



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



In the matter of:)
)
) ISCR Case No. 15-03264
)
Applicant for Security Clearance)

Appearances

For Government: Adrienne Strzelczyk, Esq., Department Counsel
For Applicant: *Pro se*

10/07/2016

Decision

MATCHINSKI, Elizabeth M., Administrative Judge:

Afforded a financial fresh start through bankruptcy in 1999, Applicant defaulted on eight student loans totaling \$36,000 in 2011. He and his spouse owed delinquent federal and state income taxes for tax years 2010 through 2014 because of insufficient tax withholdings. Applicant has paid \$25,528 toward his student loans through wage garnishment since January 2013. He has been making installment payments to the IRS to reduce his federal tax debt to \$1,200 and has a repayment plan established to address \$3,717 in past-due state income taxes. Clearance is granted.

Statement of the Case

On November 14, 2015, the Department of Defense Consolidated Adjudications Facility (DOD CAF) issued a Statement of Reasons (SOR) to Applicant, detailing the security concerns under Guideline F, financial considerations, and explaining why it was unable to find that it is clearly consistent with the national interest to grant him security clearance eligibility. The DOD CAF took the action under Executive Order 10865, *Safeguarding Classified Information within Industry* (February 20, 1960), as amended; DOD Directive 5220.6, *Defense Industrial Personnel Security Clearance Review Program*

(January 2, 1992), as amended (Directive); and the adjudicative guidelines (AG) effective within the DOD on September 1, 2006.

Applicant responded to the SOR allegations on December 15, 2015, and he requested a decision on the written record without a hearing. On January 20, 2016, the Government submitted a File of Relevant Material (FORM) consisting of seven documents (Items 1-7), including Applicant's answer to the SOR (Item 1). On January 21, 2016, the Defense Office of Hearings and Appeals (DOHA) forwarded a copy of the FORM to Applicant and instructed him to respond within 30 days of receipt. Applicant received the FORM on February 4, 2016. On February 24, 2016, Applicant submitted his rebuttal to the SOR, which was received by DOHA on February 29, 2016. On March 1, 2016, Department Counsel indicated that the Government did not object to the consideration of Applicant's response to the FORM. On March 22, 2016, the case was assigned to me to consider whether it is clearly consistent with the national interest to grant a security clearance for Applicant. Applicant's rebuttal to the FORM is hereby incorporated in the record as Applicant Exhibit (AE) A.

Summary of SOR Allegations and Response

The SOR alleges that Applicant owed a \$507 past-due consumer credit debt (SOR ¶ 1.a) and collection debts of \$175 (SOR ¶ 1.b) and \$74 (SOR ¶ 1.k), eight defaulted student loans totaling \$35,404 (SOR ¶¶ 1.c-1.j), delinquent federal income tax debt totaling \$5,701 for tax years 2010 – 2012 (SOR ¶¶ 1.l, 1.m(1), and 1.m(2)),¹ and delinquent state income tax debt totaling \$3,327 (SOR ¶¶ 1.n-1.p). Additionally, the SOR alleges that Applicant was granted a Chapter 7 bankruptcy discharge in August 1999 (SOR ¶ 1.q).

When Applicant answered the SOR, he admitted having owed the credit debt in SOR ¶ 1.a, the student loans, and the federal and state income tax liabilities. He also admitted the 1999 bankruptcy. He denied the debts in SOR ¶¶ 1.b and 1.k because he did not recognize them. In a detailed response, Applicant explained that he thought the debt in SOR ¶ 1.a had been paid off over two years ago and that he has been repaying his defaulted student loans at \$273.40 every two weeks by payroll deduction in effect since January 24, 2013. He explained that he had defaulted on his student loans because of high rent at the time. Concerning his delinquent federal taxes, Applicant indicated that he paid his federal tax debt for 2010 and 2011; that he was currently repaying the \$4,232 debt for tax year 2012 at \$150 per month; and that his anticipated refund for 2015 would be applied to his balance. As for his past-due state taxes, Applicant had arranged for \$110.53 monthly payments. He explained that after they filed their 2010 income tax returns and owed taxes, he asked his spouse to file her W-4 as married but withhold at a single rate with zero dependents. He did not discover that she had failed to do what he had requested until they filed their returns for tax year 2012, owing \$4,232 because his spouse received severance pay following a layoff. Applicant indicated that he had adjusted his tax withholdings, both state and federal, on April 2, 2015, claiming single status with no dependents. Applicant did

¹ The SOR as issued includes two subparagraphs designated as 1.m, the first alleging unpaid federal income taxes of \$760 for tax year 2011 and the second alleging unpaid federal income taxes of \$709 for tax year 2010. I am *sua sponte* amending the SOR to designate the subparagraphs as 1.m(1) and 1.m(2), respectively.

not comment about the bankruptcy other than to state that it should have been cleared from his record due to the passage of ten years' time.

