



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



In the matter of:)
)
) ISCR Case No. 15-00040
)
Applicant for Security Clearance)

Appearances

For Government: Aubrey De Angelis, Esq. and Ben Dorsey, Esq., Department Counsel
For Applicant: *Pro se*

05/09/2016

Decision

HARVEY, Mark, Administrative Judge:

Applicant’s statement of reasons (SOR) includes allegations of nine delinquent debts totaling \$15,983. He failed to make sufficient progress resolving his SOR debts. Applicant intentionally failed to disclose a judgment entered against him on his June 18, 2014 Questionnaire for National Security Positions or security clearance application (SCA). Financial considerations and personal conduct security concerns are not mitigated. Access to classified information is denied.

History of the Case

On June 18, 2014, Applicant completed and signed an SCA. (Government Exhibit (GE) 1) On July 2, 2015, the Department of Defense (DOD) Consolidated Adjudications Facility (CAF) issued an SOR to Applicant pursuant to Executive Order (Exec. Or.) 10865, *Safeguarding Classified Information Within Industry*; DOD Directive 5220.6, *Defense Industrial Personnel Security Clearance Review Program* (Directive); and the adjudicative guidelines (AG), which became effective on September 1, 2006.

The SOR detailed reasons why the DOD CAF did not find under the Directive that it is clearly consistent with the national interest to grant or continue a security clearance for him, and recommended referral to an administrative judge to determine whether a clearance should be granted, continued, denied, or revoked. (Hearing Exhibit (HE) 2) Specifically, the SOR set forth security concerns arising under Guidelines F (financial considerations) and E (personal conduct).

On July 24, 2015, Applicant responded to the SOR. On October 16, 2015, Department Counsel was ready to proceed. On February 29, 2016, the case was assigned to me. On April 4, 2016, the Defense Office of Hearings and Appeals (DOHA) issued a notice of hearing, setting the hearing for April 7, 2016. (HE 1) Applicant waived his right to 15 days of notice of the date, time, and location of his hearing. (Tr. 15-16) Applicant's hearing was held as scheduled.

During the hearing, Department Counsel offered six exhibits, which were admitted without objection. (Tr. 13, 19-20; GE 1-6) Applicant did not offer any exhibits. (Tr. 13) On April 19, 2016, DOHA received a copy of the transcript of the hearing.

Findings of Fact¹

In Applicant's SOR response, he admitted the allegations in SOR ¶¶ 1.a through 1.i. He denied SOR ¶¶ 2.a and 2.b. Applicant's admissions are accepted as findings of fact.

Applicant is a 54-year-old aircraft mechanic, who has been employed by a defense contractor since May 2014. (Tr. 6, 20; GE 1) His current salary is \$35 an hour. (Tr. 21) In 1980, he received a General Educational Development (GED) diploma. (Tr. 7) He has not attended college. (Tr. 7) He served in the Air Force from 1980 to 1991, and he specialized as a turboprop engine mechanic. (Tr. 7-8) When he left the Air Force, he was a staff sergeant, and he received a general discharge under honorable conditions. (Tr. 8) He was having financial problems in the Air Force, and he requested an early discharge. (Tr. 8) He has been an aircraft mechanic with the same company since 1997. (Tr. 21) Since 2014, he has had a second job as a vehicle service technician, and he receives an hourly wage of \$11 an hour. (Tr. 22-23) He has held other part-time employment from 1997 to 2014. (Tr. 23-24)

In 1984, Applicant married, and in 1987, he divorced. (GE 1) In 1989, he married. (GE 1) He has five children; however, none of them are living in his home. (Tr. 9) The two youngest children are ages 27 and 28. (Tr. 10; GE 1) His spouse does not work outside their home. (Tr. 26)

