DEFENSE LEGAL SERVICES AGENCY
DEFENSE OFFICE OF HEARINGS AND APPEALS

In the matter of:	)	
	)	
	)	ISCR Case No. 25-01138
	)	
Applicant for Security Clearance	)	

Appearances

For Government: Cynthia Ruckno, Esq., Department Counsel
For Applicant: Grant Couch, Esq.

07/29/2026

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Decision

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BORGSTROM, Eric H., Administrative Judge:

Applicant did not mitigate the financial considerations security concerns. Eligibility for access to classified information is denied.

Statement of the Case

On September 30, 2025, the Defense Counterintelligence and Security Agency (DCSA) issued a Statement of Reasons (SOR) to Applicant detailing security concerns under Guideline F (financial considerations). The DCSA acted under Executive Order (EO) 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 on June 8, 2017.

In Applicant's December 5, 2025 response to the SOR (Answer), he admitted, with explanations, SOR ¶¶ 1.c. through 1.p., and he denied SOR ¶¶ 1.a., 1.b., and 1.q. He attached six documentary exhibits, which I marked and admitted during the hearing, and he requested a hearing before a Defense Office of Hearings and Appeals (DOHA) administrative judge. (Answer)

On March 26, 2026, I was assigned this case. On April 10, 2026, DOHA issued a notice scheduling the hearing for May 21, 2026. The hearing proceeded as scheduled. The Government proffered six evidentiary exhibits, which I admitted as Government Exhibits (GE) 1 through 6, without objection. Applicant testified and submitted 11 evidentiary exhibits, which I admitted as Applicant Exhibits (AE) A through K, without objection. These exhibits included those attached to his Answer. At Applicant's request, the record remained open until June 18, 2026, to provide him an opportunity to supplement the evidentiary record. DOHA received the hearing transcript (Tr.) on May 29, 2026. Applicant timely provided four post-hearing submissions, which I admitted as AE L through O, without objection. The record closed on June 18, 2026.

Findings of Fact

Applicant is 49 years old. He graduated from high school in 1997, and he earned a drafting/design certificate from a vocational school in 1997. He has been married since June 2001, and he has two children, ages 24 and 22. (GE 1; Tr. 20-22)

From April 2006 to February 2020, Applicant was employed full time by a private company, most recently in the purchasing department. Unhappy with his role in the purchasing department, he quit this employment and remained unemployed until June 2020. From June to November 2020, he was employed as a machinist for a private company, until he was fired for an error on a project. He was unemployed from November to December 2020. From January 2021 to April 2023, he was employed full time as a programmer for a private company. He voluntarily left this employment due to his lengthy commute, and he worked full time as a programmer for a different private company from April to June 2023. From June to November 2023, he returned to his previous employment as a programmer with a private company. He voluntarily left this employment, and he was employed full time as a programmer machinist for a different company from November 2023 to February 2024. Since February 2024, he has been employed full time as an engineer for a federal contractor.

On March 19, 2024, Applicant submitted an Electronic Questionnaire for Investigations Processing (e-QIP). Under Section 26 – Financial Record. This is his first application for access to classified information. (GE 1; AE F; Tr. 22-24, 47), He reported that he had not paid his federal income taxes (FIT) for tax year (TY) 2020, which he estimated at approximately $5,000. He explained that he had taken a 401(k) withdrawal and had experienced some financial issues that prevented him from paying the associated tax liability. He also reported a $1,000 state income tax debt for the same withdrawal. He reported no other financial delinquencies and noted that he planned to contact a tax-relief firm (TRF) to assist him in resolving his tax delinquencies. (GE 1)

On July 9, 2024, Applicant was interviewed by an authorized investigator on behalf of the Office of Personnel Management (OPM). He confirmed that he had been fired in November 2020 for a mistake on a project. He denied any other disciplinary or performance issues at this employment. During the interview, he also explained that he had left his employment in November 2023 without customary notice because he considered it a toxic work environment. (GE 2 at 3-4)

