



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



In the matter of:

SSN:

Applicant for Security Clearance

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ISCR Case No. 08-07442

Appearances

For Government: Robert E. Coacher, Esq., Department Counsel
For Applicant: *Pro Se*

August 27, 2009

Decision

LOUGHRAN, Edward W., Administrative Judge:

Applicant has not mitigated Financial Considerations, Personal Conduct, and Criminal Conduct security concerns. Eligibility for access to classified information is denied.

On March 11, 2009, the Defense Office of Hearings and Appeals (DOHA) issued a Statement of Reasons (SOR) to Applicant detailing security concerns under Guideline F, Financial Considerations; Guideline E, Personal Conduct; and Guideline J, Criminal Conduct. The action was taken under Executive Order (EO) 10865, *Safeguarding Classified Information within Industry* (February 20, 1960), as amended; Department of Defense Directive 5220.6, *Defense Industrial Personnel Security Clearance Review Program* (January 2, 1992), as amended (Directive); and the revised adjudicative guidelines (AG) promulgated by the President on December 29, 2005, and effective within the Department of Defense for SORs issued after September 1, 2006.

Applicant answered the SOR on March 31, 2009, and requested a hearing before an administrative judge. The case was assigned to me on June 8, 2009. DOHA issued a notice of hearing on June 10, 2009, scheduling the hearing for July 7, 2009. The

hearing was convened as scheduled. The Government offered Exhibits (GE) 1 through 12. GE 1 through 11 were admitted without objection. GE 12 was admitted over Applicant's objection. The Government originally requested administrative notice of GE 13, but withdrew its request. Applicant testified on his own behalf and submitted Exhibits (AE) A and B, which were received without objection. The record was held open for Applicant to submit additional information. Applicant submitted five pages of documents, which were marked AE C through F, and admitted without objection. Department Counsel's memorandum is marked Hearing Exhibit (HE) I. DOHA received the transcript of the hearing (Tr.) on July 15, 2009.

Findings of Fact

Applicant is a 44-year-old employee of a defense contractor. He has worked for his current employer since 2001. He served in the U.S. Army from 1991 to 2001, and was honorably discharged as a sergeant (E-5). He attended college for a period but did not obtain a degree. He was married from 1985 until his divorce in 1992 or 1993. He married again in 1994 and divorced in January 2009. He has two children, ages 22 and 13.¹

Applicant was arrested in about December 1985, when he was 20 years old, and charged with credit card abuse. The charge was dismissed. He was arrested in March 1987, and charged with five counts of issuing bad checks. The charges were dismissed.²

Applicant submitted a National Agency Questionnaire in April 1991, prior to enlisting in the Army. He answered "No" to Question 18 of the questionnaire which asked, "Have you ever been arrested, charged, cited, held, or detained by Federal, State, or other law enforcement or juvenile authorities regardless of whether the charge was dropped or dismissed or you were found not guilty."³

Applicant was arrested in March 2000, and charged with assault in the third degree, harassment, and domestic violence. The charges were dismissed.⁴

Applicant smoked marijuana in July 2001, while he was in the Army. He was directed to participate in a unit urinalysis shortly thereafter. His urine tested positive for the metabolites of tetrahydrocannabinol (THC), the active ingredient in marijuana. In September 2001, Applicant received nonjudicial punishment under Article 15 of the Uniform Code of Military Justice (UCMJ) for his marijuana use. He was reduced from pay grade E-6 to pay grade E-5; and forfeited \$1,049 in pay per month for two months.⁵

¹ Tr. at 84-86; GE 1, 4.

² Tr. at 33-36; Applicant's response to SOR; GE 12.

³ GE 2.

⁴ Tr. at 44; Applicant's response to SOR; GE 10.

⁵ Tr. at 36-38; Applicant's response to SOR; GE 9.

The financial security concerns were based on credit reports obtained on June 27, 2006 and July 25, 2008, and Applicant's response to DOHA interrogatories which included a credit report obtained by him on September 15, 2008. The SOR alleges 26 delinquent debts. In his answer to the SOR, Applicant admitted to the debts alleged in SOR ¶¶ 1.a, 1.b, 1.c, 1.j, 1.p, 1.r, and 1.z. He also provided additional information to support his request for eligibility for a security clearance. Specific debts are addressed below.

