

DATE: October 25, 2001

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In Re:

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SSN: -----

Applicant for Security Clearance

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ISCR Case No. 01-00977

## **DECISION OF ADMINISTRATIVE JUDGE**

**CLAUDE R. HEINY**

### **APPEARANCES**

#### **FOR GOVERNMENT**

Michael H. Leonard, Department Counsel

#### **FOR APPLICANT**

*Pro Se*

### **SYNOPSIS**

The Applicant owes approximately \$ 5,700.00 on four accounts. The Applicant's financial problem began in the 1996 and the bad debts have yet to be paid. When the Applicant completed her Standard Form 86 she failed to indicate her financial delinquencies of more than 180 days during the previous seven years. The Applicant failed to disclose her financial delinquencies because she was embarrassed about her financial problems and felt if she disclosed her financial problems she might be denied a clearance. Clearance is denied.

### **STATEMENT OF THE CASE**

On April 24, 2001, the Defense Office of Hearings and Appeals (DOHA) issued a Statement of Reasons (SOR) to Applicant, stating DOHA could not make the preliminary affirmative finding<sup>(1)</sup> it is clearly consistent with the national interest to grant or continue a security clearance for Applicant. In a response dated May 23, 2001, the Applicant answered the SOR and elected to have her case decided on the written record, in lieu of a hearing.

On August 1, 2001, the Applicant received a complete copy of the file of relevant material (FORM) dated July 31, 2001, and was given the opportunity to file objections and submit material in extenuation, mitigation, or refutation. The Applicant responded to the FORM on August 31, 2001. On September 10, 2001, Department Counsel stated he had no objections to the Applicant's response to the FORM. I was assigned the case on September 17, 2001. The Department Counsel presented eleven exhibits (Items) in the FORM. The record in this case closed on September 17, 2001.

### **FINDINGS OF FACT**

The SOR alleges financial considerations (Guideline F) and personal conduct (Guideline E). The Applicant admits the allegations.

The Applicant is 47 years old and has worked for a defense contractor since November 1997. She is seeking to secure a

secret security clearance.

The Applicant owes approximately \$5,700.00 on four accounts. In August 2000, the Applicant was one month behind on her mortgage payment. The mortgage account was opened in 1994 on which approximately \$63,000.00 is owed. Due to underpayment of taxes in 1996, the Applicant incurred a \$3,000.00 tax liability. The IRS levied on her husband's military retirement which caused the mortgage payment to be late. The Applicant has no present outstanding tax liabilities and her mortgage is current.

In January 2000, the Applicant's truck was repossessed when payments were two months late. The Applicant brought the payments current and recovered the truck. (Item 8, page 3)

In 1993, the Applicant bought a computer and made \$60.00 monthly payments until stopping in 1996. The balance due on the account is \$2,246.00. In August 2000 (Item 8), the Applicant stated she would contact the company to make immediate arrangements to pay this account. As of May 2001, the Applicant stated she had paid off this debt. (Item 6) In August 2001, when the Applicant answered the FORM, she again stated this account had been paid but provided no receipt or other documentation from the company showing this had occurred.

The Applicant owes \$1,152.00 on a MasterCard credit card account opened in 1993. The Applicant made one payment after the account was turned over to a collection agency. In August 2000, the Applicant said she would immediately contact the company to arrange payment on this account. In May 2001, the Applicant stated she would contact the MasterCard account to arrange payment. (Item 6) In August 2001, when the Applicant answered the FORM, she stated she was currently making payments on this account, but provided no receipts or other documentation from the company showing payment was being made.

The Applicant owes \$2,430.00 on a Visa credit card account opened in 1996. In August 1997, a judgment was rendered against the Applicant for this account in the amount of \$2,911.77 plus court costs and fees. (Item 10) The Applicant thought this debt had been paid in 1996 by a garnishment action. In August 2000, the Applicant said she would immediately contact the company to arrangement to pay this account. In May 2001, the Applicant stated she would contact the MasterCard account to arrange payment. (Item 6) In August 2001, the Applicant stated she was currently making payment on this account, but provided no receipts or other documentation showing payment was being made.

