DEFENSE LEGAL SERVICES AGENCY
DEFENSE OFFICE OF HEARINGS AND APPEALS

In the matter of:	)	
	)	
.	)	ISCR Case No. 26-00075
	)	
Applicant for Security Clearance	)	

Appearances

For Government: Karen A. Moreno-Sayles , Esq., Department Counsel
For Applicant: *Pro se*

08/04/2026

Decision

HALE, Charles C., Administrative Judge:

This case involves security concerns raised under Guideline F (Financial Considerations). Eligibility for access to classified information is denied.

Statement of the Case

Applicant submitted a security clearance application on January 9, 2025. On March 10, 2026, the Defense Consolidated Adjudication Facility (DCSA) sent her a Statement of Reasons (SOR) alleging security concerns under Guideline F. The DoD acted under Executive Order (Exec. Or.) 10865, *Safeguarding Classified Information within Industry* (February 20, 1960), as amended; Department of Defense 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.

Applicant answered the SOR on December 26, 2024, and requested a hearing before an administrative judge. Department Counsel was ready to proceed on April 6, 2026, and the case was assigned to me on June 2, 2026. On June 3, 2026, the Defense Office of Hearings and Appeals (DOHA) notified Applicant that the hearing was scheduled for July 1, 2021. I convened the hearing as scheduled. Government Exhibits (GE) 1 through 6 were admitted in evidence without objection. Applicant submitted Applicant's Exhibits (AE) A through J at the hearing, which were admitted without objection.

I kept the record open to enable Applicant to submit additional documentary evidence. She timely submitted seven exhibits, which were marked AE K through Q and admitted without objection. DOHA received the transcript (Tr.) on July 16, 2026. The record closed on July 31, 2026.

Findings of Fact

Applicant in her Answer admitted SOR ¶¶ 1.a-1.n, debts totaling over $92,000, with an explanation for each debt. She denied SOR ¶ 1.o on the basis she never had an account with the utility company alleged.

Applicant is 35 years old. She has earned two associate degrees in 2010 and 2014 respectively and holds a bachelor's degree earned in 2015. She served honorably in Army National Guard from March 2017 to August 2021. She was hired by her sponsor in October 2024, as a validator, earning about $134,000 annually. She has held an interim clearance since January of 2025. She married in 2017 and has been separated since 2020. She has two children ages 8 and 15. She does not receive child support. She has owned her own home since 2023. (GE 1; Tr. 16-17, 31-33, 58-59, 66-67; AE A-pdf 8-10.)

Prior to Applicant joining her sponsor she worked for as a validator for another contractor from May 2022 to September 2024. Durning this period she purchased her home. She put a $7,000 downpayment. She was able to make the downpayment by saving money from her paychecks. The purchase price for the house was $385,000. Her annual salary at the time was $125,000. Prior to this employment period she worked for another company from August 2021 to January 2022 where she earned about $120,000 annually. (GE 1; Tr. 18-20, 58-59.) Although not alleged, the January 2026 credit report shows her three months past due on her mortgage. She offered a May 22, 2026 letter from a mortgage company stating she was eligible for a Federal Housing Administration Permanent Home Retention Option. This Trial Payment Plan (TPP) allows her to demonstrate she can make the projected monthly payment associated with her Permanent Option before final documents are prepared and completed. She was not required to sign or return the TPP Agreement. Her first payment, in an amount equal to or greater than the amount required under the TPP, would serve as her acceptance of the offer. The trial payment amount was $2,915.84, due on July 1, 2026. (GE 6 at 5; AE H.)

Applicant explained why her periods employments were sporadic and short prior to becoming a validator. After graduating college, she did not go straight into the job market. She went overseas to play basketball. When she finally got into the work force, she was not comfortable in the roles in the IT positions and felt some of the positions were not paying enough. She also was trying to find a position with a better commute. At one point she was working a job with a 90-minute commute one way. She agreed that when she found the validator position in August 2021, she had found a role and place where she was comfortable. A friend of over 20 years described her as honest, dependable, and thoughtful. Her friend noted that Applicant does not act impulsively and that she approaches difficult situations with good judgment. (Tr. 20; AE L.)

