



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



In the matter of:)	
)	
)	ISCR Case No. 14-00876
)	
Applicant for Security Clearance)	

Appearances

For Government: Philip J. Katauskas, Esq., Department Counsel
For Applicant: Nicole A. Smith, Esq.

11/14/2014

Decision

O'BRIEN, Rita C., Administrative Judge:

Based on a review of the pleadings, exhibits, and testimony, I conclude that Applicant has not mitigated the security concerns raised under the guidelines for financial considerations and personal conduct. His request for a security clearance is denied.

Statement of the Case

On April 24, 2014, the Department of Defense (DOD) issued to Applicant a Statement of Reasons (SOR) that detailed security concerns under Guidelines F (financial considerations) and E (personal conduct). This action was taken under Executive Order 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; and the Adjudicative Guidelines (AG) implemented by the Department of Defense on September 1, 2006.

In his Answer to the SOR, Applicant admitted to 15 of the 19 debts alleged in the SOR under Guideline F. Under Guideline E, he denied the allegations of falsification. On August 13, 2014, the Defense Office of Hearings and Appeals (DOHA) issued a Notice of Hearing setting the hearing date for September 10, 2014. Department Counsel forwarded the proposed Government exhibits in advance to Applicant; her cover letter is

marked HE II. At the hearing, I marked Department Counsel's exhibit list as Hearing Exhibit (HE) I. I admitted eight Government exhibits into evidence (GE 1-8). Applicant testified and presented 15 exhibits, admitted into evidence as Applicant Exhibits (AE) A-O. His exhibit list was marked HE III. I held the record open to allow Applicant to submit additional documentation. He timely submitted five documents, admitted as AE P-T. DOHA received the transcript of the hearing (Tr.) on September 25, 2014.

Findings of Fact

Applicant's admissions are incorporated as findings of fact. After a thorough review of the pleadings and the record evidence, I make the following findings of fact.

Applicant is 46-year-old high school graduate. He married in 1994 and divorced in 2009. He does not have children. After completing high school in the 1990s, he took several college courses including English, sociology, security, and military science; he did not earn a college degree. Applicant testified that he has held a top secret security clearance since 1997. Since 2010, he has worked as a guard, providing access control for his current employer, a defense contractor. His company provides security for embassies around the world. (GE 1; Tr. 24-31)

Applicant worked in country A from mid-2010 to 2011, and in country B from mid-2011 to about March 2013. He completed his December 2012 security clearance application while working in country B. Section 11 of the application asked for his residences for the previous 10 years. He listed several U.S. addresses for the period 1996 through 2012. Applicant lived with his brother and his brother's girlfriend intermittently, and listed his brother's U.S. address as his residence from 2009 through 2012. He did not list his addresses in country A or country B. While living in country A, Applicant was unaware that his brother moved. He does not know if he received mail at his brother's residence after his brother moved. Applicant did not have his U.S. mail forwarded to either of his foreign residences. He testified that he did not keep track of his creditors while he was living and working abroad, and some of his mail was lost during that period. He testified he "lost contact" with creditors before he went to country A, and he was unaware he had any delinquent debts until he received the SOR. (GE 1; AE N; Tr. 28-29, 31-32, 43, 112, 117-136, 140)

GUIDELINE F

In July 1996, Applicant was 28 years old. He testified he had health problems that interfered with holding a steady job. He sometimes worked half time rather than full time. He could not afford to pay his bills and fell behind. He filed a Chapter 7 bankruptcy petition, primarily involving credit cards and charge accounts. It was successfully discharged the same year. In 2003, he filed a Chapter 13 bankruptcy petition on his mother's advice. He testified that she opened credit card accounts in his name without his knowledge. Applicant retained an attorney. However, the attorney did not explain the process. Applicant testified, "I just went to a law firm and paid a fee, and they went

through some numbers and went to court.” It was dismissed in October 2013. Applicant does not remember the creditors who were included in the petition. He testified he made payments under the plan, but it was dismissed because the creditors did not respond as required. (GE 4, 5; Tr. 33-40, 115-116)

