



**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. 15-04305

**Appearances**

For Government: Chris Morin, Esquire, Department Counsel

For Applicant: *Pro se*

01/03/2017

**Decision**

GALES, Robert Robinson, Administrative Judge:

Applicant failed to mitigate the security concerns regarding financial considerations. Eligibility for a security clearance and access to classified information is denied.

**Statement of the Case**

On October 9, 2014, Applicant applied for a security clearance and submitted an Electronic Questionnaire for Investigations Processing (e-QIP) version of a Security Clearance Application.<sup>1</sup> On December 11, 2015, the Department of Defense (DOD) Consolidated Adjudications Facility (CAF) issued an SOR to him, under Executive Order 10865, *Safeguarding Classified Information within Industry* (February 20, 1960), as amended and modified; DOD Directive 5220.6, *Defense Industrial Personnel Security Clearance Review Program* (January 2, 1992), as amended and modified (Directive); and the *Adjudicative Guidelines for Determining Eligibility For Access to Classified Information* (December 29, 2005) (AG) applicable to all adjudications and other determinations made under the Directive, effective September 1, 2006. The SOR alleged security concerns

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<sup>1</sup> GE 1 (e-QIP, dated October 9, 2014).

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

Applicant received the SOR on December 23, 2015. On January 13, 2016, he responded to the SOR and requested a hearing before an administrative judge.<sup>2</sup> Department Counsel indicated the Government was prepared to proceed on March 8, 2016. The case was assigned to me on March 23, 2016. A Notice of Hearing was issued on April 29, 2016. I convened the hearing as scheduled on May 19, 2016.

During the hearing, Government exhibits (GE) 1 through GE 3, Applicant exhibits (AE) A through AE E, and two administrative exhibits, were admitted into evidence without objection. Applicant testified. The transcript (Tr.) was received on June 1, 2016. I kept the record open to enable Applicant to supplement it. He failed to take advantage of that opportunity and did not submit any additional documents. A third administrative exhibit was received after the hearing. The record closed on June 15, 2016.

### **Rulings on Procedure**

During the hearing, Department Counsel moved to amend the SOR to conform it to the evidence to be developed, or already developed.<sup>3</sup> There being no objections, the motions were granted, and the SOR was amended. Two allegations were also added to the SOR, and Applicant was afforded an opportunity to answer those allegations.<sup>4</sup> He submitted an e-mail in which he stated "I agree."<sup>5</sup> I consider his answers to the added allegations to constitute admissions.

### **Findings of Fact**

In his Answer to the SOR, Applicant admitted three (§§ 1.c., 1.f., and 1.j.) of the factual allegations pertaining to financial considerations. His subsequent response to the added allegations (§§ 1.k., and 1.l.) were also admissions. Applicant's admissions and comments are incorporated herein as findings of fact. After a complete and thorough

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<sup>2</sup> Applicant's Answer to the SOR was erroneously dated January 13, 2015. It should be noted that the affidavit form upon which Applicant was to choose either a hearing or a decision based upon the administrative record, and list his contact information, and which the notary public was to sign, was a boilerplate preprinted form with "2015" furnished to him. The correct date should be "2016."

<sup>3</sup> The motions were as follows: first, to withdraw the allegation in SOR ¶ 1.f. as a duplicate of SOR ¶ 1.j.; second, to withdraw the allegation in SOR ¶ 1.g. as a duplicate of SOR ¶ 1.h.; third, to add an allegation as SOR ¶ 1.k.: "You failed to file your Federal income tax return for tax year 2011, as required. As of the date of this Statement of Reasons, the tax return remains unfiled;" and fourth, to add an allegation as SOR ¶ 1.l.: "You are indebted to the Federal Government for unpaid taxes for tax year 2011. As of the date of this Statement of Reasons, the taxes remain unpaid." Tr. at 11-12, 87-89; Admin. Ex. II

<sup>4</sup> Tr. at 89-91.

