



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



In the matter of:

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Applicant for Security Clearance

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ISCR Case No. 11-14210

**Appearances**

For Government: Braden M. Murphy, Esq., Department Counsel  
For Applicant: *Pro se*

07/26/2013

**Decision**

HARVEY, Mark, Administrative Judge:

Applicant's statement of reasons (SOR) alleges 16 delinquent debts, totaling \$34,352. Circumstances beyond her control caused her to have delinquent debts. She had insufficient financial resources to pay these debts. Applicant's delinquent unsecured, nonpriority debts will be discharged in about six weeks under Chapter 7 of the Bankruptcy Code. She will have a fresh financial start and no remaining delinquent debts. Financial considerations are mitigated. Eligibility for access to classified information is granted.

**Statement of the Case**

On August 31, 2011, Applicant submitted an Electronic Questionnaires for Investigations Processing (e-QIP) or security clearance application (SF 86) (GE 1). On April 8, 2013, the Department of Defense (DOD) Consolidated Adjudications Facility (CAF) issued an SOR to Applicant, pursuant to Executive Order 10865, *Safeguarding Classified Information Within Industry*, dated February 20, 1960, as amended; DOD Directive 5220.6, *Defense Industrial Personnel Security Clearance Review Program* (Directive), dated January 2, 1992, as amended; and the adjudicative guidelines (AG) promulgated by the President on December 29, 2005.

The SOR alleged security concerns under Guideline F (financial considerations). (Hearing Exhibit (HE) 2) The SOR detailed reasons why the DOD CAF was unable to find that it is clearly consistent with the national interest to continue a security clearance for Applicant, and it recommended that her case be submitted to an administrative judge for a determination whether her clearance should be continued or revoked. (HE 2)

On April 29, 2013, Applicant responded to the SOR. (HE 3) On June 7, 2013, Department Counsel was ready to proceed on Applicant's case. On June 19, 2013, DOHA assigned Applicant's case to me. On June 21, 2013, the Defense Office of Hearings and Appeals (DOHA) issued a hearing notice, setting the hearing for July 10, 2013. (HE 1) Applicant's hearing was held as scheduled. At the hearing, Department Counsel offered five exhibits, and Applicant offered 16 exhibits. (Tr. 20-27; GE 1-5; AE A-P) There were no objections, and I admitted GE 1-5 and AE A-P. (Tr. 21, 27) On July 16, 2013, DOHA received the transcript of the hearing.

### **Findings of Fact<sup>1</sup>**

In her Answer to the SOR, Applicant accepted responsibility for the debts listed in SOR ¶¶ 1.a, 1.b, 1.d, 1.h-1.m, 1.o, and 1.p. She also explained what she had done and was doing to resolve her delinquent debts. (HE 3) Her admissions are accepted as findings of fact.

Applicant is a 40-year-old senior administrative assistant, office manager, document editor, and appointment planner for a defense contractor. (Tr. 8-9, 29-30; GE 1) She has worked continuously for the same defense contractor since August of 2011. (Tr. 9, 31) She graduated from high school in 1991, and she attended community college without receiving a degree. (Tr. 8) She has never served in the military. (Tr. 9) In 1995, she married, and in 2006, she divorced. (Tr. 30; SF 86) She married in 2006, and she was divorced in 2009. (Tr. 30; SF 86) She has one child, who is 14 years old. (Tr. 9, 30) She previously held a security clearance for about three years in the 1990s. (Tr. 31)