The Applicant disagrees she owes \$171.00 to a department store for an account opened in 1993. She believes this account had been paid in full. In August 2000, she stated she would pay this account in full immediately or continue to look for the receipt showing it had been paid. As of May 2001, the Applicant stated she was sending money to pay this debt, (Item 6) but has provided no receipts or other documentation showing payment is being made.

In July 1997, a judgment was rendered against the Applicant in the amount of \$1,009.12 plus court costs and fees for unpaid vacuum cleaner account. (Item 11) In March 1999, the judgment was satisfied through a garnishment action.

In December 1999 the Applicant completed a Security Clearance Application (Standard Form 86). The Applicant was untruthful when she answered "no" to question 38 which asked if she had been more than 180 days delinquent on any debt during the previous seven years. The Applicant failed to disclose all of her financial delinquencies because she initially felt it was not the government's business, but upon further reflection, she states she was embarrassed about her financial problems and felt by disclosing her financial problems she might be denied a clearance.

The Applicant indicated (Item 8, page 5) she fell behind on various payments due to being irresponsible with money. She and her husband would buy things on credit they did not really need. The Applicant's monthly disposable income after expenses is currently approximately \$800.00. She has sufficient monthly income to pay her current creditors.

## **POLICIES**

The Adjudicative Guidelines in the Directive are not a set of inflexible rules of procedure. Instead, they are to be applied by Administrative Judges on a case-by-case basis with an eye toward making determinations that are clearly consistent with the interests of national security. In making overall common sense determinations, Administrative Judges must consider, assess, and analyze the evidence of record, both favorable and unfavorable, not only with respect to the

relevant Adjudicative Guidelines, but in the context of factors set forth in section E 2.2.1. of the Directive as well. In that vein, the government not only has the burden of proving any controverted fact(s) alleged in the SOR, it must also demonstrate the facts proven have a nexus to an Applicant's lack of security worthiness.

The adjudication process is based on the whole person concept. All available, reliable information about the person, past and present, is to be taken into account in reaching a decision as to whether a person is an acceptable security risk. Although the presence or absence of a particular condition for or against clearance is not determinative, the specific adjudicative guidelines should be followed whenever a case can be measured against this policy guidance.

Considering the evidence as a whole, this Administrative Judge finds the following adjudicative guidelines to be most pertinent to this case:

**Financial Considerations** (Guideline F) The Concern: An individual who is financially overextended is at risk of having to engage in illegal acts to generate funds. Unexplained affluence is often linked to proceeds from financially profitable criminal acts.

Conditions that could raise a security concern and may be disqualifying also include:

1. A history of not meeting financial obligations. (E2.A6.1.2.1.)
3. Inability or unwillingness to satisfy debts. (E2.A6.1.2.3.)

Conditions that could mitigate security concerns include:

None Apply.

**Personal Conduct** (Guideline E) The Concern: Conduct involving questionable judgment, untrustworthiness, unreliability, lack of candor, dishonesty, or unwillingness to comply with rules and regulations could indicate that the person may not properly safeguard classified information.

Conditions that could raise a security concern and may be disqualifying also include:

2. The deliberate omission, concealment, or falsification of relevant and material 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. (E2.A5.1.2.2.)

Conditions that could mitigate security concerns include:

None Apply.

### **BURDEN OF PROOF**

Initially, the Government has the burden of proving any controverted fact(s) alleged in the Statement of Reasons. If the Government meets that burden, the burden of persuasion then shifts to the Applicant who must remove that doubt and establish her security suitability with substantial evidence in explanation, mitigation, extenuation, or refutation, sufficient to demonstrate that despite the existence of guideline conduct, it is clearly consistent with the national interest to grant or continue her security clearance.

