DEFENSE LEGAL SERVICES AGENCY
DEFENSE OFFICE OF HEARINGS AND APPEALS

In the matter of:	)	
	)	ISCR Case No. 26-00016
	)	
Applicant for Security Clearance	)	

Appearances

For Government: Tovah Minster, Esq., Department Counsel
For Applicant: *Pro se*

06/16/2026

Decision

ROSS, Wilford H., Administrative Judge:

Applicant mitigated the security concerns under Guideline F (Financial Considerations). Eligibility for access to classified information is granted.

Statement of the Case

Applicant submitted a security clearance application (SCA) on June 27, 2025. On January 26, 2026, the Defense Counterintelligence and Security Agency (DCSA) sent her a Statement of Reasons (SOR) alleging security concerns under Guideline F. Applicant answered the SOR on March 2, 2026, and requested a decision on the written record in lieu of a hearing. Department Counsel submitted the Government's written case on March 11, 2026. A complete copy of the file of relevant material (FORM) was sent to Applicant, who was given an opportunity to file objections and submit material to refute, extenuate, or mitigate the Government's evidence. She received the FORM on March 16, 2026, and submitted a response attaching additional documentation on April 15. 2026. The case was assigned to me on May 18, 2026.

The FORM consists of the pleadings in the case (Government Exhibit (GE) 1), Applicant's answer to the SOR with documents in support (Applicant Exhibit (AE) A–D, F-G (GE 2)[1]), and the documents in support of the allegations in the SOR (GE 3-5). Applicant responded to the FORM and attached supporting documents (Applicant Exhibit (AE) A–F).[2] GE 2 through 5 and AE A through F, along with her written response to the FORM are admitted into evidence, without objection.

Findings of Fact

The SOR alleges under Guideline F seven delinquent accounts totaling approximately $39,000.00. (SOR ¶¶ 1.a-1.g) The alleged debts are reflected in Applicant's credit bureau reports (CBR) accessed in December 2022, November 2023, December 2024, and September 2025. (GE 6-9) Applicant admits the allegations. (GE 2)

Applicant's financial difficulties arose during a period of significant and unexpected hardship, to include a career change, medical expenses related to her pregnancy and childbirth, and raising a child on a single income. She is a 33-year-old, never married, single mother, who gave birth to her only child in September 2022. She took maternity leave through October 2022 and changed careers in January 2023. In September 2023, she separated from her child's father and relocated to her parent's home. She has been solely responsible for her child, both physically and financially, ever since. During this period, she also incurred unexpected expenses for needed vehicle repairs. The combination of reduced income, unexpected expenses, and increased financial responsibility sparked a temporary disruption in her financial stability and contributed to the delinquent accounts identified in the SOR. At the time, she focused on maintaining stable housing and providing essential needs for her infant child.

Applicant took consistent and meaningful steps to address her financial obligations at her earliest ability, starting in Spring 2024. Since then, all but one account identified in the SOR have been either paid in full or placed on payment plans. Since February 2026, she continues to make regular, consistent payments toward the balances and can sustain the payments with her current income.

SOR ¶ 1.a alleges delinquent student loans totaling approximately $18,000. This account has been addressed and as of February 2026 is in a repayment plan. (GE 2)

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[1] Applicant referenced the exhibits she submitted with her answer to the SOR as exhibit A, B, C, D, F, G (following the SOR allegations). She did not individually mark the supporting documents, and she did not submit an "Exhibit E," stating she had not yet received documentation from the creditor in SOR ¶ 1.e. The documents submitted with her answer to the SOR will be considered one document, totaling 32 pages (GE 2).

[2] Applicant marked the exhibits she submitted with her response to the FORM as A, B, C, D, E, and F. For continuity, her documents will be marked as she noted in her exhibit list included with her response to the FORM.

SOR ¶ 1.b alleges delinquent debt totaling approximately $15,000. This account has been addressed and as of February 2026 is in a repayment plan for a reduced balance of approximately $9,000. (GE 2)

SOR ¶ 1.c alleges delinquent debt totaling approximately $4,500. This account has been addressed and as of February 2026 is in a repayment plan for a reduced balance of approximately $2,800. (GE 2)

SOR ¶ 1.d alleges delinquent debt totaling approximately $756. This account has been paid in full in February 2026. (GE 2)

SOR ¶ 1.e alleges delinquent student loans totaling approximately $12,800. Applicant is actively working on verifying this account and setting up a payment plan with the creditor. (GE 2)

SOR ¶ 1.f alleges delinquent debt totaling approximately $78. This account has been paid in full in November 2024. (GE 2)

SOR ¶ 1.g alleges delinquent debt totaling approximately $105. This account has been paid in full in December 2024. (GE 2)

Policies

This case is adjudicated 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) implemented by the DOD on June 8, 2017.

