



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



In the matter of:)	
)	
)	ISCR Case No. 08-03413
)	
Applicant for Security Clearance)	

Appearances

For Government: James F. Duffy, Esquire, Department Counsel

For Applicant: *Pro Se*

March 31, 2009

Decision

O'BRIEN, Rita C., Administrative Judge:

Based upon a review of the case file, pleadings, exhibits, and testimony, I conclude that Applicant has not mitigated the security concerns raised under the guideline for financial considerations. Accordingly, her request for a security clearance is denied.

Applicant requested a security clearance by submitting an Electronic Questionnaire for Investigations Processing (e-QIP) on August 27, 2007. After reviewing the results of the ensuing background investigation, adjudicators for the Defense Office

of Hearings and Appeals (DOHA) were unable to make a preliminary affirmative finding¹ that it is clearly consistent with the national interest to grant Applicant's request.

On September 24, 2008, DOHA issued to Applicant a Statement of Reasons (SOR) that specified the basis for its decision: security concerns addressed in the Directive under Guideline F (Financial Considerations) of the Revised Adjudicative Guidelines (AG).² In her unsigned Answer to the SOR, Applicant admitted to all allegations except the following: 1.b., 1.c., 1.e., 1.f., 1.g., 1.i., and 1.j.³ She also requested a hearing before an administrative judge.

Department Counsel was prepared to proceed on November 25, 2008, and the case was assigned to me the following day. DOHA issued a Notice of Hearing on January 5, 2009, and I convened the hearing as scheduled on January 23, 2009. During the hearing, the government offered seven exhibits, marked as Government Exhibits (GE) 1 through 7, which were admitted without objection. Applicant testified and offered three exhibits, which were marked as Applicant's Exhibits (AE) A through C, and admitted without objection. I held the record open to allow Applicant to submit additional documentation. On February 6, 2009, Department Counsel received Applicant's timely submission of seven additional documents, which he forwarded without objection. I admitted the additional documents as AE D through J. DOHA received the transcript on February 2, 2009.

Findings of Fact

After a thorough review of the pleadings, Applicant's response to the Statement of Reasons, and the record evidence, I make the following additional findings of fact.

¹ Required by Executive Order 10865, as amended, and by DoD Directive 5220.6 (Directive), as amended.

² Adjudication of this case is controlled by the Revised Adjudicative Guidelines, approved by the President on December 29, 2005, which were implemented by the Department of Defense on September 1, 2006. The Revised Adjudicative Guidelines supersede the guidelines listed in Enclosure 2 to the Directive, and they apply to all adjudications or trustworthiness determinations in which an SOR was issued on or after September 1, 2006.

³ Applicant attached documents to her Answer, designated as follows: Answer Document (AD) 1: DD-214; 2: DD-256AF; 3: October 1, 2008 credit report; 4: AF Form 2545 showing employment in Germany starting in June 2003; 5: September 2008 letter re \$50 payment on installment loan [1.k.]; 6: dispute letters to three credit reporting agencies; 7: June 1998 divorce decree; 8 - November 2004 document titling car to Applicant's aunt. Applicant's Answer included a list of these documents that mentioned a copy of a signature card for an active credit card account, but that item was not included in the documents I received.

Applicant is 37 years old. She married in 1991 and initiated divorce proceedings in Okinawa, Japan in June 1998 (AD 7). She and her ex-husband have been separated since that time; the divorce became final in 1999. Applicant earned a Bachelor's degree in psychology in 1999 (GE 1). She joined the U.S. Air Force in 1991, and was honorably discharged in 2001 (AD 1 and 2). She held a security clearance during the ten years of her service (GE 1; Tr 6). After leaving the military, she moved to Germany, where she currently lives (Tr 31). She has been unemployed twice since leaving the military, each time for approximately three months (Tr 92). Since September 2007, she has been employed by two successive defense contractors as a training manager on an Air Force base (Tr 5-6). She also works on base as a children's dance instructor.

Applicant's personal financial statement of June 2008 shows a gross annual income of approximately \$73,400 from her two jobs. Her approximate net monthly income of \$4,270 yields a annual net income of \$51,229. After paying monthly expenses of \$2,540, her monthly net remainder is approximately \$1,729. This remainder does not reflect debt payments, as Applicant indicated that her debts were being investigated by an attorney (GE 2). She does pay \$100 per month on an installment loan (allegation 1.k.), and \$100 per month on an unalleged debt (see footnote 5). At the hearing, Applicant testified that she has very little money left at the end of the month after she pays her expenses (Tr 91).