A person who seeks access to classified information enters into a fiduciary relationship with the Government predicated upon trust and confidence. Where the facts proven by the Government raise doubts about an applicant's judgment, reliability or trustworthiness, the applicant has a heavy burden of persuasion to demonstrate that she is nonetheless security worthy. As noted by the United States Supreme Court in *Department of Navy v. Egan*, 484 U.S. 518, 531 (1988), "the clearly consistent standard indicates that security clearance determinations should err, if they must, on the side of denials." As this Administrative Judge understands the Court's rationale, doubts are to be resolved against the

applicant.

## CONCLUSIONS

The Government has satisfied its initial burden of proof under Guideline F (Financial Considerations). Under Guideline F, the security eligibility of an applicant is placed into question when the applicant is shown to have a history of excessive indebtedness, recurring financial difficulties, or a history of not meeting financial obligations. The United States must consider whether individuals granted access to classified information are, through financial irresponsibility, in a position where they may be more susceptible to mishandling or compromising classified information or material for financial gain.

A person's relationship with her creditors is a private matter until evidence is uncovered demonstrating an inability or unwillingness to repay debts under agreed upon terms. Absent evidence of strong extenuating or mitigating circumstances, an applicant with a history of serious or recurring financial difficulties is in a situation of risk that is inconsistent with the holding of a security clearance. Here, Applicant's overall history of financial difficulties, which started in 1996 and continues to the present, provides concern. The Applicant owes approximately \$5,700.00 on four accounts.

An applicant is not required to be debt free but is required to properly manage their finances. Financial obligations must be paid or a good faith repayment arrangement must be made with creditors to repay the obligations. There is no evidence, other than her unsupported declarations, that the Applicant has paid off one debt (SOR subparagraph 1.a.) and making payments on two other debts (SOR subparagraph 1.b. and 1.c.). The Applicant has provided neither receipts nor other documentation supporting her claims. Without such evidence, it is not possible to find the Applicant has initiated a good faith effort to repay her creditors. Mitigating Condition (MC) 6<sup>(2)</sup> does not apply. None of the other mitigating factors apply in the Applicant's favor. The conduct is recent (MC 1)<sup>(3)</sup> in that the debts are still owed. It is not an isolated incident (MC 2)<sup>(4)</sup> because there are ten debts. The Applicant has not received any financial counseling, and there is no indication the Applicant's financial problems are under control. (MC 4)<sup>(5)</sup> Affluence was not alleged. (MC5)<sup>(6)</sup> Because the Applicant has failed to present sufficient mitigation to overcome her financial irresponsibility, I find against the Applicant as to SOR subparagraphs 1. a., 1.b., 1.c., and 1.d.

In 1997, a judgment was rendered against the Applicant concerning an unpaid debt for a vacuum cleaner. This account was paid in full through a garnishment action. Due to a garnishment of her husband's military retirement pay to repay a tax liability, the Applicant's mortgage was one month late. The Applicant's mortgage payments are current and there is no indication the Applicant has ever been late on any other mortgage payment. In January 2000, the Applicant's truck was repossessed but the Applicant has brought this account current. Because these three debts have been paid in full or have been brought current, I find for the Applicant as to SOR subparagraphs 1. e., 1.f., and 1.g.

The Government has satisfied its initial burden of proof under guideline E, (Personal Conduct). Under Guideline E, the security eligibility of an applicant is placed into question when that applicant is shown to have been involved in personal conduct which creates doubt about the person's judgment, reliability, and trustworthiness. Complete honesty and candor on the part of applicants for access to classified information is essential to make an accurate and meaningful security clearance determination. Without all the relevant and material facts, a clearance decision is susceptible to error, thus jeopardizing the nation's security. The nature of Applicant's actions and activities, therefore pose a serious potential risk to the nation's security precautions which go to the very heart of the nation's security system.

In December 1999, when the Applicant completed her Standard Form 86, she gave an untrue answer about her financial delinquencies. She did so because she initially felt her finances were none of the government's business. Upon further reflection, the Applicant was embarrassed about her financial problems and felt by disclosing her financial problems she might be denied a clearance.