### **Financial Considerations**

Applicant's SOR alleges 16 delinquent debts, totaling \$34,352. Her credit reports disclose the three judgments in SOR ¶¶ 1.a (\$1,767) and 1.b (\$2,256) for credit card debts, and in 1.c (\$595) for a medical debt. Her credit reports also show 13 delinquent SOR accounts as follows: (1) one telecommunications debt in 1.d (\$614); (2) eight bank debts in 1.e (\$3,372), 1.f (\$3,768), 1.g (\$2,174), 1.i (\$3,324), 1.j (\$3,500), 1.k (\$614), 1.l (\$909), and 1.m (\$5,926); (3) two store debts in 1.h (\$614) and 1.n (\$173); (4) one mortgage debt in 1.o showing \$4,479 in delinquent interest on a \$97,973 mortgage account, and (5) one medical debt in 1.p (\$267). She disclosed and described her delinquent debts in her August 31, 2011 SF 86, October 5, 2011 Office of Personnel Management (OPM) personal subject interview (PSI), February 19, 2013 DOHA

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<sup>1</sup>Some details have been excluded in order to protect Applicant's right to privacy. Specific information is available in the cited exhibits.

interrogatories, SOR response, and at her hearing. All the documentation consistently and credibly discusses her finances. (GE 1-5)

Applicant had four alleged debts on her SOR that were related to the same bank creditor. (Tr. 47) The two debts in SOR ¶¶ 1.e (\$3,372) and 1.f (\$3,768) were duplications of the judgments in SOR ¶¶ 1.a and 1.b. (Tr. 47-48; SOR response) Applicant said the debt in SOR ¶ 1.n (\$173) was invalid because her husband stole her checkbook and incurred the bad debt with an unauthorized check. (Tr. 48) She reported the stolen checks to the police. (SOR response)

Applicant had serious medical problems, which required hospitalizations for a total of about 90 days in 2009 to 2010. (Tr. 33) In 2010, she lost her employment due to excessive medical absences, and she remained unemployed for six months. (Tr. 35; AE N) Her husband was irresponsible and spent frivolously and excessively, maxing out their credit cards. (Tr. 33) He attempted suicide and was committed to a mental institution. (AE N) She obtained a divorce in 2009, and he left the state without paying their bills. (Tr. 33) Her state is a community property state, and she was legally responsible for the debts he accrued. (Tr. 33) He is supposed to pay \$480 a month in child support; however, he does not pay it. (Tr. 44) He is \$32,000 behind on child support payments. (Tr. 45)

In 1998, Applicant purchased her home. (Tr. 37) Her mortgage was \$97,973, and because of financial problems her mortgage was delinquent in the amount of \$4,479. (SOR ¶ 1.o; SOR response) In 2012, the foundation cracked on her house, and she was unable to afford repairs of approximately \$20,000. (Tr. 33; AE N) She was advised her home was no longer safe, and in January 2013, she moved out. (Tr. 37, 53-54) The property is vacant. (Tr. 38) She maintains the yard. (Tr. 38) Her bankruptcy attorney advised her that she should stop making the payments, move out, and explain the situation to the creditor holding her mortgage. (Tr. 39-40) She complied with his instructions. (Tr. 39)

In 2012, Applicant's hourly wage was \$17.50 an hour. (Tr. 32) She recently received a two percent pay increase from her employer. (Tr. 32) Her bankruptcy filing shows monthly income of \$2,087 and monthly expenses of \$2,978; however, she does not actually have a monthly deficit because she stopped paying her mortgage. (Tr. 43) She has a small positive cash flow each month. (Tr. 43) Her vehicle is a 2000 model year car, and it is paid off. (Tr. 44) She does not have any credit cards. (Tr. 51) She is current on her rent, utilities, and state and federal taxes. (Tr. 45, 57; AE P)

On May 15, 2013, Applicant filed for bankruptcy under Chapter 7 of the Bankruptcy Code. (Tr. 36-37; AE L) She paid her attorney and all bankruptcy fees. (Tr. 52) On March 11, 2013 and July 2, 2013, she received financial counseling. (Tr. 48-49; GE J and K) Applicant's Pacer docket showed a meeting of bankruptcy creditors on June 11, 2013, as the most recent entry. (AE L) Her bankruptcy attorney advised Applicant that her debts should be discharged around the end of August 2013. (Tr. 50) All of her SOR debts are listed on her bankruptcy schedules.