In 1999, Applicant purchased a car through a credit union at a cost of \$29,000. In Fall 2001, when she was about to move to Germany, Applicant told her aunt that she was having trouble keeping up with the payments. As her aunt was interested in buying the car, she told Applicant that she would take care of the car and the payments (Tr 27; 37). Applicant executed a power of attorney so that her aunt could handle any matters that arose (Tr 34). In the following years, while she was in Germany, Applicant did not check on whether the payments were being made. Between 2001 and 2003, Applicant's aunt informed her that she was working with the lender to determine the purchase price, but neither the lender nor her aunt indicated that there was a problem with the payments. In early 2004, Applicant learned about the delinquency. She contacted the lender to request repossession, so that the car could be sold and the remaining debt would be less (Tr 40-41), but the lender did not repossess the car. In November 2004, the lender sold the car to Applicant's aunt for \$500 (AE A).

The SOR alleges that Applicant owes an unpaid balance of \$25,000 on the car loan (allegation 1.a.; GE 4). Applicant disputes the amount, contending that the car was worth substantially more than the \$500 that her aunt paid. If the lender had sold it for more, Applicant's deficiency balance would be lower. She submitted blue book values showing that in January 2009, the model in question had a trade-in value of \$2,625, and a private-party value of \$3,970 (AE B and C). Applicant states that in 2004, when her aunt bought it, the car would have had an even higher value (Tr 29; 42-44).

Applicant noted in her undated letter to DOHA (GE 6) and her response to DOHA Interrogatories in June 2008, that she was consulting an attorney to research her debts, and that a payment plan would be developed when that investigation was complete (GE 2). At the hearing, she did not state that she had retained an attorney. She testified that she obtained assistance from a free credit counseling service in about late 2007 or early 2008, after her security clearance investigation had begun (Tr 47; 49; 90-91). The counselor told her to report her disputes to the credit reporting agencies (Answer). Applicant did not consult with the counselor as to all her debts, but only the car loan (Tr 52). Applicant did not contract with the counselor because she was advised not to begin a payment plan until the correct car loan balance was determined (Tr 50). When she and the counselor contacted the lender, they were referred to the collection agency (Tr 50). Applicant testified that the counselor sent emails to the lender. She was asked to submit copies, but she did not submit the emails (Tr 46-47). Contacts with the collection agency produced no results and, as of the date of the hearing, the car loan delinquency had not been resolved (Tr 45-46). Subsequent to the hearing, Applicant submitted a document from the collection agency dated February 2, 2009. It shows that the balance stands at \$29,877, and that Applicant has arranged to settle the debt for \$16,000 (AE D). The letter outlines the first 6 months' payments of \$200 per month from February through July, 2009. The document does not contain proof of any payments made.

Of the 13 debts in the SOR, Applicant disputes eight, noting that she has never had accounts with the creditors listed at allegations 1.c., 1.e., 1.f., 1.i., and 1.j. She contends that allegations 1.b., 1.l. and 1.m. were incurred by her husband when he opened accounts in her name after they had divorced. At the time they initiated divorce proceedings in June 1998, they agreed that any debts incurred after that date would be paid by the person who incurred them (Tr 54). Applicant submitted a divorce document, but it does not discuss this agreement, or assignment of debts.

In 1991, Applicant was investigated for submitting false claims for temporary lodging while on duty overseas (all facts are from GE 7, unless otherwise noted). In about September 1991, Applicant and her husband (also active-duty military) were transferred to England. On-base lodging was not available except for the first night, so they rented a cottage in the local area. The landlord testified during the investigation that he told them the rate was 30 British Pounds Sterling (BPS) per night, plus the cost of utilities and telephone. During the investigation, Applicant submitted two conflicting written statements to the investigators. In her initial statement, Applicant told investigators that the landlord quoted a rate of 30 BPS *per person* per night. During a briefing that included lodging reimbursement information, Applicant and her husband understood that, as an active-duty military couple, each of them would be paid up to 62 BPS per night for lodging. When they submitted their first claim with a single lodging receipt, they were told that they needed to submit two receipts, one for each of them. They asked the landlord for two receipts and submitted them. The reimbursement they received the following day appeared to be wrong, so Applicant followed up, and was

told that they would be reimbursed 30 to 35 BPS per person, not 62 BPS per person. They would be responsible for paying anything higher than that amount.

