



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



In the matter of:

Applicant for Security Clearance

)  
)  
)  
)  
)  
)

ISCR Case No. 25-00169

**Appearances**

For Government:  
Sakeena Farhath, Esquire, Department Counsel

For Applicant:  
*Pro se*

08/27/2025

---

**Decision**

---

GLENDON, John Bayard, Administrative Judge:

Applicant mitigated the security concerns raised under the financial considerations adjudicative guideline. National security eligibility for access to classified information is granted.

**Statement of the Case**

Applicant submitted a Questionnaire for National Security Positions on May 16, 2024 (the Questionnaire). On March 11, 2025, the Defense Counterintelligence and Security Agency (DCSA) issued a Statement of Reasons (SOR) to Applicant detailing security concerns under Guideline F (Financial Considerations). The action was taken under Executive Order 10865, *Safeguarding Classified Information Within Industry* (February 20, 1960), as amended; Department of Defense (DoD) Directive 5220.6, *Defense Industrial Personnel Security Clearance Review Program* (January 2, 1992), as amended (Directive); and the adjudicative guidelines (AG) effective within DoD after June 8, 2017.

On March 14, 2025, Applicant responded to the SOR in writing. (Answer or Item 1). He requested that his case be decided on the written record in lieu of a hearing. In his Answer, he admitted the SOR allegations. He also attached one document, discussed below. On April 11, 2025, Department Counsel submitted the Government's written case in a File of Relevant Material (FORM). A complete copy of the FORM, consisting of Items 1 to 7 and the Government's arguments in support of the SOR, was provided to Applicant. He received the FORM on April 22, 2025, and responded the same day by email (FORM Response). Department Counsel raised no objection to the FORM Response. The case was assigned to me on July 1, 2025.

After reviewing the FORM and the FORM Response, I determined that the record was incomplete. On July 30, 2025, I emailed Applicant and Department Counsel, advising them that I was reopening the record until August 14, 2025, to give Applicant the opportunity to provide additional evidence and to clarify some other evidence. He responded the same day. I have marked my email and Applicant's response as Admin Exhibit (AdEx) I. Applicant attached to his response what appears to be several documents. The file format of the attached documents did not allow for printing, with one exception, a document which I have marked as Applicant Exhibit (AE) A-1. I wrote again to the parties on August 4 and 5, 2025. I marked those emails as AdEx II. On August 13, 2025, Applicant responded with four emails and provided additional documents, which were again unprintable and are being excluded from the record. He explained he did not have a printer or a scanner so that he could not submit his exhibits in PDF file format that is printable and suitable to be included in the record. Applicant's emails are marked as AdEx III.

I could read on my computer, but could not print, one of the documents he attached to AdEx III. In an email, also dated August 13, 2025, I prepared a summary of the relevant information I could read in Applicant's document attached to AdEx III. My email is marked as AdEx IV and is being treated as evidence in this proceeding.

On August 14, 2025, before the close of the record, Applicant sent me three emails, which I have marked as AdEx V, AdEx VI, and AdEx VII. He attached documents in PDF file formats to both of the latter two emails. Attached to AdEx VI are 25 documents, that have been marked as AE A through AE Y, and attached to AdEx VII are five documents, that have been marked as AE Z through AE DD.

I asked Department Counsel to advise if she had any objections to AE A through AE DD or to my considering AdEx IV as evidence. She raised no objections, and I have admitted all of these documents as evidence in this record. (AdEx VIII.)

### **Findings of Fact**

Applicant is 39 years old and has worked as a mechanic for a DoD contractor since March 2024. He submitted the Questionnaire in May 2024 in connection with his employment. According to the Questionnaire, he is a first-time applicant for a security clearance. However, he wrote in the Answer that he had recently applied for a special,

high-level clearance and had been denied eligibility due to his financial problems. The documentation regarding that application is not in the record. Applicant graduated from high school in 2005. He has never married and has no children. (Item 2 at 4; Item 3 at 5, 9-10, 11, 17, 27.)

### **SOR Paragraph 1, Guideline F (Financial Considerations)**

The Government alleged that Applicant is ineligible for a security clearance because he had 11 delinquent and unresolved debts totaling about \$18,500. In the Answer (Item 2), Applicant admitted all of the allegations, provided a brief statement, and attached a copy of a "Debt Relief Agreement," which is discussed further below. I find the following facts regarding the history and status of the debts:

**1.a. Auto Loan Account (\$5,871).** This account is delinquent, and the creditor has charged off the unpaid debt. (Item 4 at 2; Item 5 at 3; Item 6 at 2.)

**1.b. Loan Account (\$5,871).** This account is delinquent, and the creditor has charged off the unpaid debt and placed the account for collection. (Item 4 at 2-3; Item 5 at 3; Item 6 at 3.)