## Character Evidence

Applicant provided letters from friends and colleagues, including from her facility security officer and supervisor. (AE B-G, O) Their letters attest to Applicant's good character for trustworthiness, diligence, responsibility, and conscientious, detail-oriented contributions to her employer and community. (AE B-G, O) Her evaluations provided strong favorable appraisals of her work. (AE H and I)

## 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." *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.

Eligibility for a security clearance is predicated upon the applicant meeting the criteria contained in the adjudicative guidelines. These guidelines are not inflexible rules of law. Instead, recognizing the complexities of human behavior, these guidelines are applied in conjunction with an evaluation of the whole person. An administrative judge's overarching adjudicative goal is a fair, impartial, and commonsense decision. An administrative judge must consider all available, reliable information about the person, past and present, favorable and unfavorable.

The Government reposes a high degree of trust and confidence in persons with access to classified information. This relationship transcends normal duty hours and endures throughout off-duty hours. Decisions include, by necessity, consideration of the possible risk the applicant may deliberately or inadvertently fail to safeguard classified information. Such decisions entail a certain degree of legally permissible extrapolation about potential, rather than actual, risk of compromise of classified information. Clearance decisions must be "in terms of the national interest and shall in no sense be a determination as to the loyalty of the applicant concerned." See Exec. Or. 10865 § 7. See also Executive Order 12968 (Aug. 2, 1995), § 3.1. 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 about applicant's allegiance, loyalty, or patriotism. It is merely an indication the applicant has not met the strict guidelines the President and the Secretary of Defense have established for issuing a clearance.

Initially, the Government must establish, by substantial evidence, conditions in the personal or professional history of the applicant that may disqualify the applicant from being eligible for access to classified information. The Government has the burden of establishing controverted facts alleged in the SOR. See *Egan*, 484 U.S. at 531.

“Substantial evidence” is “more than a scintilla but less than a preponderance.” See *v. Washington Metro. Area Transit Auth.*, 36 F.3d 375, 380 (4<sup>th</sup> Cir. 1994). The guidelines presume a nexus or rational connection between proven conduct under any of the criteria listed therein and an applicant’s security suitability. See ISCR Case No. 95-0611 at 2 (App. Bd. May 2, 1996).

Once the Government establishes a disqualifying condition by substantial evidence, the burden shifts to the applicant to rebut, explain, extenuate, or mitigate the facts. Directive ¶ E3.1.15. An applicant “has the ultimate burden of demonstrating that it is clearly consistent with the national interest to grant or continue his or her security clearance.” ISCR Case No. 01-20700 at 3 (App. Bd. Dec. 19, 2002). The burden of disproving a mitigating condition never shifts to the Government. See ISCR Case No. 02-31154 at 5 (App. Bd. Sep. 22, 2005). “[S]ecurity clearance determinations should err, if they must, on the side of denials.” *Egan*, 484 U.S. at 531; see AG ¶ 2(b).

## **Analysis**

### **Financial Considerations**

AG ¶ 18 articulates the security concern relating to financial problems:

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.

AG ¶ 19 provides two disqualifying conditions that could raise a security concern and may be disqualifying in this case: “(a) inability or unwillingness to satisfy debts;” and “(c) a history of not meeting financial obligations.” In ISCR Case No. 08-12184 at 7 (App. Bd. Jan. 7, 2010), the Appeal Board explained:

It is well-settled that adverse information from a credit report can normally meet the substantial evidence standard and the government’s obligations under [Directive] ¶ E3.1.14 for pertinent allegations. At that point, the burden shifts to applicant to establish either that [he or] she is not responsible for the debt or that matters in mitigation apply.

(internal citation omitted). Applicant’s history of delinquent debt is documented in her credit reports, her OPM interview, her SOR response, her bankruptcy filing, and her statement at her hearing. Her debts became delinquent beginning in 2009 and remain delinquent today. Applicant’s SOR alleges 16 delinquent debts, totaling \$34,352. The Government established the disqualifying conditions in AG ¶¶ 19(a) and 19(c), requiring additional inquiry about the possible applicability of mitigating conditions.

