DEPARTMENT OF DEFENSE
DEFENSE OFFICE OF HEARINGS AND APPEALS

In the matter of:	)	
	)	
--------	)	ISCR Case No. 14-01894
	)	
Applicant for Security Clearance	)	

Appearances

For Government: Chris Morin, Esquire, Department Counsel
For Applicant: *Pro se*

04/21/2015

Decision

GALES, Robert Robinson, Administrative Judge:

Applicant mitigated the security concerns regarding financial considerations. Eligibility for a security clearance and access to classified information is granted.

Statement of the Case

On August 28, 2013, Applicant applied for a security clearance and submitted an Electronic Questionnaire for Investigations Processing (e-QIP) version of a security clearance application.[1] On June 18, 2014, the Department of Defense (DOD) Consolidated Adjudications Facility – Division A (CAF) issued a Statement of Reasons (SOR) to him, under Executive Order 10865, *Safeguarding Classified Information within Industry* (February 20, 1960), as amended and modified; DOD Directive 5220.6, *Defense Industrial Personnel Security Clearance Review Program* (January 2, 1992), as amended and modified (Directive); and the *Adjudicative Guidelines for Determining Eligibility For Access to Classified Information* (December 29, 2005) (AG) applicable to all adjudications and other determinations made under the Directive, effective September 1, 2006. The SOR alleged security concerns under Guideline F (Financial

[1] GE 1 (e-QIP, dated August 28, 2013).

Considerations), and detailed reasons why the DOD adjudicators were unable to find that it is clearly consistent with the national interest to grant or continue a security clearance for Applicant. The SOR recommended referral to an administrative judge to determine whether a clearance should be granted, continued, denied, or revoked.

Applicant received the SOR on June 27, 2014. In a sworn statement, dated August 19, 2014, Applicant responded to the SOR allegations and requested a hearing before an administrative judge. Department Counsel indicated the Government was prepared to proceed on October 14, 2014. The case was assigned to another administrative judge on October 27, 2014, but reassigned to me on January 13, 2015, due to caseload considerations. A Notice of Hearing was issued on February 13, 2015, and I convened the hearing as scheduled on March 10, 2015.[2]

During the hearing, two Joint exhibits (JE 1 and 2), four Government exhibits (GE 1 through GE 4), and four Applicant exhibits (AE A through AE D) were admitted into evidence without objection. Applicant testified. The transcript (Tr.) was received on March 18, 2015. I kept the record open to enable Applicant to supplement it. Applicant took advantage of that opportunity. He submitted additional documents which were marked as AE E through AE G. Two of the exhibits (AE E and AE F) were admitted into evidence without objection, and the remaining exhibit (AE G) was admitted into evidence over the objection of Department Counsel**.**[3] The record closed on April 12, 2015.

Findings of Fact

In his Answer to the SOR, Applicant admitted two of the factual allegations (¶¶ 1.a. and 1.b.), as well as a portion of the remaining allegation (¶ 1.c.), pertaining to financial considerations. Applicant's answers are incorporated herein as findings of fact. After a complete and thorough review of the evidence in the record, and upon due consideration of same, I make the following additional findings of fact:

[2] At the commencement of the hearing, Applicant stated that he was unaware that he could have retained an attorney to represent him at the hearing. Department Counsel noted that scheduling the hearing had initially been delayed to accommodate Applicant's work schedule, and that, in October 2014, he had sent Applicant a letter which stated, in part, that Applicant could represent himself, retain an attorney, or obtain assistance from someone such as a union representative or family adviser. *See* JE I, dated October 9, 2014, at 1. Applicant had also been sent a copy of the DOHA Prehearing Guidance along with the Notice of Hearing on February 13, 2015. *See* JE II, undated, at 1, which clearly stated that Applicant had the option of being represented by an attorney selected and paid for by himself. Applicant acknowledged receipt of the documents and said he must have not seen those references because the documents were very long. Furthermore, Applicant and Department Counsel spoke on March 4, 2015, regarding the hearing process. When asked to decide on the issue, Applicant initially said he wanted to consult with an attorney and then said he wanted to get an attorney. Applicant was unsure if he even opened the envelopes containing the documents sent to him, or if he had read them. While Department Counsel did not object to Applicant's motion for a continuance, after discussing the issue with Applicant, I denied the motion as not having been made timely and because good cause had not been shown by Applicant. The hearing then proceeded. *See* Tr. at 7-21.

