



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



In the matter of:)
)
-----) ISCR Case No. 09-00161
SSN: -----)
)
Applicant for Security Clearance)

Appearances

For Government: Fahryn Hoffman, Esquire, Department Counsel
For Applicant: *Pro Se*

July 31, 2009

Decision

HARVEY, Mark, Administrative Judge:

Applicant's statement of reasons (SOR) listed five debts totaling \$28,200. She paid two debts, and her county property tax account is now current. Her other two SOR debts, totaling about \$17,500, are in established payment plans. Applicant mitigated financial considerations security concerns. Eligibility for access to classified information is granted.

Statement of the Case

On September 4, 2008, Applicant submitted an Electronic Questionnaire for Investigations Processing (e-QIP) or security clearance application (SF-86) (Government Exhibit (GE) 1). On April 6, 2009, the Defense Office of Hearings and Appeals (DOHA) issued an SOR to Applicant (GE 6), pursuant to Executive Order 10865, *Safeguarding Classified Information Within Industry*, dated February 20, 1960, as amended and modified, and Department of Defense Directive 5220.6, *Defense Industrial Personnel Security Clearance Review Program* (Directive), dated January 2, 1992, as amended and modified. The revised adjudicative guidelines (AG) promulgated by the President on December 29, 2005, are effective within the Department of Defense for SORs issued after September 1, 2006.

The SOR alleged security concerns under Guideline F (Financial Considerations)(GE 6). The SOR detailed reasons why DOHA could not make the preliminary affirmative finding under the Directive that it is clearly consistent with the national interest to grant or continue a security clearance for Applicant, and recommended referral to an administrative judge to determine whether Applicant's clearance should be granted, continued, denied, or revoked.

On April 22, 2009, Applicant responded to the SOR (GE 7). On June 1, 2009, Department Counsel was prepared to proceed. On June 2, 2009, DOHA assigned the case to me. On June 15, 2009, DOHA issued a hearing notice (GE 5). At the hearing held on July 8, 2009, Department Counsel offered four exhibits (GE 1¹-3) (Tr. 18-19), and Applicant offered three exhibits (Tr. 20-22; AE A-C). There were no objections to admission of the proffered documents, and I admitted them (Tr. 19, 22). I admitted the Notice of Hearing, SOR, and response to the SOR (GE 5-7). On July 16, 2009, I received the transcript. On July 23, 2009, I received seven post-hearing exhibits. These seven exhibits were admitted without objection as AE D-J. I closed the record on July 24, 2009.

Findings of Fact²

Applicant is a 40-year-old employee of a defense contractor (Tr. 6, 23). She graduated from high school in 1987 (Tr. 6, 24). She does not have any prior military service (Tr. 27). In May 1992, she received a bachelor of science degree with a major in business administration (Tr. 7, 24). She has some post-graduate education in operations management (Tr. 8). She is a management analyst (Tr. 23). She currently does not have access to classified information (Tr. 8). She has held a public trust position from September 2008 to October 2008, when it was changed to an interim secret clearance (Tr. 8, 25-27). Her interim Secret clearance was suspended in April 2009 (Tr. 27). She has not been involved in any security-related incidents (Tr. 28).

Applicant has been married for the last 17 years (Tr. 23). She does not have any children (Tr. 23). She and her husband recently moved from one state (T) to another state (V) (Tr. 24). They own their home in state T. It is valued at about \$115,000 (Tr. 99). In February 2009, she and her husband moved in with Applicant's sister in state V (Tr. 24, 110).

Financial Considerations

Applicant attributed her financial problems to unemployment and underemployment (Tr. 117). After her income was substantially reduced because of changes in her employment status, she attempted to keep her accounts current, and then when she was unable to make payments, she negotiated and renegotiated her

¹ Department Counsel noted that GE 1 is missing pages 10 through 12 (Transcript (Tr.) 15).