**1.c. Loan Account (\$1,805).** This account is delinquent, and the creditor has charged off the unpaid debt. (Item 4 at 3; Item 5 at 3; Item 6 at 3.)

**1.d. Cellphone Account (\$1,581).** This account is delinquent, and the creditor has placed it for collection. (Item 4 at 3; Item 5 at 3-4; Item 6 at 3.)

**1.e. Medical Account (\$1,218).** This account is delinquent, and the creditor has charged off the unpaid debt and placed the account for collection. (Item 4 at 3; Item 5 at 4; Item 6 at 4.)

**1.f. Account (\$881).** This account is delinquent, and the creditor has charged off the unpaid debt. (Item 4 at 4; Item 5 at 4; Item 6 at 4.)

**1.g. Account (\$849).** This account is delinquent, and the creditor has placed it for collection. (Item 4 at 4; Item 5 at 4.)

**1.h. Account (\$581).** This account is delinquent, and the creditor has charged off the unpaid debt. (Item 4 at 5; Item 5 at 4; Item 6 at 5.)

**1.i. Medical Account (\$1,000).** This account is delinquent, and the creditor has charged off the unpaid debt and placed the account for collection. (Item 4 at 4; Item 6 at 4.)

**1.j. Loan Account (\$392).** This account is delinquent, and the creditor has charged off the unpaid debt. (Item 4 at 5; Item 6 at 5.)

**1.k. Loan Account (\$360).** This account is delinquent, and the creditor has charged off the unpaid debt. (Item 4 at 5; Item 6 at 5.)

### **Whole Person Evidence and Mitigation**

In his security background interview, Applicant explained that he incurred the above debts during a period when he worked at a very low-paying job. He disclosed on the Questionnaire that he worked at that job from 2005 to 2021. He is currently employed in a position that pays him more than twice what he was previously earning. He is now in a position to pay and resolve his old debts. (Item 3 at 13; Item 7 at 2-3.)

As noted, Applicant attached to the Answer a Debt Relief Agreement (the Agreement) with a debt-consolidation company (the Company), which provided for the consolidation and payment of eight of his unpaid debts over a period of 42 months. The Agreement is dated February 24, 2025, about three weeks prior to his receipt of the SOR in March 2025. Under the terms of the Agreement, Applicant is required to pay \$150.50, biweekly, by automatic bank transfer, beginning on March 11, 2025, which coincidentally is the date of the SOR. The eight SOR debts enrolled in the consolidated-debt payment plan are: ¶¶ 1.a-1.g, and 1.i. Applicant provided an updated list of the creditors covered by the Agreement. This list includes a ninth creditor, a retail debt in the amount of \$1,093, which is not listed in the SOR. (Item 2 at 5-27; AE Z through AE DD.)

Applicant attached a second copy of the Agreement to his brief FORM Response. In his response, he wrote, "I am working on making my debt and credit better and like I mentioned before it is going to take about 3 to 4 years," referring to the Agreement. He also commented, "I just hope this allows me to get access so that I can continue doing what I love to do." I interpret his comment to mean that he is asserting that he has been making his payments every two weeks since March 2025, amounting to four or five months of the 42-month payment plan. He did not, however, provide any documentation evidencing his payments. After I advised him by email that I had opened the record for two weeks to permit his to supplement the record, he provided a payment record showing ten payments by Applicant of \$160.50 during the period March 14, 2025 to July 13, 2025, totaling \$1,605. He also submitted receipts from the Company for each of the ten payments. (AE A, E, F, K, M, O, Q, S, T, and X.)

Applicant provided additional documentation, which he attached to his November 2024 responses to Interrogatories (Item 4). These documents evidence payments of two additional debts which he paid in 2024 before he entered into the Agreement. One debt was paid to a collection agency in March 2024 in a lump sum of \$562.20. The second debt was also paid to a collection company with six periodic payments of \$128.50 and a final payment of \$129.25 during the period July 2024 to October 2024, in the total amount of \$900.25. Together the two paid debts total \$1,462.45. Both of these paid debts were made to collection agencies that are not identified in the SOR or the credit bureau reports included in the Government's FORM. The payments were made prior to the SOR and do not address any of the debts alleged in the SOR. (Item 4 at 15-27.)

Applicant also provided evidence that, with his payments to the Company pursuant to the Agreement, two of his debts have been settled. The amount of the resolved debt is \$5,600. The remaining seven creditors with accounts to be resolved are owed debts totaling \$12,732. (AdEx IV.)

## Policies

When evaluating an applicant's suitability for national security eligibility, the administrative judge must consider the adjudicative guidelines. In addition to brief introductory explanations for each guideline, the adjudicative guidelines (AG) list potentially disqualifying conditions and mitigating conditions, which are to be used in evaluating an applicant's national security eligibility.