Applicant was interviewed a second time concerning the lodging receipts she had submitted. During her second interview, she revised her statement of the facts. She admitted that the landlord quoted a rate of 30 BPS per night, not per person, per night. When she and her husband discovered, after submitting their first claim, that they would not be paid 62 BPS each, per night,

My husband and I were still under the impression that a mistake had been made, so I somewhat decided that maybe if we have another receipt since we were each separate members of the military that we might both get paid for staying on the economy. (GE 7)

Applicant and her husband returned to the landlord and asked for a second receipt. He continued to supply them with two receipts from that point. They submitted the second receipt, and it was accepted as indicating that the lodging charge was “per person.” Applicant and her husband decided to continue submitting two separate receipts, “because we could not afford paying for the cottage out of our pockets when we had so many other bills.”⁴ Applicant admitted that

I know that what we did was not right...I know that I will have to pay for my mistake and my husband for it too, but we really had our backs against the wall and though what we did was dishonest, it was the only thing that has helped us get through all of these bills and yet it still isn't enough. (GE 7)

Following the investigation, Applicant was found guilty of submitting false lodging claims and received non-judicial punishment of a reduction in grade (suspended for six months) and 30 days corrective custody. She served 10 days in corrective custody (Tr 78). She contends that she was not guilty, and only admitted to the misconduct in her second statement because, as a young airman, she felt frightened and threatened during the investigation (Tr 74-75). Applicant stated, both in her Answer to the SOR and at the hearing, that “they came back and subsequently dropped it when they found out that it was not out (*sic*) fault.” (Tr 75). She stated at the hearing that no charges were brought against her, and that the incident was not entered into her military record or her performance report. She “later found out this was on our record.” (Tr 78). The file does not indicate that Applicant and her husband were exonerated at any time.

⁴ Applicant’s statement also discussed the financial difficulties she was having at the time. She and her husband had taken advanced pay to cover old debts because they “were and are still very much in debt from coming over here.” (GE 7).

The Statement of Reasons alleges the following 13 debts, totaling approximately \$44,000, as well as the charge of submitting false claims for lodging.⁵

- **1.a. (car loan, \$25,040)** – Applicant admits that she owes the lender, but disputes the amount, as discussed previously. After the hearing, she contacted the collection company. On a balance of \$29,877, she arranged a settlement of \$16,000 and a payment plan of \$200 per month, to begin in February 2009 (AE D).
- **1.b. (credit card account, \$1,245)** – Applicant denies this debt. She contends that it is her ex-husband's debt, and that he likely opened the account in her name without her knowledge, after their divorce. She was divorced in 1998 and the account was opened in 2000. It is listed as an individual account in Applicant's credit bureau report. She did not provide documentation from the creditor to show she does not owe the debt (GE 1 and 4; Tr 55-56).
- **1.c. (loan, \$595)** - Applicant denies that she has had an account with this company. Her 2007 credit bureau report shows it to be an individual account, opened in 2000. The September 2008 credit bureau report shows it to be “closed or paid” with a zero balance. It does not appear on the October 2008 credit report (GE 3 and 4; AD 3; Tr 56-57).
- **1.d. (student loan, \$1,111)** – Applicant took out this loan to pay for schooling in the 1980s. The debt appears in the 2007 credit bureau report, but not in the September or October 2008 credit bureau reports. She testified that she paid it through automatic deductions from her paycheck while she was in the Air Force, starting in about 1992, and satisfied the loan in 1995 or 1996. She has no documentation because it happened approximately 13 years ago. (GE 3 and 4; AD 3; Tr 57-58).
- **1.e. (secured loan, \$4,271)** - Applicant denies that this debt because she does not recognize the creditor. The account was opened in May 1999, when she was in Japan. Her ex-husband left Japan and returned to the United States in February 1999, and she believes he may have opened the account without her knowledge. She informed the credit reporting agencies of her dispute, but provided no documentation from the creditor to show that she does not owe the debt. The account is listed as an individual account in the credit bureau reports (GE 4 and 5; AD 3 and 6; Tr 58-59).