SOR ¶ 1.a: You are indebted to [creditor] on an account that has been charged off in the approximate amount of $26,725. As of the date of this Statement of Reasons, the account remains delinquent. In her Answer, Applicant admitted the debt and stated she had a payment plan. She told the investigator at her security clearance interview the vehicle had been stolen. She filed a report with the police department and was waiting to learn what her insurance company was going to do. The January 2025 credit report listed the debt as a charge off and noted she was making payments and listed the account as open, but the January 2026 credit report listed the account as closed. She testified that she could not recall the exact date the vehicle was stolen. She called and asked them if she could "hold off on the payments … maybe a couple of months until it's found." She said the creditor stated they could not do that because she did not have the car, she stopped payments. The January 2025 credit report listed the debt as a charge off. She said she was making payments of $148 a month with a first payment of July 10, 2026. (Answer; Tr. 27-31; GE 2 at 13; GE 5 at 2; GE 6 at 2; AE A.) She testified.

> I knew I was going to pay it back, but in my mind, I felt like I don't have this car, this is a high payment. I'm hoping they can pause it for a second. So then, when they did end up finding it, it was about seven months later. And then I was backed up on payments. I did end up paying that first month when it got stolen. And then it was backed up on payments. And when they did find it, they basically gave me some time to get the money. And I'm like, I don't have this. (Tr. 28.)

Applicant stated the car went to auction and it sold for $3,000, which went to the balance. She offered AE C to show the account was current. AE C is an August 21, 2024 statement. The statement showed she had a current payment due of $845 (current payment of $685 + late fees of $160) It also showed she had made a $4,822 payment on August 28, 2024. (Answer; Tr. 28-29; GE 2 at 13.) The most recent credit report from January 2026 shows the debt in collection with a $26,725 balance. The narrative section states, "dispute resolved reported by grantor." (GE 6 at 2.) This debt is unresolved.

SOR ¶ 1.b: You are indebted to [car dealer] on an account that has been charged off in the approximate amount of $25,295. As of the date of this Statement of Reasons, the account remains delinquent. In her Answer, Applicant admitted the debt and stated she had a payment plan. The most recent credit report from January 2026 shows the debt in collection with a $25,295 balance. The narrative states, profit and loss write-off. She confirmed this was a charge-off for a $30,000 car she bought for a friend who could not qualify for credit. It became delinquent because her friend stopped making payments. Applicant recalled making one payment of $5,000, which is why it was a $25,000 balance. She entered into a settlement agreement in March 2026. (GE 2 at 22; GE 6 at 2; Tr. 32-35; AE E.) This debt is unresolved.

SOR ¶ 1.c: You are indebted to [a creditor] for an account placed for collection by [a landlord] in the approximate amount of $16,462. As of the date of this Statement of Reasons, the account remains delinquent. In her Answer, Applicant admitted the debt and stated she had signed a one-year lease for a friend to get an apartment, and the friend had stopped paying the lease. This was the same friend whom she had helped purchase the vehicle (SOR ¶ 1.c). Her friend stopped making the rent payments a few months before the person moved out. Applicant testified she had spoken to the creditor two or three weeks prior to the hearing about a payment plan. She explained she could not submit the payment plan as an exhibit because it had not been sent to her by email. The most recent credit report from January 2026 shows the debt as in collection, with a $16,462 balance. The narrative states, placed for collection. Her post hearing submission shows the balance as $16,462 as of July 21, 2026. (Tr. 36-39; GE 6 at 3; AE M.) This debt is unresolved.

SOR ¶ 1.d: You are indebted to [creditor] on an account that has been charged off in the approximate amount of $16,035. As of the date of this Statement of Reasons, the account remains delinquent. In her Answer, Applicant admitted the debt. Applicant testified she has paid $21,000 towards the car already. The most recent credit report from January 2026 shows the debt as in collection with a $9,779 balance. The engine went out on the car, and it had been in the mechanic's shop for almost two years. She had stopped making payments because she was not using the vehicle. When the mechanic brought it in for dealer reprograming the vehicle was recovered by the creditor and auctioned off at the same time as the SOR ¶ 1.a vehicle. The narrative section states, dispute resolved reported by grantor. (Tr. 39-41, 64; GE 6 at 2.) She testified the status of the charged off balance was:

> I submitted that charge payment plan. They said they'll forgive about $7,000. I think the balance was, like, $9,000. They said they'll forgive $7,000 and some change, and I'll owe $1,900. I'm not sure the exact numbers, but I did submit in one of the documents the payment plan as well. And then I have to pay $48, or $49 a month for thirty-six months. (Tr. 41; AE I.)

This debt is being resolved.