Several of Applicant's accounts became delinquent in 2008 (allegations 1.c, 1.d, 1.e, 1.j, 1.p). Family problems at the time affected his ability to pay. He was helping his brother get established, and several family funerals occurred. He testified he was also irresponsible about spending and spent more than he had, without thinking about the consequences. His family was not careful about money, and he did not learn to handle it responsibly. He testified he now realizes he must focus on and repair his finances. In a written statement, he noted, “[I] have really learned from my mistakes and strive to continue to improve my financial health.” (AE N; Tr. 42, 98-100)

In about September 2013, six months after he returned from overseas, Applicant contacted a credit repair company. It assisted him by researching the validity of debts on his credit report, and contacting the creditors to validate the debts. A September 2014 letter from the company, which listed accounts that it questioned. It noted that the following SOR debts were deleted from his credit report because the creditor did not “[r]espond or provide sufficient validation or documentation to the bureaus”: 1.c, 1.d, 1.e, 1.h, 1.i, 1.j, 1.k, 1.l, 1.m, 1.n, and 1.s.¹ Applicant did not provide confirmation from the credit agencies that they have been removed. They appear in his credit reports of January 2013 and February 2014. The following debts the company stated were deleted appear in the partial credit report Applicant submitted, dated August 26, 2014: SOR allegations 1c, 1.d, 1.e, and 1.r. (GE 2, 3; AE L, M; Tr. 75-76, 140)

Applicant's August 22, 2014 pay statement and his bank account statement show net pay for that two-week pay period of \$2,246, or approximately \$4,500 net per month. That monthly amount includes overtime pay of \$1,550. Without overtime, his base pay is \$1,360 per pay period, or approximately \$2,720 monthly. He estimates his average monthly income, with overtime, is \$4,200. His monthly expenses include payments on the debts listed at SOR allegations 1.c, 1.d, 1.e, 1.k, 1.l, 1.o, 1.s, 1.t, and 1.u. His expenses and debt payments total \$2,890. With an average monthly income of \$4,200, his monthly net remainder (MNR) would be approximately \$1,310. Applicant testified he would have no problem meeting his monthly payment plans. However, in any month when he does not receive overtime pay, his monthly net income of \$2,720 would result in a negative MNR. The documents he provided do not include information about assets such as savings or retirement accounts. (AE S, T; Tr. 139)

The SOR alleges delinquencies totaling \$50,488. Applicant submitted a credit report dated August 26, 2014, which shows some of his debts. However, the submission was incomplete, containing 7 of 24 pages. It listed his credit score as 519,

¹ Three other debts are listed in the company's letter, but it is unclear if they refer to debts listed in the SOR. (AE L)

described as the “lowest 5% of population.” It also noted “You have been late with your payments on 100% of your accounts.” (GE 2, 3; AE M)

Applicant has paid the following debts.

1.f, state tax lien, \$8,711. The lien covered unpaid income taxes for tax years 2004, 2005, 2007, and 2009.² The state issued a Memorandum of Lien in March 2011, and garnished Applicant’s pay. He provided a memorandum from the state department of taxation, dated July 31, 2014, showing that the debt is paid and the lien has been released. It did not indicate the date it was released. (AE C, M; Tr. 57-60)

1.g, medical debt, \$221. Applicant was unaware this debt was outstanding. It became delinquent in 2010. In August 2014, he contacted the creditor, and paid the debt. He provided supporting documentation from the creditor. (GE 2; AE D; Tr. 60-62)

1.n, insurance policy, \$38. Applicant denied owing this debt related to an insurance policy. His 2014 credit report shows it became delinquent in 2007. He testified he was unaware of the debt when he completed his security clearance application. He contacted the company a few weeks before the hearing, and the balance was \$65. He paid it online on September 5, 2014, using a credit card. (GE 2; AE F; Tr. 77-79)

Applicant has established payment plans for the following debts.