During his OPM interview, Applicant explained that his federal and state income tax debts arose after he took a 401(k) withdrawal in 2020 during a period of unemployment. He was unaware at the time of the tax liability incurred from this withdrawal until about 2022. His wife also experienced some health problems that increased their household medical expenses. He claimed that the state tax authority garnished his wages and resolved the state tax debt; however, he had not made any payments on his federal tax debt for TY 2020. He expressed his intent to contact the Internal Revenue Service (IRS) and establish a payment plan within a month of the OPM interview. (GE 2 at 8)

During his OPM interview, Applicant admitted 16 delinquent consumer accounts and reported that he had not made payments on at least 15 of these accounts since their delinquency. He explained that he had prioritized his wife's health issues and medical expenses. (GE 2 at 9-11)

On November 19, 2024, Applicant engaged a debt-resolution company (DRC) to address 10 debts – including SOR ¶¶ 1.c.-1.h., 1.k., and 1.m. – totaling approximately $10,962. He provided documentation showing enrollment and a payment plan requiring 44 bi-weekly payments of $99.67. There was no evidence of any payments completed. (GE 2 at 45)

In his June 4, 2025, response to DOHA interrogatories, Applicant established a DRC repayment plan, but he provided no evidence of payments. He admitted that he had not made any payments on his delinquent federal taxes at that time. His monthly budget at that time reflected a household income of $6,952 and monthly expenses of $5,504. These expenses did not reflect any debt payments to the DRC. (GE 3)

In his September 3, 2025 response to DOHA interrogatories, Applicant confirmed the accuracy of the summary of his July 9, 2024, OPM interview. He also provided IRS account transcripts for TY 2019 through 2024. For TY 2019, he owed $5,176 in federal income taxes, interest, and penalties as of May 2025. He attached IRS account transcripts showing $3,747 in federal taxes, interest, and penalties owed for TY 2020, as of August 2025. For 2022, he owed approximately $1,748 in taxes, interest, and penalties. For TY 2021, TY 2023, and TY 2024, he has no outstanding federal tax liability. He provided a monthly budget reflecting $6,732 in household income and $4,819 in household expenses, without any debt payments. This budget reflected a monthly net remainder of approximately $2,179. (GE 2 at 23-25, 32-38)

The SOR alleges financial considerations security concerns based upon Applicant's 13 delinquent debts (SOR ¶¶ 1.a.-1.m.), delinquent federal income taxes (SOR ¶¶ 1.n.-1.p.), and failure to timely file his FIT return for TY 2023 and pay the associated taxes (SOR ¶ 1.q.).

SOR ¶ 1.a. This vehicle insurance debt was placed for collection in about September 2024 in the approximate amount of $1,191. At the hearing, Applicant admitted this delinquent account, and he testified that he had contacted the original creditor to obtain the necessary account information to add this debt to his DRC repayment plan. As of the close of the record, there have been no payments on this account nor evidence that it has been included in the DRC plan. (GE 5; Tr. 25-26, 37)

SOR ¶ 1.b. This credit-card account was placed for collection in about September 2021 in the approximate amount of $981. At the hearing, Applicant acknowledged this debt; however, he has been unsuccessful in reaching this creditor to obtain account information. He intends to include this account under his DRC repayment plan. As of the close of the record, there have been no payments on this account nor evidence that it has been included in the DRC plan. (GE 5; GE 6; Tr. 27-28)

SOR ¶ 1.c. This utility bill was placed for collection in about November 2023 in the approximate amount of $963. Applicant provided documentary evidence that this debt has been included under the DRC plan since November 2024 and that the DRC is negotiating a payment plan with the creditor. There is no evidence of any payments on this account since its delinquency. (GE 5; GE 6; AE J; Tr. 28-29, 37-38)

SOR ¶ 1.d. This credit-card account was placed for collection in about September 2021 in the approximate amount of $668. Applicant provided documentary evidence that this account has been included under the DRC plan since November 2024 and that the DRC is negotiating a payment plan with the creditor. There is no evidence of any payments on this account since its delinquency. (GE 5; GE 6; AE J; Tr. 29, 37-38)