These guidelines are not inflexible rules of law. Instead, recognizing the complexities of human behavior, these guidelines are applied in conjunction with the factors listed in AG ¶ 2 describing 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 applicable guidelines in the context of a number of variables known as the whole-person concept. The administrative judge must consider all available, reliable information about the person, past and present, favorable and unfavorable, in making a decision.

The protection of the national security is the paramount consideration. AG ¶ 2(b) requires, "Any doubt concerning personnel being considered for national security eligibility will be resolved in favor of the national security." In reaching this decision, I have drawn only those conclusions that are reasonable, logical, and based on the evidence contained in the record. I have not drawn inferences based on mere speculation or conjecture.

Directive ¶ E3.1.14, requires the Government to present evidence to establish controverted facts alleged in the SOR. Under Directive ¶ E3.1.15, "The applicant is responsible for presenting witnesses and other evidence to rebut, explain, extenuate, or mitigate facts admitted by the applicant or proven by Department Counsel, and has the ultimate burden of persuasion as to obtaining a favorable clearance decision."

A person who seeks access to classified information enters into a fiduciary relationship with the Government predicated upon trust and confidence. This relationship transcends normal duty hours and endures throughout off-duty hours. The Government reposes a high degree of trust and confidence in individuals to whom it grants national security eligibility. Decisions include, by necessity, consideration of the possible risk the applicant may deliberately or inadvertently fail to protect or safeguard classified information. Such decisions entail a certain degree of legally permissible extrapolation as to potential, rather than actual, risk of compromise of classified or sensitive information. Finally, as emphasized in Section 7 of Executive Order 10865, "Any determination under this order adverse to an applicant shall be a determination in terms of the national interest and shall in no sense be a determination as to the loyalty of the applicant concerned."

See also Executive Order 12968, Section 3.1(b) (listing multiple prerequisites for access to classified or sensitive information.)

## Analysis

### **Paragraph 1 - Guideline F, Financial Considerations**

The security concerns relating to the guideline for financial considerations are set out in AG ¶ 18, which reads in pertinent part:

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. Financial distress can also be caused or exacerbated by, and thus can be a possible indicator of, other issues of personnel security concern such as excessive gambling, mental health conditions, substance misuse, or alcohol abuse or dependence. An individual who is financially overextended is at greater risk of having to engage in illegal or otherwise questionable acts to generate funds.

The facts of this case establish the following potentially disqualifying conditions set forth in AG ¶ 19:

- (a) inability to satisfy debts; and
- (c) a history of not meeting financial obligations.

The burden, therefore, shifts to Applicant to mitigate security concerns under Guideline F. The guideline includes the following two conditions in AG ¶ 20 that can mitigate security concerns arising from Applicant's financial history:

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

AG ¶ 20(a) is established. The debts became delinquent during a period when Applicant worked in a low-paying job, and he could not pay them. He now has a job that pays very well. The past circumstances are unlikely to recur and do not cast doubt on his current reliability, trustworthiness, and good judgment.

AG ¶ 20(d) is established. Applicant paid two unalleged debts in 2024. Prior to his receipt of the SOR, he entered into the Agreement to repay 8 of the 11 creditors listed in

the SOR, and one debt that was not alleged in the SOR. During the period from March 1, 2025 through July 19, 2025, he made biweekly payments of \$160.50, totaling \$1,605. He has already resolved two of the debts pursuant to the Agreement. He intends to complete his commitment under the Agreement and to repay the seven other debts.

### **Whole-Person Concept**

Under the whole-person concept, the administrative judge must evaluate an applicant's eligibility for national security eligibility by considering the totality of the applicant's conduct and all relevant 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), the ultimate determination of whether to grant national security eligibility for a security clearance must be an overall commonsense judgment based upon careful consideration of the guidelines and the whole-person concept. I considered the above whole-person factors and the potentially disqualifying and mitigating conditions in light of all pertinent facts and circumstances surrounding this case. I have given weight to Applicant's history of multiple delinquent debts. However, I have given more weight to his having initiated the Agreement and committed to repaying his debts. He has shown with a five-month track record that he is capable of making the biweekly payments and is resolved to putting his financial difficulties behind him. His current job pays very well, and he has a strong incentive to do everything he can that is necessary to maintain his required security clearance and employment. Overall, the record evidence leaves me without questions and doubts as to Applicant's suitability for national security eligibility and a security clearance.

### **Formal Findings**

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

Paragraph 1, Guideline F:

**FOR APPLICANT**

Subparagraphs 1.a through 1.k:

For Applicant

## **Conclusion**

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

JOHN BAYARD GLENDON  
Administrative Judge