"[N]o 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 applicants 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 § 2.

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, an administrative judge applies these guidelines 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 and 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 that 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 made "in terms of the national interest and shall in no sense be a determination as to the loyalty of the applicant concerned." Exec. Or. 10865 § 7. Thus, a decision to deny a security clearance is merely an indication the applicant has not met the strict guidelines the President and the Secretary of Defense 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. 15-01253 at 3 (App. Bd. Apr. 20, 2016).

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 burden of proving a mitigating condition, and the burden of disproving it never shifts to the Government. *See* ISCR Case No. 02-31154 at 5 (App. Bd. Sep. 22, 2005).

An applicant "has the ultimate burden of demonstrating that it is clearly consistent with the national interest to grant or continue his security clearance." ISCR Case No. 01-20700 at 3 (App. Bd. Dec. 19, 2002). "[S]ecurity clearance determinations should err, if they must, on the side of denials." *Egan*, 484 U.S. at 531.

Analysis

Guideline F, Financial Considerations

The concern under this guideline 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 evidence in the FORM establish the following disqualifying conditions under this guideline:

AG ¶ 19(a): inability to satisfy debts; and

AG ¶ 19(c): a history of not meeting financial obligations.

The following mitigating conditions are potentially applicable:

AG ¶ 20(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;

AG ¶ 20(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;

AG ¶ 20(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

AG ¶ 20(d): the individual initiated and is adhering to a good-faith effort to repay overdue creditors or otherwise resolve debts.

AG ¶ 20(a) is established. Applicant's financial condition was impacted by circumstances outside her control that are unlikely to recur and do not cast doubt on her current reliability, trustworthiness, or good judgment. These include unexpected medical costs and expenses associated with her pregnancy and childbirth, vehicle repairs, and separation from her child's father, resulting in her becoming a single mother and caretaker solely responsible for her infant child.

AG ¶ 20(b) is established in part. The conditions that resulted in Applicant's financial problem were largely beyond her control, and although the record lacks proof of responsible action at the time of occurrence, Applicant began to address the issues at her first opportunity in or near Spring 2024.

AG ¶ 20(c) is established in part. Although Applicant has not provided evidence that she has received or is receiving financial counseling for the problem, her proactive steps to address her debts and her continued follow through on payment plans she established supports a finding that the problem is being resolved.

AG ¶ 20(d) is established. Applicant initiated and is adhering to a good-faith effort to repay overdue creditors or otherwise resolve her debts. Although a large crux of her action occurred in February 2026, after issuance of the SOR, there is evidence that she started to reach out to creditors to address her debts as early as Spring 2024. She has taken meaningful steps in good faith and is honoring her payment plans.

In support of these findings, I cite the Appeal Board's decision in ISCR Case No. 07-06482 at 3 (App. Bd. May 21, 2008) for the proposition that the adjudicative guidelines do not require that an applicant be debt-free. The Board's guidance for adjudications in cases such as this is the following:

> [A]n applicant is not required, as a matter of law, to establish that he has paid off each and every debt listed in the SOR. All that is required is that an applicant demonstrate that he has established a plan to resolve his financial problems and taken significant actions to implement that plan. The Judge can reasonably consider the entirety of an applicant's financial situation and his actions in evaluating the extent to which that applicant's plan for the reduction of his outstanding indebtedness is credible and realistic. There is no requirement that a plan provide for payments on all outstanding debts simultaneously. Rather, a reasonable plan (and concomitant conduct) may provide for the payments of such debts one at a time. ISCR Case No. 07-06482 at 3 (App. Bd. May 21, 2008) (internal citations and quotation marks omitted).

Whole-Person Concept

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. In applying the whole-person concept, an 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. An 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.

I have incorporated my comments under Guideline F in my whole-person analysis and applied the adjudicative factors in AG ¶ 2(d). Because Applicant requested a determination on the record without a hearing, I had no opportunity to evaluate her credibility and sincerity based on demeanor. *See* ISCR Case No. 01-12350 at 3-4 (App. Bd. Jul. 23, 2003). After weighing the disqualifying and mitigating conditions under Guideline F and evaluating all the evidence in the context of the whole person, I conclude Applicant has mitigated the security concerns raised under Guideline F (Financial Considerations).

Formal Findings

I make the following 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:

Paragraph 1, Guideline F:	FOR APPLICANT
Subparagraphs 1.a-g:	For Applicant

Conclusion

I conclude it is clearly consistent with the national security interests of the United States to grant Applicant eligibility for access to classified information. Clearance is granted.

Wilford H. Ross
Administrative Judge