[3] Department Counsel objected to AE G because although I had previously announced that I would keep the record open until March 23, 2015, and had extended the deadline until April 6, 2015 upon the request of Applicant with the concurrence of Department Counsel. AE G was submitted on April 12, 2015, six days after the established deadline and before I had commenced drafting my decision. Nevertheless, since the entire due process is also a search for the truth, I chose to avoid an overly restrictive interpretation of the process, and I admitted AE G over Department Counsel's objection.

Applicant is a 49-year-old employee of a defense contractor. He has worked for his employer since April 2014 as a special activities integrator.[4] A May 1984 high school graduate, Applicant completed over two years of college, but did not obtain a degree.[5] He enlisted in the U.S. Army in October 1986, served on active duty until June 1999, when as a sergeant first class (E7) he was discharged to accept a warrant, and the following day continued to serve on active duty until October 2006, when he honorably retired as a chief warrant officer 2.[6] He was granted a secret security clearance in 1989;[7] he has held a top secret security clearance since 2002; and he was granted access to sensitive compartmented information (SCI) in 2003.[8] It is unclear how or when his SCI access was terminated. Applicant was married in March 1993, separated in 2009 or 2010, and divorced in January 2011.[9] He and his wife have a son (born in 1996).[10]

Military Service and Civilian Service in Support of Military Service

During his combined military and civilian service, Applicant was repeatedly deployed overseas for various periods: to Iraq or Southwest Asia (September 1990 – April 1991; July 1995 – October 1995; September 1997 – January 1998; January 2003 – June 2003; September 2003 – February 2004; June 2004 – March 2005; July 2005 – February 2006; August 2006 – February 2007; November 2007 – May 2008; July 2008 – March 2009; to Jordan (September 2002 – December 2002); and to Afghanistan (October 2001 – February 2002).[11]

He was awarded the following awards, decorations, and badges: the Bronze Star Medal, the Meritorious Service Medal, the Joint Service Commendation Medal, the Army Commendation Medal (five awards), the Army Achievement Medal (five awards), the Joint Meritorious Unit Award, the Army Good Conduct Medal (four awards), the National Defense Service Medal (two awards), the Southwest Asia Service Medal (three awards), the Afghanistan Campaign Medal, the Global War on Terrorism Expeditionary Medal, the Global War on Terrorism Service Medal, the Iraq Campaign Medal, the Non-Commissioned Officer Professional Development Ribbon (three awards), the Army Service Ribbon, the Overseas Service Ribbon, the Kuwait Liberation Medal (Saudi Arabia), the Kuwait Liberation Medal (Kuwait), the Combat Infantryman Badge (two

[4] AE C (Resume, undated), at 2.

[5] GE 1, *supra* note 1, at 10-11; AE C, *supra* note 4, at 7; Tr. at 6.

[6] GE 1, *supra* note 1, at 18-19; AE B (Certificate of Release or Discharge from Active Duty (DD Form 214), dated June 30, 1999); AE A (Certificate of Release or Discharge from Active Duty (DD Form 214), dated October 31, 2006); Tr. at 44.

[7] GE 2 (Personal Subject Interview, dated December 3, 2013), at 7.

[8] GE 1, *supra* note 1, at 38-39; GE 2, *supra* note 7, at 7.

[9] GE 1, *supra* note 1, at 20-21; Tr. at 44-45.

[10] GE 1, *supra* note 1, at 26.

[11] GE 2, *supra* note 7, at 2-3; AE B, *supra* note 6; AE A, *supra* note 6; AE C, *supra* note 4, at 3-4.

awards), the Special Forces Tab, the Driver and Mechanic Badge – Mechanic, the Senior Parachutist Badge, the Air Assault Badge, the Russian Parachutist Badge, the Expert Marksmanship Qualification Badge – Pistol, the Expert Marksmanship Qualification Badge – M-16, and the French Forces Commando Badge.[12]

Financial Considerations

There was nothing unusual about Applicant's finances until about 2008. Because of his frequent overseas and domestic deployments, Applicant's family finances were routinely handled by his wife and the federal tax returns were prepared by her with the assistance of her mother.[13] There were times when the tax returns were signed by him and other times when they were signed for him.[14] Applicant had no inkling that there were any unresolved financial issues until sometime in late 2009. During a period of marital discord, his wife remarked to him that their 2008 federal income tax return had not been filed.[15] Despite their periodic marital discord, Applicant maintained the *status quo* by not getting involved in income tax return preparation or filing. His wife advised him that he might owe the Internal Revenue Service (IRS) $50,000 or $60,000 in back taxes, and he was afraid to file the income tax returns for 2009 or 2010 out of fear that he might lose his residence to an IRS seizure.[16]

