



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



In the matter of: )  
)  
) ISCR Case No. 24-01777  
)  
Applicant for Security Clearance )

**Appearances**

For Government: Sakeena Farhath, Esq., Department Counsel

For Applicant: *Pro se*

04/06/2026

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**Decision**

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HYAMS, Ross D., Administrative Judge:

Applicant failed to mitigate personal conduct and financial considerations security concerns. Eligibility for access to classified information is denied.

**Statement of the Case**

On November 26, 2024, the Defense Counterintelligence and Security Agency (DCSA) issued a Statement of Reasons (SOR) to Applicant detailing security concerns under Guidelines E (personal conduct) and F (financial considerations). Applicant answered the SOR on March 3, 2025, and requested a hearing before an administrative judge.

The case was assigned to me on August 26, 2025. The scheduling of the hearing in this case was delayed when all administrative judges were furloughed from October 1, 2025, through November 12, 2025, during a federal government shutdown due to a lapse in federal funding.

The hearing convened on March 10, 2026. Department Counsel submitted Government Exhibits (GE) 1-8, which were admitted in evidence without objection. Applicant submitted attachments with his SOR Answer, which are part of the record, but

did not submit any documentary evidence at the hearing. After the hearing concluded, I held the record open for one week to allow Applicant to submit documentation. He submitted Applicant's exhibit (AE) A, which was admitted without objection.

### **Findings of Fact**

Applicant denied SOR ¶¶ 1.a-1.b and admitted SOR ¶¶ 2.a-2.f. His admissions are incorporated into the findings of fact. Based on my review of the pleadings, evidence submitted, and testimony, I make the following findings of fact.

Applicant is 28 years old. He is unmarried and has one minor child. He earned his GED in 2023. He has worked for a defense contractor painting aircraft for about two and a half years. (Tr. 15-18)

In 2015, Applicant was arrested and charged with a felony "theft by taking". He was about 17 years old. Applicant stated that he and some friends pulled pranks on each other in high school. He claimed that one of his friends wanted to take an all-terrain vehicle (ATV) belonging to another person from their high school, as a prank, and hide the vehicle in the woods. He claimed they intended to give it back but wanted to "mess with" him. Applicant did not know the boy that they took the ATV from, but his friend did. The father of the boy, who was the owner of the ATV, called the police and reported it was stolen. A security camera captured Applicant and his friends taking the ATV and he was wanted for questioning. (Tr. 18-55; GE 7)

A witness saw the boys drive the ATV into the woods, leave it there, and depart the scene together. The witness reported suspicious activity to police, who then recovered the vehicle and started an investigation. When Applicant was interviewed by police he lied. He stated it was his first time being in trouble and he was scared. He told police his friend had taken the ATV, which was not true; the record indicated he had driven it away. The details in the police record show that Applicant and his friends took steps to steal the ATV and then hid it, so they could recover the stolen item later. (Tr. 18-55; GE 7)

The court did not treat the ATV theft as a prank. The evidence in the record does not provide support to believe this was anything other than theft. Applicant's felony charge was not adjudicated; he was sent to a pretrial diversion program. He was required to complete one year of probation and 100 hours of community service. He successfully completed the program and his service obligations. He has not had any other arrests or trouble with law enforcement. (Tr. 18-55; Answer; GE 7)

In his August 2023 SCA, Applicant provided a statement about the incident in Section 22 – Police Record. He wrote:

me and my [buddy] pilled pranks on each other all the time [I] hid his four-wheeler as a prank and his dad pressed charges on me and [I] got charged with theft by taking and [I] got put on pre-trial diversion (GE 1)

In a December 2023 background interview with a government investigator, Applicant discussed the incident. The facts he provided were untrue. He stated that he and his friend (Person 1) played pranks on one another all the time. On this day, Person 1 had taken and hidden his car. To get Person 1 back, he went to Person 1's home and took his ATV during the day from the driveway and hid it around the side of the house in the woods beside the home. He was caught on camera. Person 1's father called the police and pressed charges even though that Applicant and Person 1 explained to his father that it was a prank. (GE 2)

Under Guideline E, the SOR alleges that Applicant falsified material facts about the ATV theft in his 2023 SCA (§ 1.a), and in his 2023 background interview (§ 1.b).

Under Guideline F, the allegations are as follows:

SOR § 1.a alleges an auto loan charged off for \$20,089. Applicant reported he was the cosigner on a vehicle loan for his grandmother. She fell behind on the payments and the car was repossessed. This debt is unresolved. (Tr. 18-55; GE 3-6)

SOR § 1.b alleges a cellular phone account placed for collection for \$1,884. Applicant reported he changed phone providers when he moved and did not pay for or return the phone he received. This debt is unresolved. (Tr. 18-55; GE 3-6)

SOR § 1.c alleges a credit card account charged off for \$735. Applicant stated he obtained this credit card when he was young and careless. This debt is unresolved. (Tr. 18-55; GE 3-6)

SOR § 1.d alleges an account placed for collection for \$734. Applicant did not recognize this account. This debt is unresolved. (Tr. 18-55; GE 3-6)