Since the information requested on the form was pertinent to a determination of judgment, trustworthiness, or reliability, MC 1<sup>(7)</sup> does not apply. Although the Applicant later revealed the full extent of her financial difficulties, this admission was not a prompt, good-faith efforts to correct the falsification before being confronted with the facts. The Applicant completed the Standard Form 86 in December 1999 but did not make a full disclosure about her finances until she made

a sworn statement eight months later in August 2000. Therefore, MC 3-(8) does not apply. This omission of material facts was not caused or significantly contributed to by improper or inadequate advice of authorized personnel, and the previously omitted information was promptly and fully provided, MC 4, (9) or a refusal to cooperate based on legal advice, C 5. (10) MC 2-(11) does not apply because the falsification even though isolate to a single question on her Standard 86, the falsification is recent. SOR Subparagraph 2.a. is resolved against the Applicant.

In reaching my conclusions I have also considered: the nature, extent, and seriousness of the conduct; the Applicant's age and maturity at the time of the conduct; the circumstances surrounding the conduct; the Applicant's voluntary and knowledgeable participation; the motivation for the conduct; the frequency and recency of the conduct; presence or absence of rehabilitation; potential for pressure, coercion, exploitation, or duress; and the probability that the circumstance or conduct will continue or recur in the future.

**FORMAL FINDINGS**

Formal Findings as required by Section 3., Paragraph 7. , of Enclosure 1 of the Directive are hereby rendered as follows:

Paragraph 1 Guideline F (Financial Considerations): AGAINST THE APPLICANT

Subparagraph 1.a.: Against the Applicant

Subparagraph 1.b.: Against the Applicant

Subparagraph 1.c.: Against the Applicant

Subparagraph 1.d.: Against the Applicant

Subparagraph 1.e.: For the Applicant

Subparagraph 1.f.: For the Applicant

Subparagraph 1.g.: For the Applicant

Paragraph 2 Guideline E (Personal Conduct): AGAINST THE APPLICANT

Subparagraph 2.a.: Against the Applicant

**DECISION**

In light of all the circumstances presented by the record in this case, it is not clearly consistent with the national interest to grant or continue a security clearance for the Applicant.

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**Claude R. Heiny**

**Administrative Judge**

DATE: October 25, 2001

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In Re:

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SSN: -----

Applicant for Security Clearance

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### **SYNOPSIS**

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### **STATEMENT OF THE CASE**

On April 24, 2001, the Defense Office of Hearings and Appeals (DOHA) issued a Statement of Reasons (SOR) to Applicant, stating DOHA could not make the preliminary affirmative finding<sup>(12)</sup> it is clearly consistent with the national interest to grant or continue a security clearance for Applicant. In a response dated May 23, 2001, the Applicant answered the SOR and elected to have her case decided on the written record, in lieu of a hearing.

On August 1, 2001, the Applicant received a complete copy of the file of relevant material (FORM) dated July 31, 2001, and was given the opportunity to file objections and submit material in extenuation, mitigation, or refutation. The Applicant responded to the FORM on August 31, 2001. On September 10, 2001, Department Counsel stated he had no objections to the Applicant's response to the FORM. I was assigned the case on September 17, 2001. The Department Counsel presented eleven exhibits (Items) in the FORM. The record in this case closed on September 17, 2001.

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The Applicant owes approximately \$5,700.00 on four accounts. In August 2000, the Applicant was one month behind on her mortgage payment. The mortgage account was opened in 1994 on which approximately \$63,000.00 is owed. Due to underpayment of taxes in 1996, the Applicant incurred a \$3,000.00 tax liability. The IRS levied on her husband's military retirement which caused the mortgage payment to be late. The Applicant has no present outstanding tax liabilities and her mortgage is current.

In January 2000, the Applicant's truck was repossessed when payments were two months late. The Applicant brought the payments current and recovered the truck. (Item 8, page 3)

In 1993, the Applicant bought a computer and made \$60.00 monthly payments until stopping in 1996. The balance due on the account is \$2,246.00. In August 2000 (Item 8), the Applicant stated she would contact the company to make immediate arrangements to pay this account. As of May 2001, the Applicant stated she had paid off this debt. (Item 6) In August 2001, when the Applicant answered the FORM, she again stated this account had been paid but provided no receipt or other documentation from the company showing this had occurred.