A federal tax lien in the amount of $113,673 was filed against Applicant in August 2011, and another lien in the amount of $64,910 was filed in January 2012.[17] In November 2011, the IRS started garnishing his wages. After receiving correspondence from the IRS, but before the garnishment started, Applicant engaged the professional services of a tax consulting company to represent him in negotiations with the IRS to resolve his 2008 and 2009 federal income tax liability.[18] Applicant contends the tax consulting company eventually filed his federal income tax returns for the tax years 2008, 2009, and 2010, and that he was placed in an installment plan covering those three years. He failed to submit any documentation to support his contentions of the

[12] AE B, *supra* note 6; AE A, *supra* note 6.

[13] Tr. at 49, 51, 55-56.

[14] Tr, at 49.

[15] Tr. at 51-52.

[16] Tr. at 52-56, 65-66.

[17] GE 3 (Combined Experian, TransUnion, and Equifax Credit Report, dated September 14, 2013), at 6; GE 4 (Equifax Credit Report, dated April 15, 2014), at 4; GE 2, *supra* note 7, at 8.

[18] Tr. at 57. It should be noted that as a result of adverse decisions against the tax consulting company in multiple lawsuits, including class-action lawsuits, filed by a number of state attorneys general in which it was alleged that the tax consulting company was charging customers fees for resolving back tax debts, but then failed to deliver on their promises, and engaged in deceptive marketing and advertising practices, the tax consulting company filed for liquidation, closing the business, in 2012. It is unclear if Applicant ever sought guidance or clarification of his fears.

filing of the income tax returns or the installment plan.[19] He did, however, submit a wage and income transcript from the IRS covering the tax year 2010.[20] Other than reflecting income tax, Social Security, and Medicare withholdings, that document does not reflect any income tax payments made.[21] Applicant has been paying the IRS $1,502 each month under the installment plan, but because of a downsizing, his income has been reduced, his payments have been erratic, and he desires to reduce his payments.[22] He timely filed his federal income tax returns for the tax years of 2011, 2012, and 2013.[23] Since he was due refunds for those three tax years, the IRS diverted the refunds to reduce the outstanding balance from the earlier tax years.[24]

Although Applicant met with representatives of the tax consulting company, he has never received any financial counseling.[25] Applicant currently pays his ex-wife $3,100 per month in alimony and child support and she is also entitled to one-half of his military retirement.[26] Because of his son's age, Applicant's responsibility for paying child support should be coming to an end. Other than Applicant's delinquent income tax debt, there are no other delinquent accounts. While Applicant did not submit a personal financial statement, he estimates that because of his fluctuating income, including some months when he is anticipated to earn $500 per day, some months he may realize a larger monthly remainder than in other months.[27]

Policies

The U.S. Supreme Court has recognized the substantial discretion of the Executive Branch in regulating access to information pertaining to national security emphasizing, "no one has a 'right' to a security clearance."[28] 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

[19] Tr. at 57-58, 60-62, 74-81. Applicant was afforded the opportunity to submit documentation pertaining to the installment plan, payments, and the filed income tax returns, and he indicated he would do so, but he did not. The closure of the tax consulting company apparently made his efforts that much more difficult.

[20] AE F (Wage and Income Transcript, dated April 8, 2015).

[21] AE F, *supra* note 20, at 1.

[22] Tr. at 59-60; AE G (Payment History, undated).

[23] Tr. at 68.

[24] Tr. at 68.

[25] GE 2, *supra* note 7, at 8; Tr. at 82-85. Applicant was afforded the opportunity to obtain financial counseling services at the family services center of the nearby military installation, prepare a personal financial statement, and to submit documentation pertaining to the financial counseling, as well as the personal financial statement, and he indicated he would do so, but he did not.

[26] GE 2, *supra* note 7, at 6.

[27] Tr. at 69-71.