<sup>5</sup> Administrative Exhibit III (E-mail, dated June 8, 2016).

review of the evidence in the record, and upon due consideration of same, I make the following additional findings of fact:

Applicant is a 49-year-old employee of a defense contractor. He has been a training manager with the company since January 2001.<sup>6</sup> He is a June 1985 high school graduate. He enlisted in the U.S. Marine Corps in September 1985, deployed multiple times to Saudi Arabia, Kuwait, Somalia, and Okinawa, and was eventually honorably discharged in December 1997 as a gunnery sergeant E-7.<sup>7</sup> He has a secret security clearance.<sup>8</sup> Applicant was married to his first wife in June 1986 and divorced in June 1995. He married a second time in June 1997, was separated in May 2011, and divorced in January 2015. He married a third time in March 2015 to the woman with whom he had been cohabiting since June 2011.<sup>9</sup> Applicant has three children, aged 26, 20, and 18.<sup>10</sup>

### **Financial Considerations<sup>11</sup>**

There was nothing unusual about Applicant's finances until 2011 when a series of events caused him to be distracted from paying close attention to his financial obligations. Applicant was: separated from his second wife; forced to leave the marital residence; required to pay a portion of the mortgage as well as \$1,200 in child support; and he underwent several surgeries, although the medical costs were covered by his health insurance. In addition, because of the divorce, Applicant has restricted access to his 401(k) retirement plan.<sup>12</sup> For unspecified reasons, other than the "snowball started rolling downhill" and he "got behind, and [he] just never caught up again," Applicant failed to make his normal monthly payments, and various accounts became delinquent.<sup>13</sup> Although he filed for a federal income tax filing extension for 2011, because of his neglect, he failed to follow through, and as of May 2016, he still had not filed the income tax return for that tax year.<sup>14</sup> Delinquent accounts were placed for collection, and, in many cases, were charged off. In at least two instances, his wages were garnished to satisfy delinquent accounts.

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<sup>6</sup> GE 1, *supra* note 1, at 11.

<sup>7</sup> GE 1, *supra* note 1, at 13; Tr. at 22-24.

<sup>8</sup> GE 1, *supra* note 1, at 29-30; Tr. at 5.

<sup>9</sup> GE 1, *supra* note 1, at 15-18; Tr. at 25-26.

<sup>10</sup> GE 1, *supra* note 1, at 21-23; Tr. at 26-27.

<sup>11</sup> General source information pertaining to the financial accounts discussed below can be found in the following exhibits: GE 2 (Combined Experian, TransUnion, and Equifax Credit Report, dated October 15, 2014); GE 3 (Equifax Credit Report, dated December 1, 2015); GE 1, *supra* note 1. More recent information can be found in the exhibits furnished and individually identified.

<sup>12</sup> AE A (Notice of Receipt of Order, dated May 11, 2016).

<sup>13</sup> Tr. at 39.

<sup>14</sup> Tr. at 67-69.

The SOR, as amended, identified nine purportedly delinquent debts that had been placed for collection or charged off, as generally reflected by the October 2014 credit report<sup>15</sup> or the December 2015 credit report.<sup>16</sup> Those debts, totaling approximately \$58,643, plus an amount less than \$3,000 in income taxes, and their respective current status, according to the credit reports, other evidence submitted by the Government and Applicant, and Applicant's comments regarding same, are described below:

(SOR ¶ 1.a.): This is a bank credit card with an \$8,000 credit limit and a high credit of \$8,731 that was placed for collection. In March 2013, \$8,117 was charged off, and a judgment in that amount was subsequently filed. A wage garnishment was instituted, and over time, the judgment was finally satisfied in January 2015, approximately ten months before the SOR was issued.<sup>17</sup> While Applicant acknowledged having represented himself in the litigation, he denied trying to contact the creditor to work out repayment arrangements, and he expressed "no problem with the wage garnishment."<sup>18</sup> The account has been involuntarily resolved.

