



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



In the matter of: )  
)  
) ISCR Case No. 16-00796  
)  
Applicant for Security Clearance )

**Appearances**

For Government: David Hayes, Esq., Department Counsel  
For Applicant: *Pro se*

02/21/2018

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**Decision**

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TUIDER, Robert, Administrative Judge:

Applicant mitigated security concerns regarding Guideline E (personal conduct), but did not mitigate security concerns regarding Guideline F (financial considerations). Clearance is denied.

**Statement of the Case**

On October 7, 2015, Applicant submitted a Questionnaire for National Security Positions (SF-86). On September 30, 2016, the Department of Defense (DOD) Consolidated Adjudications Facility (CAF) issued a Statement of Reasons (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 Guidelines F and E. The SOR detailed reasons why the DOD CAF was unable to find that it is clearly consistent with the national interest to grant a security clearance for Applicant, and it recommended

that his case be submitted to an administrative judge for a determination whether his clearance should be granted, continued, denied, or revoked.

On December 2, 2016, Applicant responded to the SOR. On January 6, 2017, Department Counsel was ready to proceed. On January 31, 2017, the Defense Office of Hearings and Appeals Office (DOHA) assigned Applicant's case to me. On March 2, 2017, DOHA issued a hearing notice, setting the hearing for March 14, 2017. Applicant's hearing was held as scheduled. At the hearing, Department Counsel offered Government Exhibits (GE) 1 and 2, which were received into evidence without objection. Applicant testified, did not call witnesses, and offered Applicant Exhibits (AE) A through D, which were received into evidence without objection. On March 22, 2017, DOHA received the hearing transcript (Tr.).

While this case was pending a decision, the Director of National Intelligence issued Security Executive Agent Directive 4, establishing *National Security Adjudicative Guidelines for Determining Eligibility for Access to Classified Information or Eligibility to Hold a Sensitive Position* (AGs) which he made applicable to all covered individuals who require initial or continued eligibility for access to classified information or eligibility to hold a sensitive position. The new AGs supersede the September 1, 2006 AGs and are effective "for all covered individuals" on or after June 8, 2017. Accordingly, I have evaluated Applicant's security clearance eligibility under the new AGs, as required.<sup>1</sup>

### **Findings of Fact**

In his SOR answer, Applicant admitted both of the allegations. Applicant's answers are incorporated as findings of fact. After a thorough review of the evidence, I make the following additional findings of fact.

### **Background Information**

Applicant is a 48-year-old information systems security officer employed by a defense contractor since January 2015. He seeks to retain his secret security clearance, which is a requirement of his continued employment. He successfully held a security clearance at various levels to include a top secret security clearance with access to sensitive compartmented information during his U.S. Air Force service, discussed below. Applicant did not have a security incident in the 27 years he held a security clearance. (GE 1; Tr. 12-13, 28-30)

Applicant graduated from high school in 1987. After graduating from high school, he attended college briefly and earned approximately eight credit hours. (GE 1; Tr. 13-15) Applicant served in the Air Force from 1989 to 1996. In 1996, he transitioned to the Air National Guard and served until 2013. He retired from active duty as a senior master sergeant (pay grade E-8). (GE 1; Tr. 15-17) Applicant held

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<sup>1</sup> The new AGs are available at [http://ogc.osd.mil/doha/5220-6\\_R20170608.pdf](http://ogc.osd.mil/doha/5220-6_R20170608.pdf).

two Air Force Subspecialty Codes, computer maintenance technician and intelligence operations specialist. (Tr. 17) Applicant married in August 2001 and divorced five months later in December 2001. He has no dependents. (Tr. 18)

## **Financial Considerations**

Applicant's SOR lists one allegation under this concern: 1.a – that he failed to timely file his annual Federal tax returns as required for tax years 2005 through 2015. This allegation is established through Applicant's admission and the Government's exhibits. (GE 1 – 2) Applicant claimed in his August 15, 2016 response to interrogatories (RI) that he filed all of his missed years and payments to the IRS were up to date. He submitted IRS tax transcripts for tax years 2010 to 2015 that corroborated his claim for those tax years. (GE 2)