[28] *Department of the Navy v. Egan*, 484 U.S. 518, 528 (1988).

to such information. The President has authorized the Secretary of Defense or his designee to grant an applicant eligibility for access to classified information "only upon a finding that it is clearly consistent with the national interest to do so."[29]

When evaluating an applicant's suitability for a security clearance, the administrative judge must consider the AG. In addition to brief introductory explanations for each guideline, the AG list potentially disqualifying conditions and mitigating conditions, which are used in evaluating an applicant's eligibility for access to classified information.

An administrative judge need not view the guidelines as inflexible, ironclad rules of law. Instead, acknowledging the complexities of human behavior, these guidelines are applied in conjunction with the factors listed in the adjudicative process. The administrative judge's overarching adjudicative goal is a fair, impartial, and commonsense decision. 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 meaningful decision.

In the decision-making process, facts must be established by "substantial evidence."[30] The Government initially has the burden of producing evidence to establish a potentially disqualifying condition under the Directive, and has the burden of establishing controverted facts alleged in the SOR. Once the Government has produced substantial evidence of a disqualifying condition, under Directive ¶ E3.1.15, the applicant has the burden of persuasion to present evidence in refutation, explanation, extenuation or mitigation, sufficient to overcome the doubts raised by the Government's case. The burden of disproving a mitigating condition never shifts to the Government.[31]

A person who seeks access to classified information enters into a fiduciary relationship with the Government predicated upon trust and confidence. This relationship transcends normal duty hours and endures throughout off-duty hours as well. It is because of this special relationship that the Government must be able to repose a high degree of trust and confidence in those individuals to whom it grants access to classified information. Decisions include, by necessity, consideration of the possible risk the applicant may deliberately or inadvertently fail to safeguard classified information. Such decisions entail a certain degree of legally permissible extrapolation as to potential, rather than actual, risk of compromise of classified information.

[29] Exec. Or. 10865, *Safeguarding Classified Information within Industry* § 2 (Feb. 20, 1960), as amended and modified.

[30] "Substantial evidence [is] such relevant evidence as a reasonable mind might accept as adequate to support a conclusion in light of all contrary evidence in the record." ISCR Case No. 04-11463 at 2 (App. Bd. Aug. 4, 2006) (citing Directive ¶ E3.1.32.1). "Substantial evidence" is "more than a scintilla but less than a preponderance." *See v. Washington Metro. Area Transit Auth.*, 36 F.3d 375, 380 (4th Cir. 1994).

[31] *See* ISCR Case No. 02-31154 at 5 (App. Bd. Sep. 22, 2005).

Furthermore, "security clearance determinations should err, if they must, on the side of denials."[32]

Clearance decisions must be "in terms of the national interest and shall in no sense be a determination as to the loyalty of the applicant concerned."[33] Thus, nothing in this decision should be construed to suggest that I have based this decision, in whole or in part, on any express or implied determination as to Applicant's allegiance, loyalty, or patriotism. It is merely an indication the Applicant has or has not met the strict guidelines the President and the Secretary of Defense have established for issuing a clearance. In reaching this decision, I have drawn only those conclusions that are reasonable, logical, and based on the evidence contained in the record. Likewise, I have avoided drawing inferences grounded on mere speculation or conjecture.

Analysis

Guideline F, Financial Considerations

The security concern relating to the guideline for Financial Considerations is set out in AG ¶ 18:

> 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 overextended is at risk of having to engage in illegal acts to generate funds. . . .

The guideline notes several conditions that could raise security concerns. Under AG ¶ 19(a), an "inability or unwillingness to satisfy debts*"* is potentially disqualifying. Similarly, under AG ¶ 19(c), "a history of not meeting financial obligations*"* may raise security concerns. In addition, a "failure to file annual Federal, state, or local income tax returns as required. . ." may raise security concerns under AG ¶ 19(g). Applicant failed to timely file his federal income tax returns for 2008, 2009, and 2010. As a result, the IRS filed two tax liens against him. AG ¶¶ 19(a), 19(c), and 19(g) apply.

The guideline also includes examples of conditions that could mitigate security concerns arising from financial difficulties. Under AG ¶ 20(a), the disqualifying condition may be mitigated where "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." Also, under AG ¶ 20(b), financial security concerns may be mitigated where "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

[32] *Egan*, 484 U.S. at 531.