(SOR ¶¶ 1.b., 1.g., and 1.h.): These are two medical accounts with unpaid balances of \$265 and \$850 that were placed for collection.<sup>19</sup> Applicant identified the provider for the smaller account but made no effort to pay it, contending that it should be the responsibility of his health insurance provider. He claimed to have e-mails discussing the issue, but no such documentation was submitted.<sup>20</sup> He has made no effort to identify the other medical provider.<sup>21</sup> Neither account has been resolved.

(SOR ¶ 1.c.): This is a bank credit card account with a \$24,300 credit limit that was placed for collection before a past-due amount of \$27,313 was charged off.<sup>22</sup> Applicant contended that a wage garnishment was instituted, and while there is evidence of his wages being garnished, he was unable to link this particular account to the garnishment to his wages.<sup>23</sup> He failed to submit any documentation to reflect specific payments to the creditor or to indicate a current balance still owed. The account has not been resolved and there is little evidence to support a conclusion that it is in the process of being resolved.

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<sup>15</sup> GE 2, *supra* note 11.

<sup>16</sup> GE 3, *supra* note 11.

<sup>17</sup> GE 2, *supra* note 8, at 5, 14; GE 3, *supra* note 8, at 2-3; Tr. at 30-32; AE D (My Pay Stub, various dates).

<sup>18</sup> Tr. at 30, 37.

<sup>19</sup> GE 2, *supra* note 11, at 13; GE 3, *supra* note 11, at 2.

<sup>20</sup> Tr. at 41-42.

<sup>21</sup> Tr. at 51.

<sup>22</sup> GE 2, *supra* note 11, at 7; GE 3, *supra* note 11, at 5; Tr. at 30-32; Applicant's Answer to the SOR, *supra* note 8, at 2.

<sup>23</sup> Tr. at 43-44.

(SOR ¶ 1.d.): This is a bank credit card account with a \$7,400 credit limit that was placed for collection before a past-due amount of \$9,792 was charged off.<sup>24</sup> Applicant's descriptions of his efforts to resolve the account are inconsistent. At one point he stated that he has not taken any action to contact the creditor, dispute the unpaid balance that was charged off, or offer to make any payments,<sup>25</sup> and at another point he claimed he did try, but that the creditor was not willing to work with him.<sup>26</sup> The account has not been resolved.

(SOR ¶ 1.e.): This is an automobile loan with a high credit of \$21,982 that was placed for collection. The vehicle was repossessed and sold, and \$10,175 was charged off in January 2014.<sup>27</sup> Applicant claims he tried to refinance the vehicle or trade it in, but his efforts were rejected by the lender. He also contended that he was issued a Form 1099-C, *Cancellation of Debt*, for what he recalled as \$2,672.<sup>28</sup> Applicant failed to submit any documentation to support his contentions that he attempted to resolve the debt or that he was issued a Form 1099-C. The account has not been resolved.

(SOR ¶¶ 1.f. and 1.j.): This is a charge account with a \$1,960 credit limit and an unpaid balance and past-due balance of \$1,759 that was charged off in June 2014. It was subsequently sold to a debt purchaser.<sup>29</sup> Once again, Applicant's descriptions of his efforts are inconsistent. At one point he stated that he has not taken any action to contact the creditor, dispute the unpaid balance that was charged off, or offer to make any payments,<sup>30</sup> and at another point he claimed he make a minimal effort, but that it is easier to simply wait for the matter to be resolved by accepting garnishment of his wages.<sup>31</sup> The account has not been resolved.

(SOR ¶ 1.i.): This is a bank credit card account with a \$300 credit limit and an unpaid balance and past-due balance of \$372 that was charged off.<sup>32</sup> Applicant has made no effort to contact the creditor.<sup>33</sup> The account has not been resolved.

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<sup>24</sup> GE 2, *supra* note 11, at 8; GE 3, *supra* note 11, at 2; Tr. at 45-47.

<sup>25</sup> Tr. at 48.

<sup>26</sup> Tr. at 57-58.

<sup>27</sup> GE 2, *supra* note 11, at 8; GE 3, *supra* note 11, at 4; Tr. at 48-51.

<sup>28</sup> Tr. at 49-50, 76.