1.c, judgment, \$12,391. Applicant testified that in 2008, he did not manage his money well, and bought goods without considering if he could afford them. He could not afford his car payments. The lender repossessed the car, and prevailed in a suit against Applicant in 2008. On September 4, 2014, Applicant set up a payment plan of \$250 per month. The first payment was due on September 22, 2014, with the funds to be withdrawn automatically from his bank account. The lender’s letter confirming the payment plan shows a balance of \$4,677. Applicant’s credit repair company was trying to resolve the discrepancy in the balances. (GE 2, 8; AE A, M; Tr. 40-46)

1.d, judgment, \$3,800; 1.e, judgment, \$15,000. The two judgments relate to the same debt on a property Applicant rented in 2008. His ability to afford it depended on his income from two jobs, but soon after renting it, he became delinquent because one of the jobs fell through. In December 2008, the landlord sued and prevailed against Applicant. As of September 2014, he signed a promissory note agreeing to pay \$500 each month to repay both debts, starting September 22, 2014.³ The landlord calculates the total balance, with interest, is \$27,173.35. (GE 2, 6, 7; AE B, M, P, Q; Tr. 46-57)

² The record does not indicate if Applicant filed the state tax returns for the years in question.

³ Applicant provided emails showing that his attorney for the hearing, Ms. Smith, assisted him in negotiating the agreement. (AE B; Tr. 54-55)

1.h, medical debt, \$764; 1.i, medical debt, \$52. Applicant testified he was unaware of these debts until he received the SOR. Both became delinquent in 2013. In August 2014, he contacted the creditor who holds both of the debts. He arranged a payment plan and made an initial payment of \$50 on September 5, 2014. The remaining payments of \$100 per month will be taken from his checking account. (GE 2; AE E; Tr. 62-64)

1.k, cell phone service, \$926. In about 2009, Applicant could not afford to pay his cell phone bill. The balance increased because it was unpaid while he was overseas in 2010, and not receiving his U.S. mail. More recently, he contacted the company and established a payment plan on September 9, 2014 for \$115.72 monthly, on a current balance of \$810. His bank statement shows a payment of \$125.67 on September 9, 2014. (AE O, S; Tr. 67-70)

1.t, cash advance, \$2,495. In about 2012, Applicant obtained a loan of \$500 from the creditor; with interest, it increased to the current balance. He made a \$400 payment in July 2013. However, he was unable to repay the loan in full. In August 2014, he established a payment plan, and made the required initial payment of \$165, using a credit card. The plan requires monthly payments of \$356, from September 2014 to January 2015. (AE I, R; Tr. 91-94)

1.u, medical, \$709. Applicant testified he was unaware of this debt when he completed his security clearance application. It became delinquent in December 2012, the same month he completed his security clearance application. Applicant arranged a payment plan of \$100 monthly, and provided evidence of his first payment on September 5, 2014. The documentation shows his first payment was charged to his credit card. Applicant testified that his payments will be made from his checking account, but the creditor's letter indicates an automatic credit card payment plan was set up, starting September 5, 2014. (GE 3; AE J; Tr. 94-96)

The following creditors refused to establish a formal payment plan, but Applicant intends to make regular payments.

1.l, medical, \$2,124. The account became delinquent in 2009. Applicant contacted the creditor, who told him to make monthly payments, but refused to establish a plan. He testified he made a payment of \$65 on August 22, 2014. He submitted his bank statement showing the payment. He plans to pay monthly, or more frequently if possible. (AE K, S; Tr. 70-75)

1.o, medical, \$722. The debt has been delinquent since 2009. Applicant contacted the creditor, who would not make a formal arrangement. However, he testified the company will withdraw \$50 per month from his account, starting September 5. The creditor failed to withdraw the payment from his account on September 5. When it withdrew the money a few days later, he did not have the funds in his account. He told the company to withdraw the money on September 19, 2014. (GE 2, 3; AE M; Tr. 79-81)

1.p, credit card, \$443. The account became delinquent in 2008. Two weeks before the hearing, Applicant contacted the creditor. He testified the company agreed to accept payments, but it would not agree to a formal payment plan. Applicant testified he made a payment of \$44.64 on August 22, 2014, and hand-wrote that information on his printed bank statement. He later testified that he paid it on August 8, 2014. His bank statement shows numerous entries on August 8 and August 22. However, other than Applicant's hand-written note, the bank statement does not list a payment in this amount to this creditor on August 8 or August 22. (AE K, M; Tr. 81-86)

1.r, auto insurance, \$458. Applicant's credit report shows this debt owed to company A has been delinquent since 2011. He does not remember the debt. However, AE G shows a total of \$275 owed to insurance company B, with an installment of \$137 due. He testified that he paid \$137, and he planned to make the final payment on September 19, 2014. His September bank statement (AE S) shows a payment of \$145.69, with a hand-written note indicating it was paid to company B. Applicant testified that the company representative told him company A and company B were the same company. His documentation does not show a connection between the two companies. (AE G; Tr. 87-90)

1.s, insurance, \$180. Applicant does not recognize the debt, and testified he was not aware of it when he completed his security clearance application. It has been delinquent since 2008. According to a September 5, 2014 letter from the current collection agency, it purchased this debt from an insurance company in 2008. Applicant made a \$90 payment on September 5, 2014, and as of the hearing date, he was scheduled to make the final payment on October 5, 2014. (GE 3; AE H, S; Tr. 90-92)

The following debts are disputed, unpaid, or otherwise unresolved.