[33] *See* Exec. Or. 10865 § 7.

or separation), and the individual acted responsibly under the circumstances." Evidence that "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" is potentially mitigating under AG ¶ 20(c). Similarly, AG ¶ 20(d) applies where the evidence shows "the individual initiated a good-faith effort to repay overdue creditors or otherwise resolve debts."[34]

AG ¶¶ 20(a), 20(b), and 20(d) all partially apply. AG ¶ 20(c) does not apply. Applicant's financial problems were not caused by frivolous or irresponsible spending, and he did not spend beyond his means. Instead, as noted above, Applicant attributed his failure to file his federal income tax returns on a variety of reasons: his wife routinely handled the family finances and generally filed their federal income tax returns; he spent significant periods of time each year deployed overseas or domestically; he was going through periods of marital discord; he went through a separation and divorce; he did not have the money he was expected to pay in taxes; and he was afraid of losing his residence.

Applicant was for many years a decorated combat warrior who spent significant periods deployed overseas and domestically. He was also clearly naive about financial matters. Even after learning that his federal income tax return for the tax year 2008 had not been timely filed by his wife, he continued to rely on her to file subsequent income tax returns. Applicant may have been confused regarding when and by whom his federal income tax returns were filed, but he was not ignorant of his legal responsibilities, even though he had not obtained any financial guidance. His failure to take more timely decisive action during the three-year period from April 2009 through April 2011 is acknowledged. However, he finally took the first step in resolving the 2008, 2009, and 2010 taxes when he engaged the professional services of a tax consulting company to represent him in negotiations with the IRS to resolve his federal income tax liability. Those federal income tax returns were either filed by the tax consulting company or constructed by the IRS for him. Applicant has in place a repayment arrangement with the IRS. Under his installment agreement, he makes a monthly payment of $1,502 to the IRS.

[34] The Appeal Board has previously explained what constitutes a "good-faith" effort to repay overdue creditors or otherwise resolve debts:

> In order to qualify for application of [the "good-faith" mitigating condition], an applicant must present evidence showing either a good-faith effort to repay overdue creditors or some other good-faith action aimed at resolving the applicant's debts. The Directive does not define the term 'good-faith.' However, the Board has indicated that the concept of good-faith 'requires a showing that a person acts in a way that shows reasonableness, prudence, honesty, and adherence to duty or obligation.' Accordingly, an applicant must do more than merely show that he or she relied on a legally available option (such as bankruptcy [or statute of limitations]) in order to claim the benefit of [the "good-faith" mitigating condition].

ISCR Case No. 02-30304 at 3 (App. Bd. Apr. 20, 2004) (internal citation and footnote omitted, quoting ISCR Case No. 99-9020 at 5-6 (App. Bd. June 4, 2001)).

This is not a situation where an applicant has an intentional lengthy period of irresponsible inaction regarding his federal income tax filing and payment obligations.[35] Instead, there was one year where he was unaware of his wife's failure to file their federal income tax return, and two years when he basically withdrew from his responsibility to assure the failure did not continue. While Applicant's judgment and actions in this regard can be characterized as delayed, his eventual positive responses and actions – essentially well-before the SOR was issued – were, in fact, generated first by involuntary garnishment proceedings, and second by IRS liens. He has embraced the paradigm of timely filing his federal income tax returns, and has established a good track record of doing so for the last four years. Other than guidance from his tax consulting company, Applicant apparently has still not received counseling from a financial counselor. Other than his remaining, but diminishing, combined income tax balance, Applicant has no other delinquent accounts. He contends, without documentation to support his contention, that his monthly surplus available for discretionary savings or spending is variable. With some periods of an anticipated wage of $500 per day, and with the expectation that his child custody payments should be reduced, that remainder should increase substantially. There are clear indications that Applicant's financial problems are under control, and that he intends to avoid similar circumstances. Applicant's actions under the circumstances confronting him, do not cast doubt on his current reliability, trustworthiness, or good judgment.[36]

Whole-Person Concept

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

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.

There is some evidence against mitigating Applicant's conduct. Applicant failed to timely file federal income tax returns for the tax years 2008, 2009, and 2010. The IRS

[35] *See* ISCR Case No. 12-05053 at 4-5 (App. Bd. Oct. 30, 2014).

[36] *See* ISCR Case No. 09-08533 at 3-4 (App. Bd. Oct. 6, 2010).

filed two liens against him for delinquent taxes, and at one point briefly garnished his wages.