Applicant stated in his RI that he missed several filing dates for his taxes, which was a bad habit he started approximately ten years ago and continued throughout the years. He added that once he got behind on filing his tax returns, he was unsure how to correct the situation. He promised to timely file his tax returns in the future. (GE 2) During his hearing, Applicant testified that he did not have "a really straightforward answer. I did not file taxes because they – they just seemed to – I wasn't good at them. I was wasn't good at them and I wasn't worried about them, if that makes any sense. I wasn't worried." (Tr. 19) He further testified that he was owed refunds except for one year. He recognizes his mistake stating, "And I kick myself about it every day since – since this happened." (Tr. 19-21, 25-26)

Department Counsel offered two Office of Personnel Management Personal Subject Interviews (OPM PSI), dated March 23, 2010, and December 16, 2015. (GE 2) During the March 2010 OPM PSI, Applicant volunteered that he had failed to file his 2008, 2009, and possibly his 2007 Federal tax returns. During that interview, he indicated that he was pressed for time and was aware of the filing requirement adding that he "would file the past due statements within the coming month and work diligently in the future to keep his tax returns current." (Tr. 25-26; GE 2)

Applicant provided a letter from his tax preparer that he was in the process of preparing his 2016 Federal income tax return. (AE A)

## **Personal Conduct**

Applicant's SOR lists one allegation under this concern: 1.b – that he deliberately falsified his October 6, 2015 SF-86 by failing to answer truthfully that he failed to file his Federal tax returns from 2005 through 2015. This allegation is established through Applicant's admission and the Government's exhibits (GE 1 – 2)

Applicant testified, "I honestly don't remember marking it (referring to SF-86 question regarding filing of tax returns). If I could think about going back and what would be going through my mind, it was – I mean it's embarrassing." (Tr. 22) During

his December 16, 2015 OPM PSI, he volunteered at the onset of his interview that he had not filed his Federal income tax returns since the 2005 tax year. (Tr. 27-28; GE 2) Applicant stated that he was not trying to hide anything adding that he had contacted a tax preparer before his December 2015 OPM PSI. He had filed all of his overdue tax returns by February 2016. (Tr. 22-25)

### **Character Evidence**

Applicant submitted three reference letters from: (1) president and facility security officer of his company, (2) chief executive officer of his company, and (3) retired Air Force Colonel and long-time friend. The company president stated, "I have always trusted [Applicant] with information and security and I have never found a reason to doubt or question him." The chief executive officer stated, "[Applicant] performs his duties in an admirable and professional manner." The retired Colonel stated, ". . . [Applicant] has displayed unrivaled character, integrity, loyalty, and professionalism." All of the references lauded Applicant's on and off duty performance and recommended him for a security clearance. (AE B – D)

### **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 *a/so* 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 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 for financial problems:

Failure 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 or sensitive information. . . . An individual who is financially overextended is at greater risk of having to engage in illegal or otherwise questionable acts to generate funds. . . .

The Appeal Board explained the scope and rationale for the financial considerations security concern in ISCR Case No. 11-05365 at 3 (App. Bd. May 1, 2012) (citation omitted) as follows:

This concern is broader than the possibility that an applicant might knowingly compromise classified information in order to raise money in satisfaction of his or her debts. Rather, it requires a Judge to examine the totality of an applicant's financial history and circumstances. The Judge must consider pertinent evidence regarding the applicant's self-control, judgment, and other qualities essential to protecting the national secrets as well as the vulnerabilities inherent in the circumstances. The Directive presumes a nexus between proven conduct under any of the Guidelines and an applicant's security eligibility.

AG ¶ 19 includes one disqualifying condition that could raise a security concern and may be disqualifying in this case: "(f) failure to file or fraudulently filing annual Federal, state, or local income tax returns or failure to pay annual Federal, state, or local income tax as required." The record establishes the disqualifying condition in AG ¶ 19(f) requiring additional inquiry about the possible applicability of mitigating conditions.

Three financial considerations mitigating conditions under AG ¶ 20 are potentially applicable in this case:

(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;

(c) the individual has received or is receiving financial counseling for the problem from a legitimate and credible source, such as a non-profit credit counseling service, and there are clear indications that the problem is being resolved or is under control; and

(g) the individual has made arrangements with the appropriate tax authority to file or pay the amount owed and is in compliance with those arrangements.

The DOHA Appeal Board concisely explained Applicant's responsibility for proving the applicability of mitigating conditions as follows:

Once a concern arises regarding an Applicant's security clearance eligibility, there is a strong presumption against the grant or maintenance of a security clearance. See *Dorfmont v. Brown*, 913 F. 2d 1399, 1401 (9th Cir. 1990), *cert. denied*, 499 U.S. 905 (1991). After the Government presents evidence raising security concerns, the burden shifts to the applicant to rebut or mitigate those concerns. See Directive ¶ E3.1.15. The standard applicable in security clearance decisions is that articulated in *Egan, supra*. "Any doubt concerning personnel being

considered for access to classified information will be resolved in favor of the national security.” Directive, Enclosure 2 ¶ 2(b).