⁵ At the hearing, Applicant stated that she also owes a credit card debt to the military exchange system. The debt of approximately \$8,000 became delinquent in 2004. She testified that she discovered the debt in 2008, and did not believe it was her responsibility, but has been paying \$100 per month since October 2008 (AE F; Tr 84-85). This debt is not alleged in the SOR.

- **1.f. (telephone account, \$76)** – Applicant denies having an account with this company. She was living in Germany when it was opened in November 2005. She informed the credit reporting agencies of her dispute (GE 1 and 4; AD 4 and 6; Tr 59).
- **1.g. (unsecured loan, \$600)** – Applicant denies this debt, claiming that she paid it. Her October 2008 credit report shows that the account is current and has a zero balance. She contacted the three credit reporting agencies and requested that they remove this debt from her credit bureau report (GE 4; AD 3; Tr 60).
- **1.h. (student loan, \$1,127)** – Applicant states that she had only one account with the Department of Education, and this is a duplicate of allegation 1.d. (GE 4; Tr 60-62).
- **1.i. (retail store credit card, \$620)** - The account was opened in 1999. Applicant admits that she did purchase items from this retailer when she lived in the United States between 1999 and 2001, but denies that she had a store credit card. She testified that she contacted the credit reporting agencies and requested that they remove this debt from her credit bureau report, but the letters she submitted do not include this debt (GE 4 and 5; AD 6; Tr 62-64).
- **1.j. (personal loan, \$422)** – Applicant denies that she had an account with this company. The loan account was opened in June 2001, just before her marriage in July 2001 and her transfer to the United Kingdom in or around September 2001. Applicant was having financial difficulties at this time and had taken advanced pay “to cover old debts” (GE 7). The debt is in the 2007 credit bureau report but not the October 2008 report (GE 4, 5 and 7; AD 3; Tr 64).
- **1.k. (installment loan, \$2,780)** – The original balance was \$3,447. Applicant started payments on this debt in April 2006. She now pays \$50 bi-monthly. As of January 2009, the balance had been reduced to \$2,406. She contacted the three credit reporting agencies and requested that they update the status of this debt on her credit bureau report (AD 3, 5 and 6; AE E; Tr 65-69).
- **1.l. (credit card account, \$4,397)** – At the hearing, Applicant stated that her only debt to this creditor is the auto loan (allegation 1.a.). Her ex-husband had a credit card from this lender, and she was an authorized user. She claims that her ex-husband kept the card when they were divorced in 1998. However, GE 4 shows that the account was opened in 2000, after they were divorced. Her 2003, 2007 and September 2008 credit reports indicate this is an individual account. In her Answer, Applicant was uncertain whether she was responsible for this credit card debt. She did not include it in her letters of dispute to the credit reporting agencies (GE 3, 4; and 5; AD 3 and 6; Tr 69-71).

- **1.m. (credit card account, \$1,774)** – In her Answer, Applicant was uncertain whether she was responsible for this second credit card from the same creditor as 1.a. and 1.l. She did not include it in her letters of dispute to the credit reporting agencies. However, at the hearing she stated that her only debt to this creditor is the auto loan (allegation 1.a.). She claims that this second credit card was also her ex-husband's, she was an authorized user, and her ex-husband kept the card when they were divorced in 1998. However, her 2003, 2007 and September 2008 credit reports indicate that this is an individual account that was opened 1999, after they were divorced (GE 3, 4; and 5; Tr 69-71).
- **1.n. (false claim for lodging)** – See previous discussion.

Policies

Each security clearance decision must be a fair, impartial, and commonsense determination based on examination of all available relevant and material information, and consideration of the pertinent criteria and adjudication policy in the Revised Adjudicative Guidelines (AG).⁶ Decisions must also reflect consideration of the “whole person” factors listed in ¶ 2(a) of the Guidelines.

The presence or absence of a disqualifying or mitigating condition under a Guideline does not determine a conclusion for or against an Applicant. However, specific applicable guidelines should be followed whenever a case can be measured against them as they represent policy guidance governing the grant or denial of access to classified information. In this case, the pleadings and the information presented by the parties require consideration of the security concerns and adjudicative factors addressed under Guideline F (financial considerations).

A security clearance decision is intended only to resolve the question of whether it is clearly consistent with the national interest⁷ for an Applicant to either receive or continue to have access to classified information. The government bears the initial burden of producing admissible information on which it based the preliminary decision to deny or revoke a security clearance for an Applicant. Additionally, the government must be able to prove controverted facts alleged in the SOR. If the government meets its burden, it then falls to the Applicant to refute, extenuate or mitigate the government's case. Because no one has a “right” to a security clearance, an Applicant bears a heavy burden of persuasion.⁸ A person who has access to classified information enters into a

⁶ Directive. 6.3.