SOR ¶¶ 1.a through 1.c allege three delinquent debts of \$40, \$52 and \$53 owed to two pizza restaurants. Applicant admitted to owing the three debts and that the debts resulted from when he wrote checks to the restaurants which were returned for nonsufficient funds. The debts include fees for the returned checks. Applicant stated that the checks were written right before he transferred duty stations and he was unaware that they were returned. He stated that he was willing to pay the debts but he called the collection company about three years ago and the collection company wanted \$1,000 per check and would not accept a smaller amount. He stated he was willing to pay the amount of the checks and reasonable fees but not \$3,000 for three checks that originally totaled less than \$50. Applicant told an investigator from the Office of Personnel Management (OPM) in November 2006, that one of the restaurants wanted \$200 for one of the returned checks. He told the investigator that he was unwilling to pay \$200, but he would contact the restaurant and attempt to work out a settlement. He stated he would also contact the other restaurant and pay the debts.⁶

SOR ¶ 1.g alleges a delinquent debt of \$3,267 owed to a collection company, on behalf of a financial institution. The debt was the amount owed on a car loan after the car was destroyed in a car crash. Applicant submitted documentation that the balance on the loan was paid by the insurance company in February 2000. The debt in SOR ¶ 1.h appears to be a duplicate of this debt.⁷

SOR ¶ 1.i alleges a delinquent debt of \$106 owed to a collection company, on behalf of a utility company. Applicant disputed owing this debt. He has not lived in the state where this utility provided service in more than 10 years.⁸

Applicant admitted in his response to the SOR that he owed the delinquent debt of \$499 alleged in SOR ¶ 1.j. He stated in his response to interrogatories in September 2008, that "[t]his item is being paid on and will be fully paid before December 2008." He testified at the hearing that this was a medical debt that should have been covered by his insurance. He stated that he was in contact with his old insurance company and the claim is being resubmitted. He also stated that the debt was no longer on his credit

⁶ Tr. at 49-53; Applicant's response to SOR; GE 3.

⁷ Tr. at 57-60; Applicant's response to SOR; AE B.

⁸ Tr. at 60-61; Applicant's response to SOR.

report. Contrary to Applicant's statement, this debt is listed on the credit reports of September 15, 2008 and July 6, 2009. Both credit reports were submitted by Applicant.⁹

Applicant denied owing the delinquent debt of \$1,656 to a jewelry store, as alleged in SOR ¶ 1.i. He testified that he never had an account with the jewelry store, but his brother who has a similar social security number, had an account with the jewelry store. He stated that the jewelry store corrected the mistake and removed the debt from his credit report. This debt is listed on the credit report of June 27, 2006, but not the three most recent credit reports in evidence. Applicant provided contradictory information to the OPM investigator in November 2006. He told the investigator that he had the account with the jewelry store and purchased jewelry for his wife. He stated the account was mistakenly switched to his brother's name, but he contacted the company and had the account switched back to his name. He stated that he would begin repaying the loan immediately.¹⁰ I did not find Applicant's hearing testimony about this debt to be credible.

Applicant admitted owing the delinquent debt of \$116 to a collection company, on behalf of a payday loan company, as alleged in SOR ¶ 1.p. He stated that he attempted to contact the company but it is no longer in business. The debt is listed on the September 15, 2008 credit report, but it is not listed on the July 6, 2009 credit report.¹¹

Applicant settled the delinquent debt of \$721 owed to a financial institution, as alleged in SOR ¶ 1.r, with a payment of \$505 on July 8, 2009.¹²

SOR ¶ 1.s alleges a delinquent debt of \$496 to a collection company, on behalf of what appears to be an internet company. Applicant has consistently denied owing this debt. He testified that his credit repair company wrote a letter disputing the debt. He did not provide a copy of any dispute letters sent by his credit repair company. This debt is listed on all the credit reports in evidence.¹³

Applicant admitted owing the delinquent debt of \$665 to a collection company, on behalf of a satellite television company, as alleged in SOR ¶ 1.z. He stated that the debt was for equipment that was not returned when he moved at the end of 2006. He stated that the company told him to take the equipment with him when he moved and it would be installed at his new location. He decided that he did not want the service at his new location. He stated the company told him that they did not want the equipment. He

⁹ Tr. at 61-63; Applicant's response to SOR; GE 4, AE A.