SOR ¶ 1.e. This account was charged off in about October 2020 in the approximate amount of $556. Applicant provided documentary evidence that this account was included under the DRC plan since November 2024 and that payments are currently being made to this creditor through the DRC program. There is no evidence as to the number or dollar amounts of payments completed. (GE 5; GE 6; AE J; Tr. 30)

SOR ¶ 1.f. This account was placed for collection in about April 2023 in the approximate amount of $518. Applicant provided documentary evidence that this account was included under the DRC plan in November 2024 and has since been paid off through the DRC program. (GE 5; GE 6; AE J; Tr. 32)

SOR ¶ 1.g. This credit-card account was opened in January 2023, delinquent as of February 2024, and charged off in the approximate amount of $403. Applicant provided documentary evidence that this account was included under the DRC plan in November 2024 and has since been paid off through the DRC program. (GE 5; GE 6; AE J; Tr. 32)

SOR ¶ 1.h. This credit-card account was opened in February 2023, delinquent as of February 2024, and charged off in the approximate amount of $312. Applicant provided documentary evidence that this account was included under the DRC plan in November 2024 and has since been paid off through the DRC program. (GE 5; GE 6; AE J; Tr. 33)

SOR ¶ 1.i. The Government withdrew this allegation at the outset of the hearing. (Tr. 10)

SOR ¶ 1.j. Applicant incurred this debt in about 2013 when he purchased a furnace for his residence. During the July 2024 interview, verified in the response to interrogatories, the charged-off amount was approximately $9,900. He testified that this debt became delinquent prior to his wife's cancer diagnosis in September 2018, and he attributed its delinquency to lower-paying jobs and his wife's inconsistent income. He admitted that he had an outstanding balance on this account at the time of its delinquency. Applicant's credit reports indicate that this account was placed for collection in about April 2019. In response to the interrogatories, and possibly again after issuance of the SOR, Applicant contacted this creditor to obtain account information and to include this debt in the DRC plan. The original creditor does not have any account information, and Applicant has not identified to whom the account was sold. (Answer; GE 5; GE 6; Tr. 37-38, 64-70)

SOR ¶ 1.k. This vehicle loan was opened in September 2021 and charged off in February 2023 in the approximate amount of $5,278. This vehicle was repossessed. Applicant provided documentary evidence that this account was included in the DRC plan in November 2024 and that payments are currently being made to this creditor through the DRC program. (GE 5; GE 6; AE J)

SOR ¶ 1.l. This loan was incurred to purchase an all-terrain vehicle (ATV) in February 2016. This loan was charged off in the approximate amount of $6,051. Applicant testified that this account became delinquent in about 2018. He sold the ATV but did not use the proceeds to pay off the debt. He testified that he has sought an invoice with account information from the creditor so that this debt may also be incorporated into the DRC plan. As of the close of the record, this debt had not been included in the DRC plan. There is no evidence of any payments on this account since its delinquency. (GE 6; Tr. 38, 70-72)

SOR ¶ 1.m. This account was placed for collection in the approximate amount of $807. Applicant provided documentary evidence that this account was included in the DRC plan in November 2024 and that the creditor has been contacted by the DRC. There is no evidence of any payments since the account became delinquent. (Answer; GE 5; AE J)

SOR ¶ 1.n. In 2019, Applicant was approximately four months past due on his mortgage and had received foreclosure notices. He withdrew approximately $40,000 from his 401(k) account to bring his mortgage account current as part of a loan modification, to pay for vehicle repairs, and to remodel their kitchen. He had also experienced financial difficulties due to his wife's cancer treatment, medical expenses, unemployment, and underemployment. As of August 24, 2025, he owed approximately $5,302 in federal taxes, interest, and penalties for TY 2019. Applicant testified that he had visited the IRS website and phoned the IRS to establish a payment plan, but he had been unable to do so. On May 7, 2026, he engaged a TRF to file and amend his tax returns and assist him in establishing a payment plan. On May 11, 2026, his TY 2025 tax refund ($3,460) was applied to reduce his balance to $2,151. As of the close of the record, there is no evidence of payments or a payment plan. (Answer; GE 2 at 32-40; AE H; AE L; Tr. 44, 51-55, 59, 74-76)