Five mitigating conditions under AG ¶ 20 are potentially applicable:

(a) the behavior happened so long ago, was so infrequent, or occurred under such circumstances that it is unlikely to recur and does not cast doubt on the individual's current reliability, trustworthiness, or good judgment;

(b) the conditions that resulted in the financial problem were largely beyond the person's control (e.g., loss of employment, a business downturn, unexpected medical emergency, or a death, divorce or separation), and the individual acted responsibly under the circumstances;

(c) the person has received or is receiving counseling for the problem and/or there are clear indications that the problem is being resolved or is under control;

(d) the individual initiated a good-faith effort to repay overdue creditors or otherwise resolve debts; and

(e) the individual has a reasonable basis to dispute the legitimacy of the past-due debt which is the cause of the problem and provides documented proof to substantiate the basis of the dispute or provides evidence of actions to resolve the issue.

Applicant's conduct in resolving her debts warrants full application of AG ¶ 20(b). Applicant had serious medical problems. In 2010, she lost her employment due to excessive medical absences, and she remained unemployed for six months. Her husband was irresponsible and spent frivolously and excessively, maxing out their credit cards. Her husband was committed to a mental institution. He is supposed to pay \$480 a month in child support, and he is \$32,000 behind on her child support payments. She obtained a divorce in 2009, and he left the state without paying their bills. Her home developed cracks in the foundation; she could not afford repairs; and the home was uninhabitable. She is responsible for herself and her daughter, and her annual income is only about \$24,000. In May 2012, she filed for discharge of her delinquent debts under Chapter 7 of the Bankruptcy Code.<sup>2</sup> Her financial problems were generated by circumstances largely beyond her control. There is no evidence that he acted irresponsibly.

Two recent Appeal Board decisions illustrate the analysis for applying AG ¶¶ 20(a) and 20(b). In ISCR Case No. 09-08533, the applicant had \$41,000 in delinquent credit card debt and defaulted on a home loan generating a \$162,000 delinquent debt.

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<sup>2</sup> The Appeal Board has indicated that promises to pay off delinquent debts in the future are not a substitute for a track record of paying debts in a timely manner and otherwise acting in a financially responsible manner. ISCR Case No. 07-13041 at 4 (App. Bd. Sept. 19, 2008) (citing ISCR Case No. 99-0012 at 3 (App. Bd. Dec. 1, 1999)).

*Id.* at 2. That applicant filed for bankruptcy the same month the Administrative Judge issued her decision. *Id.* at 1-2. The applicant in ISCR Case No. 09-08533 was recently divorced, had been unemployed for 10 months, and had childcare responsibilities. Her former husband was inconsistent in his payment of child support to her. The Appeal Board determined that AG ¶ 20(a) was “clearly applicable (debt occurred under such circumstances that it is unlikely to recur and [the debt] does not cast doubt on the individual’s current reliability, trustworthiness, or good judgment)” even though that applicant’s debts were unresolved at the time the Administrative Judge’s decision was issued. The Appeal Board also decided that the record evidence raised the applicability of AG ¶ 20(b) because of the absence of evidence<sup>3</sup> of irresponsible behavior, poor judgment, unreliability, or lack of trustworthiness. *Id.* at 4.

Similarly, in ISCR Case No. 08-06567 at 3 (App. Bd. Oct. 29, 2009) the Appeal Board addressed a situation where an applicant, who had been sporadically unemployed and lacked the ability to pay her creditors, noting that “it will be a long time at best before he has paid” all of her creditors. The applicant was living on unemployment compensation at the time of her hearing. The Appeal Board explained that such a circumstance was not necessarily a bar to having access to classified information stating:

However, the Board has previously noted that an applicant is not required to be debt-free nor to develop a plan for paying off all debts immediately or simultaneously. All that is required is that an applicant act responsibly given his [or her] circumstances and develop a reasonable plan for repayment, accompanied by “concomitant conduct,” that is, actions which evidence a serious intent to effectuate the plan. See ISCR Case No. 07-06482 at 3 (App. Bd. May 21, 2008).