ISCR Case No. 10-04641 at 4 (App. Bd. Sept. 24, 2013).

In regard to the failure to timely file Federal and state income tax returns, the DOHA Appeal Board has commented:

Failure to file tax returns suggests that an applicant has a problem with complying with well-established governmental rules and systems. Voluntary compliance with such rules and systems is essential for protecting classified information. ISCR Case No. 01-05340 at 3 (App. Bd. Dec. 20, 2002). As we have noted in the past, a clearance adjudication is not directed at collecting debts. See, e.g., ISCR Case No. 07-08049 at 5 (App. Bd. Jul. 22, 2008). By the same token, neither is it directed toward *inducing an applicant to file tax returns. Rather, it is a proceeding aimed at evaluating an applicant’s judgment and reliability. Id.* A person who fails repeatedly to fulfill his or her legal obligations does not demonstrate the high degree of good judgment and reliability required of those granted access to classified information. See, e.g., ISCR Case No. 14-01894 at 5 (App. Bd. Aug. 18, 2015). See *Cafeteria & Restaurant Workers Union Local 473 v. McElroy*, 284 F.2d 173, 183 (D.C. Cir. 1960), *aff’d*, 367 U.S. 886 (1961).

ISCR Case No. 14-04437 at 3 (App. Bd. Apr. 15, 2016) (emphasis in original). See ISCR Case No. 14-05476 at 5 (App. Bd. Mar. 25, 2016) (citing ISCR Case No. 01-05340 at 3 (App. Bd. Dec. 20, 2002)); ISCR Case No. 14-01894 at 4-5 (App. Bd. Aug. 18, 2015). The Appeal Board clarified that even in instances where an “[a]pplicant has purportedly corrected [the applicant’s] federal tax problem, and the fact that [applicant] is now motivated to prevent such problems in the future, does not preclude careful consideration of [a]pplicant’s security worthiness in light of [applicant’s] longstanding prior behavior evidencing irresponsibility” including a failure to timely file federal income tax returns. See ISCR Case No. 15-01031 at 3 and note 3 (App. Bd. June 15, 2016) (characterizing “no harm, no foul” approach to an Applicant’s course of conduct and employed an “all’s well that ends well” analysis as inadequate to support approval of access to classified information with focus on timing of filing of tax returns after receipt of the SOR).

In ISCR Case No. 15-01031 at 2 (App. Bd. June 15, 2016), the Appeal Board reversed the grant of a security clearance, and noted the following primary relevant disqualifying facts:

Applicant filed his 2011 Federal income tax return in December 2013 and received a \$2,074 tax refund. He filed his 2012 Federal tax return in September 2014 and his 2013 Federal tax return in October 2015. He received Federal tax refunds of \$3,664 for 2012 and \$1,013 for 2013.

Notwithstanding the lack of any tax debt owed in ISCR Case No. 15-01031 (App. Bd. June 15, 2016), the Appeal Board provided the following principal rationale for reversing the grant of a security clearance:

Failure to comply with Federal and/or state tax laws suggests that an applicant has a problem with abiding by well-established Government rules and regulations. Voluntary compliance with rules and regulations is essential for protecting classified information. . . . By failing to file his 2011, 2012, and 2013 Federal income tax returns in a timely manner, Applicant did not demonstrate the high degree of good judgment and reliability required of persons granted access to classified information.

ISCR Case No. 15-01031 at 4 (App. Bd. June 15, 2016) (citations omitted). Applicant provided proof that he “made arrangements with the appropriate tax authority to file or pay the amount owed and is in compliance with those arrangements,” and AG ¶ 20(g) applies. However, because of Applicant’s lengthy history of noncompliance with requirements to timely file tax returns, the mitigation in AG ¶ 20(g) is insufficient to alleviate financial considerations security concerns. ISCR Case No. 16-00396 at 3 (App. Bd. Aug. 15, 2017) states:

It is well established, however, that a security clearance adjudication does not turn simply on a finding that one or more of the mitigating conditions apply to the particular facts of a case. Rather, an adjudication requires the exercise of sound discretion in light of the record evidence as a whole. Thus, the presence of some mitigating evidence does not alone compel the Judge to make a favorable security clearance determination. As the trier of fact, the Judge has to weigh the evidence as a whole and decide whether the favorable evidence outweighs the unfavorable evidence, or vice versa.

