



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



In the matter of:)	
)	
-----)	ISCR Case No. 08-08154
SSN: -----)	
)	
Applicant for Security Clearance)	

Appearances

For Government: Caroline H. Jeffreys, Esq., Department Counsel
For Applicant: *Pro Se*

September 30, 2009

Decision

MARSHALL, Jr., Arthur E., Administrative Judge:

Applicant completed a security clearance application (SF-86) on December 5, 2007. On April 30, 2009, the Defense Office of Hearings and Appeals (DOHA) issued a Statement of Reasons (SOR) enumerating security concerns arising under Guideline F (Financial Considerations). The action was taken under Executive Order 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 revised Adjudicative Guidelines (AG) promulgated by the President on December 29, 2005, which are effective for SORs issued after September 1, 2006.

In a June 8, 2009, response, Applicant admitted four of the 11 allegations, denied six of the allegations, and declined to admit or deny one of the allegations set forth in the SOR. Each allegation concerned a different delinquent debt attributed to Applicant. He requested a hearing on the matter. DOHA assigned the case to me on June 26, 2009. Department Counsel and Applicant agreed to a hearing date of July 15, 2009. A notice of hearing was issued to that effect on July 6, 2009. I convened the hearing as scheduled. Applicant confirmed his desire to proceed with the hearing and

waive the 15-day notice requirement.¹ Applicant was accompanied by his wife, who, along with three others, gave witness testimony. Applicant offered seven exhibits (Exs.), which were admitted without objection as Exs. A-G.² He was initially given through July 31, 2009, to submit any additional documentation, then given leave to request an extension to August 7, 2009, if needed.³ Department Counsel offered seven documents admitted as exhibits (Exs.) 1-7 without objection. The transcript (Tr.) of the proceeding was received on July 23, 2009. On July 24, 2009, Applicant sent Department Counsel four additional documents by facsimile transmission. They were forwarded to me on August 4, 2009, and received on August 5, 2009. Those additional documents were admitted without objection as Exs. H-K. The record was closed on August 10, 2009. Based on a review of the testimony, submissions, and exhibits, I find Applicant failed to meet his burden regarding the financial security concerns raised. Security clearance is denied.

Findings of Fact

Applicant is a 47-year-old imagery intelligence analyst who has worked for the same defense contractor for approximately two years. Applicant earned a high school diploma and completed some college courses. Married, Applicant has three adult children who live independently. A fourth child, his 19-year-old daughter, remains at home and attends college. Applicant also has four grandchildren by his adult children. Only the father of one of the grandchildren provides any financial support. Although all of his children work, two experienced layoffs between January and about June 2009. Applicant's wife left the workforce about a year ago so she can provide day care and meals for her grandchildren, whose single mothers work in low-paying positions.⁴ Applicant chooses to financially contribute to his grandchildren's care and households.

Applicant and his wife met when they were 20 and 19 years of age, respectively. Both were serving in the United States (U.S.) military at the time. They married in 1981. Applicant was medically discharged in 1989. It took him nearly a year to find employment. He started a government job at the GS-9 level. While he was unemployed, however, his first child was born. Lacking health insurance coverage, Applicant and his wife expended the \$18,000 he received as military severance pay on the baby's birth and to cover their daily cost of living.

In 1994, Applicant started a different job within the defense industry. Between 1995 and 1996, Applicant put down all his available funds toward a house for his growing family of six. It was obtained under a lease-purchase agreement. At the time,

¹ Tr. 11.

² Department Counsel initially objected to Ex. F on the basis of relevance, but stated no objection to it being admitted if given limited weight. The exhibit was admitted on that basis. Tr. 64-66.

³ Tr. 82.

⁴ Tr. 44. Applicant's youngest child, who provides significant day care on weekends, described Applicant's wife's care for the grandchildren as "my mom's full-time job." Tr. 57.

he was unaware as to how such agreements work. When the family moved in, they found the house had so many structural problems, they would have to take a second mortgage to make necessary repairs.⁵ Consequently, Applicant expressed a desire to end the arrangement, thinking that would end matters. The owner eventually sold the house for less than agreed upon price, however, and Applicant was deemed liable for the discrepancy of close to \$20,000. Unrepresented, Applicant failed to understand some of the court documents and failed to execute his case properly. When he lost the case, his appeal was denied.⁶ As a result, Applicant filed for Chapter 7 bankruptcy, which was discharged in about 1997.