SOR ¶¶ 1.o. and 1.p. Applicant testified that he had incorrectly completed his I-9 tax forms for his employments in 2020 and 2022, underwithholding his income taxes and triggering his tax debts. As of August 24, 2025, he owed $3,376 in federal taxes, interest, and penalties for TY 2020 and $1,744 in taxes, interest, and penalties for TY 2022. As discussed above, he engaged a TRF in May 2026; however, as of the close of the record, there is no evidence of payments or a payment plan. (GE 2 at 32-40; AE E; AE L; Tr. 44, 51-55)

SOR ¶ 1.q. Applicant admitted that he failed to timely file his FIT return for TY 2023. Due in April 2024, he filed his FIT return in June 2025. Because he omitted a necessary form and failed to sign his return, the IRS returned his FIT return in late 2025 or early 2026. On June 9, 2026, the TRF electronically filed his FIT return for TY 2023. The tax preparer calculated a tax liability of approximately $2,359, not including interest and penalties. (Answer; AE E; AE L; AE N; AE O; Tr. 44-45, 51-55, 73-74)

Applicant attributed his financial delinquencies to his lower-paying positions and his wife's inconsistent income. He acknowledged that some of his accounts became delinquent prior to his wife's September 2018 cancer diagnosis. She remained out of work until April 2019, and when she returned she only worked part time at first. He could not recall when she returned to full-time employment. By January 2022, she had returned to full-time employment but was once again reduced to part time for an unspecified period while undergoing cancer treatment. She has largely been employed full time since January 2022; however, she experienced furloughs from about January to April 2024 and January to April 2025. During these anticipated furloughs, she received unemployment compensation. Although Applicant secured gainful employment in February 2024, he was reluctant to engage in debt payments until he felt his employment had stabilized. (AE C; AE D; AE I; Tr. 39-50, 73)

Applicant's current monthly budget reflects $7,431 in household income, including $639 contributed by Applicant's children to pay for their cell phones and car insurance, and $5,158 in household expenses. These expenses include $210 monthly to the DRC and a $1,100 monthly payment on a 2025 model year pickup; however, no payments to the IRS are reflected in the budget. The budget calculates a monthly remainder of approximately $2,273. Although Applicant did not provide any documentary evidence of his payments to the DRC, he credibly testified that he has not missed any bi-weekly payments ($100) since November 2024. (AE K; Tr. 21-25, 35-36, 59-60, 80)

Applicant testified that he and his wife have approximately $1,300 total in their bank accounts, and he has approximately $20,000 in a 401(k) account. He has not participated in any credit counseling or financial education classes. He earns approximately $100,000 annually and received a $4,000 merit-based raise in April 2026. (Tr. 24, 27, 43, 56, 63, 72, 78)

After the hearing, the TRF prepared Applicant's federal and state tax returns for TY 2022 and 2023. For TY 2022, the return referenced $8,282 in additional income due to a canceled debt; however, the account was not identified nor the 1099-C cancellation record attached. The tax preparer calculated that Applicant owed $1 in state taxes for TY 2022 and $40 in state taxes for TY 2023. Neither tax debt has been paid. The TY 2023 returns were electronically filed, and the TY 2022 returns were mailed. (AE M-O)

Whole Person

Applicant submitted two character-reference letters. His father-in-law, a retired law enforcement officer, praised Applicant's honesty, dedication, perseverance, stability, and integrity. Applicant's cousin-in-law corroborated the health struggles of Applicant's wife and the family's reliance on Applicant's single income for several years. (AE B)

Policies

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(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 ¶ 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 sensitive 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 sensitive 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 sensitive 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 F: Financial Considerations

> 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;
>
> (c) a history of not meeting financial obligations; and
>
> (f) failure to file or fraudulently filing annual Federal, state, or local income tax returns or failure to pay annual Federal, state, or local income tax as required.

