



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



In the matter of:	)	
	)	
	)	ISCR Case No. 10-06684
	)	
Applicant for Security Clearance	)	

**Appearances**

For Government: Candace Le'i Garcia, Esquire, Department Counsel  
For Applicant: *Pro se*

07/20/2012

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**Decision**

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ANTHONY, Joan Caton, Administrative Judge:

After a thorough review of the record in this case, I conclude that Applicant mitigated the Government's security concerns under Guideline E, Personal Conduct, but he failed to mitigate security concerns under Guideline F, Financial Considerations. His eligibility for a security clearance is denied.

**History of the Case**

On September 10, 2009, Applicant completed and certified an Electronic Questionnaire for Investigations Processing (e-QIP). On October 19, 2011, the Defense Office of Hearings and Appeals (DOHA) issued Applicant a Statement of Reasons (SOR) detailing security concerns under the personal conduct and financial considerations adjudicative guidelines. DOHA acted 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 adjudicative guidelines (AG) effective within the Department of Defense for SORs issued after September 1, 2006.

Applicant provided a notarized answer to the SOR, dated December 13, 2011, declined a hearing, and requested that his case be determined on the written record. The Government compiled its File of Relevant Material (FORM) on April 5, 2012. The FORM contained documents identified as Items 1 through 13. By letter dated April 6, 2012, DOHA forwarded a copy of the FORM to Applicant, with instructions to submit any additional information and/or objections within 30 days of receipt. Applicant received the file on April 25, 2012. His response was due on May 25, 2012. Applicant filed additional information within the required time period. Department Counsel objected to Applicant's information but did not provide reasons for objecting. On July 11, 2012, the case was assigned to me for a decision. I marked Applicant's response to the FORM as Item A and admitted it to the record over Department Counsel's objection.

### **Findings of Fact**

The SOR contains 12 allegations of disqualifying conduct under Guideline F, Financial Considerations (SOR ¶¶ 1.a. through 1.l.), and two allegations of disqualifying conduct under Guideline E, Personal Conduct (SOR ¶¶ 2.a. and 2.b.). In his Answer to the SOR, Applicant denied the allegations at SOR ¶¶ 1.a. through 1.h. He neither admitted nor denied the allegation at SOR ¶ 1.i. He admitted the allegations at SOR ¶¶ 1.j. and 1.k., and he denied the allegation at SOR ¶ 1.l. He denied the allegations at SOR ¶¶ 2.a. and 2.b. Applicant's admissions are admitted as findings of fact. (Item 1.)

The facts in this case are established by the record provided by the Government and by information provided by Applicant in response to the FORM. The record evidence includes Applicant's September 10, 2009 e-QIP; official investigation and agency records; Applicant's responses to DOHA interrogatories;<sup>1</sup> Applicant's credit reports of September 26, 2009, April 28, 2010, April 19, 2011, and April 3, 2012; Applicant's Chapter 13 bankruptcy court filings of September 25, 2011, January 9, 2007, and April 11, 2008; and his response to the FORM. (See Items 3 through 13; Item A.)

Applicant is 53 years old, married, and the father of two adult children. He is also the stepfather of an adult child. He has a high school diploma. In 1977, he enlisted in the U.S. military, where he served on active duty until his retirement in 1999. He received an honorable discharge. He has held a security clearance since 1996. He receives approximately \$1,623 each month in military retirement and disability pay. (Item 3; Item 5.)

Since 2002, Applicant has been employed by a federal contractor and has worked overseas. While overseas, Applicant provided his wife with a power of attorney so that she could manage their joint finances. (Item 1; Item 10; Item A.)

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<sup>1</sup> Applicant was interviewed by an authorized investigator from the U.S. Office of Personnel Management on May 6, 2010. He acknowledged the debts identified at SOR ¶¶ 1.a., 1.b., 1.c., 1.d., 1.f., and 1.i. On June 11, 2011, Applicant acknowledged that the investigator's summary of the interview accurately reflected the information he provided to the investigator on the day of his interview. (Item 5.)

Since 2001, Applicant and his wife have filed for Chapter 13 bankruptcy three times. Applicant's bankruptcy filings are alleged at SOR ¶ 1.j. Applicant's first filing, which occurred in September 2001, recited total assets of \$116,727 and total liabilities of \$164,820. In an interview with an authorized investigator, Applicant stated that he had an adjustable rate mortgage which rose above his capacity to pay. He then filed for Chapter 13 bankruptcy to protect his home from foreclosure. This bankruptcy was dismissed in August 2002. (Item 8; Item 10; Item 13.)

