



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



In the matter of: )  
)  
) ADP Case No. 19-02332  
)  
Applicant for Security Clearance )

**Appearances**

For Government: Alison O’Connell, Esq., Department Counsel  
For Applicant: *Pro se*

06/28/2022

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**Decision**

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LOUGHRAN, Edward W., Administrative Judge:

On September 10, 2019, the Department of Defense (DOD) issued a Statement of Reasons (SOR) to Applicant detailing security concerns under Guideline F, financial considerations. Applicant responded to the SOR on October 10, 2019, and requested a hearing before an administrative judge. Applicant lost her job with the defense contractor sponsoring her for a security clearance, but in September 2020, she was hired by a company sponsoring her for a public trust position. The SOR was amended to reflect that it is a public trust position case.<sup>1</sup> The case was assigned to me on February 1, 2022. The hearing was held as scheduled on April 18, 2022, and as continued to June 6, 2022. On June 22, 2022, I proposed to the parties that this case was appropriate for a summary disposition in Applicant’s favor. Department Counsel did not object.

Applicant’s financial problems were primarily caused by her 2015 to 2016 separation from her husband. He left her with all of the bills and expenses involved in

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<sup>1</sup> This case is adjudicated under DOD Directive 5220.6, *Defense Industrial Personnel Security Clearance Review Program* (January 2, 1992), as amended (Directive); and the adjudicative guidelines, which became effective on June 8, 2017.

maintaining the household and caring for their child. She lost her house to foreclosure, her car to repossession, and a number of debts became delinquent.

The SOR alleges \$86,533 in defaulted student loans; \$13,352 owed on a loan for a car that was repossessed; four medical debts totaling \$3,135; and miscellaneous delinquent debts totaling \$3,763.

Applicant started addressing her problems in 2017 (before the SOR was issued), with a settlement for the mortgage loan on her foreclosed home. She started a rehabilitation program for her student loans in October 2019. Payments have been paused due to COVID-19 relief. She was approved for an income-driven repayment plan for her student loans in June 2022. She received a small settlement from the auto lender for the repossessed car as part of a class action lawsuit into the lender's practices. As part of the settlement, the lender agreed not to collect a deficiency balance and paid Applicant a small amount. Applicant paid in full one debt and is paying another.

Applicant denied owing some of the remaining debts and admitted others. She successfully disputed the debts that she denied she owed; and the debts she admitted owing are no longer on her credit report. She attempted to contact those creditors, but she was informed they no longer held the debt, and the creditors were not collecting the debts. She has been saving money to pay the creditors if they can be located and seek repayment. Her finances are now in order, with no new delinquent debts since well before the SOR was issued.

Applicant established a plan to resolve her financial problems, and she took significant action to implement that plan. Based on the record evidence as a whole, I conclude that the Government established trustworthiness concerns under disqualifying conditions AG ¶¶ 19(a) and 19(c). Those trustworthiness concerns are mitigated under the following mitigating conditions: AG ¶¶ 20(a), 20(b), 20(c), 20(d), and 20(e).

The concerns over Applicant's history of financial problems do not create doubt about her current reliability, trustworthiness, good judgment, and ability to protect sensitive information. In reaching this conclusion, I weighed the evidence as a whole and considered if the favorable evidence outweighed the unfavorable evidence. I also gave due consideration to the whole-person concept. Accordingly, I conclude that she met her ultimate burden of persuasion to show that it is clearly consistent with the national interest to grant her eligibility for access to sensitive information. This case is decided for Applicant.

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Edward W. Loughran  
Administrative Judge