In 1998, Applicant shattered his wrists and broke his elbow in three places after falling 15 to 20 feet through an attic floor. After two surgeries, he still had nerve damage. He spent nearly a year in rehabilitative braces and therapy. As a result, he lost his job, incurred extensive medical bills, and was unemployed for about six months.

By April 2000, Applicant was gainfully employed and bought a house. Due to the earlier bankruptcy, the mortgage rate was high. The month after they moved in, his employer's company was bought out and he was reduced to 20 hours of work per week.⁷ With his pay proportionately reduced, Applicant could not make timely mortgage payments. He lost the house soon thereafter.

Although he started government service as a GS-9 employee in around 1990, Applicant had risen to the GS-14 level by the early 2000s. Owing to his then-existing financial problems, however, he was severed from his position in April 2004 for failing to qualify for a security clearance. He then faced a significant period of unemployment of about half a year before finding work within the defense contracting industry toward mid-autumn of 2004. While unemployed, the family lived off his wife's salary and her retirement savings.⁸ Applicant was ultimately laid off from his next position in May 2007 when the contract he was working on was terminated.⁹ He remained unemployed for at least four months, during which time he and his wife lived off her salary¹⁰ and money left to Applicant through his late father's estate.

Applicant's wife exclusively maintains the family's accounts, pays their bills, and provides pocket money for her husband and children. She has endeavored to minimize their acquisition of additional delinquent debt. Until recently, Applicant was not informed

⁵ Tr. 87-88.

⁶ Ex. E (Critical Times Timeline); Tr. 88.

⁷ Ex. E, *supra*, note 6.

⁸ *Id.*

⁹ Tr. 73. Applicant was interviewed by investigators about his finances in 2005 and 2008.

¹⁰ At the time, Applicant's wife was earning approximately \$14 per hour. Tr. 74.

as to the status of the family finances unless circumstances became truly dire.¹¹ In the past, she worked to minimize the acquisition of new debts. With Applicant's latest position, however, there was a rise in salary. Now, she is attempting to sort through their old debts with the goal of addressing them. She is currently focusing on paying off their most significant debt first, a 2006 automobile-related obligation noted as SOR ¶ 1.d for approximately \$24,800.¹² Toward that debt, bi-weekly payments of \$300 have been directly paid from their household account since about mid-May 2009.¹³ They are hoping to pay the credit card debts noted at SOR ¶ 1.a (\$823) and ¶ 1.b (\$1,216) with the overtime Applicant expects from out-of-town work in August 2009 and October 2009.

While committed to honoring all legitimate debts, Applicant and his wife disputed and continue to dispute the account noted at SOR allegation ¶ 1.e (\$4,928), an account they previously paid off.¹⁴ They were prepared to dispute the account noted at SOR ¶ 1.h (\$314) for insurance coverage charged for a month following their cancellation of the policy in 2007.¹⁵ As of March 20, 2009, however, that account entry is no longer noted on their credit report.¹⁶

Applicant also disputed the allegation noted at SOR ¶ 1.k (\$166) for a telecommunications balance with a 2007 activity date and which was subsequently held by a collection agency.¹⁷ Applicant and his wife both deny having used this company. Applicant's wife affirmed that the debt was disputed a few years ago.¹⁸ It no longer appears on their credit report under either the telecommunications entity's name nor the

¹¹ See, e.g., Tr. 28.

¹² This purchase was made in order to acquire transportation for their growing family that was safe and more reliable than their two 15-year-old vehicles.

¹³ Ex. C (Payment History); Tr. 32-33, 59.

¹⁴ When asked whether they had evidence that the car was paid off, Applicant's wife stated: "If we do, it's in storage where we couldn't find it, but we have had numerous - - we had stuff going back and forth. They don't contact us. . . . It's just something that I can't seem to get off my credit report." Tr. 34-35. Prior disputes were directly with the creditor. It was formally disputed with Equifax in July 2009. Ex. H (Dispute Screen Capture, Equifax, dated Jul. 23, 2009).

¹⁵ Tr. 37; Post-Hearing Submission Cover Letter. When Applicant tried to dispute the matter with Equifax in July 2009, it was discovered the account, described in Ex. 4 (Credit Report, dated Dec. 28, 2007) as having an activity date of July 2007, is no longer on their credit report. See, e.g., Ex. 3 (Credit Report, dated Mar. 20, 2009).