In 2005, while employed overseas, Applicant was diagnosed with diabetes, which required that he take medication. Because the U.S. military hospital would not dispense to Applicant the medicines prescribed for his disease, he was required to purchase them from commercial sources in the country where he was serving. The diabetes medicines purchased in this way were expensive, Applicant stated. (Item 5.)

Applicant and his wife filed a second Chapter 13 bankruptcy petition in January 2007. On Schedule B, they reported personal property valued at \$181,580. On Schedule I, they reported an average monthly income of \$13,472 and average monthly expenses of \$9,565. They also reported assets of \$700,476 and liabilities of \$420,124. The bankruptcy court dismissed Applicant's second Chapter 13 bankruptcy in March 2008. (Item 11; Item 13.)

Applicant and his wife requested a loan modification from the creditor holding the mortgage on their home. They feared losing their home again to foreclosure. When they did not receive information about loan modification from the creditor, Applicant and his wife then filed a third Chapter 13 bankruptcy petition on April 11, 2008. On Schedule B of the bankruptcy filing, they reported personal property valued at \$55,485 and stated they had overestimated the value of their personal property on their second bankruptcy filing. Applicant's third bankruptcy filing was dismissed on September 22, 2008. (Item 5; Item 12; Item 13.)

The SOR alleges that Applicant is responsible for two delinquent mortgages and one past-due mortgage. In an interview in May 2010 with an authorized investigator, Applicant explained that the mortgage debt alleged at SOR ¶ 1.a. was for his personal residence, where his wife lived while he was overseas. In his answer to the SOR, Applicant denied the mortgage was delinquent and unpaid. However, he provided a credit report that showed that \$110,459 was past-due on the loan and that the creditor has started foreclosure proceedings. In his answer to the SOR, Applicant included a letter from the creditor, dated October 17, 2011, acknowledging his request for workout assistance. In response to the FORM, Applicant provided a letter from the creditor, dated April 26, 2012, stating that Applicant's request for a loan modification had been received and forwarded to the appropriate department. (Item 1; Item 5; Item A.)

In his interview with the authorized investigator, Applicant stated that the delinquent mortgage account and past-due mortgage account alleged at SOR ¶¶ 1.b. and 1.c. were for a property he owned that was occupied by his daughter. In his answer to the SOR, Applicant provided a credit report dated December 13, 2011. On the credit

report provided by Applicant, the last reported monthly payment of \$307 on the debt alleged at SOR ¶ 1.c. occurred in September 2011, and the balance on the account on October 2011 was \$33,120. On an April 3, 2012 credit report provided by DOHA, the account showed a balance of \$33,057. While he stated that the account was being paid on time, Applicant provided no other documentation to confirm timely payment. (Item 1; Item 5; Item 9.)

Applicant also denied the mortgage debt alleged at SOR ¶ 1.b. In his answer to the SOR, he stated: "By July 2018 this account is scheduled to go to a positive status." An April 2010 credit report provided by DOHA showed the account was delinquent by \$34,991. An April 2011 credit report provided by DOHA showed the account to be 150 days past due. Applicant provided no documentation to confirm timely payment. (Item 1; Item 7; Item 8.)

Applicant denied a \$1,276 debt to a creditor, alleged at SOR ¶ 1.d., and he stated that he had disputed the debt. In his interview with an authorized investigator, he stated that the debt had been paid with funds he provided to his bankruptcy trustee in 2007-2008. With his answer to the SOR, he provided a credit report, dated December 13, 2011, which confirmed he had disputed the debt in November 2010. However, the record does not reflect that the debt has been resolved. (Item 1; Item 5.)

Applicant also denied an \$8,011 debt, alleged at SOR ¶ 1.e. He asserted that the account was "legally paid in full." Applicant's credit report of December 13, 2011, confirms that the account was paid pursuant to a settlement. The credit report states: "Account legally paid in full for less than full balance." (Item 1.)

Applicant denied a \$37,383 debt alleged at SOR ¶ 1.f. He stated that he had disputed the debt, and it had been removed from his credit report. In his interview with an authorized investigator, Applicant denied he owed any money to the creditor identified at SOR ¶ 1.f. Applicant provided no documentation to confirm that he had disputed the debt with the credit bureau. (Item 1; Item 5.)