SOR ¶ 1.e: You are indebted to [cell phone carrier] for an account placed for collection in the approximate amount of $1,537.00. As of the date of this Statement of Reasons, the account remains delinquent. In her Answer, Applicant admitted the debt and stated she had switched her cell phone company and was told that the balance was satisfied. In response to Government interrogatories, she submitted a document showing that she disputed the charge in February of 2026. (GE 2 at 25.) The most recent credit report from January 2026 shows the debt as in collection with a $1,537 balance. The narrative states, placed for collection. The date assigned date is June 2020 and the credit report lists a last activity date as March 2024. In her prehearing submission she stated she had filed a police report and reiterated she did not own or have any information on this account. She told the investigator she disagreed and had disputed these charges months ago. (GE 2 at 13; GE 6 at 3; AE J.)

There is a second debt from same creditor on Applicant's January 2026 credit report in the amount of $137. The 2026 credit report states the account information was disputed by consumer, with a date assigned date of June 2020 and a last activity date of November 2022 and her January 2025 credit report which states "payment after charge off/collection" for the same amount. (GE 5 at 2; GE 6 at 4.)

Applicant addressed her multiple explanations for this debt stating:

> So, it was my account, but I didn't want to get it confused with -- it was an additional Verizon account that wasn't mine, on my credit. That was the one submitted with the police report. So, this one was the account that I had before I moved to T-Mobile. And I only submitted a credit report because they told me that they would forgive the balance. So, I wasn't sure why I had a balance on there. (Tr. 42.)

Applicant stated she had called the carrier recently and was informed she needed to contact another, "team of [the carrier], and she had not got in contact with anybody. She believes she does not owe the amount, so she had not made a payment arrangement. (Tr. 43.) This debt is unresolved.

SOR ¶ 1.f: You are indebted to [creditor] for an account placed for collection by [another creditor] in the approximate amount of $498. As of the date of this Statement of Reasons, the account remains delinquent. In her Answer, Applicant admitted the debt and stated she had a payment plan. The credit report from January 2026 shows the debt as in collection with a $498 balance. The narrative states, placed for collection. She testified that she thought that it was in a payment plan for $49 a month. (Tr. 44-46; GE 5 at 3.) This debt is unresolved.

SOR ¶ 1.g: You are indebted to [debt collector] for an account placed for collection by [a bank] in the approximate amount of $485. As of the date of this Statement of Reasons, the account remains delinquent. In her Answer, Applicant admitted the debt and stated she had a payment plan. The most recent credit report from January 2026 shows the debt as in collection with a $485 balance. The narrative states, placed for collection. She offered an exhibit that showed a current balance of $331 and a current payment plan as of February 2026, of $77 a month. (Tr. 46-47; AE G; GE 6 at 3.) The debt is being resolved.

SOR ¶ 1.h: You are indebted to [credit card company] for an account that has been charged off in the approximate amount of $484. As of the date of this Statement of Reasons, the account remains delinquent. In her Answer, Applicant admitted the debt and stated she had a payment plan. The most recent credit report from January 2026 shows the debt as in collection with a $485 balance. The narrative states, account closed by credit grantor. She testified she had made a payment for $189 and had now paid it off. (GE 2 at 29; AE B; Tr. 47-48; GE 6 at 3-4.) The debt is resolved.

SOR ¶ 1.i: You are indebted to [creditor] for an account placed for collection by [an insurance company] in the approximate amount of $414. As of the date of this Statement of Reasons, the account remains delinquent. In her Answer, Applicant admitted this was accurate and that she had a payment plan. The most recent credit report from January 2026 shows the debt as in collection with a $414 balance. The narrative states, placed for collection. She testified this was a debt with her husband, and he started making payments. She believed it should be paid off because they had to pay it off to get new insurance. She said she would have to send the updated payment saying that it was paid off. Her post hearing submission shows the balance as $414 as of July 14, 2026. (Tr. 48; GE 6 at 4; AE M.) This debt is unresolved.

SOR ¶ 1.j: You are indebted to [creditor] for an account that has been charged off in the approximate amount of $176. As of the date of this Statement of Reasons, the account remains delinquent. In her Answer, Applicant admitted the debt and stated she had a payment plan. She testified she had paid the debt already, stating "all of the little transactions, like anything under $300, I paid it … That was my credit card." The most recent credit report from January 2026 shows the debt as in collection with a $176 balance. The narrative states, account closed by credit grantor. (Tr. 48-49; GE 6 at 4.) There is insufficient evidence that this debt is being resolved.