¹⁶ Post Hearing Submission Cover Letter; Ex. I (Credit Report Negative/Closed Accounts). It is notable that this disputed entry was removed within the past two years, indicating it was not removed as a stale entry of seven years or older.

¹⁷ For original obligation with the telecommunications entity, see Ex. 4 (Credit Report, dated Dec. 28, 2007) at 8, noting the account as having a date of last activity in June 2008.

¹⁸ Tr. 41-42.

collection agent's name.¹⁹ Inasmuch as the entry was removed in under seven years, it may be concluded the dispute was successful.

Another disputed account concerns a debt owed to a bank cited at SOR allegation ¶ 1.g (\$261). Applicant's wife complained to the bank that it was not crediting her deposits before first entering her debits, triggering overdrafts. The bank is no longer in existence. She is willing to pay the balance, but is unsure whether she should pay the successor bank or the collection agent noted in her credit report.²⁰ She seeks to clarify the situation through dispute.

Within the past two years, Applicant began experiencing soreness in his shoulder. During what was initially thought to be a routine surgery, it was discovered he had multiple bone spurs, a torn rotator cuff, and a torn bicep tendon. Rather than recovering with the use of a sling for three days, his recuperation kept him from work for about a week and limited his dexterity and general ability to perform manual functions for about seven weeks. SOR allegation ¶ 1.i (\$140) is for medical services rendered to Applicant related to that procedure. Evidence was submitted showing that this clinic account has a zero balance.²¹ SOR allegation ¶ 1.j (\$312) is also for related or concurrent medical obligations, but has yet to be paid.²²

In sum, Applicant confirms that they have yet to address and do properly owe those debts cited at SOR allegations ¶ 1.c (\$1,180)²³ and ¶ 1.f (\$1,666), along with the previously referenced debts noted at ¶ 1.a (\$823) and ¶ 1.b (\$1,216). Consequently, Applicant concedes approximately \$4,850 in undisputed debt has yet to be addressed. Neither Applicant nor his wife have any other personal credit card balances outstanding and do not currently use personal credit cards.²⁴ They have no outstanding loans or obligations except for monthly payments of \$119 for their youngest daughter's braces, toward which their daughter contributes financially.

Applicant's employer has no concerns regarding Applicant's suitability, noting Applicant "has been a very trusted guy on a fairly important program."²⁵ In stating that he has no qualms concerning any of his employees, he noted that "if I have qualms

¹⁹ See Ex. 3 (Credit Report, dated Mar. 20, 2009).

²⁰ Tr. 38.

²¹ Ex. K (Clinic Statement); Tr. 38.

²² Tr. 39. Applicant was previously told he had no balance owed, but provided no evidence to that effect. Tr. 40.

²³ Applicant's wife testified that this debt is earmarked for payment with their next tax refund in February 2010. Tr. 42.

²⁴ Tr. 43. Applicant does possess a company credit card, but it is reserved for business related expenses.

²⁵ Tr. 48-50.

about [people], I don't hire them."²⁶ Applicant has also earned the trust and confidence of his security officer, who noted that Applicant has been "very up front" with regard to his financial issues.²⁷ Other professional references are equally positive.²⁸

Today, Applicant now takes an active role in the management of his family's finances.²⁹ He and his wife received financial counseling, where they learned to be persistent and consistent in their debt payments.³⁰ As a result, he and his wife have actively discussed "how we can strap down and tighten things up" financially.³¹ It is their intent to honor all legitimate obligations. In the past year, they devised a detailed monthly budget which includes payments on their largest delinquent debt, their car loan obligation. That plan appears to have been implemented in about May 2009. They also use two highly popular personal finance guides "as guidelines to improve [their] financial situation."³² Their budget reflects the fact that Applicant's current position provides him with a higher compensation package than he received in prior years. He currently earns approximately \$95,000 per year with a net monthly salary of approximately \$4,690. After rent, insurance, automobile debt payments (regarding the account noted at SOR ¶ 1.d), electric, telephone, internet/cable, water, and sewage, Applicant has a net remainder of approximately \$1,850 a month or \$462.50 a week to devote to their household expenses, meals, and, potentially, their payments toward their thus far unaddressed delinquent debt of approximately \$4,850.³³ It also serves as the financial basis from which Applicant chooses to contribute toward his children and grandchildren.³⁴

The majority of progress made by Applicant and his wife toward their delinquent debts and credit report was made possible by Applicant's acquisition of his current position and recent financial guidance. As noted by Department Counsel, Applicant and his wife have recently "begun to address some of the debts the government has concerns with . . ."³⁵ Applicant's wife has devised a financial plan to be executed over

²⁶ Tr. 48.