Financial Considerations

Applicant's history of delinquent debt is documented in his credit reports, Office of Personnel Management (OPM) personal subject interview (PSI), SOR response, and hearing record. Applicant does not have any money left over from his monthly paychecks after paying his bills. (Tr. 27-29) He has about \$800 in his checking account and nothing in his savings account. (Tr. 29) His federal and state taxes are current. (Tr. 30) Applicant had two heart attacks in the previous 10 years. (Tr. 32) He also had gall bladder surgery before his first heart attack. (Tr. 44) His spouse had medical problems too. He did not describe the financial impact of their medical problems. Before the

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

Christmas of 2015, Applicant's daughter some removed funds from his account without his permission. (Tr. 46)

In 2004, Applicant's child support was delinquent, and he had a debt dispute over a wrecked vehicle and insurance. (Tr. 31-32) His pay was garnished in 2003 or 2004 to pay his child support debt. (Tr. 48) In 2004, he had several debts; he contacted the creditors and advised them he could not pay; and he did not hear anything further from some of the creditors. (Tr. 33) In 2004, Applicant had a security clearance hearing, and the administrative judge granted his access to classified information. (Tr. 56, 59)² In about 2009 or 2010, Applicant paid a credit counseling company to help him pay off his delinquent debts. (Tr. 40-41) He could not remember how much he owed or how much was paid. (Tr. 41) Sometimes Applicant did not open his mail, and it would get thrown away. (Tr. 33-35)

Applicant had the following five SOR medical-collections debts: ¶ 1.a for \$1,949; ¶ 1.c for \$638; ¶ 1.d for \$540; ¶ 1.e for \$100; and ¶ 1.f for \$20. (Tr. 42-43) He did not remember: the basis for the specific medical debts; whether he had insurance coverage for any of them; and when they occurred. (Tr. 43-45) He did not make any payments to address the five medical debts. (Tr. 45)

Applicant learned of the collection account owed to a bank in SOR ¶ 1.b for \$1,168 when he received the SOR; however, he had not made any payments or contacted the creditor about making payment arrangements. (Tr. 50) Someone was garnishing his paycheck for \$600 every two weeks for the six weeks prior to his hearing. (Tr. 45-46) He did not know who was garnishing his pay or why his pay was being garnished. (Tr. 47)

In 2012, Applicant learned about a debt he owed to a lawyer, which resulted in the judgment in SOR ¶ 1.h for \$3,675. (Tr. 35-36) Around August 2015, he paid the lawyer the remainder of the \$1,800 he owed on the account. (Tr. 35-37)

Applicant did not recognize the judgments in SOR ¶¶ 1.g for \$6,860 and 1.i for \$1,033. (Tr. 39, 52) He thought the debt in SOR ¶ 1.g might be related to a vehicle accident. (Tr. 51) He did not know about the debt in SOR ¶ 1.g until he received the SOR. (Tr. 51) He has not contacted the creditor. (Tr. 51) He has not made any payments to either of the creditors. (Tr. 52)

Now that Applicant has paid his lawyer \$1,800, he plans to begin paying off his other SOR debts. (Tr. 52) He cannot make much progress paying his debts until he learns about and resolves the \$1,200 monthly garnishment. (Tr. 54) His house will soon be paid off, and this will free up or make available more funds to address his debts. (Tr. 54)

²Applicant's previous security clearance hearing is documented at 2005 DOHA LEXIS 1453, ISCR Case No. 04-07783 (A.J. Howe, July 27, 2005). Judge Howe found the financial considerations concerns were mitigated. Neither party offered a copy of Judge Howe's decision into evidence. Because of lack of notice to Applicant, this decision will not be considered.

Personal Conduct

Section 26 of Applicant's July 18, 2014 SCA asked Applicant whether, "In the past seven (7) years, you had a judgment entered against you?" (SOR ¶ 2.a; GE 1) It also asked Applicant two additional questions: "In the past seven (7) years, you had bills or debts turned over to a collection agency?"; and "In the past seven (7) years, you had any account or credit card suspended, charged off, or cancelled for failing to pay as agreed?" (SOR ¶ 2.b; GE 1) Applicant answered, "no" to these three questions.