1.j, utility, \$770. Applicant testified the debt relates to his residential gas service in 2008, but he denies having an outstanding balance. He contacted the company recently, and was informed his account was closed, with a balance owing. He has not made payments. (Tr. 64-67)

1.m, medical, \$577. The account has been delinquent since 2009. Applicant attempted to reach the creditor but received no answer from the number listed in the credit report. He has been unable to locate the creditor. (GE 3; Tr. 75-76)

1.q, medical, \$107. This medical account has been delinquent since 2007. Applicant testified he was willing to pay the debt, but he was unable to reach the creditor at its listed number. His credit repair company told him the debt no longer appears on his credit report. It does not appear on the credit repair company's list of disputed or deleted debts. (GE 3; AE L; Tr. 86-87)

GUIDELINE E

On December 28, 2012, Applicant completed a security clearance application, which he signed and certified as accurate. Applicant had completed three security clearance applications previously, during the years he held a security clearance. (Tr. 116) In the financial section of the 2012 application, he answered “No” when asked if he had experienced the following events within the previous seven years:

- a financial judgment had been filed;
- a tax lien had been filed for failing to pay taxes;
- bills or debts had been turned over to a collection agency;
- any account had been suspended or charged off.

The SOR alleges that Applicant deliberately failed to disclose his true financial status when he answered “No” to these questions. At the hearing, he testified he did not know the meaning of the words “judgment,” “lien,” and “charged off.” He testified that he knew he was behind in taxes, but did not understand the word “lien.” He did not seek an explanation of the terms at the time. As to accounts sent to collection agencies, Applicant testified he had not received any mail indicating debts were sent to collections, and he thought his bankruptcy had resolved his debts. He testified, it “just never came to my mind” to obtain a credit report before completing his security clearance application. (Tr. 105-110, 113-114)

In his Answer to the SOR, Applicant stated he “[t]hought judgment was like charges;” did not read the whole question about liens; he “got tunnel vision” about the question on collections, and “just overlooked the question;” and he “got confused” about the question regarding charged-off debts and did not understand the question. He added that he “accidentally checked the No box, it was an [sic] mistake, didn’t read the question completely before answering the question.” (Answer)

Policies

Each security clearance decision must be a fair and commonsense determination based on examination of all available relevant and material information, and consideration of the pertinent criteria and adjudication policy in the AG.⁴ Decisions must also reflect consideration of the factors listed in ¶ 2(a) of the Guidelines, commonly referred to as the “whole-person” concept. The presence or absence of a disqualifying or mitigating condition does not determine a conclusion for or against an applicant. However, specific applicable guidelines are followed whenever a case can be measured against them as they represent policy guidance governing the grant or denial of access

⁴ Directive. 6.3.

to classified information. In this case, the pleadings and the information presented by the parties require consideration of the security concerns and adjudicative factors addressed under Guidelines F (financial considerations) and E (personal conduct).

A security clearance decision is intended only to resolve the question of whether it is clearly consistent with the national interest⁵ for an applicant to either receive or continue to have access to classified information. The Government bears the initial burden of producing admissible information on which it based the preliminary decision to deny or revoke a security clearance for an applicant. Additionally, the Government must be able to prove controverted facts alleged in the SOR. If the Government meets its burden, it then falls to the Applicant to refute, extenuate or mitigate the Government's case. Because no one has a "right" to a security clearance, an applicant bears a heavy burden of persuasion.⁶ A person who has access to classified information enters into a fiduciary relationship with the Government based on trust and confidence. Therefore, the Government has a compelling interest in ensuring each applicant possesses the requisite judgment, reliability, and trustworthiness of one who will protect the national interests as her or his own. The "clearly consistent with the national interest" standard compels resolution of any reasonable doubt about an applicant's suitability for access in favor of the Government.⁷

Analysis

Guideline F (Financial Considerations)

AG ¶ 18 expresses the security concern pertaining to financial considerations:

Failure or inability 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 information. An individual who is financially over-extended is at risk of having to engage in illegal acts to generate funds. . .