Findings of Fact

After considering the FORM and Applicant's rebuttal (AE A), I make the following findings of fact.

Applicant is a 55-year-old senior technical support specialist with two Associate degrees awarded in May 1987 and May 1988. He served in the United States military from September 1979 until September 1983, when he was granted an honorable discharge. He held a DOD secret clearance for his military duties. Applicant and his spouse have been married since January 1985, and they have four grown children ages 30, 28, 25, and 19. (Item 2.)

Applicant started working for his current defense contractor employer in September 1995. He returned to college full time from August 2004 to May 2009 while working part time, although he has not yet earned a Bachelor's degree. He paid for his studies partially through \$36,000 in student loans obtained between August 2004 and August 2007 (SOR ¶¶ 1.c-1.j). In June 2011, Applicant and his family moved to a house at a high rent that strained the household finances, so Applicant stopped paying on his student loans. (Items 1-7.) As of August 2012, his student loans were in collection status with a \$45,924 aggregate balance. (Item 7.) In January 2013, the servicer for his student loans began to garnish Applicant's pay. (Item 1.)

Applicant and his spouse also had income tax problems. Acting on a co-worker's advice, Applicant's spouse did not have enough taxes withheld from her income in 2010. Applicant learned of his spouse's insufficient tax withholdings in 2011 when he and his spouse filed their tax returns for 2010 and they owed federal and state taxes. (Items 1, 3.) A December 2015 Internal Revenue Service (IRS) transcript for tax year 2010 shows that on joint adjusted gross income of \$88,496, Applicant and his spouse owed federal income taxes of \$1,331. They submitted a tax payment of \$800 with their return. (AE A.) Applicant's spouse did not act on Applicant's advice to change her withholding status to single with no dependents, and so they owed taxes when they filed their returns for tax years 2011 and 2012. An IRS transcript for tax year 2011 shows that they owed \$1,586 on adjusted gross income of \$92,091, and that they submitted \$942 with their return. Applicant's spouse was laid off in 2012 and received severance pay from which no taxes were withheld, so their tax liability was approximately \$4,232 for 2012. (Item 1.) On August 9, 2013, Applicant entered into an installment agreement with the IRS to repay their delinquent federal taxes. (AE A.)

On August 14, 2013, Applicant completed and certified to the accuracy of a Questionnaire for National Security Positions incorporated within an Electronic Questionnaire for Investigations Processing (e-QIP). In response to a financial record inquiry concerning whether he had failed to file or pay federal, state, or other taxes required by law or ordinance, Applicant indicated that he and his spouse owed the IRS

approximately \$531 for tax year 2010, \$644 for tax year 2011, and \$4,075 for tax year 2012, but they had arranged a repayment plan with the IRS. First payments were due for 2010 in October 2013, for 2011 in February 2014, and for 2012 in May 2014. Applicant also disclosed that he and his spouse owed state income taxes of \$579 for 2010, \$1,259 for 2011, and \$1,492 for 2012. He indicated that he was working on establishing a payment plan with the state for their delinquent state taxes. Applicant responded affirmatively to inquiries concerning delinquencies involving routine accounts, and he listed the debt in SOR ¶ 1.a, his defaulted student loans estimated at \$45,577, and a \$500 credit card debt from November 2012 that was paid in collection (not alleged in SOR). Applicant added that he had contacted the lender in SOR ¶ 1.a to set up a repayment plan and that his student loans were being paid through wage garnishment at \$334.56 every two weeks. (Item 1.)

As of August 22, 2013, Applicant owed outstanding collection balances of \$507 (SOR ¶ 1.a) and of \$74 from February 2013 (SOR ¶ 1.k). (Item 7.) A \$150 medical debt from August 2012 was referred for collection in February 2014. (Item 4.) Other accounts had been paid after being charged off or placed for collection. A joint automobile loan of \$11,375 from August 2012 was being paid on time. (Item 7.)

