



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



In the matter of:)
)
) ADP Case No. 18-00633
)
Applicant for Public Trust Position)

Appearances

For Government: Julie R. Mendez, Esq., Department Counsel
For Applicant: *Pro se*

12/06/2018

Decision

HEINTZELMAN, Caroline E., Administrative Judge:

Applicant failed to mitigate the financial considerations and personal conduct concerns. Eligibility for access to sensitive information is denied.

History of the Case

Applicant submitted a security clearance application (SCA) on November 29, 2016. On March 30, 2018, the Department of Defense (DOD) issued a Statement of Reasons (SOR)¹ alleging security concerns under Guideline F, Financial Considerations and Guideline E, Personal Conduct. Applicant answered the SOR on April 28, 2018, and requested a decision on the record without a hearing.

On May 24, 2018, a complete copy of the File of Relevant Material (FORM), containing six Items, was mailed to Applicant. Additionally, Department Counsel (DC)

¹ The SOR misidentified the case as an Industrial Security Clearance Review (ISCR); however, the appropriate designator is automated data processing (ADP). This did not affect the applicable adjudicative policy, and I pen and inked the SOR to reflect the change.

made a motion to amend the SOR.² She withdrew SOR ¶ 1.d and changed the amounts alleged in SOR ¶¶ 1.h and 1.j.³ Applicant received the FORM on June 1, 2018. The FORM notified Applicant that she had an opportunity to file objections and submit material in refutation, extenuation, or mitigation within 30 days of her receipt of the FORM. Applicant did not respond to the FORM. The case was assigned to me on September 14, 2018. Items 1 through 6 are admitted into evidence without objection.

Findings of Fact⁴

Applicant is 69 years old. She was married for 24 years and has been a widow since 2008. She received a bachelor's degree in 1971. In approximately 2012, after working as a medical records technician for 21 years, she retired. She has worked for her current employer since February 2016. She attributes her financial issues to her four-year period of retirement between 2012 and 2016. (Item 6).

The SOR alleges 12 delinquent debts, totaling over \$87,000. Additionally, Applicant failed to disclose delinquent debts in her November 2016 SCA. In Applicant's Answer to the SOR, she admitted to some of the allegations, but claimed that several of the debts were resolved. She also denied the one Guideline E allegation.

During her November 2017 personal subject interview (PSI), Applicant volunteered to the government investigator that she had defaulted on her mortgage. She did not disclose any other debts until she was confronted by the investigator. Applicant told the investigator that she failed to disclose the delinquent debts in her SCA due to "oversight" or they became delinquent after she completed the SCA in November 2016. She also claimed that she had set up payment plans for several of the debts, including SOR ¶¶ 1.a, 1.b, 1.c, 1.g, 1.h, 1.i, 1.j, and 1.k. At that time, Applicant told the investigator that she had not sought credit counseling. (Item 6 at 4-9)

In her Answer to the SOR, Applicant claimed that she did not falsify her SCA, but there was a problem "with the system and answers to questions." She also claimed that she told the investigator "about [her] bills that were in collection, charged off and [she] was enrolled with a debt consolidation program." (Item 2 at 4)

During her four years of retirement, Applicant was supported by retirement savings; however, this money was insufficient to pay her bills and numerous debts became delinquent. The alleged debts became delinquent between 2014 and 2016. (Item 3; Item 6)

² The Directive's provisions for amending the SOR are permissive. See ISCR Case NO. 08-02404 at 5 (App. Bd. Jun. 5, 2009) and Additional Procedural Guidance E.3.1.17. Applicant did not object to DC's motion to amend; therefore, I will amend the SOR per DC's request.

³ SOR ¶ 1.h was changed from \$467 to \$867. SOR ¶ 1.j was changed from \$6,638 to \$7,661.

⁴ Applicant's personal information is extracted from her security clearance application (Item 3) unless otherwise indicated by a parenthetical citation to the record.