The Government established 12 delinquent accounts (SOR ¶¶ 1.a.-1.h., 1.j.-1.m.), totaling approximately $27,628 (including the $9,900 furnace account), which became delinquent between February 2016 and September 2024. Several of these accounts remain delinquent. AG ¶¶ 19(a) and 19(c) apply.

Applicant failed to timely file his TY 2023 returns (SOR ¶ 1.q.), and he owes delinquent taxes, interest, and penalties for TY 2019, 2020, 2022, and 2023 (SOR ¶¶ 1.n.-1.q.). AG ¶ 19(f) applies.

Conditions that could mitigate financial considerations security concerns are provided under AG ¶ 20. The following are potentially applicable in this case:

(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

(g) the individual has made arrangements with the appropriate tax authority or pay the amount owed and is in compliance with those arrangements.

Applicant bears the burdens of production and persuasion in mitigation. An applicant is not held to a standard of perfection in his debt-resolution efforts or required to be debt-free. "Rather, all that is required is than an applicant act responsibly given his circumstances and develop a reasonable plan for repayment, accompanied by 'concomitant conduct,' that is, actions which evidence a serious intent to effectuate the plan." ISCR Case No. 15-02903 at 3 (App. Bd. Mar. 9, 2017). *See, e.g.*, ISCR Case No. 13-00987 at 3, n.5 (App. Bd. Aug. 14, 2014).

AG ¶ 20(a) does not apply given the ongoing delinquent debts and tax debts. He filed his TY 2023 FIT return after the hearing.

Applicant credibly testified that his financial delinquencies were attributable to several factors, including his lower-paying jobs and his wife's inconsistent employment, medical expenses, unemployment, and underemployment. The evaluation of the second prong of AG ¶ 20(b) is distinct for the debts enrolled under the DRC program, the unenrolled accounts, and the tax debts. For the eight enrolled accounts (SOR ¶¶ 1.c., 1.d., 1.e., 1.f. 1.g. 1.h., 1.k., and 1.m.), Applicant has been working with the DRC program since November 2024, has paid five accounts, and is paying two additional accounts. AG ¶¶ 20(b) and 20(d) apply to the eight accounts enrolled in the DRC program.

As to the four unenrolled accounts (SOR ¶¶ 1.a., 1.b., 1.j., and 1.l.), at hearing, Applicant admitted incurring all four debts and has made some recent attempts to obtain account information and include these debts in the DRC repayment plan. Applicant acknowledged the furnace account (SOR ¶ 1.j.) and the ATV account (SOR ¶ 1.l.) during his July 2024 interview; however, there is no indication that he attempted to contact either creditor until after he received the June 2025 interrogatories. SOR ¶ 1.a. became delinquent after the OPM interview. Applicant has not demonstrated that he acted responsibly in addressing these delinquent debts given his delay and inaction while gainfully employed for several months and after having admitted these debts during his OPM interview. AG ¶¶ 20(b) and 20(d) do not apply to these four accounts.

Regarding the failure to timely file a federal income tax return, the DOHA Appeal Board has commented:

> Failure to file tax returns suggests that an applicant has a problem with complying with well-established governmental rules and systems. Voluntary compliance with such rules and systems is essential for protecting classified information. ISCR Case No. 01-05340 at 3 (App. Bd. Dec. 20, 2002). As we have noted in the past, a clearance adjudication is not directed at collecting debts. *See, e.g.*, ISCR Case No. 07-08049 at 5 (App. Bd. Jul. 22, 2008). By the same token, neither is it directed toward *inducing an applicant to file tax returns. Rather, it is a proceeding aimed at* evaluating an applicant's judgment and reliability. *Id*. A person who fails repeatedly to fulfill his or her legal obligations does not demonstrate the high degree of good judgment and reliability required of those granted access to classified information. *See, e.g.*, ISCR Case No. 14-01894 at 5 (App. Bd. Aug. 18, 2015). *See Cafeteria & Restaurant Workers Union Local 473 v. McElroy,* 284 F.2d 173, 183 (D.C. Cir. 1960), *aff'd*, 367 U.S. 886 (1961).