ISCR Case No. 08-06567 at 3 (App. Bd. Oct. 29, 2009). The applicant in ISCR Case No. 08-06567 used his limited resources to (1) resolve some of his debts; (2) had a repayment plan for the remaining debts; and (3) took “reasonable actions to effectuate that plan.” *Id.* The Appeal Board remanded the Administrative Judge’s decision because it did not “articulate a satisfactory explanation for his conclusions,” emphasizing the Administrative Judge did “not explain[] what he believes that applicant could or should have done under the circumstances that he has not already done to rectify his poor financial condition, or why the approach taken by applicant was not ‘responsible’ in light of his limited circumstances.” *Id.*

Application of AG ¶ 20(c) is warranted. Applicant completed financial counseling. She also generated a PFS or budget as part of her bankruptcy. As indicated previously, Applicant established that she acted responsibly under the circumstances. Although there is limited evidence of record that she established and maintained contact with her

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<sup>3</sup> Applicant has the burden of proving the applicability of any mitigating conditions, and the burden to disprove a mitigating condition never shifts to the Government.

creditors,<sup>4</sup> her financial problem is being resolved or is under control. She maintained multiple accounts in current status, including her rent, utilities, and taxes. She paid off her vehicle. All of her unsecured, nonpriority debts will be discharged under Chapter 7 of the Bankruptcy Code in about six weeks.<sup>5</sup>

AG ¶ 20(d) is partially applicable. Applicant admitted responsibility for and took reasonable and responsible actions to resolve her SOR debts through bankruptcy, showing some good faith.<sup>6</sup> AG ¶ 20(e) is not applicable. Applicant did not provide documentation showing she disputed any of her delinquent SOR debts.

In sum, Applicant has taken reasonable actions to resolve her delinquent debts and maintain her financial responsibility. After her bankruptcy discharges her delinquent debts, it is unlikely that financial problems will recur. Her efforts are sufficient to fully mitigate financial considerations security concerns. Assuming, financial considerations

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<sup>4</sup>“Even if Applicant’s financial difficulties initially arose, in whole or in part, due to circumstances outside her [or her] control, the Judge could still consider whether Applicant has since acted in a reasonable manner when dealing with those financial difficulties.” ISCR Case No. 05-11366 at 4 n.9 (App. Bd. Jan. 12, 2007) (citing ISCR Case No. 99-0462 at 4 (App. Bd. May 25, 2000); ISCR Case No. 99-0012 at 4 (App. Bd. Dec. 1, 1999); ISCR Case No. 03-13096 at 4 (App. Bd. Nov. 29, 2005)). A component is whether he or she maintained contact with creditors and attempted to negotiate partial payments to keep debts current.

<sup>5</sup>There is some duplication of debts in Applicant’s bankruptcy schedules. In a bankruptcy filing, most debtors list potential creditors, even when the debt may have been resold or transferred to a different collection agent or creditor, to ensure notice, and reduce the risk of subsequent dismissal of the bankruptcy. If Applicant failed to list some debts on her bankruptcy schedule, this failure to list some debts does not affect their discharge. Absent fraud, in a no-asset bankruptcy, all unsecured, nonpriority debts are discharged when the bankruptcy court grants a discharge, even when they are not listed on a bankruptcy schedule. See *Judd v. Wolfe*, 78 F.3d 110, 114 (3d Cir. 1996); *Francis v. Nat’l Revenue Service, Inc.*, 426 B.R. 398 (Bankr. S.D. FL 2010), but see *First Circuit Bucks Majority on Discharge of Unlisted Debt in No-Asset Case*, American Bankruptcy Institute, 28-9 ABIJ 58 (Nov. 2009). There is no requirement to re-open the bankruptcy to discharge the debt. *Collier on Bankruptcy*, Matthey Bender & Company, Inc., 2010, Chapter 4-523, ¶ 523(a)(3)(A). Not all debts are discharged through bankruptcy. Priority debts, such as tax debts, student loan debts, and child support obligations, are generally not discharged through bankruptcy. Secured debts such as home mortgages and car liens are not discharged unless the security (home or car) is foreclosed or repossessed.