SOR § 1.e alleges a credit card account placed for collection for \$613. Applicant stated he obtained this credit card when he was young and careless. He stated he did not understand how money worked until he was in over his head. The creditor offered him a \$200 monthly payment plan, but he has not agreed to it. This debt is unresolved. (Tr. 18-55; GE 3-6)

SOR § 1.f alleges a credit card account charged off for \$24. Applicant obtained it to improve his credit. He stated he never used it but somehow it charged him \$24. He claims he paid the debt but did not provide documentation. (Tr. 18-55; GE 3-6)

Applicant stated he intends to resolve his financial delinquencies. He hopes to get a second job to have extra money to resolve his debt. The day prior to the hearing, he contacted a debt consolidation company to see what they could do for him. He has not had credit counseling. (Tr. 18-55)

In his Answer, Applicant provided a monthly budget which shows that he has about \$918 leftover monthly, after his expenses. He stated he is more responsible with his

finances now, can meet his monthly expenses, and pays half the monthly daycare cost for his son. He provided a character letter which states that he is reliable and trustworthy and has become more responsible since becoming a father. (Tr. 18-55; Answer; AE A)

## **Policies**

This case is adjudicated 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 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 adjudicative guidelines. In addition to brief introductory explanations for each guideline, the adjudicative guidelines list potentially disqualifying conditions and mitigating conditions, which are to be used 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, administrative judges apply the guidelines 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(c), 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 ¶ 2(b) requires that "[a]ny doubt concerning personnel being considered for national security eligibility will be resolved in favor of the national security."

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 the applicant or proven by Department Counsel." The applicant has the ultimate burden of persuasion to obtain a favorable security 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 classified information. Such decisions entail a certain degree of legally permissible extrapolation of potential, rather than actual, risk of compromise of classified information.

Section 7 of EO 10865 provides that adverse decisions shall be "in terms of the national interest and shall in no sense be a determination as to the loyalty of the applicant

concerned.” See *also* EO 12968, Section 3.1(b) (listing multiple prerequisites for access to classified or sensitive information).

## **Analysis**

### **Guideline E, Personal Conduct**

AG ¶ 15 details the personal conduct security concern:

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. . .

I have considered the disqualifying conditions under AG ¶ 16 and the following are 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; and

(b) deliberately providing false or misleading information; or concealing or omitting information, concerning relevant facts to an employer, investigator, security official, competent medical or mental health professional involved in making a recommendation relevant to a national security eligibility determination, or other official government representative.

I have considered the mitigating conditions under AG ¶ 17. 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;

(b) the refusal or failure to cooperate, omission, or concealment was caused or significantly contributed to by advice of legal counsel or of a person with professional responsibilities for advising or instructing the individual specifically concerning security processes. Upon being made aware of the requirement to cooperate or provide the information, the individual cooperated fully and truthfully;

(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; and

(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.

None of the mitigating conditions apply. Applicant's cover story is that he was involved in a prank to take another person's ATV, hide it to "mess with him," and later give it back. In truth, he did not know the person who they took the ATV from. He lied about his actions to police. He materially falsified the information in his SCA and background interview about the incident. Applicant's falsifications can only be viewed as an effort to conceal his participation in criminal behavior in order to get a security clearance. While the criminal behavior is old and occurred when he was a minor, the lies about the incident are recent and cast doubt on his reliability, trustworthiness, and judgment.

#### **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.

This concern is broader than the possibility that an individual might knowingly compromise classified information in order to raise money. It encompasses concerns about an individual's self-control, judgment, and other qualities essential to protecting classified information. An individual who is financially irresponsible may also be irresponsible, unconcerned, or negligent in handling and safeguarding classified information. ISCR Case No. 11-05365 at 3 (App. Bd. May 1, 2012).

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

(a) inability to satisfy debts; and

(c) history of not meeting financial obligations.

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; and

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

AG ¶ 20(a) does not apply. Applicant has about \$24,000 in delinquent debt. His failure to pay his delinquent debt is recent, not isolated, and ongoing. This continues to cast doubt on his current reliability, trustworthiness, and judgment.

AG ¶ 20(b) does not apply. Applicant did not provide sufficient evidence to find that his financial delinquencies were due to circumstances beyond his control or that he acted responsibly under the circumstances.

AG ¶ 20(d) does not apply. Applicant did not provide sufficient evidence to find that he has made a good faith effort to repay creditors or resolve debt.

### **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 E and F in my whole-person analysis.

Overall, the record evidence leaves me with questions and doubts about Applicant's eligibility for a security clearance. I conclude that Applicant has not mitigated the personal conduct and 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 E:	AGAINST APPLICANT
Subparagraphs 1.a-1.b:	Against Applicant
Paragraph 2, Guideline F:	AGAINST APPLICANT
Subparagraphs 2.a-2.f:	Against Applicant

### **Conclusion**

It is not clearly consistent with the national interest to grant Applicant a security clearance. Eligibility for access to classified information is denied.

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Ross D. Hyams  
Administrative Judge