⁷ See *Department of the Navy v. Egan*, 484 U.S. 518 (1988).

⁸ See *Egan*, 484 U.S. at 528, 531.

fiduciary relationship with the government based on trust and confidence. Therefore, the government has a compelling interest in ensuring each Applicant possesses the requisite judgment, reliability and trustworthiness to protect the national interests as her or her own. The “clearly consistent with the national interest” standard compels resolution of any reasonable doubt about an Applicant’s suitability for access in favor of the government.⁹

Analysis

Guideline F, Financial Considerations

AG ¶18 expresses the security concern pertaining to financial considerations:

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 over-extended is at risk of having to engage in illegal acts to generate funds. Compulsive gambling is a concern as it may lead to financial crimes including espionage. Affluence that cannot be explained by known sources of income is also a security concern. It may indicate proceeds from financially profitable criminal acts.

Three disqualifying conditions are relevant: AG ¶19 (a) (*inability or unwillingness to satisfy debts*); AG ¶19 (c) (*a history of not meeting financial obligations*); and AG ¶19 (d) (*deceptive or illegal financial practices such as embezzlement, employee theft, check fraud, income tax evasion, expense account fraud, filing deceptive loan statements, and other intentional financial breaches of trust*). The SOR alleges 13 past-due debts, which amount to \$44,000. The single largest debt is the car loan, with a current balance of \$29,877. Over the past five years, since it became delinquent in 2003, Applicant failed to respond to this significant debt. Even if she did not become aware of it until 2004, she still left it unresolved for almost five years. Other than one payment plan (allegation 1.k.), Applicant has done little to resolve her financial situation. Finally, Applicant admitted to and was found guilty of submitting false claims for temporary lodging and received non-judicial punishment for her conduct. AG ¶19 (a), (c) and (d) apply.

⁹ See *Egan*; Revised Adjudicative Guidelines, ¶ 2(b).

The financial considerations guideline also includes factors that can mitigate disqualifying conditions. Four mitigating conditions are relevant to the facts:

AG ¶20(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;

AG ¶20(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;

AG ¶20(d): the individual initiated a good-faith effort to repay overdue creditors or otherwise resolve debts; and

AG ¶20(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.

Applicant's delinquencies are recent. Although they started becoming delinquent around 2000, Applicant has addressed only one debt (allegation 1.k.). She stated that she paid two debts (allegations 1.d. [and duplicate 1.h.] and 1.g.) but provided no supporting documentation. Although Applicant contends that she does not have much discretionary money after paying her expenses, her personal financial statement shows that, in fact, she had a large monthly net remainder in 2008. The largest debt, the car loan, remained unresolved as of the date of the hearing, and she did not take concrete steps to resolve it until after the hearing. Applicant's failure to deal with her financial obligations raises questions about her judgment and reliability. AG ¶20(a) does not apply.

Applicant receives some credit under AG ¶ 20(c) because she worked with a counselor starting in late 2007 or early 2008. However, over the year between 2008 and 2009, she failed to set up a car loan payment plan. The plan that she submitted after the hearing is prospective. Without a record of payments made, there is no basis on which to conclude that this large debt will be resolved, and AG ¶ 20(c) cannot be applied.

Applicant has not made a good-faith effort to meet her financial obligations. Although Applicant was in touch with a financial counselor over a period of approximately one year, she claims that the car loan lender and collection agency were unresponsive. Yet within two weeks after the hearing, Applicant negotiated a settlement and payment plan (AE D). Over the past several years, Applicant has not made serious good-faith attempts to resolve this debt, and AG ¶ 20(d) does not apply.

Applicant disputes more than half of the debts in the SOR, which amount to approximately \$13,400. She states that her ex-husband may have opened accounts in her name (allegations 1.b., 1.l., and 1.m.), but offered no evidence to show that she contacted the creditors to investigate her suspicion. As to other accounts that she does not recognize (allegations 1.e. and 1.j.), she again offered no proof that she contacted the creditors. Although she notified the credit reporting agencies of four disputed debts (allegations 1.e., 1.f., 1.g., and 1.k.), she did not report all the debts she disputes. Most importantly, she did not report the disputes until one year ago, after her security investigation had begun.¹⁰ For years while the debts were delinquent, she did nothing to respond to what she believed to be inaccuracies. AG ¶ 20(e) does not apply.