<sup>6</sup>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) in order to claim the benefit of [the “good faith” mitigating condition].

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



concerns are not mitigated under AG ¶ 20, security concerns are mitigated under the whole-person concept, *infra*.

### **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 the 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.

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. AG ¶ 2(c). I have incorporated my comments under Guideline F in my whole-person analysis. Some of the factors in AG ¶ 2(a) were addressed under Guideline F, but some warrant additional comment.

Applicant is a 40-year-old senior administrative assistant, office manager, document editor, and appointment planner for a defense contractor, who has worked continuously for the same defense contractor since August of 2011. She is sufficiently mature to understand and comply with her security responsibilities. There is every indication that she is loyal to the United States and her employer. There is no evidence that she abuses alcohol or uses illegal drugs. Applicant's financial situation was damaged by her prolonged debilitating illness, unemployment, low income, a cracked foundation to her home, the mental illness of her spouse, divorce, his failure to pay child support, and his irresponsible excessive spending. I give Applicant substantial credit for admitting responsibility for her delinquent debts in her SF 86, OPM PSI, responses to DOHA interrogatories, SOR response, and at her hearing.

Even though Applicant lacked financial resources because of her low income and the necessity of supporting herself and her daughter, Applicant made numerous payments and maintained her rent, utilities, and taxes in current status. She also paid her bankruptcy attorney and fees. Her decision to file for bankruptcy is appropriate and reasonable. The discharge of her debts through bankruptcy provides her a fresh financial start, and this result is consistent with the goals of the Bankruptcy Statute and congressional intent. The Appeal Board has addressed a key element in the whole-person analysis in financial cases stating:

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 has paid off each and every debt listed in the SOR. All that is required is that an applicant demonstrate that he has . . . established a plan to resolve 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 her actions in evaluating the extent to which that applicant's plan for the reduction of her 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 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.

ISCR Case No. 07-06482 at 2-3 (App. Bd. May 21, 2008) (internal citations and quotation marks omitted).

Applicant's character letters and evaluations attest to her good character for trustworthiness, diligence, responsibility, and conscientious, detail-oriented contributions to her employer and community. She is an intelligent person, and she understands how to budget and what she needs to do to establish and maintain her financial responsibility. There is simply no reason not to trust her. I am confident she will maintain her financial responsibility.<sup>7</sup>

I have carefully applied the law, as set forth in *Department of Navy v. Egan*, 484 U.S. 518 (1988), Exec. Or. 10865, the Directive, and the AGs, to the facts and circumstances in the context of the whole person. I conclude financial considerations concerns are mitigated, and eligibility for access to classified information is granted.

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<sup>7</sup>Of course, the government can re-validate Applicant's financial status at any time through credit reports, investigation, and additional interrogatories. Approval of a clearance now does not bar the government from subsequently revoking it, if warranted. Violation of a promise made in a security context to pay legitimate debts also raises judgment concerns under Guideline E, and may support future revocation of a security clearance. An administrative judge does not have authority to grant a conditional clearance. ISCR Case No. 99-0901, 2000 WL 288429 at \*3 (App. Bd. Mar. 1, 2000). See *also* ISCR Case No. 04-03907 at 2 (stating, "The Board has no authority to grant [a]pplicant a conditional or probationary security clearance to allow her the opportunity to have a security clearance while she works on her financial problems." and citing ISCR Case No. 03-07418 at 3 (App. Bd. Oct. 13, 2004)). This footnote does not imply that this Applicant's clearance is conditional.

## **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

Subparagraphs 1.a to 1.p:       For Applicant

## **Conclusion**

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

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Mark Harvey  
Administrative Judge