On September 13, 2013, Applicant was interviewed by an authorized investigator for the Office of Personnel Management (OPM). He indicated that he had a tentative payment plan with the IRS to repay his and his spouse's federal tax delinquencies at \$300 per month starting in October 2013 and that he was attempting to work out a similar arrangement for their state tax liabilities. About the credit card debt in SOR ¶ 1.a, Applicant explained that his account was cancelled in July 2012 and that he was trying to arrange a payment plan for the collection debt. As for his student loans, Applicant indicated that they were placed for collection in 2012 and that \$367 was being taken from his pay every two weeks for the loans. Applicant explained that his financial problems were caused by vehicle problems in July 2012. Within a four-day period, both his and his son's cars had mechanical problems. He used credit to cover the \$2,000 in repair costs only to have both cars break down within a week. Applicant traded in both cars and took out an auto loan to purchase another vehicle. Applicant also speculated that his spouse was using her income to support her sister without telling him. Applicant maintained that he was capable of meeting his current obligations, although he had little money left over after paying monthly expenses.² (Item 3.)

Applicant's and his spouse's federal tax debt for tax year 2010 was paid off in December 2013. Their federal tax debt for tax year 2011 was satisfied in March 2014. (AE A.) On April 2, 2015, Applicant adjusted his income tax withholdings, both federal and state, to single status with zero allowances. (Item 1.) As of February 10, 2016, they owed the IRS \$6,390 in past-due taxes, penalties, and interest for tax years 2012, 2013, and 2014. In late February 2016, the IRS applied their \$4,227 tax refund for tax year 2015 to their tax debt to reduce the outstanding balance to \$1,200. (AE A.) On December 8, 2015,

² Applicant was placed on notice in the FORM that he could object to the inclusion of the report of subject interview due to the lack of authentication pursuant to ¶ E3.1.20 of the Directive. He submitted a rebuttal to the FORM that was silent on the issue. He is considered to have waived his objection to the admissibility of the summary.

Applicant and his spouse entered into an installment agreement to pay \$3,717 in past-due state income taxes for 2010 through 2012 at \$110 per month. (Item 1; AE A.) Applicant expects that their anticipated refund of \$798 for 2015 will be intercepted by the state and applied to their outstanding tax liability. (AE A.)

Applicant's defaulted student loans continue to be repaid through wage garnishment, currently at \$273 every two weeks (AE A), as evidenced by the decreasing debt balances from \$40,722 in March 2015 (Item 5) to \$32,209 in September 2015 (Item 4.) Through 2015, Applicant had paid a total of \$25,528 (\$15,500 in principal) toward his defaulted student loans to reduce the balance to \$30,078. (AE A.)

Around March 2015, Applicant and his spouse moved from a single family home to an apartment to reduce rental expenses. (Items 1, 4.) As of October 28, 2015, Applicant had made no payments on the credit card debt in SOR ¶ 1.a. He had only one open revolving charge account, a credit card opened in January 2015 with a \$500 credit limit. He had a history of timely payments on the account, which had a balance of \$489. Applicant was current in his payments on a vehicle loan opened in late August 2012 for \$11,375. As of late September 2015, his auto loan had a balance of \$5,420. He had no other open loans on his credit record. (Item 4.)

In December 2015, the collection agent for the debt in SOR ¶ 1.a offered to settle the \$507 balance for \$253 in a lump sum paid no later than January 29, 2016, or for \$304 payable in two monthly installments. On February 24, 2016, Applicant indicated that he had elected the second option and would be settling the debt in full with the second payment due February 29, 2016. As of February 24, 2016, Applicant was disputing the debts in SOR ¶¶ 1.b and 1.k. (AE A.)

Policies

The U.S. Supreme Court has recognized the substantial discretion the Executive Branch has in regulating access to information pertaining to national security, emphasizing that "no one has a 'right' to a security clearance." *Department of the Navy v. Egan*, 484 U.S. 518, 528 (1988). When evaluating an applicant's suitability for a security clearance, the administrative judge must consider the adjudicative guidelines. In addition to brief introductory explanations for each guideline, the adjudicative guidelines list potentially disqualifying conditions and mitigating conditions, which are required to be considered in evaluating an applicant's eligibility for access to classified information. 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 overall 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 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 that the applicant may deliberately or inadvertently fail to safeguard classified information. Such decisions entail a certain degree of legally permissible extrapolation as to potential, rather than actual, risk of compromise of classified information. 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 about financial considerations is articulated 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 F concerns are amply established by Applicant’s 1999 bankruptcy discharge (SOR ¶ 1.q) and by his more recent defaults of a \$507 credit card debt (SOR ¶ 1.a), his student loans obtained between August 2004 and August 2007 for \$36,000 (SOR ¶¶ 1.c-1.j), and his and his spouse’s past-due federal and state taxes totaling approximately \$9,000 for tax years 2010 through 2012 (SOR ¶¶ 1.l-1.p). Disqualifying conditions AG ¶ 19(a), “inability or unwillingness to satisfy debts,” and AG ¶ 19(c), “a history of not meeting financial obligations,” are established.