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The Applicant disagrees she owes \$171.00 to a department store for an account opened in 1993. She believes this account had been paid in full. In August 2000, she stated she would pay this account in full immediately or continue to look for the receipt showing it had been paid. As of May 2001, the Applicant stated she was sending money to pay this debt, (Item 6) but has provided no receipts or other documentation showing payment is being made.

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The Applicant indicated (Item 8, page 5) she fell behind on various payments due to being irresponsible with money. She and her husband would buy things on credit they did not really need. The Applicant's monthly disposable income after expenses is currently approximately \$800.00. She has sufficient monthly income to pay her current creditors.

## **POLICIES**

The Adjudicative Guidelines in the Directive are not a set of inflexible rules of procedure. Instead, they are to be applied by Administrative Judges on a case-by-case basis with an eye toward making determinations that are clearly consistent with the interests of national security. In making overall common sense determinations, Administrative Judges must consider, assess, and analyze the evidence of record, both favorable and unfavorable, not only with respect to the relevant Adjudicative Guidelines, but in the context of factors set forth in section E 2.2.1. of the Directive as well. In that vein, the government not only has the burden of proving any controverted fact(s) alleged in the SOR, it must also demonstrate the facts proven have a nexus to an Applicant's lack of security worthiness.

The adjudication process is based on the whole person concept. All available, reliable information about the person, past and present, is to be taken into account in reaching a decision as to whether a person is an acceptable security risk. Although the presence or absence of a particular condition for or against clearance is not determinative, the specific adjudicative guidelines should be followed whenever a case can be measured against this policy guidance.

Considering the evidence as a whole, this Administrative Judge finds the following adjudicative guidelines to be most pertinent to this case:

**Financial Considerations** (Guideline F) The Concern: An individual who is financially overextended is at risk of having to engage in illegal acts to generate funds. Unexplained affluence is often linked to proceeds from financially profitable criminal acts.

Conditions that could raise a security concern and may be disqualifying also include:

1. A history of not meeting financial obligations. (E2.A6.1.2.1.)
3. Inability or unwillingness to satisfy debts. (E2.A6.1.2.3.)

Conditions that could mitigate security concerns include:

None Apply.

**Personal Conduct** (Guideline E) The Concern: Conduct involving questionable judgment, untrustworthiness, unreliability, lack of candor, dishonesty, or unwillingness to comply with rules and regulations could indicate that the person may not properly safeguard classified information.

Conditions that could raise a security concern and may be disqualifying also include:

2. The deliberate omission, concealment, or falsification of relevant and material 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. (E2.A5.1.2.2.)

Conditions that could mitigate security concerns include:

None Apply.

### **BURDEN OF PROOF**

Initially, the Government has the burden of proving any controverted fact(s) alleged in the Statement of Reasons. If the Government meets that burden, the burden of persuasion then shifts to the Applicant who must remove that doubt and establish her security suitability with substantial evidence in explanation, mitigation, extenuation, or refutation, sufficient to demonstrate that despite the existence of guideline conduct, it is clearly consistent with the national interest to grant or continue her security clearance.

A person who seeks access to classified information enters into a fiduciary relationship with the Government predicated upon trust and confidence. Where the facts proven by the Government raise doubts about an applicant's judgment, reliability or trustworthiness, the applicant has a heavy burden of persuasion to demonstrate that she is nonetheless security worthy. As noted by the United States Supreme Court in *Department of Navy v. Egan*, 484 U.S. 518, 531 (1988), "the clearly consistent standard indicates that security clearance determinations should err, if they must, on the side of denials." As this Administrative Judge understands the Court's rationale, doubts are to be resolved against the applicant.

### **CONCLUSIONS**

The Government has satisfied its initial burden of proof under Guideline F (Financial Considerations). Under Guideline F, the security eligibility of an applicant is placed into question when the applicant is shown to have a history of excessive indebtedness, recurring financial difficulties, or a history of not meeting financial obligations. The United States must consider whether individuals granted access to classified information are, through financial irresponsibility, in a position where they may be more susceptible to mishandling or compromising classified information or material for



financial gain.