SOR ¶ 1.k: You are indebted to [bank] on an account that has been charged off in the approximate amount of $138. As of the date of this Statement of Reasons, the account remains delinquent. In her Answer, Applicant admitted the debt and stated she had paid the balance. She testified she had paid the debt already. She explained she did not submit what she had paid because she did not know she needed proof of payment plans. The most recent credit report from January 2026 shows the debt as in collection with a $138 balance. The narrative states, profit and loss write-off. (Tr. 49-50; GE 6 at 4.) There is insufficient evidence that this debt is being resolved.

SOR ¶ 1.l: You are indebted to [credit card company] on an account that is past due in the approximate amount of $233, with a total balance of $1,213. As of the date of this Statement of Reasons, the account remains delinquent. In her Answer, Applicant admitted the debt and stated she had a payment plan. The 2024 credit report show no issues with the account and the 2025 credit report says, "paid/paying as agreed." She testified it was for a credit card that she had stopped making payments on and the interest alone had taken the debt to $1,200 before it was closed and turned over to collections. She could not recall why she stopped making the payments. Her post hearing submission shows the balance as $1,323 as of July 7, 2026. (Tr. 50-51, 63 ; GE 4 at 11; GE 5 at 2; AE M.) The debt is unresolved.

SOR ¶ 1.m: You are indebted to [a utility company] for an account placed for collection by [the utility company] in the approximate amount of $1,200. As of the date of this Statement of Reasons, the account remains delinquent. In her Answer, Applicant admitted the debt, which was part of the apartment that she helped her friend get, and that it was on a payment plan. She wrote letter to the credit reporting companies stating she disputed the debt. (GE 2 at 27.) In her interview, Applicant told the investigator she had never lived at the address in question, and that she disputed the charge. In her testimony she confirmed she was actively disputing this account because she had never lived there. (Tr. 51-52.) This debt is unresolved and in dispute.

SOR ¶ 1.n: You are indebted to [creditor] for an account placed for collection by [cell phone carrier] in the approximate amount of $726. As of the date of this Statement of Reasons, the account remains delinquent. In her Answer, Applicant admitted the debt and stated had a payment plan. She told the investigator she agrees with charges and had made a payment. She testified cell phone carrier did not have any information to give her to make a payment plan. She wrote letter to the credit reporting companies stating she disputed the debt. She acknowledged her efforts as this point to resolve the debt had become stale because the creditor had nothing to provide her. (Tr. 52-53; GE 2 at 13, 28.) This debt is unresolved and in dispute.

SOR ¶ 1.o: You are indebted to [utility provider] for an account placed for collection by a [utility company] in the approximate amount of $697. As of the date of this Statement of Reasons, the account remains delinquent. In her Answer, Applicant denied the debt, on the basis she never had this an account with this utility. The most recent credit report from January 2026 shows the debt as in collection with a $1,537 balance. The narrative states, placed for collection. She told the investigator she used a different utility company. In her prehearing submission she stated she had filed a police report. She testified that she had called the utility the other day and did the police report because it was for utilities in an apartment that she had never lived in. (Tr. 50-52; GE 2 at 26; GE 6 at 3; AE J.) This debt is unresolved and in dispute.

Applicant offered documents related to other payments for debts that were not delinquent or had been resolved. In response to Government interrogatories, she provided evidence of her $513 car payment, which was for a used car. She provided evidence she was able to refinance her mortgage. (Tr. 53-54, 59, 60-61; GE 2 at 21; AE H.)

Applicant in her interview disclosed she did go to the casinos in response to questions about large transactions. She testified that she did not go that often. She has taken her grandmother but usually goes alone. In 2026 she said she had been to casinos “about twice” to date. She stated she did not have money to go to the casino. She won the lottery, over $60,000, on a $25 bet, which she paid over $16,000 in Federal taxes on. She estimated from playing blackjack she won about $12,500. She typically goes to the casino by herself. (GE 2; AE K; Tr. 22-24, 69-70.)

Applicant has also taken a number of vacations to Mexico and Central America. She went in 2019, 2022, 2023, and in 2024. She explained she usually takes a trip for her birthday. Over the new year, December 30, 2025, to January 3, 2026, went to Mexico. She also did a trip in February 2026 to Iceland and for Juneteenth, she traveled again to Mexico. Her mom helps her out sometimes with the cost “but most of the time” she pays for the trips or “I'll save money to pay for them.” Trips range in cost from $1,000 to $2,000.

She does not use credit and pays for them from her checking account. (GE 2; Tr. 24-36, 69.)