In addition to the three SOR judgments in SOR ¶¶ 1.g, 1.h, and 1.i, two non-SOR judgments were filed and paid in the previous seven years. Applicant's non-SOR judgment for \$7,947 was filed in January 2009, and it was paid and satisfied in February 2012. (Tr. 39; GE 5 at 3) The non-SOR judgment for \$7,957 related to a vehicle that was totally destroyed in an accident. (Tr. 38) In August 2009, another non-SOR judgement for \$1,290 was filed, and in December 2009, this judgment was paid and satisfied. (GE 5 at 3)

Applicant's August 11, 2014 OPM PSI states:

When asked if he had any judgments filed against him, any accounts over 120 days delinquent, or any accounts taken to collections in the last seven years, Subject stated no. Subject was then confronted with 27 financial delinquencies. (GE 2 at 8)

Applicant said he did not remember his 2012 judgment (SOR ¶ 1.h) when he completed his SCA. (Tr. 56, 58) He told the investigator he was making \$218 monthly payments to address a judgment for \$3,675. (Tr. 58; GE 2 at 8-9)

Applicant described himself as a competent employee. (Tr. 60) He had longevity with his employer. (Tr. 60) His record does not include any evidence of illegal use of drugs, alcohol abuse, or security violations. (GE 1)

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 revised 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. Thus, nothing in this decision should be construed to suggest that it is based, 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 (4th Cir. 1994). The guidelines presume a nexus or rational connection between proven conduct under any of the criteria listed therein and an applicant's security suitability. See ISCR Case No. 95-0611 at 2 (App. Bd. May 2, 1996).

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

Analysis

Financial Considerations

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

Failure or inability to live within one's means, satisfy debts, and meet financial obligations may indicate poor self-control, lack of judgment, or unwillingness to abide by rules and regulations, all of which can raise

questions about an individual's reliability, trustworthiness, and ability to protect classified information. An individual who is financially overextended is at risk of having to engage in illegal acts to generate funds.

AG ¶ 19 provides two disqualifying conditions that could raise a security concern and may be disqualifying in this case: "(a) inability or unwillingness to satisfy debts"; and "(c) a history of not meeting financial obligations." Applicant's history of delinquent debt is documented in his credit reports, OPM PSI, SOR response, and hearing record. His records document evidence of nine debts that were at one point delinquent totaling \$15,983. The Government established the disqualifying conditions in AG ¶¶ 19(a), and 19(c), requiring additional inquiry about the possible applicability of mitigating conditions.

Five mitigating conditions under AG ¶ 20 are potentially applicable:

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

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

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

(d) the individual initiated a good-faith effort to repay overdue creditors or otherwise resolve debts;³ and

³The Appeal Board has previously explained what constitutes a "good faith" effort to repay overdue creditors or otherwise resolve debts:

In order to qualify for application of [the "good faith" mitigating condition], an applicant must present evidence showing either a good-faith effort to repay overdue creditors or some other good-faith action aimed at resolving the applicant's debts. The Directive does not define the term "good-faith." However, the Board has indicated that the concept of good-faith "requires a showing that a person acts in a way that shows reasonableness, prudence, honesty, and adherence to duty or obligation." Accordingly, an applicant must do more than merely show that he or she relied on a legally available option (such as bankruptcy) in order to claim the benefit of [the "good faith" mitigating condition].

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

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

The 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).

Applicant's conduct in resolving his delinquent debt does not warrant full application of any mitigating conditions to all of his SOR debts; however, he presented some important mitigating information. Several circumstances beyond his control adversely affected his finances: Applicant and his spouse's medical problems; vehicle accidents; and his daughter removed funds from his account without his permission. However, he did not provide enough specifics about how these circumstances adversely affected his finances, and he did not show that he acted responsibly to address his delinquent debts. He received some financial counseling several years ago.

Applicant said in August 2015, he paid the debt owed to a lawyer, which resulted in the judgment in SOR ¶ 1.h for \$3,675. I have credited him with paying this debt. He did not claim that he made any other payments to any other SOR creditors.

Applicant did not establish mitigation under AG ¶ 20(e) because he did not provide documentation such as copies of letters to the SOR creditors and credit reporting companies disputing his responsibility for any debts.