The mitigating evidence under the whole-person concept is more substantial than the disqualifying evidence. Applicant's financial problems arose for a variety of reasons: his wife routinely handled the family finances and generally filed their federal income tax returns; he spent significant periods of time each year deployed overseas or domestically; his wife failed to file the federal income tax return for 2008, and he simply permitted the *status quo* to remain for two years when he failed to file federal income tax returns for the tax years 2009 and 2010; he was going through periods of marital discord; he went through a separation and divorce; he did not have the money he was expected to pay in taxes; and he was afraid of losing his residence.

Applicant appears to have been overwhelmed by the entire situation. Although there was a multi-year period during which he failed to take more timely decisive action by timely filing his delinquent federal income tax returns, something finally changed. He sought assistance in filing those returns. Applicant has in place an installment arrangement with the IRS. Under a payroll deduction agreement, $1,502 is sent to the IRS every month. He has served a substantial period in combat zones and received numerous awards.

There are other dimensions of Applicant as well. He maintained strong dedication to his military and civilian service while paying less attention to his marital and financial issues. His numerous deployments hampered his ability to ensure his tax returns were timely filed. Applicant's actions under the circumstances no longer cast doubt on his current reliability, trustworthiness, or good judgment.

The Appeal Board has addressed a key element in the whole-person analysis in financial cases stating:[37]

> In evaluating Guideline F cases, the Board has previously noted that the concept of "'meaningful track record' necessarily includes evidence of actual debt reduction through payment of debts." However, an applicant is not required, as a matter of law, to establish that he [or she] has paid off each and every debt listed in the SOR. All that is required is that an applicant demonstrate that he [or she] has ". . . established a plan to resolve his [or her] financial problems and taken significant actions to implement that plan." The Judge can reasonably consider the entirety of an applicant's financial situation and his [or her] actions in evaluating the extent to which that applicant's plan for the reduction of his outstanding indebtedness is credible and realistic. *See* Directive ¶ E2.2(a) ("Available, reliable information about the person, past and present, favorable and unfavorable, should be considered in reaching a determination.") There is no requirement that a plan provide for payments on all outstanding debts simultaneously. Rather, a reasonable plan (and concomitant conduct) may

[37] ISCR Case No. 07-06482 at 2-3 (App. Bd. May 21, 2008) (internal citations omitted).

provide for the payment of such debts one at a time. Likewise, there is no requirement that the first debts actually paid in furtherance of a reasonable debt plan be the ones listed in the SOR.

Applicant has demonstrated a "meaningful track record" of debt reduction and elimination efforts. While he failed to timely file several of his federal income tax returns, his explanations for those failures, and his eventual resolution efforts, are credible. This decision should serve as a warning that Applicant's failure to continue his debt resolution efforts pertaining to his delinquent federal tax liabilities or the actual accrual of new delinquent debts will adversely affect his future eligibility for a security clearance.[38] Overall, the evidence leaves me without questions and doubts as to Applicant's eligibility and suitability for a security clearance. For all of these reasons, I conclude Applicant has mitigated the security concerns arising from his financial considerations. *See* AG ¶ 2(a)(1) through AG ¶ 2(a)(9).

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:	For APPLICANT
Subparagraph 1.a:	For Applicant
Subparagraph 1.b:	For Applicant
Subparagraph 1.c:	For Applicant

Conclusion

In light of all of the circumstances presented by the record in this case, it is clearly consistent with the national interest to grant Applicant eligibility for a security clearance. Eligibility for access to classified information is granted.

ROBERT ROBINSON GALES
Administrative Judge

[38] While this decision should serve as a warning to Applicant, the decision, including the warning, should not be interpreted as being contingent on future monitoring of Applicant's financial condition. The Defense Office of Hearings and Appeals (DOHA) has no authority to attach conditions to an applicant's security clearance. *See, e.g.*, ISCR Case No. 10-06943 at 4 (App. Bd. Feb. 17, 2012) (citing ISCR Case No. 10-03646 at 2 (App. Bd. Dec. 28, 2011)). *See also* ISCR Case No. 06-26686 at 2 (App. Bd. Mar. 21, 2008); ISCR Case No. 04-03907 at 2 (App. Bd. Sep. 18, 2006); ISCR Case No. 04-04302 at 5 (App. Bd. Jun. 30, 2005); ISCR Case No. 03-17410 at 4 (App. Bd. Apr. 12, 2005); ISCR Case No. 99-0109 at 2 (App. Bd. Mar. 1, 2000).