Applicant disputes the collection debts in SOR ¶¶ 1.b (\$175) and 1.k (\$74), which he does not recognize. The debt in SOR ¶ 1.k is listed on his August 2013 credit report (Item

7) as a \$74 debt from February 2013 identified as "LOAN TYPE: COLLECTION ATTORNEY." The debt in SOR ¶ 1.b appears on his October 2015 credit report (Item 4) as a \$175 balance on an unidentified medical collection account placed in February 2014 for \$150. The DOHA Appeal Board has held that a credit report can be sufficient to meet the substantial evidence standard for the government's burden of producing evidence of alleged delinquent debts. See ISCR 14-03612 (App. Bd. Aug. 2015). However, these two debts are not of sufficient magnitude to raise a significant security concern.

Concerning mitigation of the undisputed allegations, Applicant has not commented about his bankruptcy other than to indicate that it should no longer be on his credit record due to the passage of time. The file contains no information about the nature or extent of his financial liabilities discharged in 1999. Without evidence showing a history of credit mismanagement before the bankruptcy, the bankruptcy is of little present security concern. In contrast, mitigating condition AG ¶ 20(a), "the behavior happened so long ago, was so infrequent, or occurred under circumstances that it is unlikely to recur and does not cast doubt on the individual's current, reliability, or good judgment," cannot reasonably apply to his student loans, his tax delinquencies, or the credit card debt in SOR ¶ 1.a. He defaulted on his student loans in 2011, but repayment has been by involuntary garnishment and only since 2013. Concerning his federal income taxes, the evidence shows a history of delinquency not only for 2010 through 2012, but for 2013 and 2014 as well. There is no evidence of state tax delinquency for 2013 and 2014. However, Applicant and his spouse did not have a plan in place until late December 2015 to address their \$3,717 in state income tax delinquency for tax years 2010 through 2012.

When Applicant was interviewed for his security clearance in September 2013, he attributed his student loan and credit card defaults to vehicle problems that started in July 2012. In the same week, both his and his son's vehicles had mechanical problems. He relied on credit cards to pay the \$2,000 in repair costs. Within a week, they broke down again. He had to obtain a loan for a newer car. The unexpected car expenses are a mitigating circumstance contemplated within mitigating condition AG ¶ 20(b), which provides:

(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.

Other evidence suggests another cause, however. Applicant acknowledged in his response to the SOR that he defaulted on his student loans and on the credit card in 2011, after he and his family moved to a house at an undisclosed high rent.

As for his income tax problems, Applicant asserts that he was unaware that his spouse had insufficient taxes withheld from her income for tax year 2010. He maintains that when he realized that her lack of tax withholding caused their tax underpayment for 2010, he advised his spouse to claim single status with no dependents. She apparently failed to adjust her withholdings for 2011. Their tax problems were then exacerbated when

taxes were not withheld from a severance package his spouse received when she was laid off in 2012. AG ¶ 20(b) has some applicability, but the evidence also shows that Applicant and his spouse underpaid their federal income taxes for tax years 2013 and 2014 as well. It is difficult to find that Applicant acted fully responsibly when he waited until April 2, 2015, to adjust his own income tax withholdings to ensure that sufficient taxes are withheld from his income. In addition, he did not have a plan in place to address his past-due state income taxes until late December 2015. He has yet to explain why he was unable to repay the credit card collection debt of only \$507 when he and his spouse were underpaying their income taxes.

Applicant is credited with establishing an installment agreement with the IRS on August 9, 2013, to address his and his spouse's delinquent federal income taxes. Applicant paid off their federal tax delinquency for 2010 in December 2013 and for 2011 in March 2014. IRS records show that as of February 10, 2016, he still owed \$869 for tax year 2012. He did not provide a transcript for tax year 2012 showing dates or amounts of payments to that date, although the reduced balance supports his claim of monthly payments to the IRS. Applicant's and his spouse's federal tax delinquency for 2012 was fully satisfied in late February 2016 when the IRS applied their refund for 2015. AG ¶ 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," and AG ¶ 20(d), "the individual initiated a good-faith effort to repay overdue creditors or otherwise resolve debts," have some applicability to his federal income tax debts in SOR ¶¶ 1.I-1.m. Even so, some concern arises by his delay in adjusting his income tax withholdings to ensure that adequate income was taken for his taxes.