Starting in 2007, Applicant accrued approximately \$50,000 in delinquent debts. The most recent delinquencies occurred in 2013. In addition, Applicant admits he was irresponsible about spending and spent more than he had, without thinking about the consequences. The following disqualifying conditions apply under AG ¶ 19:

⁵ See *Department of the Navy v. Egan*, 484 U.S. 518 (1988).

⁶ See *Egan*, 484 U.S. at 528, 531.

⁷ See *Egan*; AG ¶ 2(b).

- (a) inability or unwillingness to satisfy debts;
- (c) a history of not meeting financial obligations; and
- (e) consistent spending beyond one's means, which may be indicated by excessive indebtedness, significant negative cash flow, high debt-to-income ratio, and/or other financial analysis.

The Financial Considerations guideline contains factors that can mitigate security concerns. I have considered the mitigating factors under AG ¶ 20, especially the following:

- (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, or a death, divorce or separation), and the individual acted responsibly under the circumstances;
- (c) the person has received or is receiving counseling for the problem and/or there are clear indications that the problem is being resolved or is under control;
- (d) the individual initiated a good-faith effort to repay overdue creditors or otherwise resolve debts; and
- (e) the individual has a reasonable basis to dispute the legitimacy of the past-due debt which is the cause of the problem and provides documented proof to substantiate the basis of the dispute or provides evidence of actions to resolve the issue.

Applicant's bad debts started accruing in 2007, and continued to accrue until 2013. As of the date of the SOR, he had 18 delinquencies. His debts are both frequent and recent. His ability to support the monthly payments in the plans he initiated depends on being paid for overtime, which is not guaranteed. Given that fact, it is unclear if he will be able to make the payments, and delinquencies may recur. His failure to work on resolving his debts until just before the hearing raises questions about his current reliability and judgment. AG ¶ 20(a) does not apply.

AG ¶ 20(b) focuses on situations where unforeseen or uncontrollable circumstances affect an applicant's ability to pay his or her debts. Here, Applicant cited several such circumstances that occurred in 2008, including helping his brother financially, and the expense of several family funerals. However, Applicant did not act reasonably in response to these events. He spent money irresponsibly, without thinking

about the consequences. In addition, those events occurred six years ago, and he has been steadily employed since that time. Of particular importance is Applicant's failure to take reasonable steps to keep his creditors informed of his whereabouts by ensuring a forwarding address was in place while he was out of the country from 2010 to 2013. AG ¶ 20(b) cannot be applied.

AG ¶ 20(c) applies. Applicant retained a credit repair firm to assist with reviewing his credit report. He receives credit in mitigation for the three debts he paid. He initiated several payment plans, providing indications he is starting to bring his financial problems under control.

Under AG ¶ 20(d), "good faith" means acting in a way that shows, *inter alia*, an adherence to duty or obligation.⁸ Applicant did not show good faith when he ignored his debts from 2007 to 2010; left the country without providing a forwarding address so his creditors could reach him; and failed to deal with his delinquencies once he returned to the United States in March 2013 until forced to do so by the security clearance process. AG ¶ 20(d) does not apply.

Applicant receives partial credit under AG ¶ 20(e) because he took steps to verify the delinquencies listed in his credit report when he retained a credit repair firm. The firm stated debts had been deleted from Applicant's credit report after an investigation by the credit agencies. However, Applicant did not provide evidence of the credit agencies' investigation, the results, or a credit report showing the debts were no longer reported. The basis for the firm's statement that numerous debts were inaccurate or invalid is unclear, especially because Applicant admitted the same debts in his Answer to the SOR.

Guideline E, Personal Conduct

AG ¶ 15 expresses the security concern about personal conduct:

(a) 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 information. Of special interest is any failure to provide truthful and candid answers during the security clearance process or any other failure to cooperate with the security clearance process.