¹⁰ Tr. at 64; Applicant's response to SOR; GE 3-6, AE A.

¹¹ Tr. at 65-66; Applicant's response to SOR; GE 4, AE A.

¹² Tr. at 66-70; Applicant's response to SOR; AE F.

¹³ Tr. at 70; Applicant's response to SOR; GE 3-6, AE A.

testified that he returned the equipment several months ago and that he left his receipt in the car. He did not provide a receipt in his post-hearing submission.¹⁴

Applicant retained the services of a credit repair company to assist him in improving his credit rating and deleting adverse entries on his credit report. His contract with the credit repair company does not include financial counseling. Applicant disputed owing the remaining debts alleged in SOR ¶¶ 1.d, 1.e, 1.f, 1.k, 1.m, 1.n, 1.o, 1.q, and 1.t through 1.y. None of those debts are listed on the most recent credit report.¹⁵

Applicant submitted a Questionnaire for National Security Positions (SF 86) on April 27, 2006. The introduction to Section 23 stated:

For this item, report information regardless of whether the record in your case has been “sealed” or otherwise stricken from the court record. The single exception to this requirement is for certain convictions under the Federal Controlled Substances Act for which the court issued an expungement order under the authority of 21 U.S.C. 844 or 18 U.S.C. 3607.

Question 23a of the SF 86 asked, “Have you ever been charged with or convicted of any felony offense (include those under Uniform Code of Military Justice).” Question 23e asked, “In the last 7 years, have you been subject to court martial or other disciplinary proceedings under the Uniform Code of Military Justice? (Include non-judicial, Captain’s mast, etc.)” Question 23f asked, “In the last 7 years, have you been arrested for, charged with, or convicted of any offense(s) not listed in response to a, b, c, d, or e above (Leave out traffic fines of less than \$150 unless the violation was alcohol or drug related.)” Applicant answered “No” to all the questions.

Applicant answered “No” to Question 24b, which asked:

Since the age of 16 or in the last 7 years, whichever is shorter, have you illegally used any controlled substance, for example, marijuana, cocaine, crack cocaine, hashish, narcotics (opium, morphine, codeine, heroin, etc.) amphetamines, depressants (barbiturates, methaqualone, tranquilizers, etc.), hallucinogenics (LSD, PCP, etc.), or prescription drugs?

He answered “No” to Questions 28a and 28b, which asked “In the last 7 years, have you been over 180 days delinquent on any debt(s)?” and “Are you currently over 90 days delinquent on any debt(s)?”

Applicant stated that he did not list his marijuana use and his Article 15 punishment because he thought that his Army record was “sealed.” He stated in his response to the SOR:

¹⁴ Tr. at 73-76; Applicant’s response to SOR; GE 5.

¹⁵ Tr. at 76; Applicant’s response to SOR; GE 4; AE A.

The EPSQ (questionnaire) did not ask me to reveal a matter that is sealed in my military record. This matter was understood to me that being sealed, I be spared any revelation of my past indiscretion. That indiscretion was “I smoke a Joint” that’s it. So I could continue in my service to country without having to make knowledge of a past mistake made. Or having to wear that incident like a badge of shame for the rest of my life for one mistake. I have served my country displaying the finest attributes of a United States soldier; this is why the matter was put in a restricted fiche. The EPSQ never asked or stated that information that was restricted from the start was material that needed to be provided.