²⁷ Tr. 51-53.

²⁸ Exs. A-B (References).

²⁹ Tr. 67.

³⁰ *Id.*

³¹ *Id.*

³² Post Hearing Submission Cover Letter.

³³ Ex. A (Budget).

³⁴ Given the low pay earned by his three eldest children, Applicant referred to himself as supporting a household of 10, to include his wife, children, and grandchildren. Tr. 77.

³⁵ Tr. 83. Department Counsel correctly notes that the automobile loan remained largely unaddressed until mid-spring 2009.

the next two to three years that aims to address their remaining delinquent debt and, ultimately, buy a house.³⁶ In the past year or two, they made some gains clearing up inaccuracies and paying off some minor debts not at issue on their credit reports.³⁷

Policies

When evaluating an applicant's suitability for a security clearance, an administrative judge must consider the revised adjudicative guidelines (AG). In addition to brief introductory explanations for each guideline, the adjudicative guidelines list potentially disqualifying conditions and mitigating conditions. These guidelines are not inflexible rules of law. Instead, recognizing the complexities of human behavior, these guidelines are applied in conjunction with the factors listed in the adjudicative process. The administrative judge's over-arching adjudicative goal is a fair, impartial, and commonsense decision. Under AG ¶ 2(c), this process is a conscientious scrutiny of a number of variables known as the "whole person concept." The administrative judge must consider all available, reliable information about the person, past and present, favorable and unfavorable, in making a decision.

The protection of the national security is the paramount consideration. AG ¶ 2(b) requires that "[a]ny doubt concerning personnel being considered for access to classified information will be resolved in favor of national security." 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.

The government must present evidence to establish controverted facts alleged in the SOR. An applicant is responsible for presenting "witnesses and other evidence to rebut, explain, extenuate, or mitigate facts admitted by applicant or proven by Department Counsel. . . ." ³⁸ The burden of proof is something less than a preponderance of evidence.³⁹ The ultimate burden of persuasion is on the applicant.⁴⁰

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. The government reposes a high degree of trust and confidence in 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 protect or

³⁶ Ex. D (Financial Plan).

³⁷ Tr. 75.

³⁸ See also ISCR Case No. 94-1075 at 3-4 (App. Bd. Aug. 10, 1995).

³⁹ *Department of the Navy v. Egan*, 484 U.S. 518, 531 (1988).

⁴⁰ ISCR Case No. 93-1390 at 7-8 (App. Bd. Jan. 27, 1995).

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.

Section 7 of Executive Order 10865 provides that decisions shall be “in terms of the national interest and shall in no sense be a determination as to the loyalty of the applicant concerned.” See *also* EO 12968, Section 3.1(b). “The clearly consistent standard indicates that security clearance determinations should err, if they must, on the side of denials.”⁴¹ Any reasonable doubt about whether an applicant should be allowed access to sensitive information must be resolved in favor of protecting that information.⁴²

Based upon consideration of the evidence, I find Guideline F (Financial Considerations) to be the most pertinent to this case. Conditions pertaining to this adjudicative guideline that could raise a security concern and may be disqualifying, as well as those which would mitigate such concerns, are set forth and discussed below.

Analysis

Guideline F – Financial Considerations

Under Guideline F, failure or an inability to live within one’s means, satisfy debts, and meet financial obligations may indicate poor self-control, lack of judgment, or an 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.⁴³ The Directive sets out several potentially disqualifying conditions under this guideline.

Owing to a string of mishaps over the past 15 to 20 years, Applicant acquired a number of debts. Eleven of those debts became delinquent. Although most of those debts are relatively modest, one is approximately \$24,800. They are presently making progress on this highly significant debt and only four of their smaller debts remain unaddressed. Despite this progress, these facts are sufficient to raise financial considerations disqualifying condition (FC DC) AG ¶ 19(a) (“inability or unwillingness to satisfy debts”) and FC DC AG ¶ 19(c) (“a history of not meeting financial obligations”). With such conditions raised, the burden shifts to Applicant to overcome the case against him and mitigate security concerns.