Policies

"[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 (4^{th} 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 security concern relating to the guideline 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. Affluence that cannot be explained by known sources of income is also a security concern insofar as it may result from criminal activity, including espionage.

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. *See* ISCR Case No. 11-05365 at 3 (App. Bd. May 1, 2012)

Applicant's admissions and the documentary evidence 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 under AG ¶ 20 are relevant:

> (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.

A security clearance adjudication is not a debt-collection procedure. It is a procedure designed to evaluate an applicant's judgment, reliability, and trustworthiness. Applicants are not required to be debt-free to qualify for a security clearance. All that is required is that an applicant act responsibly given his or her circumstances and develop a reasonable plan for repayment, accompanied by actions which evidence a serious intent to effectuate the plan. There is no requirement that an applicant make payments on all delinquent debts simultaneously, nor is there a requirement that the debts alleged in the SOR be paid first. *See* ISCR Case No. 23-01434 at 2-3 (App. Bd. May 7, 2024).

AG ¶¶ 20(a), 20(b), and 20(d) are not fully applicable. Applicant's credit history reflects a range of behavior. Her employment since becoming a validator has generally been continuous and at a good salary. Her decision to enter into a rental lease and purchase a car with a friend are not circumstances beyond her control. Her behavior is recent and did not occur under such circumstances that it is unlikely to recur, which cast doubt on her current reliability, trustworthiness, and good judgment. Her testimony about underemployment before becoming a validator is some evidence of circumstances beyond her control. However, she failed to establish that she acted responsibly under the circumstances given her frequent travel and gambling, as well as the timing of her actions. Her recent remedial actions in 2025 and 2026 were reactive to her security clearance investigation. She acknowledged her contacts with creditors were recent. Only the first prong of AG ¶ 20(b) applies.

In ISCR Case No. 24-01994 at 2 (App. Bd. Aug. 12, 2025), the Appeal Board stated:

> It is well-settled that the timing of debt resolution efforts is an important factor in evaluating mitigation “because an applicant who begins to resolve financial problems only after being placed on notice that his clearance was in jeopardy may lack the judgment and self-discipline to follow rules and regulations over time or when there is no immediate threat to his own interests.” ISCR Case No. 15-06440 at 4 (App. Bd. Dec. 26, 2017). Moreover, until an applicant has a “meaningful financial track record,” it cannot be said “that he has initiated a good-faith effort to repay overdue creditors or otherwise resolve debts.” ISCR Case No. 01-21386 at 2 (App. Bd. Jun. 11, 2003).

Applicant’s repayment efforts and disputes were generally initiated after she completed her SCA, and the evidence reflects that she began to address them after the security clearance investigation process had begun. Given the recency of her agreements there is insufficient evidence that she is adhering to a good-faith effort to repay overdue creditors or otherwise resolve or otherwise resolve debts. Applicants who begin to address their security-significant conduct only when their personal interests are at stake may be lacking in judgment and reliability. ISCR Case No. 16-01211 (App. Bd. May 30, 2018). Even if an applicant has paid his or her debts, an administrative judge may still consider the circumstances underlying the debts for what they may reveal about the applicant’s eligibility for a clearance. ISCR Case No. 14-02394 (App. Bd. Aug. 17, 2015.) AG ¶ 20(d) does not apply.

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 considered favorably her proactive steps to insure her mortgage was being addressed. The qualities highlighted by the character letter she submitted. After weighing the disqualifying and mitigating conditions under Guideline F and evaluating all the evidence in the context of the whole person, and mindful of my obligation to resolve close cases in favor of national security, I conclude Applicant has not mitigated all of the security concerns based on financial considerations.

This decision should not be construed as a determination that Applicant cannot or will not attain the state of true reform and rehabilitation necessary to be eligible for a security clearance. The determination of an individual's eligibility and suitability for a security clearance is not a once in a lifetime occurrence, but is based on applying the factors, both disqualifying and mitigating, to the evidence presented. Under her current circumstances, a clearance is not warranted. In the future, she may well demonstrate persuasive evidence of his security worthiness.

Formal Findings

I make the following formal findings on the allegations in the SOR:

Paragraph 1, Guideline F:	AGAINST APPLICANT
Subparagraphs 1.a-1.c, 1.e-1.f, 1.i-1.l, 1.n:	Against Applicant
Subparagraphs 1.d, 1.g, 1.h, 1.m, 1.o:	For Applicant

Conclusion

I conclude that it is not clearly consistent with the national interest to grant Applicant eligibility for access to classified information. Clearance is denied.

Charles C. Hale
Administrative Judge