The Government alleges Applicant deliberately failed to disclose his financial delinquencies, implicating the following disqualifying condition under AG ¶ 16:

(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

⁸ ISCR Case No. 99-0201, 1999 WL 1442346 at *4 (App. Bd. Oct. 12, 1999).

benefits or status, determine security clearance eligibility or trustworthiness, or award fiduciary responsibilities.

Applicant knowingly failed to disclose his past-due debts on his 2012 security clearance application. At various times, he gave multiple reasons for not disclosing—he did not understand the terms; he did not read the whole question; he was confused; and he accidentally checked the “No” box. As to the tax lien, he testified that he knew he owed back taxes when he completed the application, yet did not disclose it when the question asked, quite plainly, about “failing to pay taxes.” His explanations are not credible. AG ¶ 16(a) applies.

I have considered the following mitigating conditions under AG ¶17:

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

(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.

There is no evidence that Applicant informed any authorized government official that he wished to disclose his delinquencies, or correct the answers on his applications. AG ¶ 17(a) cannot be applied. AG ¶ 17(c) is also inapplicable. Less than two years have passed since Applicant completed the application. Moreover, Applicant’s conduct cannot be considered minor because he failed to be forthright with the Government not once, but in response to four separate questions in the application. His conduct casts doubt on his trustworthiness.

Whole-Person Analysis

Under the whole-person concept, an administrative judge must evaluate the applicant’s security eligibility by considering the totality of an applicant’s conduct and all the circumstances. An administrative judge should consider the nine adjudicative process factors listed at AG ¶ 2(a):

(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.

AG ¶ 2(c) requires that the ultimate determination of whether to grant a security clearance must be an overall commonsense judgment based upon careful consideration of the guidelines and the whole-person concept. Under the cited guideline, I considered the potentially disqualifying and mitigating conditions in light of all the facts and circumstances surrounding this case.

In assessing Applicant's request for security clearance eligibility under the whole-person concept, I considered the positive evidence, including Applicant's years of service to the government through his employment with defense contracting companies. Applicant also showed responsibility by seeking professional financial help with his credit report, and he recently made a start on addressing his debts.

However, Applicant's bankruptcy petitions in 1996 and 2003 show a history of financial problems. Since 2007, he has accumulated approximately \$50,000 in delinquencies related to utility, medical, insurance, rent, credit card accounts, and other debts. He failed to pay state income tax for four tax years, resulting in a state tax lien. He has been on notice since completing his security clearance application in 2012 that financial delinquencies are security-significant. However, he did not take action until the weeks before his hearing, by paying three debts and starting payment plans on others. In sum, Applicant's efforts do not compensate for his decision to ignore his debts for years. The recency of his actions indicates he was primarily responding to the security clearance process. Moreover, his efforts are too recent to show a track record of payments that demonstrates financial reliability.

Applicant's claim that he did not disclose his delinquencies because he did not understand the questions is not credible. He is a high school graduate, and has also taken several college courses. If he did not understand certain terms, he knew or should have known he could seek help with his application. Applicant has held a security clearance for many years, and completed three applications before the 2012 application. They put him on notice of the importance of meeting his financial obligations. His ability to contact his creditors in the month before the hearing, and set up payment plans, shows he could have taken such steps in the years before he was prompted by the security clearance process. Taken together, his lack of effort over the years regarding his debts, combined with his failure to disclose his true financial status to the Government, raise doubts about his good judgment and trustworthiness.

The evidence at this time fails to satisfy the doubts raised about Applicant's suitability for a security clearance. For all these reasons, I conclude he has not mitigated the security concerns raised by the cited adjudicative guidelines.

Formal Findings

Paragraph 1, Guideline F	AGAINST APPLICANT
Subparagraphs 1.a – 1.e	Against Applicant

Subparagraphs 1.f, 1.g	For Applicant
Subparagraphs 1.h – 1.m	Against Applicant
Subparagraph 1.n	For Applicant
Subparagraphs 1.o – 1.u	Against Applicant
Paragraph 2, Guideline E	AGAINST APPLICANT
Subparagraphs 2.a – 2.d	Against Applicant

Conclusion

In light of all of the circumstances presented by the record in this case, it is not clearly consistent with the interests of national security to allow Applicant access to classified information. Applicant's request for a security clearance is denied.

RITA C. O'BRIEN
Administrative Judge