A person's relationship with her creditors is a private matter until evidence is uncovered demonstrating an inability or unwillingness to repay debts under agreed upon terms. Absent evidence of strong extenuating or mitigating circumstances, an applicant with a history of serious or recurring financial difficulties is in a situation of risk that is inconsistent with the holding of a security clearance. Here, Applicant's overall history of financial difficulties, which started in 1996 and continues to the present, provides concern. The Applicant owes approximately \$5,700.00 on four accounts.

An applicant is not required to be debt free but is required to properly manage their finances. Financial obligations must be paid or a good faith repayment arrangement must be made with creditors to repay the obligations. There is no evidence, other than her unsupported declarations, that the Applicant has paid off one debt (SOR subparagraph 1.a.) and making payments on two other debts (SOR subparagraph 1.b. and 1.c.). The Applicant has provided neither receipts nor other documentation supporting her claims. Without such evidence, it is not possible to find the Applicant has initiated a good faith effort to repay her creditors. Mitigating Condition (MC) 6-(13) does not apply. None of the other mitigating factors apply in the Applicant's favor. The conduct is recent (MC 1)-(14) in that the debts are still owed. It is not an isolated incident (MC 2)-(15) because there are ten debts. The Applicant has not received any financial counseling, and there is no indication the Applicant's financial problems are under control. (MC 4)-(16) Affluence was not alleged. (MC5)-(17) Because the Applicant has failed to present sufficient mitigation to overcome her financial irresponsibility, I find against the Applicant as to SOR subparagraphs 1. a., 1.b., 1.c., and 1.d.

In 1997, a judgment was rendered against the Applicant concerning an unpaid debt for a vacuum cleaner. This account was paid in full through a garnishment action. Due to a garnishment of her husband's military retirement pay to repay a tax liability, the Applicant's mortgage was one month late. The Applicant's mortgage payments are current and there is no indication the Applicant has ever been late on any other mortgage payment. In January 2000, the Applicant's truck was repossessed but the Applicant has brought this account current. Because these three debts have been paid in full or have been brought current, I find for the Applicant as to SOR subparagraphs 1. e., 1.f., and 1.g.

The Government has satisfied its initial burden of proof under guideline E, (Personal Conduct). Under Guideline E, the security eligibility of an applicant is placed into question when that applicant is shown to have been involved in personal conduct which creates doubt about the person's judgment, reliability, and trustworthiness. Complete honesty and candor on the part of applicants for access to classified information is essential to make an accurate and meaningful security clearance determination. Without all the relevant and material facts, a clearance decision is susceptible to error, thus jeopardizing the nation's security. The nature of Applicant's actions and activities, therefore pose a serious potential risk to the nation's security precautions which go to the very heart of the nation's security system.

In December 1999, when the Applicant completed her Standard Form 86, she gave an untrue answer about her financial delinquencies. She did so because she initially felt her finances were none of the government's business. Upon further reflection, the Applicant was embarrassed about her financial problems and felt by disclosing her financial problems she might be denied a clearance.

Since the information requested on the form was pertinent to a determination of judgment, trustworthiness, or reliability, MC 1-(18) does not apply. Although the Applicant later revealed the full extent of her financial difficulties, this admission was not a prompt, good-faith efforts to correct the falsification before being confronted with the facts. The Applicant completed the Standard Form 86 in December 1999 but did not make a full disclosure about her finances until she made a sworn statement eight months later in August 2000. Therefore, MC 3-(19) does not apply. This omission of material facts was not caused or significantly contributed to by improper or inadequate advice of authorized personnel, and the previously omitted information was promptly and fully provided, MC 4, (20) or a refusal to cooperate based on legal advice, MC 5. (21) MC 2-(22) does not apply because the falsification even though isolate to a single question on her Standard 86, the falsification is recent. SOR Subparagraph 2.a. is resolved against the Applicant.