Applicant was charged with and found guilty of submitting a false claim for temporary lodging. In her first statement to the investigators, she said she had not fraudulently claimed twice the amount due her. In her second statement, she admitted that she had done so, because she and her husband had financial problems, including old debts, and they needed the extra money. In her Answer to the SOR, and at the hearing, she denied that she submitted false claims. The only relevant mitigating condition, AG ¶ 20(a), does not apply. Although the event did occur a long time ago, in 1991, Applicant was found guilty of conduct involving dishonesty, which casts significant doubt on her trustworthiness. In addition, she provided contradictory statements to the government—first, that she did not submit false claims, and later, that she did submit false claims. Both claims cannot be true; therefore, Applicant lied to the government either in her first statement, or her second. Her actions in submitting the false claims, and her deliberate presentation of false information to the government either in her first or her second statement, undermine her credibility and indicate a lack of reliability and trustworthiness.

Whole Person Analysis

Under the whole person concept, an administrative judge must evaluate the Applicant's security eligibility by considering the totality of the Applicant's conduct and all the circumstances. An 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) extent to which participation is voluntary;
- (6) the presence or absence of rehabilitation and other permanent behavioral changes;
- (7) the motivation

¹⁰ Although Applicant's dispute letters are undated, her counselor advised her to write to the credit reporting agencies (Answer), and she first started working with him in late 2007 or early 2008 (Tr 91). Her dispute letters were likely written around that time or slightly later.

for the conduct; (8) the potential for pressure, coercion, exploitation, or duress; and (9) the likelihood of continuation or recurrence.

AG ¶ 2(c) requires that the ultimate determination of whether to grant a security clearance must be an overall common-sense judgment based upon careful consideration of the guidelines and the whole person concept. Under each guideline, I considered the potentially disqualifying and mitigating conditions in light of all the facts and circumstances surrounding this case.

At the time these debts started accruing in 2000, Applicant was not young and inexperienced, but a mature adult of 29 years old who had married and divorced, earned a Bachelor's degree, and served almost 10 years in the military. She had held a security clearance during her military service, and knew or should have known that financial problems represent a security issue. But it was not until her current security investigation raised financial issues that she consulted a counselor. Even after contacting a counselor, she made no payment arrangements between late 2007 to early 2009. Yet within two weeks after the hearing, she had arranged a settlement and payment plan. Her actions indicate that she has been responding to the security investigation process rather than to her obligation to pay her legitimate debts. Applicant responded to several other debts with a simple statement that she does not recognize them, unsupported by a documented effort to research and resolve them. Based on Applicant's lack of effort, and her past history of debt accumulation, I cannot confidently predict she will not continue to have financial difficulties in the future. Finally, Applicant admitted to fraudulent conduct in the past, and was found guilty on a charge that involves dishonesty. She now declares that she did not engage in such conduct. Her contradictory statements show that she was dishonest about her actions, either then or now. In either case, she presented false information to the government, raising serious concerns about her judgment, reliability and trustworthiness.

Overall, the record evidence fails to satisfy the doubts raised about Applicant's suitability for a security clearance. For all these reasons, I conclude Applicant has not mitigated the security concerns arising from the cited adjudicative guidelines.

Formal Findings

Paragraph 1, Guideline F	AGAINST Applicant
Subparagraph 1.a:	Against Applicant
Subparagraph 1.b:	Against Applicant
Subparagraph 1.c:	For Applicant
Subparagraph 1.d:	Against Applicant
Subparagraph 1.e:	Against Applicant
Subparagraph 1.f:	For Applicant

Subparagraph 1.g:	For Applicant
Subparagraph 1.h:	Against Applicant
Subparagraph 1.i:	Against Applicant
Subparagraph 1.j:	Against Applicant
Subparagraph 1.k:	For Applicant
Subparagraph 1.l:	Against Applicant
Subparagraph 1.m:	Against Applicant
Subparagraph 1.n:	Against Applicant

Conclusion

In light of all of the circumstances presented by the record in this case, it is not clearly consistent with the interests of national security to allow Applicant access to classified information. Applicant's request for a security clearance is denied.

RITA C. O'BRIEN
Administrative Judge