



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



In the matter of:)
)
) ISCR Case No. 25-00800
)
Applicant for Security Clearance)

Appearances

For Government: Daniel O’Reilly, Esq., Department Counsel
For Applicant: *Pro se*

03/10/2026

Decision

NAGEL, Jeff A., Administrative Judge:

Applicant did not mitigate the security concerns under Guideline F (Financial Considerations) and Guideline E (Personal Conduct) concerns. Eligibility for access to classified information is denied.

Statement of the Case

Applicant submitted a Questionnaire for National Security Positions (SCA) on April 5, 2023. On September 9, 2025, the Defense Counterintelligence and Security Agency (DCSA) issued a Statement of Reasons (SOR) to Applicant detailing security concerns under Guidelines F (Financial Considerations) and E (Personal Conduct). The action was taken under Executive Order 10865, *Safeguarding Classified Information Within Industry* (February 20, 1960), as amended; Department of Defense (DoD) Directive 5220.6, *Defense Industrial Personnel Security Clearance Review Program* (January 2, 1992), as amended (Directive); and the adjudicative guidelines (AG) effective within DoD after June 8, 2017.

On October 1, 2025, Applicant responded to the SOR in writing (Answer) and requested that the case be decided on the written record in lieu of a hearing. In his Answer, Applicant admitted each allegation with explanations. On January 15, 2026, Department Counsel submitted the Government's written case in a File of Relevant Material (FORM). A complete copy of the FORM, consisting of Government Exhibits (GE) 1 to 10 and the Government's arguments in support of the SOR, was received by the Applicant on January 30, 2026. He was afforded an opportunity to file objections and submit material to refute, extenuate, or mitigate the security concerns. Within the allotted time he submitted a one-page document (Response) concerning one of the debts addressed in the SOR. The case was assigned to me on February 20, 2026, and GE 1 to 10 were admitted without objection, as was the Response.

Findings of Fact

Applicant is 47 years old and works as a SharePoint Developer for a defense contractor. He has an associate's degree and numerous other college credits. Applicant served in the United States Army from August 1999 until March 2012 and received an honorable discharge. Applicant has also served in the Army reserve. He is twice divorced and has three adult children. Applicant has had a security clearance since 2006 (Items 3, 4)

The SOR alleges nine delinquent debts totaling approximately \$25,000 consisting of a judgement, collections, and a charge-off. Applicant failed to list these debts on his SCA. In his Answer Applicant admitted to all the allegations (with explanations) in the SOR. (Items 1, 2)

Applicant has had delinquent accounts dating back to at least 2018 and acknowledged them during his security clearance interview. His financial difficulties have not changed over the ensuing years. Applicant was the subject of a DoD Continuous Vetting Program incident report in June of 2022 and was also evicted from an apartment complex in 2022. Applicant was the subject of a second DoD Continuous Vetting Program incident report in July 2025. (Items 5, 7, 8, 9)

1.a. Applicant has a debt on a judgment filed against him in 2024 in the approximate amount of \$9,843. In his Answer he admitted to this debt and provided documentation showing he had made one payment of \$25 and scheduled automatic payments of \$2,000, \$2,000, and \$922 towards this debt, after which he will have a remaining balance of approximately \$4,922. (Items 1, 2 and Response)

1.b. Applicant has a debt on an account placed for collection in the approximate amount of \$7,530. In his Answer he admitted to this debt and provided documentation showing he had made one payment of \$166 towards this debt and has a remaining balance of approximately \$7,364. Applicant has not submitted any evidence of any other payments or actions taken on this account. (Items 1, 2)

1.c. Applicant has a debt on an account that has been charged off in the approximate amount of \$2,910. In his Answer he admitted to this debt and provided documentation showing he had made one payment of \$25 towards this debt and has a remaining balance of approximately \$2,885. Applicant has not submitted any evidence of any other payments or actions taken on this account. (Items 1, 2)

1.d. Applicant has a debt on an account placed for collection in the approximate amount of \$891. In his Answer Applicant admitted to this debt. There is no evidence that he has taken any action on this account. (Items 1, 2)

1.e. Applicant has a debt on an account placed for collection in the approximate amount of \$473. In his Answer he admitted to this debt and provided documentation showing he had made one payment of \$164 towards this debt. Applicant has not submitted any evidence of any other payments or actions taken on this account. (Items 1, 2)

1.f. Applicant has a debt on an account placed for collection in the approximate amount of \$471. In his Answer he admitted to this debt and provided documentation showing he had made one payment of approximately \$82 towards this debt. Applicant has not submitted any evidence of any other payments or actions taken on this account. (Items 1, 2)

1.g. Applicant has a debt on an account placed for collection in the approximate amount of \$339. In his Answer Applicant admitted to this debt. There is no evidence that he has taken any action on this account. (Items 1, 2)

1.h. Applicant has a debt on an account placed for collection in the approximate amount of \$50. In his Answer Applicant admitted to this debt. There is no evidence that he has taken any action on this account. (Items 1, 2)