<sup>29</sup> GE 2, *supra* note 11, at 8; GE 3, *supra* note 11, at 3.

<sup>30</sup> Tr. at 51.

<sup>31</sup> Tr. at 57-60.

<sup>32</sup> GE 2, *supra* note 11, at 9; GE 3, *supra* note 11, at 3.

<sup>33</sup> Tr. at 52.

(SOR ¶¶ 1.k. and 1.l.): As of the date of the hearing in May 2016, Applicant failed to file his federal income tax return for the tax year 2011, and he has still not made any income tax payments toward the remaining balance.<sup>34</sup>

Applicant contends that he has sufficient funds available to pay all of the debts.<sup>35</sup> His net monthly income (without any reference to his wife's earnings), as of May 5, 2016, was \$3,144.<sup>36</sup> His savings account for the period April 15, 2016 and May 9, 2016 reflects daily balances between \$3,443 and \$4,516, although he acknowledged that he recently withdrew \$12,000 as a deposit for a new residence.<sup>37</sup> His 401(k) balance in May 2016 was \$291,462.<sup>38</sup> Although he was requested to submit a personal financial statement to reflect monthly expenses and monthly remainder available for discretionary saving or spending, he failed to do so.

With the exception of involuntary garnishments, Applicant has made minimal efforts to resolve his delinquent accounts. Applicant has generally removed himself from the budget process, allowing his wife to handle the accounts and payments. They confer if there are any financial issues requiring his input.<sup>39</sup> Applicant never received any financial counseling.<sup>40</sup> Applicant's memory regarding his delinquent accounts is inconsistent, he does not exhibit a complete understanding of his financial issues, and appears to be easily confused as to the facts for each account, frequently changing his explanations. In the absence of documentation pertaining to the accounts and Applicant's current financial situation, it remains unclear if Applicant's financial status has improved, or if they are under control.

## 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."<sup>41</sup> 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. The President has authorized the Secretary of Defense or his designee to

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<sup>34</sup> Tr. at 67-68.

<sup>35</sup> Tr. at 39.

<sup>36</sup> AE D, *supra* note 17, at 8 (May 5, 2016).

<sup>37</sup> AE B (Account Summary, dated May 18, 2016); Tr. at 56.

<sup>38</sup> AE C (Holdings, dated May 17, 2016).

<sup>39</sup> Tr. at 64.

<sup>40</sup> Tr. at 69.

<sup>41</sup> *Department of the Navy v. Egan*, 484 U.S. 518, 528 (1988).

grant an applicant eligibility for access to classified information “only upon a finding that it is clearly consistent with the national interest to do so.”<sup>42</sup>

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

An administrative judge need not view the guidelines as inflexible, ironclad rules of law. Instead, acknowledging the complexities of human behavior, these guidelines are applied in conjunction with the factors listed in the adjudicative process. The administrative judge’s overarching adjudicative goal is a fair, impartial, and commonsense decision. The entire process is a conscientious scrutiny of a number of variables known as the “whole-person concept.” The administrative judge must consider all available, reliable information about the person, past and present, favorable and unfavorable, in making a meaningful decision.

In the decision-making process, facts must be established by “substantial evidence.”<sup>43</sup> The Government initially has the burden of producing evidence to establish a potentially disqualifying condition under the Directive, and has the burden of establishing controverted facts alleged in the SOR. Once the Government has produced substantial evidence of a disqualifying condition, under Directive ¶ E3.1.15, the applicant has the burden of persuasion to present evidence in refutation, explanation, extenuation or mitigation, sufficient to overcome the doubts raised by the Government’s case. The burden of disproving a mitigating condition never shifts to the Government.<sup>44</sup>

A person who seeks access to classified information enters into a fiduciary relationship with the Government predicated upon trust and confidence. This relationship transcends normal duty hours and endures throughout off-duty hours as well. It is because of this special relationship that the Government must be able to repose a high degree of trust and confidence in those individuals to whom it grants access to classified information. Decisions include, by necessity, consideration of the possible risk the applicant may deliberately or inadvertently fail to safeguard classified information. Such decisions entail a certain degree of legally permissible extrapolation as to potential, rather than actual, risk of compromise of classified information. Furthermore, “security clearance determinations should err, if they must, on the side of denials.”<sup>45</sup>

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<sup>42</sup> Exec. Or. 10865, *Safeguarding Classified Information within Industry* § 2 (Feb. 20, 1960), as amended and modified.