Applicant's failure to make greater progress addressing his delinquent debts shows a lack of judgment and responsibility that weighs against approval of his security clearance. There is insufficient evidence about why he was unable to make greater documented progress resolving more of his SOR debts. There is insufficient assurance that his financial problems are being resolved, are under control, and will not recur in the future. 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 one condition that could raise a security concern and may be disqualifying with respect to the alleged falsification of his July 18, 2014 SCA used to process the adjudication of Applicant's security clearance 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.⁴

Section 26 of Applicant's July 18, 2014 SCA asked Applicant whether, "In the past seven (7) years, you had a judgment entered against you?" (SOR ¶ 2.a) It also asked, "In the past seven (7) years, you had bills or debts turned over to a collection agency?" and "In the past seven (7) years, you had any account or credit card suspended, charged off, or cancelled for failing to pay as agreed?" (SOR ¶ 2.b) Applicant answered, "no" to these three questions.

Applicant was well aware that he had a judgment in 2012. He was making payments on the debt in SOR ¶ 1.h. He admitted knowledge of the judgment to the OPM investigator after confrontation, and he admitted knowing about it at his hearing. I do not find his statement about forgetting about this judgment at the time he completed his SCA to be credible.

⁴The Appeal Board has cogently explained the process for analyzing falsification cases, stating:

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

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

Applicant said he did not open some correspondence, and his bills might have been thrown away. There is no proof that he was aware that he had bills or debts turned over to a collection agency or that he had any account or credit card suspended, charged off, or cancelled for failing to pay as agreed. SOR ¶ 2.b is not substantiated. See AG ¶ 17(f), *infra*.

Applicant understood that the DOD was seeking specific derogatory or negative financial information about his history of delinquent debt. He should have disclosed his 2012 judgment in SOR ¶ 1.h, and he knowingly and intentionally chose not to disclose it. AG ¶ 16(a) is established.

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.

Applicant deliberately and improperly failed to disclose the judgment in SOR ¶ 1.h on his July 18, 2014 SCA. An intentional omission allegation is not mitigated when

an applicant admits the omission after an investigator tells him or her that the government has already learned facts establishing the omission.⁵ Once it becomes apparent to an applicant that an investigator is likely to discover derogatory information, it is too late to receive mitigating credit under AG ¶ 17(a). Applicant's August 11, 2014 OPM PSI states:

When asked if he had any judgments filed against him,⁶ any accounts over 120 days delinquent, or any accounts taken to collections in the last seven years, Subject stated no. Subject was then confronted with 27 financial delinquencies. (GE 2 at 8)

Applicant cannot receive mitigating credit under AG ¶ 17(a) because he did not volunteer information about his judgments in the previous seven years. In addition to the judgment in SOR ¶ 1.h, Applicant was aware of two non-SOR judgments. His non-SOR judgment for \$7,947 was filed in January 2009, and it was paid and satisfied in February 2012. In August 2009, another non-SOR judgement for \$1,290 was filed, and in December 2009, this judgment was paid and satisfied.

In sum, Applicant's falsification of his security clearance application by intentionally failing to disclose his negative financial information was improper and raised a security concern. He did not sufficiently correct the omission, concealment, or falsification before being confronted with the facts. No mitigating conditions apply. Guideline E concerns are not mitigated.

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

⁵ISCR Case No. 02-30369 at 5 (App. Bd. Oct. 27, 2006) (sustaining denial of security clearance); ISCR Case No. 04-00789 at 7 (App. Bd. June 28, 2006) (reversing grant of security clearance); ISCR Case No. 99-0557 at 4 (App. Bd. July 10, 2000) (reversing grant of security clearance). See also ISCR Case No. 05-10921 at 4 (App. Bd. Apr. 19, 2007).