Applicant provided similar testimony at his hearing. He also admitted that he felt that he should have answered “yes” to the question and he “was embarrassed by the situation and [he] was pleased that it was sealed.”¹⁶ Applicant was interviewed for his background investigation in November 2006. A signed statement was not provided but the interview was memorialized in a report of investigation (ROI). DOHA sent Applicant a copy of the ROI in an interrogatory and asked him if the ROI accurately reflected the information he provided to the investigator on the day he was interviewed. He was provided the opportunity to explain why the ROI was inaccurate and to add additional information regarding the matters discussed during the interview. He answered that the ROI was accurate and submitted additional information. The ROI indicates that he did not list the drug use and Article 15 punishment because he was embarrassed and wanted to wait until his security interview.¹⁷ After considering all the evidence, I find that Applicant believed that his record was sealed and that the information would not be discovered. I further find that he knew he should have listed the Article 15 punishment and his drug use, but hoped that the information would not be discovered because it was sealed. I find that Applicant intentionally provided false answers on his SF 86 when he did not list his marijuana use and his Article 15 punishment.

Applicant stated that he did not list his March 2000 arrest and charges of assault, harassment, and domestic violence because he did not commit the offenses; the charges were dismissed; he thought the arrest was outside the seven-year window of the question; and he misunderstood the question.¹⁸ I did not find his explanations credible. I find that he intentionally omitted information from his SF 86 when he did not list his arrest in 2000.

Applicant stated that he answered the financial questions in the negative because he was unaware he had delinquent debts. He purchased a house with no credit problems and he had not checked a credit report in some time.¹⁹

¹⁶ Tr. at 36-44; Applicant’s response to SOR.

¹⁷ GE 3.

¹⁸ Tr. at 44-46; Applicant’s response to SOR; GE 3.

¹⁹ Tr. at 47; Applicant’s response to SOR.

Applicant submitted a letter from a supervisor and a letter from a master sergeant who works with Applicant in training soldiers on the contractor's equipment. Applicant is described as an outstanding instructor, and they praise his competence, dedication, reliability, integrity, honesty, professionalism, expertise, maturity, and trustworthiness. He is recommended for a security clearance.²⁰

Policies

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

These guidelines are not inflexible rules of law. Instead, recognizing the complexities of human behavior, administrative judges apply the guidelines in conjunction with the factors listed in the adjudicative process. The administrative judge's over-arching adjudicative goal is a fair, impartial and common-sense decision. According to AG ¶ 2(c), the entire process is a conscientious scrutiny 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 that "[a]ny doubt concerning personnel being considered for access to classified information will be resolved in favor of 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. Likewise, I have avoided drawing inferences grounded on mere speculation or conjecture.

Under Directive ¶ E3.1.14, the Government must 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." The applicant has the ultimate burden of persuasion as to obtaining a favorable security 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 access to classified information. 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

²⁰ AE D, E.

permissible extrapolation as to potential, rather than actual, risk of compromise of classified information.

Section 7 of Executive Order 10865 provides that adverse decisions shall be “in terms of the national interest and shall in no sense be a determination as to the loyalty of the applicant concerned.” See *a/so* EO 12968, Section 3.1(b) (listing multiple prerequisites for access to classified or sensitive information).

Analysis

Guideline F, Financial Considerations

The security concern relating to the guideline for Financial Considerations is set out in AG ¶ 18:

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 overextended is at risk of having to engage in illegal acts to generate funds.

The guideline notes several conditions that could raise security concerns under AG ¶ 19. Two are potentially applicable in this case:

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

Applicant accumulated a number of delinquent debts and was unable or unwilling to pay his obligations for a period of time. The evidence is sufficient to raise the above disqualifying conditions.

Five Financial Considerations Mitigating Conditions under AG ¶ 20 are potentially applicable:

- (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;
- (b) the conditions that resulted in the financial problem were largely beyond the person’s control (e.g., loss of employment, a business downturn, unexpected medical emergency, or a death, divorce or separation), and the individual acted responsibly under the circumstances;

(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;

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

(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 has not resolved a number of the debts alleged in the SOR. His financial issues are recent and ongoing. AG ¶ 20(a) is not applicable. Applicant essentially denied having any financial problems. He has been steadily employed since 2001. AG ¶ 20(b) is not applicable.

Applicant settled the delinquent debt alleged in SOR ¶ 1.r. I find that he has made a good-faith effort to pay that delinquent debt, but not the remainder of his delinquent debts. AG ¶ 20(d) is applicable only to SOR ¶ 1.r. He has not received financial counseling, and there are not clear indications that the problem is being resolved and is under control. AG ¶ 20(c) is not applicable.