<sup>43</sup> “Substantial evidence [is] such relevant evidence as a reasonable mind might accept as adequate to support a conclusion in light of all contrary evidence in the record.” ISCR Case No. 04-11463 at 2 (App. Bd. Aug. 4, 2006) (citing Directive ¶ E3.1.32.1). “Substantial evidence” is “more than a scintilla but less than a preponderance.” See *v. Washington Metro. Area Transit Auth.*, 36 F.3d 375, 380 (4<sup>th</sup> Cir. 1994).

<sup>44</sup> See ISCR Case No. 02-31154 at 5 (App. Bd. Sep. 22, 2005).

<sup>45</sup> *Egan*, 484 U.S. at 531.

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.”<sup>46</sup> Thus, nothing in this decision should be construed to suggest that I have based this decision, in whole or in part, on any express or implied determination as to Applicant’s allegiance, loyalty, or patriotism. It is merely an indication the Applicant has or has not met the strict guidelines the President and the Secretary of Defense have established for issuing a clearance. In reaching this decision, I have drawn only those conclusions that are reasonable, logical, and based on the evidence contained in the record. Likewise, I have avoided drawing inferences grounded on mere speculation or conjecture.

## **Analysis**

### **Guideline F, Financial Considerations**

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

Failure or inability to live within one’s means, satisfy debts, and meet financial obligations may indicate poor self-control, lack of judgment, or unwillingness to abide by rules and regulations, all of which can raise questions about an individual’s reliability, trustworthiness and ability to protect classified information. An individual who is financially overextended is at risk of having to engage in illegal acts to generate funds. . . .

The guideline notes several conditions that could raise security concerns. Under AG ¶ 19(a), an “inability or unwillingness to satisfy debts” is potentially disqualifying. Similarly, under AG ¶ 19(c), “a history of not meeting financial obligations” may raise security concerns. Under AG ¶ 19(g), security concerns may be raised when there is a “failure to file annual Federal, state, or local income tax returns as required or the fraudulent filing of the same.” Applicant’s financial problems initially arose in 2011, and increased during the ensuing years. Accounts became delinquent. Some were charged off, and a vehicle was repossessed. He has still not filed his federal income tax return for the tax year 2011. AG ¶¶ 19(a), 19(c), and 19(g) apply.

The guideline also includes examples of conditions that could mitigate security concerns arising from financial difficulties. Under AG ¶ 20(a), the disqualifying condition may be mitigated where “the behavior happened so long ago, was so infrequent, or occurred under such circumstances that it is unlikely to recur and does not cast doubt on the individual’s current reliability, trustworthiness, or good judgment.” Also, under AG ¶ 20(b), financial security concerns may be mitigated where “the conditions that resulted in the financial problem were largely beyond the person’s control (e.g., loss of employment, a business downturn, unexpected medical emergency, or a death, divorce or separation), and the individual acted responsibly under the circumstances.” Evidence that “the person has received or is receiving counseling for the problem and/or there are clear indications that the problem is being resolved or is under control” is potentially mitigating under AG

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<sup>46</sup> See Exec. Or. 10865 § 7.