Applicant also denied a \$5,935 delinquent debt to a creditor identified in SOR ¶ 1.g. In his response to the FORM, he provided documentation showing he had agreed to settle the debt by April 30, 2012, by paying \$1,472.41. He also provided documentation showing he had made two electronic funds transfers to the creditor. One transfer was for \$13.95 and the other transfer was for \$1,053.24. Nothing in the record confirms that the creditor accepted the partial payment as payment in full. (Item 1; Item A.)

Applicant denied a \$13,458 delinquent debt alleged at SOR ¶ 1.h. His credit report of December 13, 2011, stated that the debt was past due and had been charged off by the creditor. (Item 1.)

The SOR alleges at ¶ 1.i. that Applicant owes a creditor a delinquent debt of \$7,386. In his answer to the SOR, Applicant neither admitted nor denied the debt.<sup>2</sup> He further stated that he had disputed the debt and it had been removed from his credit report. However, in response to the FORM, Applicant provided a credit report, dated April 26, 2012, which showed that the account had not been paid and had been charged off by the creditor. (Item 1; Item A.)

The SOR alleged at ¶ 1.k. that Applicant failed to pay his federal income taxes for tax periods ending December 31, 2005, December 31, 2006, and December 31, 2007. As a consequence of his failure to pay these taxes, a federal tax lien was placed on Applicant's property on October 21, 2008. The lien was withdrawn after Applicant reached settlement with the Internal Revenue Service. (Item 1.)

Applicant denied a \$2,082 delinquent debt, in collection status, alleged at SOR ¶ 1.l. In his answer to the SOR, he stated that he had disputed the debt and it was no longer on his credit report of December 2011. In his response to the FORM, Applicant provided documentation from the creditor acknowledging receipt of \$1,041 on April 26, 2012. The creditor further stated that when the payment was credited to its bank account, it would consider Applicant's account to be settled. (Item 1; Item A.)

In his response to the FORM, Applicant provided a credit report dated April 26, 2012. On the credit report, he highlighted five existing debts that were in charged-off status. At least two of those debts were not alleged on the SOR. (Item A.)

Applicant completed and certified an e-QIP on September 10, 2009. Section 26 on the e-QIP asks that an individual disclose information on all financial obligations covering a period of the last seven years. Specifically, Section 26c asks: "Have you failed to pay Federal, state, or other taxes, or to file a tax return, when required by law or ordinance?" In response to Section 26c, Applicant answered "No" and failed to disclose that he had failed to pay his federal income taxes in a timely manner for tax years 2005, 2006, and 2007. Applicant's failure to reveal this information is alleged as a deliberate falsification in SOR ¶ 2.a. (Item 1.)

Section 26d on the e-QIP asks: "Have you had a lien placed against your property for failing to pay taxes or other debts?" Applicant responded "No" to Section 26d. He did not disclose that on October 21, 2008, he had a lien placed on his property for failure to pay federal income taxes for tax years 2005, 2006, and 2007, as alleged in SOR ¶ 1.k. Applicant's failure to reveal this information is alleged as a deliberate falsification in SOR ¶ 2.b. (Item 1.)

On September 10, 2009, after completing his e-QIP, Applicant signed the following certification:

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<sup>2</sup> For the purposes of this adjudication, I interpret Applicant's response to SOR ¶ 1.i. as a denial.

My statements on this form, and any attachments to it, are true, complete, and correct to the best of my knowledge and belief and are made in good faith. I have carefully read the foregoing instructions to complete this form. I understand that a knowing and wilful false statement on this form can be punished by fine or imprisonment or both. (18 U.S.C. 1001). I understand that intentionally withholding, misrepresenting, or falsifying information may have a negative effect on my security clearance, employment prospects, or job status, up to and including denial or revocation of my security clearance, or my removal and debarment from Federal service.

In his answer to the SOR, Applicant denied that his falsifications were deliberate. He stated that he was not aware of his tax delinquencies or his tax lien when he completed his e-QIP. He stated that because he works overseas, his wife handles all their financial matters. In the FORM, Department Counsel acknowledged that Applicant's failure to list his delinquent taxes and tax lien was probably not intentional considering that he has been working overseas since 2002. (FORM at 7; Item 1.)

In February 2011, Applicant provided a personal financial statement in response to DOHA interrogatories. He reported a net monthly income of \$11,482, total monthly living expenses and debt payment of \$9,206,<sup>3</sup> and a monthly net remainder of \$2,276. The record does not reflect that Applicant has had financial credit counselling. (Item 5.)

