



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



In the matter of:

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ISCR Case No. 24-01112

Applicant for Security Clearance

**Appearances**

For Government: Tovah A. Minster, Esq., Department Counsel

For Applicant: *Pro se*

06/26/2025

**Decision**

Hale, Charles C., Administrative Judge:

Applicant presented insufficient evidence of what progress, if any, that he has made to resolve his delinquent debt. Under these circumstances, he failed to mitigate the financial considerations security concerns. His application for a security clearance is denied.

**Statement of the Case**

On September 27 2024, the Department of Defense (DoD) issued a Statement of Reasons (SOR) to Applicant detailing security concerns under Guideline F, financial considerations, explaining why it was unable to find it clearly consistent with the national interest to grant security clearance eligibility. The DoD took the action under Executive Order (EO) 10865, *Safeguarding Classified Information within Industry* (February 20, 1960), as amended; DoD Directive 5220.6, *Defense Industrial Personnel Security Clearance Review Program* (January 2, 1992), as amended (Directive); and the National Adjudicative Guidelines (AG) effective for any adjudication made on or after June 8, 2017. On October 18, 2024, Applicant answered the SOR admitting all of the

allegations and requesting a decision based on the evidence on file rather than a hearing. On November 26, 2024, Department Counsel prepared a File of Relevant Material (FORM), setting forth the Government's arguments against Applicant's security clearance worthiness. The FORM contains ten attachments, identified as Item 1 through Item 10.

Applicant received a copy of the FORM on February 11, 2025. He was given 30 days to file a response. He did not file a response. The case was assigned to me on June 5, 2025. FORM Items 1 and 2 are pleadings in the case. I admitted Items 3 through 10 into evidence.

### **Findings of Fact**

Applicant is a 38-year-old man. He was married from December 2012 to October 2018. He has one child, age ten, who resides with his ex-wife. He has visitation rights and has no court-ordered financial obligations for his child. (Item 3 at 5, 21, 25, Item 5 at 21.)

Applicant earned a bachelor's degree in 2015. He has been employed by his sponsor since April 2022. He does not list any periods of unemployment on the security clearance applications (SCA) he completed in April 2021 and June 2023. (Item 3, Item 4.) However, the positions he took after his divorce were in sales and general support. Prior to his divorce he worked as a flight simulator technician from May 2013 until December 2018. He left this position citing family reasons. (Item 4 at 19.) Since April 2021 he has been working as training device technician. (Item 3 at 10-11, Item 4 at 19.)

In his 2021 security clearance interview he told the investigator his 2018 divorce was very expensive, and he was ordered responsible for all of the outstanding debts. Until his divorce he told the investigator he had perfect credit. During the investigative interview he assured the investigator all of the accounts would be fully resolved and/or in good standing very soon. (Item 3 at 33, Item 5 at 16, 21.) During his November 2023 investigative interview, he told the investigator he was generally aware that he had a number of debts but could not recall specific details regarding his accounts. (Item 5 at 22.)

In his October 2024 Answer Applicant admitted all debts and stated:

I went through a long-term divorce that ended in 2018, which it lasted almost 2 ½ years in court. I have been working to pay off my past debt that occurred during my divorce term, still living within my means. I have several current creditors that are always paid on time or even early. (Answer.)

Applicant provided no evidence to support his statements in his Answer or in his response to Government interrogatories that he had resolved certain debts and that he was living within his means. (Answer; Item 5 at 3, 8-10.)

## Policies

The U.S. Supreme Court has recognized the substantial discretion the Executive Branch has in regulating access to information pertaining to national security, emphasizing that “no one has a ‘right’ to a security clearance.” *Department of the Navy v. Egan*, 484 U.S. 518, 528 (1988). When evaluating an applicant’s suitability for a security clearance, the administrative judge must consider the adjudicative guidelines. In addition to brief introductory explanations for each guideline, the adjudicative guidelines list potentially disqualifying conditions and mitigating conditions, which are required to be considered in evaluating an applicant’s eligibility for access to classified information. These guidelines are not inflexible rules of law. Instead, recognizing the complexities of human behavior, these guidelines are applied in conjunction with the factors listed in the adjudicative process. The administrative judge’s overall adjudicative goal is a fair, impartial, and commonsense decision. According to AG ¶ 2(a), 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 decision.

The protection of the national security is the paramount consideration. AG ¶ 1(d) requires that “[a]ny doubt concerning personnel being considered for national security eligibility will be resolved in favor of the national security.” In reaching this decision, I have drawn only those conclusions that are reasonable, logical, and based on the evidence contained in the record. Under Directive ¶ E3.1.14, the Government must present evidence to establish controverted facts alleged in the SOR. Under Directive ¶ E3.1.15, the applicant is responsible for presenting “witnesses and other evidence to rebut, explain, extenuate, or mitigate facts admitted by applicant or proven by Department Counsel. . . .” The applicant has the ultimate burden of persuasion to obtain a favorable security decision.

Under the whole-person concept, the administrative judge must consider the totality of an applicant’s conduct and all relevant circumstances in light of the nine adjudicative process factors in AG ¶ 2(d). They are as follows:

- (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.

## Analysis

### Guideline F: Financial Considerations

The security concern under this Guideline states, “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.” (AG ¶ 18)

Applicant’s history of financial problems triggers the application of AG ¶ 19(a), “inability to satisfy debts,” and AG ¶ 19(c), “a history of not meeting financial obligations.”

The following mitigating conditions under AG ¶ 20 are potentially applicable:

(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; and

(d) the individual initiated and is adhering to a good-faith effort to repay overdue creditors or otherwise resolve debt.

Applicant attributes his financial problems to his divorce in 2018 and the evidence indicates he was underemployed after the divorce. Although these circumstances were beyond his control, he still has the burden of establishing that he acted responsibly, taking such steps as enrolling in financial counseling, developing a payment plan, communicating with his creditors, or making some other good-faith effort to resolve the debt. Applicant has provided no such evidence, despite first promising to do so during his 2021 interview with an investigative agent.

Under these circumstances, AG ¶ 20(b) applies partially, with respect to Applicant’s debt being caused by circumstances beyond his control, but none of the remaining mitigating conditions apply. Applicant failed to mitigate the financial considerations security concern.

### **Whole-Person Concept**

I considered the whole-person concept factors in my analysis of the disqualifying and mitigating conditions, discussed above, and they do not warrant a favorable conclusion.

### **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 – 1.o:

Against Applicant

### **Conclusion**

In light of all of the circumstances presented by the record in this case, it is not clearly consistent with the interests of national security to grant or continue Applicant's eligibility for a security clearance. Eligibility for access to classified information is denied.

Charles C. Hale  
Administrative Judge