Applicant disputed most of the debts alleged in SOR. Many of the debts are no longer listed on his credit report. AG ¶ 20(e) is not applicable to those debts that Applicant has admitted are his responsibility or are otherwise established by the evidence, even if they have been deleted from his credit report. AG ¶ 20(e) is applicable to SOR ¶ 1.i, and the remaining debts that have been deleted from his credit report, specifically those alleged in SOR ¶¶ 1.d, 1.e, 1.f, 1.k, 1.m, 1.n, 1.o, 1.q, and 1.t through 1.y.

Guideline E, Personal Conduct

The security concern relating to the guideline for Personal Conduct is set out in AG ¶ 15:

Conduct involving questionable judgment, lack of candor, dishonesty, or unwillingness to comply with rules and regulations can raise questions about an individual's reliability, trustworthiness and ability to protect classified information. Of special interest is any failure to provide truthful and candid answers during the security clearance process or any other failure to cooperate with the security clearance process.

AG ¶ 16 describes conditions that could raise a security concern and may be disqualifying. The following disqualifying condition is potentially applicable:

(a) deliberate omission, concealment, or falsification of relevant 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;

Applicant did not list his criminal record when he submitted a National Agency Questionnaire in April 1991, prior to enlisting in the Army. That questionnaire was submitted so long ago that Applicant's intent cannot be discerned at this time. He served in the Army for ten years. If he intentionally falsified the questionnaire in 1991, it was long ago mitigated by the passage of time and his Army service. SOR ¶ 2.a is concluded for Applicant.

It is unclear if the charge against Applicant in 1985 was a felony. The charge was dismissed. Even if it was a felony, there are insufficient facts for a determination that Applicant knew it was a felony and intentionally omitted it from his SF 86 in 2006. SOR ¶ 2.b is concluded for Applicant.

There are insufficient facts for a determination that Applicant intentionally omitted financial information from his SF 86 in 2006. SOR ¶¶ 2.f and 2.g are concluded for Applicant.

Applicant intentionally falsified his SF 86 in 2006, when he failed to divulge his marijuana use, his Article 15 punishment, and his arrest in 2000. AG ¶ 16(a) is applicable as a disqualifying condition.

AG ¶ 17 provides conditions that could mitigate security concerns. The following are potentially applicable:

(a) the individual made prompt, good-faith efforts to correct the omission, concealment, or falsification before being confronted with the facts;

(b) the refusal or failure to cooperate, omission, or concealment was caused or significantly contributed to by improper or inadequate advice of authorized personnel or legal counsel advising or instructing the individual specifically concerning the security clearance process. Upon being made aware of the requirement to cooperate or provide the information, the individual cooperated fully and truthfully;

(c) the offense is so minor, or so much time has passed, or the behavior is so infrequent, or it happened under such unique circumstances that it is unlikely to recur and does not cast doubt on the individual's reliability, trustworthiness, or good judgment;

(d) the individual has acknowledged the behavior and obtained counseling to change the behavior or taken other positive steps to alleviate the stressors, circumstances, or factors that caused untrustworthy, unreliable, or other inappropriate behavior, and such behavior is unlikely to recur;

(e) the individual has taken positive steps to reduce or eliminate vulnerability to exploitation, manipulation, or duress; and

(f) the information was unsubstantiated or from a source of questionable reliability.

Applicant discussed his marijuana use, his Article 15 punishment, and his arrest in 2000, when he was interviewed by an OPM investigator in November 2006. That does not constitute a prompt, good-faith effort to correct the falsification before being confronted with the facts. While he receives credit for discussing the information with the investigator, it is insufficient to establish a mitigating condition. I find that no mitigating conditions are applicable.

Guideline J, Criminal Conduct

The security concern relating to the guideline for Criminal Conduct is set out in AG ¶ 30:

Criminal activity creates doubt about an Applicant's judgment, reliability, and trustworthiness. By its very nature, it calls into question a person's ability or willingness to comply with laws, rules and regulations.