### **Policies**

The U.S. Supreme Court has recognized the substantial discretion of the Executive Branch in regulating access to information pertaining to national security, and it has emphasized that "no one has a 'right' to a security clearance." *Department of the Navy v. Egan*, 484 U.S. 518, 528 (1988). As Commander in Chief, the President has the authority to control access to information bearing on national security and to determine whether an individual is sufficiently trustworthy to have access to such information." *Id.* at 527. The President has authorized the Secretary of Defense or his designee to grant Applicant's eligibility for access to classified information "only upon a finding that it is clearly consistent with the national interest to do so." Exec. Or. 10865, *Safeguarding Classified Information within Industry* § 2 (Feb. 20, 1960), as amended.

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, which are used in evaluating an applicant's eligibility for access to classified information.

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<sup>3</sup> Applicant's monthly living expenses include his living expenses overseas as well as his wife's living expenses in the United States. (Item 5.)

These guidelines are not inflexible rules of law. Instead, recognizing the complexities of human behavior, the administrative judge applies these guidelines in conjunction with the factors listed in the adjudicative process. The administrative judge's overarching adjudicative goal is a fair, impartial, and commonsense decision. According to AG ¶ 2(c), the entire process is a conscientious scrutiny of a number of variables known as the "whole-person concept." The administrative judge must consider all available, reliable information about the person, past and present, favorable and unfavorable, in making a decision.

The protection of the national security is the paramount consideration. AG ¶ 2(b) requires that "[a]ny doubt concerning personnel being considered for 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.

Under Directive ¶ E3.1.14, the Government must present evidence to establish controverted facts alleged in the SOR. Under Directive ¶ E3.1.15, the applicant is responsible for presenting "witnesses and other evidence to rebut, explain, extenuate, or mitigate facts admitted by applicant or proven by Department Counsel. . . ." The applicant has the ultimate burden of persuasion in seeking to obtain a favorable security decision.

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 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) (listing multiple prerequisites for access to classified or sensitive information).

## **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 conditions that could raise security concerns in this case. 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.

Applicant has a history of financial delinquency. He has filed for Chapter 13 bankruptcy three times since 2001. All three filings have been dismissed. It is unclear whether he will be able to avoid foreclosure on his principal residence and pay his existing delinquencies. He failed to pay his federal income taxes for three tax years. The record reflects that Applicant has been steadily employed overseas for approximately ten years, but he has failed to demonstrate that he has a plan for resolving the majority of his delinquent debts. This evidence is sufficient to raise security concerns under AG ¶¶ 19(a) and 19(c).

The guideline also includes examples of conditions that could mitigate security concerns arising from financial difficulties. Several Guideline F mitigating conditions could apply to the security concerns raised by Applicant's financial delinquencies. Unresolved financial delinquency might be mitigated if it "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." (AG ¶ 20(a)). Additionally, unresolved financial delinquency might be mitigated if "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." (AG ¶ 20(b)). Still other mitigating circumstances that might be applicable include 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" (AG ¶ 20(c)) or "the individual initiated a good-faith effort to repay overdue creditors or otherwise resolve debts" (AG ¶ 20 (d)). Finally, security concerns related to financial delinquencies might be mitigated if "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." (AG ¶ 20 (e)).

Applicant had some health problems while employed overseas and was required to purchase expensive medications. While this was a condition beyond his control, it is not in itself sufficient to mitigate Applicant's failure to pay his creditors over many years. He continues to have financial delinquencies. He has sought protection from his creditors three times by filing Chapter 13 bankruptcies. However, the bankruptcies were dismissed and there was no clear resolution of his financial difficulties, which remain a



serious concern. While bankruptcy is a legitimate legal tool in the resolution of debt, it does not erase concerns about an individual's good-faith efforts to satisfy his creditors and his current and future financial stability.

Applicant merits some credit for his efforts to resolve the debts alleged at SOR ¶¶ 1.e. and 1.i. Additionally, I find the allegations at SOR ¶¶ 1.j. and 1.k. for Applicant. Applicant was within the law and within his rights to file for Chapter 13 bankruptcy, and therefore that allegation does not recite a fact that raises a potential disqualifying condition. However, Applicant's three Chapter 13 filings suggest a pattern of financial conduct that has not resulted in the resolution of his delinquent debts. Additionally, I conclude for Applicant SOR ¶ 1.k., which recites in part that Applicant's tax lien was withdrawn after he reached a settlement with the Internal Revenue Service.