Concerning Applicant's student loans, which represent the bulk of his past-due debt, the loan servicer began garnishing his pay in January 2013. Applicant told an OPM interviewer in September 2013 that he had a modified payment plan for the creditor to take \$367 from his pay every two weeks. When he responded to the SOR, Applicant indicated that he has deductions from his pay for his student loan debt. The intimation is of voluntary payments, but other evidence indicates that garnishment commenced in response to creditor action. Applicant indicates that he was notified by payroll of the deduction. Payments made through wage garnishment, especially when the creditor initiates action, do not reflect the good faith required under AG ¶ 20(d). However, AG ¶ 20(c) must be considered because the student loans are being resolved. Applicant's pay has been garnished for a total of \$25,527 since January 2013.³

Applicant presented no evidence of payments toward either his and his spouse's delinquent state income tax delinquency or his credit card collection debt, but he does have repayment plans in place that could implicate AG ¶ 20(c), provided he can be counted on to make the promised payments. As of late February 2016, Applicant owed delinquent federal income taxes of \$1,200 and about \$3,500 in state taxes if he made his first two payments under his agreement with the state. As of the end of 2015, the delinquent student loans in the SOR had an aggregate balance of \$30,078, which is a substantial debt

³ Some \$15,500 of the \$25,528 went toward the principal balance. The rest went to interest and collection fees. (AE A.)

burden. Applicant's default of his student loans is not condoned, but he is also not incurring new debt that could compromise his finances going forward. As of October 2015, he had only two open accounts on his credit record (credit card opened in January 2015 and car loan opened in August 2012), and he has never been late in his payments on those accounts. The file before me for review does not include a budget showing Applicant's current household income or expenses, but he also does not appear to be promising payments that he cannot make or taking on new debt beyond what he can afford.

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 his 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 analysis under Guideline F is incorporated in my whole-person assessment, but some aspects warrant additional comment. Applicant exercised poor financial judgment in defaulting on his student loans in 2011 and, more recently, in failing to make a timely adjustment to his own tax withholdings. Applicant attributed his and his spouse's tax underpayments to his spouse, who he asserts did not have enough of her income withheld for taxes. However, he was just as culpable, as he did not adjust his withholding status until April 2, 2015, some four years after he first became aware of the problem. Consequently, Applicant and his spouse underpaid their federal income taxes for some five years (tax years 2010 through 2014) and their state income taxes for at least three years (tax years 2010 through 2012).

It is well settled that once a concern arises regarding an applicant's security clearance eligibility, there is a strong presumption against the grant or renewal of a security clearance. *See Dorfmont v. Brown*, 913 F.2d 1399, 1401 (9th Cir. 1990). At the same time, a determination of an applicant's eligibility for a security clearance should not be made as punishment for specific past conduct, but on a reasonable and careful evaluation of the evidence to determine if a nexus exists between established facts and a legitimate security concern. Applicant is not seen as likely to jeopardize his longtime employment and the income that he needs to continue to pay his student loans and back taxes and cover his household obligations. He has made changes to ensure against a recurrence of the tax problems by adjusting his income tax withholdings and by moving to more affordable housing. Applicant is not required to establish that he has paid off each debt in the SOR, or

even that the first debts paid be those in the SOR.⁴ He has made sufficient progress toward reducing his student loan and tax debts to conclude that it is clearly consistent with the national interest to grant Applicant security clearance eligibility.

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-1.q: For Applicant

Conclusion

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

Elizabeth M. Matchinski
Administrative Judge

⁴ The DOHA Appeal Board stated in ISCR Case No. 07-06482, decided on May 21, 2008, in part:

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.” See, e.g., ISCR Case No. 05-01920 at 5 (App. Bd. Mar. 1, 2007). 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. See, e.g., ISCR Case No. 02-25499 at 2 (App. Bd. Jun. 5, 2006). All that is required is that an applicant demonstrate that he has “. . . established a plan to resolve his financial problems and taken significant actions to implement that plan.” See, e.g., ISCR Case No. 04-09684 at 2 (App. Bd. Jul. 6, 2006). The Judge can reasonably consider the entirety of an applicant’s financial situation and his actions in evaluating the extent to which that applicant’s plan for the reduction of his outstanding indebtedness is credible and realistic. See Directive ¶ E2.2(a) (“Available, reliable information about the person, past and present, favorable and unfavorable, should be considered in reaching a determination.”) There is no requirement that a plan provide for payments on all outstanding debts simultaneously. Rather, a reasonable plan (and concomitant conduct) may provide for the payment of such debts one at a time. See, e.g., ISCR Case No. 06-25584 at 4 (App. Bd. Apr. 4, 2008). 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.