AG ¶ 31 describes conditions that could raise a security concern and may be disqualifying. The following are potentially applicable:

(a) a single serious crime or multiple lesser offenses; and

(c) allegation or admission of criminal conduct, regardless of whether the person was formally charged, formally prosecuted or convicted.

It is a criminal offense to knowingly and willfully make any materially false, fictitious, or fraudulent statement or representation in any matter within the executive branch of the Government of the United States. 18 U.S.C. § 1001. Security clearances are within the jurisdiction of the executive branch of the Government of the United States.²¹ A violation of 18 U.S.C. § 1001 is a serious offense as it may be punished by imprisonment for up to five years. Applicant knowingly and willfully made a materially false statement on his SF 86, as discussed above. The evidence is sufficient to raise the above disqualifying conditions.

²¹ See *Department of the Navy v. Egan*, 484 U.S. 518, 527 (1988).

Four Criminal Conduct mitigating conditions under AG ¶ 32 are potentially applicable:

- (a) so much time has elapsed since the criminal behavior happened, or it happened under such unusual circumstances that it is unlikely to recur and does not cast doubt on the individual's reliability, trustworthiness, or good judgment;
- (b) the person was pressured or coerced into committing the act and those pressures are no longer present in the person's life;
- (c) evidence that the person did not commit the offense; and
- (d) there is evidence of successful rehabilitation; including but not limited to the passage of time without recurrence of criminal activity, remorse or restitution, job training or higher education, good employment record, or constructive community involvement.

Applicant intentionally provided false information on his SF 86 in 2006, which constituted a federal crime. He was not honest in his response to the SOR when he stated that he did not intentionally falsify the SF 86. He also was not truthful at his hearing when he further denied his actions. No mitigating conditions are applicable to his violation of 18 U.S.C. § 1001.

Whole Person Concept

Under the whole person concept, the administrative judge must evaluate an applicant's eligibility for a security clearance by considering the totality of the applicant's conduct and all the circumstances. The 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) 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 eligibility for a security clearance must be an overall common-sense judgment based upon careful consideration of the guidelines and the whole person concept.

I considered the potentially disqualifying and mitigating conditions in light of all the facts and circumstances surrounding this case. I have incorporated my comments under Guidelines F, E, and J in my whole person analysis. Some of the factors in AG ¶

2(a) were addressed under those guidelines, but some warrant additional comment. I considered Applicant's ten years service in the Army. I also considered the very favorable character evidence presented by his supervisor and a master sergeant. Applicant does not have a huge amount of delinquent debt. His failure to address his finances speaks more toward a disregard of his obligations rather than an inability to pay his debts. He intentionally provided false information on his SF 86, and was less than truthful in his response to the SOR and at the hearing. Serious doubts remain about Applicant's judgment, honesty, and trustworthiness.

Overall, the record evidence leaves me with questions and doubts as to Applicant's eligibility and suitability for a security clearance. For all these reasons, I conclude Applicant has not mitigated Financial Considerations, Personal Conduct, and Criminal Conduct security concerns.

Formal Findings

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

Paragraph 1, Guideline F:	AGAINST APPLICANT
Subparagraphs 1.a-1.c:	Against Applicant
Subparagraphs 1.d-1.i:	For Applicant
Subparagraph 1.j:	Against Applicant
Subparagraph 1.k:	For Applicant
Subparagraph 1.l:	Against Applicant
Subparagraphs 1.m-1.o:	For Applicant
Subparagraph 1.p:	Against Applicant
Subparagraphs 1.q-1.r:	For Applicant
Subparagraph 1.s:	Against Applicant
Subparagraphs 1.t-1.y:	For Applicant
Subparagraph 1.z:	Against Applicant
Paragraph 2, Guideline E:	AGAINST APPLICANT
Subparagraphs 2.a-2.b:	For Applicant
Subparagraphs 2.c-2.e:	Against Applicant
Subparagraphs 2.f-2.g:	For Applicant
Paragraph 3, Guideline J:	AGAINST APPLICANT
Subparagraph 3.a:	Against Applicant

Conclusion

In light of all of the circumstances presented by the record in this case, it is not clearly consistent with the national interest to grant Applicant eligibility for a security clearance. Eligibility for access to classified information is denied.

Edward W. Loughran
Administrative Judge