However, several of Applicant's delinquent debts remain unresolved and in charged-off status. While creditors may no longer expect payment of debts in charged-off status, an applicant retains a good-faith obligation to satisfy or otherwise resolve them. Failure to do so transfers the financial obligation to pay or compensate for debts to others. DOHA's Appeal Board has explained what constitutes a "good-faith" effort to repay overdue creditors or otherwise resolve delinquent 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) in order to claim the benefit of [the "good-faith" mitigating condition.]

(ISCR Case No. 02-30304 at 3 (App. Bd. April 20, 2004) (quoting ISCR Case No. 99-9020 at 5-6 (App. Bd. June 4, 2001))).

Applicant has been steadily employed for ten years. He has delegated his financial responsibilities to his wife; he has not had financial counseling; and he has provided no evidence that his financial situation is under control. I conclude that AG ¶¶ 20(a), 20(b), 20(c), 20(d), and 20(e) do not fully apply in mitigation in Applicant's case.<sup>4</sup>

### **Guideline E, Personal Conduct**

AG ¶ 15 explains why personal conduct is a security concern:

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<sup>4</sup> AG ¶ 20(e) does not apply to the facts of Applicant's case.

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.

When Applicant completed and signed his e-QIP in September 2009, he failed to provide truthful answers to queries about his failure to pay his federal income taxes and to reveal the federal tax lien brought against him. The SOR alleged that Appellant's "No" responses to these questions were deliberate falsifications. Applicant denied his falsifications were willful and deliberate.

DOHA's Appeal Board has cogently explained the process for analyzing falsification cases:

(a) when a falsification allegation is controverted, Department Counsel has the burden of proving falsification; (b) proof of an omission, standing alone, does not establish or prove an applicant's intent or state of mind when the omission occurred; and (c) a Judge must consider the record evidence as a whole to determine whether there is direct or circumstantial evidence concerning the applicant's intent or state of mind at the time the omission occurred. [Moreover], it was legally permissible for the Judge to conclude Department Counsel had established a prima facie case under Guideline E and the burden of persuasion had shifted to the applicant to present evidence to explain the omission.

ISCR Case No. 03-10380 at 5 (App. Bd. Jan. 6, 2006) (citing ISCR Case No. 02-23133 (App. Bd. June 9, 2004)).

Applicant's false answers may raise a security concern under AG ¶ 16(a), which reads: "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 benefits or status, determine security clearance eligibility or trustworthiness, or award fiduciary responsibilities."

I have carefully reviewed the record evidence in this case. I acknowledge that Applicant delegated his financial responsibilities to his wife when he worked overseas. He was not aware on a day-to-day basis of his household financial situation. I conclude that Applicant's "No" answers to Sections 26c and 26d on his e-QIP were not deliberate.

### **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 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.

I considered the potentially disqualifying and mitigating conditions in light of all the facts and circumstances surrounding this case. Applicant is a mature adult. He accumulated substantial debt. Over time, he repeated unsuccessful strategies in an attempt to resolve his debt.

Applicant reports a monthly net remainder of over \$2,000. Despite these resources, the majority of Applicant's debts remain unresolved, and he appears to lack a plan to pay his creditors and avoid financial delinquency in the future.

Applicant did not deliberately falsify his answers to questions about his financial situation of his e-QIP. However, his ignorance of those matters is regrettable, for he appears to lack not only knowledge of his financial situation but also an awareness of the necessary means to address his financial delinquencies and ultimately to meet his financial obligations. The record evidence leaves me with doubts about Applicant's eligibility and suitability for a security clearance. I conclude that Applicant did not deliberately falsify his answers to financial questions on his e-QIP. However, I also conclude that he failed to mitigate the security concerns arising from his financial delinquencies.

### **Formal Findings**

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

Paragraph 1, Guideline F:	AGAINST APPLICANT
Subparagraphs 1.a. - 1.d.:	Against Applicant
Subparagraph 1.e.:	For Applicant

Subparagraphs 1.f. - 1.i.:	Against Applicant
Subparagraphs 1.j. - 1.l.:	For Applicant
Paragraph 2, Guideline E:	FOR APPLICANT
Subparagraphs 2.a. - 2.b.:	For Applicant

### **Conclusion**

In light of all of the circumstances presented by the record in this case, it is not clearly consistent with the national interest to grant Applicant eligibility for a security clearance. Eligibility for access to classified information is denied.

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Joan Caton Anthony  
Administrative Judge