In reaching my conclusions I have also considered: the nature, extent, and seriousness of the conduct; the Applicant's age and maturity at the time of the conduct; the circumstances surrounding the conduct; the Applicant's voluntary and

knowledgeable participation; the motivation for the conduct; the frequency and recency of the conduct; presence or absence of rehabilitation; potential for pressure, coercion, exploitation, or duress; and the probability that the circumstance or conduct will continue or recur in the future.

### **FORMAL FINDINGS**

Formal Findings as required by Section 3., Paragraph 7. , of Enclosure 1 of the Directive are hereby rendered as follows:

Paragraph 1 Guideline F (Financial Considerations): AGAINST THE APPLICANT

Subparagraph 1.a.: Against the Applicant

Subparagraph 1.b.: Against the Applicant

Subparagraph 1.c.: Against the Applicant

Subparagraph 1.d.: Against the Applicant

Subparagraph 1.e.: For the Applicant

Subparagraph 1.f.: For the Applicant

Subparagraph 1.g.: For the Applicant

Paragraph 2 Guideline E (Personal Conduct): AGAINST THE APPLICANT

Subparagraph 2.a.: Against the Applicant

### **DECISION**

In light of all the circumstances presented by the record in this case, it is not clearly consistent with the national interest to grant or continue a security clearance for the Applicant.

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**Claude R. Heiny**

**Administrative Judge**

1. Required by Executive Order 10865, as amended and Department of Defense Directive 5220.6 (Directive), dated January 2, 1992 as amended.
2. MC 6. The individual initiated a good-faith effort to repay overdue creditors or otherwise resolve debts. E2.A6.1.3.6.
3. MC 1. The behavior was not recent.
4. MC 2. It was an isolated incident.
5. MC 4. The person has received or is receiving counseling for the problem and there are clear indications that the problem is being resolved or is under control.
6. MC 5. The affluence resulted from a legal source. (E2.A6.1.3.5.)
7. MC 1. The information was unsubstantiated or not pertinent to a determination of judgment, trustworthiness, or reliability. E2.A5.1.3.1.
8. MC 3. The individual made prompt, good-faith efforts to correct the falsification before being confronted with the

facts. E2.A5.1.3.3.

9. MC 4. Omission of material facts was caused or significantly contributed to by improper or inadequate advice of authorized personnel, and the previously omitted information was promptly and fully provided. E2.A5.1.3.4.
10. MC 5. A refusal to cooperate was based on advice from legal counsel or other officials that the individual was not required to comply with security processing requirements and, upon being made aware of the requirement, fully and truthfully provided the requested information. E2.A5.1.3.6.
11. MC 2. The falsification was an isolated incident, was not recent, and the individual has subsequently provided correct information voluntarily. E2.A5.1.3.2.
12. Required by Executive Order 10865, as amended and Department of Defense Directive 5220.6 (Directive), dated January 2, 1992 as amended.
13. MC 6. The individual initiated a good-faith effort to repay overdue creditors or otherwise resolve debts. E2.A6.1.3.6.
14. MC 1. The behavior was not recent.
15. MC 2. It was an isolated incident.
16. MC 4. The person has received or is receiving counseling for the problem and there are clear indications that the problem is being resolved or is under control.
17. MC 5. The affluence resulted from a legal source. (E2.A6.1.3.5.)
18. MC 1. The information was unsubstantiated or not pertinent to a determination of judgment, trustworthiness, or reliability. E2.A5.1.3.1.
19. MC 3. The individual made prompt, good-faith efforts to correct the falsification before being confronted with the facts. E2.A5.1.3.3.
20. MC 4. Omission of material facts was caused or significantly contributed to by improper or inadequate advice of authorized personnel, and the previously omitted information was promptly and fully provided. E2.A5.1.3.4.
21. MC 5. A refusal to cooperate was based on advice from legal counsel or other officials that the individual was not required to comply with security processing requirements and, upon being made aware of the requirement, fully and truthfully provided the requested information. E2.A5.1.3.6.
22. MC 2. The falsification was an isolated incident, was not recent, and the individual has subsequently provided correct information voluntarily. E2.A5.1.3.2.