Applicant’s most recent delinquent debt was the result of several significant events that occurred between 1998 and 2007. In 1998, Applicant was physically injured in a fall that required extensive rehabilitation. As a result, he lost his job and faced a period of unemployment. In 2000, his work hours were cut in half shortly after taking

⁴¹ *Id.*

⁴² *Id.*

⁴³ Revised Adjudicative Guideline (AG) ¶ 18.

possession of a new home. As a result, he lost the home and was forced to live on a substantially reduced income. In 2004, he was terminated from a position due to his inability to maintain a security clearance because of his financial situation. He then faced a significant period of unemployment lasting about a half of a year. This only worsened his then-current financial situation and prohibited him from making any progress toward his past debts. In 2007, he was laid off from his job when the contract on which he was working was terminated. Again, a period of several months of unemployment followed. Throughout, Applicant and his wife have tried to minimize the acquisition of additional debt. Such facts give rise to financial considerations mitigating condition (FC MC) AG ¶ 20(b) (“the conditions that resulted in the behavior 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”).⁴⁴

Unbeknownst to Applicant, Applicant’s wife was doing her best to meet their expenses, but she chose not to inform her husband of their often precarious financial situation. After 2004, he became aware his finances were an issue. Before progress could be made, he was laid off and experienced a period of unemployment in 2007. Shortly thereafter, his wife left the workforce to provide daycare for her grandchildren in order to eliminate day care expenses. When Applicant assumed his current position in late 2007, he found himself in a more lucrative position than in the past. Having received financial counseling and with the aid of two popular personal finance books, they have since endeavored to dispute suspected inaccuracies on their credit report. With those inaccurate entries identified, they then focused on the one obligation that represents the great majority of their debt: the automobile debt. They negotiated a repayment plan and commenced monthly payments toward that debt in about mid-May 2009.

Furthermore, with their newly found financial knowledge, Applicant and his wife also developed a firm, but flexible, budget that fully integrates their automobile debt’s payments. It appears to have been implemented with their first car-related debt in May 2009. Depending on the amount of funds Applicant chooses to contribute to his children and grandchildren, it has the ability to leave him with sufficient funds leftover each month to make modest, but regular, progress on his remaining debts. Moreover, they have anticipated significant periods of overtime to be acquired between August 2009 and the spring of 2010, earmarking those potentially increased pay checks for satisfying specific debts.⁴⁵ They have also identified which debt will be paid off with an anticipated February 2010 tax refund. Further, the couple devised and submitted a comprehensive

⁴⁴ In addition, three of Applicant’s children, who work in near-minimum wage jobs, bore children they could not afford. Applicant chose to provide them with financial assistance. While generously paternal and highly laudable, this choice was made with full knowledge of his own financial difficulties. For scrutiny under this guideline, this volitional act cannot be considered a condition “beyond his control.”

⁴⁵ The overtime pay accrued in August and October 2009 is earmarked for application to those debts identified at SOR allegations ¶¶ 1.a-1.b.

plan to be implemented over the next two to three years. Under that plan, and assuming their projections are correct, they aim to become solvent within the next year.

As of today, progress is being made toward the automobile debt and some disputed credit report entries have already been successful. The overtime anticipated from August may already be acquired and Applicant should be poised for an opportunity to undertake overtime work in October. If such overtime is paid, it could prepare them to satisfy the first two debts at issue in the SOR.

Along with the initial payments made on the automobile debt, Applicant successfully disputed two account entries, is awaiting action on two disputes, and has satisfied one medical debt. The only debts upon which progress remains uninitiated are four in number, representing a combined total just under \$5,000. These accounts are included in the couple's immediate solvency plan, but that plan remains highly contingent on the unguaranteed expectation of future overtime and a tax refund. Consequently, while FC MC ¶ 20(d) ("the individual initiated a good-faith effort to repay overdue creditors or otherwise resolve debts") may apply, FC MC ¶ 20(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") does not. No other mitigating conditions apply.

Whole Person Concept

Under the whole person concept, an administrative judge must evaluate an applicant's eligibility for a security clearance 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.

Under AG ¶ 2(c), 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.