None of the mitigating conditions fully applies to this SOR allegation except for AG ¶ 20(g). Applicant did not act responsibly under the circumstances with regard to his taxes by failing to timely file his Federal tax returns from 2005 to 2015. During a 2010 OPM PSI, he assured the investigator that he would file his then delinquent returns only to be confronted with the same issue during a subsequent 2015 OPM PSI. Applicant ultimately filed those tax returns in August 2016, but only after being prompted by these proceedings.

Applicant’s conduct is somewhat perplexing given that he was a career senior Air Force noncommissioned officer, who up until 2005 filed his Federal tax returns. His record would suggest that he would not need prompting to follow a civic duty as basic as timely filing his Federal income tax returns. His explanations for failing to file tax returns for ten years are not convincing. Had he followed through on his promise to address the problem at that time, he would in all likelihood not be in his current predicament. Given the dim view the DOHA Appeal Board takes of such conduct,



there is no latitude to rule in Applicant's favor. Under all the circumstances, he failed to establish that financial considerations security concerns are mitigated.

## **Personal Conduct**

AG ¶ 15 expresses the security concern pertaining to personal conduct:

Conduct involving questionable judgment, lack of candor, dishonesty, or unwillingness to comply with rules and regulations can raise questions about an individual's reliability, trustworthiness and ability to protect classified information. Of special interest is any failure to provide truthful and candid answers during the security clearance process or any other failure to cooperate with the security clearance process.

AG ¶ 16 describes a condition that could raise a security concern and may be disqualifying in this case:

(a) deliberate omission, concealment, or falsification of relevant facts from any personnel security questionnaire, personal history statement, or similar form used to conduct investigations, determine employment qualifications, award benefits or status, determine security clearance eligibility or trustworthiness, or award fiduciary responsibilities

Applicant deliberately failed to disclose his failure to file his annual Federal tax returns from 2005 through 2015. (SOR ¶ 2.c). AG ¶¶ 16(a) applies.

AG ¶ 17 provides seven conditions that could mitigate security concerns in this case:

(a) the individual made prompt, good-faith efforts to correct the omission, concealment, or falsification before being confronted with the facts;

(b) the refusal or failure to cooperate, omission, or concealment was caused or significantly contributed to by improper or inadequate advice of authorized personnel or legal counsel advising or instructing the individual specifically concerning the security clearance process. Upon being made aware of the requirement to cooperate or provide the information, the individual cooperated fully and truthfully;

(c) the offense is so minor, or so much time has passed, or the behavior is so infrequent, or it happened under such unique circumstances that it is unlikely to recur and does not cast doubt on the individual's reliability, trustworthiness, or good judgment;

(d) the individual has acknowledged the behavior and obtained counseling to change the behavior or taken other positive steps to

alleviate the stressors, circumstances, or factors that caused untrustworthy, unreliable, or other inappropriate behavior, and such behavior is unlikely to recur;

(e) the individual has taken positive steps to reduce or eliminate vulnerability to exploitation, manipulation, or duress;

(f) the information was unsubstantiated or from a source of questionable reliability; and

(g) association with persons involved in criminal activity has ceased or occurs under circumstances that do not cast doubt upon the individual's reliability, trustworthiness, judgment, or willingness to comply with rules and regulations.

AG ¶ 17(a) fully applies. Applicant completed his SF-86 in October 2015. Some two months later during his December 2015 OPM PSI, he volunteered without prompting that he failed to file his Federal tax returns from 2005 through 2015. While one would expect Applicant, particularly with his background, to be forthright when completing an SF-86, his prompt, good-faith effort to correct his falsification before being prompted warrants full application of this mitigating condition.

### **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(d):

(1) the nature, extent, and seriousness of the conduct; (2) the circumstances surrounding the conduct, to include knowledgeable participation; (3) the frequency and recency of the conduct; (4) the individual's age and maturity at the time of the conduct; (5) the extent to which participation is voluntary; (6) the presence or absence of rehabilitation and other permanent behavioral changes; (7) the motivation for the conduct; (8) the potential for pressure, coercion, exploitation, or duress; and (9) the likelihood of continuation or recurrence.