1.i. Applicant has a debt on a MEDICAL account placed for collection in the approximate amount of \$2,413. In his Answer he admitted to this debt and provided documentation showing he had made one payment of approximately \$20 towards this debt. Applicant has not submitted any evidence of any other payments or actions taken on this account. (Items 1, 2)

Applicant submitted his latest SCA in April of 2023. He answered, "No", to all the financial questions under Section 26, which included the following:

In the last seven (7) years, [have] you had bills or debts turned over to a collection agency? (Include financial obligations for which you were the sole debtor, as well as those for which you were a cosigner or guarantor)

In the last seven (7) years, [have] you had any account or credit card suspended, charged off, or cancelled for failing to pay as agreed? (Include financial obligations for which you were the sole debtor, as well as those for which you were a cosigner or guarantor)

During his security clearance interview Applicant was confronted with his debts. Applicant stated, “he left them out due to fear of not getting job, Subject did not disclose the information because he wanted a job, Subject is not ashamed, Subject was not afraid of the effect it would have on his personal or professional reputation, Subject anticipated the negative result of not getting the job by listing the information.”

Policies

This case is adjudicated under DOD Directive 5220.6, *Defense Industrial Personnel Security Clearance Review Program* (January 2, 1992), as amended (Directive); and the adjudicative guidelines (AG), which became effective on June 8, 2017.

When evaluating an applicant’s suitability for a security clearance, the administrative judge must consider the disqualifying and mitigating conditions in the AG. 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 overarching 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.

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 clearance decision.

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. The government reposes a high degree of trust and confidence in 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 sensitive information. Such decisions entail a certain degree of legally permissible extrapolation of potential, rather than actual, risk of compromise of classified information.

Analysis

Guideline F, Financial Considerations

The security concern 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.

The guideline notes several conditions that could raise security concerns under AG ¶ 19. The following are potentially applicable in this case:

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

Applicant has a history of financial problems dating back to at least 2018 and currently has a judgement against him as well as numerous collections and a charge-off. AG ¶¶ 19(a) and 19(c) are applicable.

Conditions that could mitigate the financial considerations security concerns are provided under AG ¶ 20. The following 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;

(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.

Applicant has provided documentation that he has made and will be making considerable payments on the judgement filed against him. He has made a payment of \$20 on a medical collection. Outside of this he has provided documentary evidence showing he has paid approximately \$438 towards his other debts. I am unable to find that he has acted reasonably and responsibly under the circumstances on all but two of his accounts, or that he made a good-faith effort to pay his debts. Accordingly, they continue to cast doubt on her current reliability, trustworthiness, and good judgment. None of the mitigating conditions are sufficiently applicable to mitigate the security concerns.

Guideline E, Personal Conduct

The security concern for personal conduct is set out in AG ¶ 15, as follows:

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 clearance investigative or adjudicative processes.

AG ¶ 16 describes conditions that could raise a security concern and may be disqualifying. The following disqualifying conditions are potentially applicable:

(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.

Applicant falsified his April 2023 SCA. He answered, “No”, to all the financial questions under Section 26, even though he had a judgement against him, has numerous collections and a charge-off. AG ¶¶ 16(a) is applicable.

AG ¶ 17 provides conditions that could mitigate security concerns. The following are potentially applicable:

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

(c) the offense is so minor, or so much time has passed, or the behavior is so infrequent, or it happened under such unique circumstances that it is unlikely to recur and does not cast doubt on the individual’s reliability, trustworthiness, or good judgment;

(d) the individual has acknowledged the behavior and obtained counseling to change the behavior or taken other positive steps to alleviate the stressors, circumstances, or factors that contributed to untrustworthy, unreliable, or other inappropriate behavior, and such behavior is unlikely to recur; and

(e) the individual has taken positive steps to reduce or eliminate vulnerability to exploitation, manipulation, or duress.

Applicant lied out of fear of not a getting job. What is most troubling is that he has shown he will lie to protect himself. Applicant’s personal conduct is not mitigated and continues to cast doubt on his current reliability, trustworthiness, and good judgment. Currently none of the mitigating conditions, individually or collectively, are sufficiently applicable to overcome Applicant’s intentional falsifications.

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 relevant 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), the ultimate determination of whether to grant eligibility for a security clearance must be an overall commonsense judgment based upon careful consideration of the guidelines and the whole-person concept.

I considered the potentially disqualifying and mitigating conditions in light of all the facts and circumstances surrounding this case. I have incorporated my comments under Guidelines F and E in my whole-person analysis. I also considered Applicant's military service.

Overall, the record evidence leaves me with questions and doubts about Applicant's eligibility and suitability for a security clearance. I conclude Applicant has not mitigated the security concerns under Guidelines F and E.

Formal Findings

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

Paragraph 1, Guideline F:	AGAINST APPLICANT
Subparagraph 1.a	For Applicant
Subparagraphs 1.b through 1.h:	AGAINST APPLICANT
Subparagraph 1.i	For Applicant
Paragraph 2, Guideline E:	AGAINST APPLICANT
Subparagraph 2.a:	Against Applicant

Conclusion

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

Jeff A. Nagel
Administrative Judge