRS or debits from his accounts showing he was making payments to the IRS to address this \$25,000 debt.

In ISCR Case No. 15-06440 at 4 (App. Bd. Dec. 26, 2017) the Appeal Board reversed the grant of a security clearance 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, [taking financial actions] 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 said he took some actions and started payments to several creditors after the SOR was issued. However, the Appeal Board clarified that even in instances where an applicant has purportedly corrected his or her financial problem, and the fact that applicant is now motivated to prevent such problems in the future, does not preclude careful consideration of applicant’s security worthiness considering his longstanding prior behavior evidencing irresponsibility. 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).

In this regard, the Appeal Board has previously stated that it is reasonable for a Judge to expect an applicant to present documentation corroborating actions taken to resolve debts. ISCR Case No. 19-03757 at 3 (App. Bd. Aug. 18, 2021) (citing ISCR Case No. 19-01599 at 3 (App. Bd. Jan. 15, 2020)). Applicant did not provide enough details about what he did to address his SOR debts over the last five years. He did not provide documentation relating to any of his SOR debts such as: (1) proof of payments, such as checking account statements, photocopies of checks, or a letter from the creditor proving that he paid or made any payments to the creditors; (2) correspondence to or from the creditors to establish maintenance of contact; (3) correspondence to creditors or CBRs showing credible debt disputes indicating he did not believe he was responsible for the debts and why he held such a belief; (4) more evidence of attempts to negotiate payment plans, such as settlement offers or agreements to show that he was attempting to resolve these debts; or (5) other evidence of progress or resolution. Applicant failed to establish mitigation under AG ¶ 20(e) because he did not provide documented proof to substantiate the existence, basis, or the result of any debt disputes.

None of the mitigating conditions fully apply. “[U]ntil an applicant has a meaningful financial track record, it cannot be said as a matter of law that he has initiated a good-faith effort to repay overdue creditors or otherwise resolved debts. The phrase ‘meaningful track record’ necessarily includes evidence of actual debt reduction through payment on debts.” ISCR 22-02226 at 2 (App. Bd. Oct. 27, 2023) (citing ISCR Case No. 05-01920 at 5 (App. Bd. Mar. 1, 2007)). There is no documentation establishing that Applicant is working to establish payment plans to address his SOR debts. I am not confident that he will establish payment plans, pay, or otherwise resolve any of the SOR debts, and maintain his financial responsibility. 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 59 years old, and he has provided surveillance for facilities, been a technical writer, and served as a facilitator for a government contractor since September of 2021. In 2020, he received a GED certificate.

The evidence against grant of a security clearance is detailed in the financial considerations analysis section, *supra*, and this evidence is more substantial than the evidence of mitigation. He did not establish that he was unable to make more timely and significant progress resolving his SOR debts. The financial evidence raises unmitigated questions about his reliability, trustworthiness, and ability to protect classified information. See AG ¶ 18.

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 documented resolution of his debts and maintenance of his financial responsibility, 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.n:	Against Applicant

Conclusion

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

Mark Harvey
Administrative Judge