¶ 20(c). Similarly, AG ¶ 20(d) applies where the evidence shows “the individual initiated a good-faith effort to repay overdue creditors or otherwise resolve debts.”<sup>47</sup>

AG ¶ 20(b) minimally applies. AG ¶¶ 20(a), 20(c), and 20(d) do not apply. Applicant’s financial problems were associated with his 2011 separation and eventual divorce from his second wife, as well as a series of surgeries - events that apparently had some negative impact on his finances, but without substantially more explanations, do not appear to be largely beyond his control. He was still employed, and his surgeries were generally covered by his health insurance. He failed to prioritize his debts, establish repayment arrangements where possible, or commence efforts to repair his credit. Applicant contends that he has sufficient funds available to pay all of his delinquent debts, but he has failed to generate efforts to do so. In fact, he acknowledged that it was easier for him to simply await garnishment actions rather than to make efforts to resolve his delinquent debts with the creditors or the collection agents. He has never received financial counseling. He appears to have acted imprudently and irresponsibly. Applicant’s actions, or inactions, under the circumstances confronting him, continue to cast doubt on his current reliability, trustworthiness, and good judgment.<sup>48</sup>

## **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.

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<sup>47</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 [or statute of limitations]) 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)).

<sup>48</sup> See ISCR Case No. 09-08533 at 3-4 (App. Bd. Oct. 6, 2010).

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. Moreover, I have evaluated the various aspects of this case in light of the totality of the record evidence and have not merely performed a piecemeal analysis.<sup>49</sup>

There is some evidence in favor of mitigating Applicant's conduct. There is no evidence of misuse of information technology systems, mishandling protected information, substance abuse, or criminal conduct. He is a former enlisted member of the U.S. Marine Corps who was deployed multiple times, and eventually honorably discharged. Applicant's financial problems were associated with his 2011 separation and eventual divorce, in addition to a series of surgeries that apparently had some negative impact on his finances. One delinquent account was resolved, albeit by garnishment of his wages.

The disqualifying evidence under the whole-person concept is more substantial. At the time his financial issues arose, Applicant was still employed, and his surgeries were generally covered by his health insurance. He failed to prioritize his debts. He did not establish repayment arrangements where possible. He made little efforts to repair his credit. While Applicant contends that he has sufficient funds available to pay all of his delinquent debts, he has failed to generate any good-faith efforts to do so. He acknowledged that it is easier for him to simply await garnishment actions rather than to make efforts to resolve his delinquent debts with the creditors or the collection agents. He still has not filed his federal income tax return for the tax year 2011. Applicant continues to act imprudently and irresponsibly. Applicant's actions, or inactions, under the circumstances confronting him, continue to cast doubt on his current reliability, trustworthiness, and good judgment.

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 [or she] has paid off each and every debt listed in the SOR. All that is required is that an applicant demonstrate that he [or she] has "... established a plan to resolve his [or her] financial problems and taken significant actions to implement that plan." The Judge can reasonably consider the entirety of an applicant's financial situation and his [or her] actions in evaluating the extent to which that applicant's plan for the reduction of his outstanding indebtedness is credible and realistic. See Directive ¶ E2.2(a) ("Available, reliable information about the person, past and present, favorable and unfavorable, should be considered in reaching a determination.") There is no requirement that a

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<sup>49</sup> See *U.S. v. Bottone*, 365 F.2d 389, 392 (2d Cir. 1966); See also ISCR Case No. 03-22861 at 2-3 (App. Bd. Jun. 2, 2006).

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.<sup>50</sup>

Applicant has demonstrated an essentially non-existent track record of debt reduction and elimination efforts. He has given responsibility for keeping track of his finances to his wife, and only wants to become involved when an issue arises. There is no evidence of a budget. And there is no plan for resolving his delinquent debts. Overall, the evidence leaves me with substantial questions and doubts as to Applicant's security worthiness. For all of these reasons, I conclude Applicant has failed to mitigate the security concerns arising from his financial considerations. See AG ¶ 2(a)(1) through AG ¶ 2(a)(9).

### **Formal Findings**

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

Paragraph 1, Guideline F:	AGAINST APPLICANT
Subparagraph 1.a.:	For Applicant
Subparagraphs 1.b. through 1.e., 1.h. through 1.l.:	Against Applicant
Subparagraphs 1.f. and 1.g.:	Withdrawn

### **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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ROBERT ROBINSON GALES  
Administrative Judge

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<sup>50</sup> ISCR Case No. 07-06482 at 2-3 (App. Bd. May 21, 2008) (internal citations omitted).