I considered the potentially disqualifying and mitigating conditions in light of all the facts and circumstances surrounding this case, as well as the "whole person" factors. Speaking in Applicant's favor is the fact that he is a mature man with a well regarded and professionally acknowledged skill in his particular field. He is a devoted family man who continues to care for his children and their off-spring. Indeed, to his

own detriment, he has further extended himself by laudably providing financial assistance to his adult children and their children despite his own monetary problems. While he experienced a string of ill luck over the years, he is no longer in the position of acquiring new debt, delinquent or otherwise. Applicant and his wife have given up their use of credit cards and employed economizing measures at home never before implemented. More importantly, Applicant is now in a more lucrative position than ever before.

Applicant's current salary gives him the financial resources to finally begin addressing his old delinquent debts in earnest, just as his new found understanding of personal finances has helped him identify the many inaccuracies on his credit report. What he makes of this opportunity remains to be seen, particularly since much of their future financial planning is dependent on income which is thus far unrealized (*ie.* overtime and a tax refund). At present, of the 11 delinquent debts at issue, he recently started repayment on his largest obligation. Two disputed accounts were removed from his credit report while two remain in dispute. One of two medical accounts was shown to have a zero balance. All that remains to be demonstrated is an established track record of continued, timely payments on his auto loan repayment plan, and the income to actually honor the debts identified in SOR allegations ¶ 1.a (\$823), ¶ 1.b (\$1,216), ¶ 1.c (\$1,180) and ¶ 1.f (\$1,666). Assuming his budget and financial plan continue as now directed, he should be able to address these issues within the next year.

Speaking against Applicant is the fact that financial problems have dogged him for the past 15 to 20 years. He was forced to declare bankruptcy after finding he was out of his element regarding his handling of a 1995-1996 lease-purchase agreement on a home and in defending himself in the subsequent litigation. While bankruptcy gave him a clean slate, several legitimate and unavoidable intervening events impeded his progress toward maintaining financial fitness. It is true that events have turned around in the past two years and the family has employed genuine economizing measures. Cases from the appeal board, however, have intimated that evidence of only three or four months on a repayment plan, especially when involving such a large obligation as the one identified at SOR allegation ¶ 1.d, is generally several months short of establishing a true track record of timely payment. Such cases also state that future expectations of income are not substitutes for actual payment or genuine and measured progress.

There is no doubt that progress has been made, nor is there doubt that more progress remains to be made. In this process, however, the benefit of a doubt cannot be substituted for a genuine track record of increasing success. Here, Applicant successfully halted his downward financial spiral. He is now making strides to regain his footing and work his way back to solvency. In these proceedings, the administrative judge can reasonably consider the entirety of an applicant's financial situation, as well as his or her actions, in evaluating the extent to which that applicant's plan for debt reduction is credible and realistic.⁴⁶ Here, Applicant presented a credible and realistic

⁴⁶, See Directive ¶ E2.2(a).

budget. His financial plan at this point, however, is too contingent on unrealized income. Therefore, whether it is realistic remains to be seen. As noted above, the clearly consistent standard indicates that security clearance determinations should err, if they must, on the side of denials.⁴⁷ Any reasonable doubt about whether an applicant should be allowed access to sensitive information must be resolved in favor of protecting that information. Consequently, I find that Applicant failed to mitigate financial considerations security concerns. With security concerns regarding his finances currently remaining, I conclude it is not clearly consistent with national security to grant Applicant a security clearance. Clearance is denied.

Formal Findings

Formal findings for or against Applicant on the allegations set forth in the SOR, as required by section E3.1.25 of Enclosure 3 of the Directive, are:

Paragraph 1, Guideline F:	AGAINST APPLICANT
Subparagraph 1.a:	Against Applicant
Subparagraph 1.b:	Against Applicant
Subparagraph 1.c:	Against Applicant
Subparagraph 1.d:	Against Applicant
Subparagraph 1.e:	Against Applicant
Subparagraph 1.f:	Against Applicant
Subparagraph 1.g:	Against Applicant
Subparagraph 1.h:	For Applicant
Subparagraph 1.i:	For Applicant
Subparagraph 1.j:	Against Applicant
Subparagraph 1.k:	For Applicant

Conclusion

In light of all of the circumstances presented by the record in this case, it is not clearly consistent with national security to grant Applicant a security clearance. Clearance is denied.

ARTHUR E. MARSHALL, JR.
Administrative Judge

⁴⁷ An adverse determination does not necessarily speak ill of an applicant's loyalty, integrity, or diligence. As here, it only indicates that the applicant failed to meet his or her burden in mitigating the security concerns at issue.