²Some details have not been included in order to protect Applicant's right to privacy. Specific information is available in the cited exhibits.

payment plans (Tr. 117). She did not want to resolve her debts through bankruptcy (Tr. 117-118). She maintained contact with her creditors.

From 1999 to 2007, Applicant worked for a non-profit corporation (Tr. 105). Applicant was unemployed from January 2007 to October 2008 (Tr. 103). Her husband's annual pay until 2004 was about \$45,000 (Tr. 105). In July 2004, her husband went on disability and began receiving about \$1,300 per month (Tr. 106). While she was unemployed, she and her husband lived on savings and money borrowed from family and friends (Tr. 104). When her parents passed away, she received the proceeds from some small life insurance policies (Tr. 104). She held some part-time employment during January 2007 to October 2008 (AE C).

Applicant's adjusted gross income from 2003 to September 2008 was as follows: 2003--over \$100,000; 2004--\$97,000; 2005--\$61,000; 2006--\$60,000; 2007--\$23,272 and January to September 2008--\$16,256 (Tr. 106-109; AE C).

On August 1, 2009, a tenant will begin paying monthly rent of \$830 on Applicant's home in state T (Tr. 80-83; AE A at 8-9). Applicant received an \$830 deposit from the tenant (AE A at 10). Her mortgage payment on the house in state T is \$898, and it is current (Tr. 81-82). Her mortgage is about \$114,500 (GE 2 at 4). She pays \$345 monthly to keep her equity loan of about \$16,000 on her house current (Tr. 82; GE 2 at 4).

Applicant bought a time-share property in 2004 for \$14,000 (Tr. 83-85). After paying about \$4,000, she was unable to continue to make payments because of unemployment (Tr. 85). She did a deed transfer back to the owners, and paid \$250 (Tr. 85). The time-share property was not foreclosed and there is no adverse information about the deed-transfer transaction in her credit reports (Tr. 85).

Applicant's SOR did not describe any bankruptcy filings. However, it listed five delinquent debts, which are fully discussed in the next five paragraphs.

SOR ¶ 1.a (\$18,163 owed on a judgment)—**Payment Plan**. In January 2007, as soon as Applicant became unemployed she informed the creditor, and the creditor told her to continue to make at least the minimal monthly payments of \$326 (Tr. 36-37). In February 2008, the account became delinquent because Applicant had been unemployed for a year and had only made sporadic payments (Tr. 34). In October 2008, she contacted the creditor (Tr. 33). The creditor advised her that the creditor transferred her account to a law firm (Tr. 32). In December 2008, Applicant sent a written offer to make monthly payments of \$200, starting February 20, 2009 (GE 2 at 14). In January 2009, she received a summons for the judgment (Tr. 33). The creditor obtained a judgment for \$18,163. From February to July 2009, she paid the creditor \$1,500 in accordance with her payment plan, reducing the amount of the debt to about \$16,800 as follows: \$200 in February (GE 7 at 9); \$200 in March (GE 6 at 2); \$200 in April (GE 6 at 2; AE E at 2); \$300 in May (AE A at 3, 5); \$300 in June; and \$300 in July (Tr. 41-44; GE 6 at 2; AE A at 2; AE F). She intends to continue making monthly payments of at least \$300.

SOR ¶ 1.b (\$374 owed to a telecommunications company)—**Paid**. Applicant switched phone services and was unaware of the debt until DOHA informed her of its existence (Tr. 46-50). She paid half on May 1, 2009, and the other half on June 1, 2009 (Tr. 50; AE G).

SOR ¶ 1.c (\$3,979 owed to a credit card company)—**Payment Plan**. In January 2007, as soon as Applicant became unemployed, she informed the creditor of the change in her employment status (Tr. 53-54). In April 2009, she and the creditor agreed that she would make an initial payment of \$435, and \$100 monthly thereafter through December 2009 (Tr. 56-60; AE F at 1). She provided documentation showing the following payments: April 20, 2009--\$435 (Tr. 56; GE 9 at 13); April 21, 2009--\$100 (AE F at 2); May 28, 2009--\$100 (AE A at 5); June 18, 2009--\$100 (AE A at 4); and July 13, 2009--\$100 (AE F at 4). She currently owes \$500 on this debt (Tr. 57-60). Once the tax debt in SOR ¶ 1.e is paid, she will use the extra \$300 a month to pay this debt (Tr. 102).