ISCR Case No. 14-04437 at 3 (App. Bd. Apr. 15, 2016) (emphasis in original). The timing of Applicant's debt-resolution efforts is relevant and material to the evaluation of his evidence in mitigation. *See, e.g.*, ADP Case No. 16-03595 at 4 (App. Bd. Aug. 27, 2018) (timing of debt-resolution efforts is relevant in evaluating the sufficiency of case in mitigation).

Applicant's tax debts have lingered since April 2020, when his TY 2019 tax debt was due. His tax liability, interest, and penalties have increased with his taxes owed for TY 2020, 2022, and 2023. His obligation to file his TY 2023 FIT return is distinct from his obligation to pay his tax liability. Notwithstanding the SOR allegations, he did not file his TY 2023 FIT return until June 9, 2026. He has not made any payments on his delinquent taxes, totaling over $9,600, or established an IRS installment plan. Applicant and his family experienced adversity with lower-paying jobs and his wife's illness; however, he has maintained gainful employment for over two years, and his wife has not required treatment in over four years. While Applicant has very recently taken steps to engage the TRF to assist him in addressing and resolving his tax issues, his delay and inaction undermine his evidence in mitigation. He did not establish AG ¶¶ 20(b) or 20(g) as to SOR ¶¶ 1.n. through 1.q. *See* ISCR Case No. 24-02104 at 2 (App. Bd. Jan. 26, 2026) ("The Judge's decision to afford some mitigative credit to the September 2025 IRS payment did not require him to find Applicant's federal tax filing concern fully mitigated, and his conclusion that, 'considering the evidence "as a whole," Applicant's failures regarding his [federal income taxes] are not mitigated' is well-rooted in Appeal Board precedent.").

Applicant has made significant progress in addressing and resolving several of his consumer debts; however, he has not acted responsibly regarding his tax-filing and tax-paying obligations. He did not mitigate the financial considerations security concerns.

Whole-Person Concept

Under the whole-person concept, the administrative judge must evaluate an applicant's eligibility for access to classified information 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 Guideline F, and the factors in AG ¶ 2(d) in this whole-person analysis.

Applicant's father-in-law and cousin-in-law praised his honesty, dedication, perseverance, and integrity, and they corroborated his testimony about his family's adversity during his wife's cancer treatment. I found Applicant's testimony both credible and sincere; however, he has not demonstrated the requisite financial responsibility and good judgment as to his tax-filing and tax-paying obligations. He has recently engaged professional assistance to address and resolve his outstanding tax debt, but he has not demonstrated a track record of adhering to his tax obligations. He did not mitigate the financial considerations security concerns. Eligibility for access to classified information is denied.

This decision should not be construed as a determination that Applicant cannot obtain a security clearance in the future. With sustained efforts to address and resolve his delinquent debts and taxes, Applicant may overcome the aforementioned 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.-1.b.:	Against Applicant
Subparagraphs 1.c.-1.h.:	For Applicant
Subparagraph 1.i.:	Withdrawn
Subparagraph 1.j.:	Against Applicant
Subparagraph 1.k.:	For Applicant
Subparagraph 1.l.:	Against Applicant
Subparagraph 1.m.:	For Applicant
Subparagraphs 1.n.-1.q.:	Against Applicant

Conclusion

In light of all of the circumstances presented by the record in this case, I conclude that it is not clearly consistent with the national interest to grant Applicant's eligibility for access to classified information.

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Eric H. Borgstrom
Administrative Judge