⁶Applicant's SOR does not allege: that he initially lied to the OPM investigator when he denied knowing about any judgments in the previous seven years; that his history of delinquent debts exceeds 20 years, going back to his active duty Air Force service; and he paid two non-SOR judgments entered against him in the previous seven years, but did not disclose them on his SCA. In ISCR Case No. 03-20327 at 4 (App. Bd. Oct. 26, 2006), the Appeal Board listed five circumstances in which conduct not alleged in an SOR may be considered stating:

- (a) to assess an applicant's credibility; (b) to evaluate an applicant's evidence of extenuation, mitigation, or changed circumstances; (c) to consider whether an applicant has demonstrated successful rehabilitation; (d) to decide whether a particular provision of the Adjudicative Guidelines is applicable; or (e) to provide evidence for whole person analysis under Directive Section 6.3.

Id. (citing ISCR Case No. 02-07218 at 3 (App. Bd. Mar. 15, 2004); ISCR Case No. 00-0633 at 3 (App. Bd. Oct. 24, 2003)). See also ISCR Case No. 12-09719 at 3 (App. Bd. April 6, 2016) (citing ISCR Case No. 14-00151 at 3, n. 1 (App. Bd. Sept. 12, 2014); ISCR Case No. 03-20327 at 4 (App. Bd. Oct. 26, 2006)). Consideration of these three allegations will not be considered except for the five purposes listed above.

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.

Under AG ¶ 2(c), the ultimate determination of whether to grant eligibility for a security clearance must be an overall commonsense judgment based upon careful consideration of the guidelines and the whole-person concept. I have incorporated my comments under Guidelines F and E in my whole-person analysis. Some of the factors in AG ¶ 2(a) were addressed under those guidelines, but some warrant additional comment.

Applicant is a 54-year-old aircraft mechanic, who has been employed by a defense contractor since May 2014. His current salary is \$35 an hour. He served in the Air Force from 1980 to 1991, and he specialized as a turboprop engine mechanic. When he left the Air Force, he was a staff sergeant, and he received a general discharge under honorable conditions. He was having financial problems in the Air Force, and he requested an early discharge. He has been an aircraft mechanic with the same company since 1997. Since 1997, he has held second jobs to supplement his income. His spouse does not work outside their home. There is no evidence of criminal offenses, abuse of alcohol, use of illegal drugs, or security violations.

Applicant provided some important mitigating financial information. Applicant is credited with paying a non-SOR judgment for \$7,947 in February 2012, and a non-SOR judgment for \$1,290 was paid in December 2009. He is also credited with paying the debt in SOR ¶ 1.h in August 2015. His credit reports also contain additional positive financial information. He received some financial counseling several years ago. Several circumstances beyond his control adversely affected his finances: Applicant and his spouse's medical problems; vehicle accidents; and his daughter removed funds from his account without his permission.

The financial evidence against approval of Applicant's clearance is more substantial at this time. Applicant has a history of financial problems exceeding 20 years. He has eight unresolved delinquent debts totaling about \$12,000. He did not provide enough specifics about how the circumstances beyond his control adversely affected his finances, and he did not show that he acted responsibly to address his delinquent debts. His failure to make greater progress resolving his SOR debts shows lack of financial responsibility and judgment and raises unmitigated questions about Applicant's reliability, trustworthiness, and ability to protect classified information. See AG ¶ 18. More documented financial progress is necessary to mitigate financial considerations security concerns. When he completed his July 18, 2014 SCA, Applicant

intentionally and falsely denied that he had any judgments entered in the previous seven years even though he knew that he had at least one reportable judgment.

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. I conclude that financial consideration and personal conduct security concerns are not mitigated, and it is not clearly consistent with the national interest to grant or reinstate Applicant's security clearance eligibility at this time.

Formal Findings

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

Paragraph 1, Guideline F:	AGAINST APPLICANT
Subparagraphs 1.a through 1.g:	Against Applicant
Subparagraph 1.h:	For Applicant
Subparagraph 1.i:	Against Applicant
Paragraph 2, Guideline E:	AGAINST APPLICANT
Subparagraph 1.a:	Against Applicant
Subparagraph 1.b:	For Applicant

Conclusion

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

MARK HARVEY
Administrative Judge