SOR ¶ 1.d (\$3,091 owed to credit card company)—**Paid**. On October 18, 2008, Applicant made a written offer to the creditor to pay \$60 a month (Tr. 64; GE 7 at 21). On November 17, 2008, the creditor wrote Applicant about settlement terms (GE 7 at 20). On January 20, 2009 and February 20, 2009, Applicant paid the creditor \$75 (Tr. 64; GE 7 at 18, 19). On February 18, 2009, she paid the creditor \$100 (GE 7 at 15). In an undated letter, the creditor offered to settle the debt for \$1,765 (GE 7 at 17). At some point the settlement amount was reduced to \$1,176, and on April 20, 2009, Applicant paid \$1,176 (Tr. 63; GE 7 at 16). Credit records, dated June 12, 2009, reflect this debt as paid (Tr. 65; AE A at 6).

SOR ¶ 1.e (\$2,632 owed for delinquent property taxes)—**Account is current**. A county property tax bill, dated March 12, 2009, showed that she owed \$1,442 for tax year 2007 and \$1,208 for tax year 2008 (Tr. 68; GE 2 at 23). On April 17, 2009, she paid \$1,442 (Tr. 68; GE 7 at 22). A subsequent tax record shows all property taxes for the years 1994 to 2008 were paid, except for tax year 2008 (AE A at 7). This county property tax record showed she owed \$964 for tax year 2008 (AE A at 7). She learned she has until September 30, 2009, to pay the property taxes for 2008 (Tr. 69). On June 28, 2009, she paid \$300 towards her 2008 county property tax debt (Tr. 70; AE A at 7). As of July 14, 2009, she owed \$664 (AE H). She planned to pay \$300 in July 2009 and the balance of \$364 in August 2009 (Tr. 70).

Applicant has three non-SOR related credit cards and a car loan of about \$7,000 (Tr. 72-73). Her car loan is current (Tr. 73). One credit card has a balance of \$1,400, another has a balance of about \$4,700, and the third credit card had a \$12 balance (Tr. 74, 77). She paid the account with a \$12 balance, and the other two credit cards are current (Tr. 74-76). She pays a total of \$245 monthly to keep the two credit cards current (Tr. 78-79). Her student loan of about \$21,000 is in forbearance until January 2010 (Tr. 73; GE 2 at 4). She paid off another non-SOR credit card debt (Tr. 75). She borrowed \$9,000 from her sister and is repaying her with monthly \$300 payments (Tr. 97). She borrowed \$2,300 from her brother and \$4,000 from a friend; however, they have agreed that she does not need to make payments until her financial situation has stabilized (Tr. 97; GE 2 at 4-5). She is not required to pay interest on the loans from her

family and a friend (Tr. 123-124). She also plans to stay with her sister until she reaches financial stability (Tr. 124-125). She expects to reach financial stability, including repaying her family and friend, in about a year (Tr.125). She anticipates all SOR debts, including the debt in SOR ¶ 1.a, will be paid in 18 months (Tr. 125).

On February 24, 2009, Applicant prepared a personal financial statement (GE 2 at 4). Her gross salary is \$5,833, and her net salary is \$4,534 (Tr. 86). Her husband receives \$1,545 in monthly disability payments, and their monthly rent from their home in state T is \$830 (Tr. 86). Monthly expenses are as follows: food (\$150); clothing (\$100); cell phone (\$75); car payment (\$794); car insurance (\$170); other car expenses (\$500); life and medical insurance (\$210); and miscellaneous (\$200) (Tr. 87-93). After paying her monthly expenses and debt payments about \$2,300 remains, which she plans to use to rapidly pay her balances owed to various creditors (Tr. 99). She has enrolled in consumer credit counseling (AE D, I).