Under AG ¶ 2(c), "[t]he ultimate determination" of whether to grant a security clearance "must be an overall commonsense judgment based upon careful consideration of the guidelines" and the whole-person concept. My comments under Guidelines F and E are incorporated in my whole-person analysis. Some of the factors in AG ¶ 2(d) were addressed under that guideline but some warrant additional comment.

Applicant is a 48-year-old information systems security officer employed by a defense contractor since 2015. He served on active duty from 1989 to 2013, and was honorably retired as a senior master sergeant (pay grade E-8). He successfully held security clearances for 27 years at various levels to include top secret with access to sensitive compartmented information.

The general sense from Applicant's three reference letters is that Applicant is knowledgeable, helpful, multi-talented, reliable, trustworthy, conscientious about security and compliance with rules, honest, and an excellent representative of his company.

The evidence against reinstatement of his security clearance is more substantial. He filed his Federal returns for tax years 2005 to 2015 in August 2016. Particularly troubling is the fact that Applicant knew as early as March 2010 that his failure to file his Federal income returns was a security concern and it was not until the initiation of these proceedings that he was prompted to take action. When a tax issue is involved, an administrative judge is required to consider how long an applicant waits to file his or her tax returns, whether the IRS generates the tax returns, and how long the applicant waits after a tax debt arises to begin and complete making payments.<sup>2</sup> The primary problem here is that Applicant has known that he needed to file Federal tax returns for a number of years and he waited until February 2016 to file those tax returns. His filing of all unfiled tax returns shortly before his hearing is too little too late to mitigate security concerns.

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<sup>2</sup> The recent emphasis of the Appeal Board on security concerns arising from tax cases is instructive. See ISCR Case No. 14-05794 at 7 (App. Bd. July 7, 2016) (reversing grant of security clearance and stating, "His delay in taking action to resolve his tax deficiency for years and then taking action only after his security clearance was in jeopardy undercuts a determination that Applicant has rehabilitated himself and does not reflect the voluntary compliance of rules and regulations expected of someone entrusted with the nation's secrets."); ISCR Case No. 14-01894 at 2-6 (App. Bd. Aug. 18, 2015) (reversing grant of a security clearance, discussing lack of detailed corroboration of circumstances beyond applicant's control adversely affecting finances, noting two tax liens totaling \$175,000 and garnishment of Applicant's wages, and emphasizing the applicant's failure to timely file and pay taxes); ISCR Case No. 12-05053 at 4 (App. Bd. Oct. 30, 2014) (reversing grant of a security clearance, noting not all tax returns filed, and insufficient discussion of Applicant's efforts to resolve tax liens). More recently, in ISCR Case No. 14-05476 (App. Bd. Mar. 25, 2016) the Appeal Board reversed a grant of a security clearance for a retired E-9 and cited applicant's failure to timely file state tax returns for tax years 2010 through 2013 and federal returns for tax years 2010 through 2012. Before his hearing, he filed his tax returns and paid his tax debts except for \$13,000, which was in an established payment plan. The Appeal Board highlighted his annual income of over \$200,000 and discounted his non-tax expenses, contributions to DOD, and spouse's medical problems. The Appeal Board emphasized "the allegations regarding his failure to file tax returns in the first place stating, it is well settled that failure to file tax returns suggest that an applicant has a problem with complying with well-established government rules and systems. Voluntary compliance with such rules and systems is essential for protecting classified information." *Id.* at 5 (citing ISCR Case No. 01-05340 at 3 (App. Bd. Dec. 20, 2002) (internal quotation marks and brackets omitted). See *also* ISCR Case No. 14-03358 at 3, 5 (App. Bd. Oct. 9, 2015) (reversing grant of a security clearance, noting \$150,000 owed to the federal government, and stating, "A security clearance represents an obligation to the Federal Government for the protection of national secrets. Accordingly failure to honor other obligations to the Government has a direct bearing on an applicant's reliability, trustworthiness, and ability to protect classified information.").

I have carefully applied the law, as set forth in *Egan*, Exec. Or. 10865, the Directive, and the AGs, to the facts and circumstances in the context of the whole person.

### **Formal Findings**

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

Paragraph 1, Guideline F:	AGAINST APPLICANT
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Subparagraph 1.a:	Against Applicant
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Paragraph 2, Guideline E:	FOR APPLICANT
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Subparagraph 2.a:	For Applicant
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### **Conclusion**

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

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Robert Tuidor  
Administrative Judge