Applicant's sister has worked for the Department of Defense for 28 years (AE B). Her descriptions of Applicant's unemployment and Applicant's spouse's medical disability are consistent with Applicant's disclosures above. Her sister described Applicant's numerous positive character traits, including her dedication, discipline, integrity, honesty, loyalty, and good judgment (AE B). Her sister recommends reinstatement of Applicant's security clearance.

Policies

The U.S. Supreme Court has recognized the substantial discretion of the Executive Branch in regulating access to information pertaining to national security emphasizing, "no one has a 'right' to a security clearance." *Department of the Navy v. Egan*, 484 U.S. 518, 528 (1988). As Commander in Chief, the President has the authority to control access to information bearing on national security and to determine whether an individual is sufficiently trustworthy to have access to such information." *Id.* at 527. The President has authorized the Secretary of Defense or his designee to grant eligibility for access to classified information "only upon a finding that it is clearly consistent with the national interest to do so." Exec. Or. 10865, *Safeguarding Classified Information within Industry* § 2 (Feb. 20, 1960), as amended and modified.

Eligibility for a security clearance is predicated upon the Applicant meeting the criteria contained in the revised adjudicative guidelines (AG). These guidelines are not inflexible rules of law. Instead, recognizing the complexities of human behavior, these guidelines are applied in conjunction with an evaluation of the whole person. An administrative judge's overarching adjudicative goal is a fair, impartial and common sense decision. An administrative judge must consider all available, reliable information about the person, past and present, favorable and unfavorable.

The government reposes a high degree of trust and confidence in persons with access to classified information. This relationship transcends normal duty hours and endures throughout off-duty hours. 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 permissible extrapolation as to potential, rather than actual, risk of compromise of classified information. Clearance decisions must be “in terms of the national interest and shall in no sense be a determination as to the loyalty of the [A]pplicant concerned.” See Exec. Or. 10865 § 7. See *also* Executive Order 12968 (Aug. 2, 1995), Section 3. Thus, nothing in this decision should be construed to suggest that I have based this decision, in whole or in part, on any express or implied determination as to Applicant’s allegiance, loyalty, or patriotism. It is merely an indication the Applicant has not met the strict guidelines the President and the Secretary of Defense have established for issuing a clearance.

Initially, the government must establish, by substantial evidence, conditions in the personal or professional history of the Applicant that may disqualify the Applicant from being eligible for access to classified information. The government has the burden of establishing controverted facts alleged in the SOR. See *Egan*, 484 U.S. at 531. “Substantial evidence” is “more than a scintilla but less than a preponderance.” See *v. Washington Metro. Area Transit Auth.*, 36 F.3d 375, 380 (4th Cir. 1994). The guidelines presume a nexus or rational connection between proven conduct under any of the criteria listed therein and an Applicant’s security suitability. See ISCR Case No. 95-0611 at 2 (App. Bd. May 2, 1996).

Once the government establishes a disqualifying condition by substantial evidence, the burden shifts to the Applicant to rebut, explain, extenuate, or mitigate the facts. Directive ¶ E3.1.15. An Applicant “has the ultimate burden of demonstrating that it is clearly consistent with the national interest to grant or continue his [or her] security clearance.” ISCR Case No. 01-20700 at 3 (App. Bd. Dec. 19, 2002). The burden of disproving a mitigating condition never shifts to the government. See ISCR Case No. 02-31154 at 5 (App. Bd. Sep. 22, 2005). “[S]ecurity clearance determinations should err, if they must, on the side of denials.” *Egan*, 484 U.S. at 531; see AG ¶ 2(b).

Analysis

Upon consideration of all the facts in evidence and after application of all appropriate legal precepts, factors, and conditions, I conclude the relevant security concern is under Guideline F (Financial Considerations). AG ¶ 18 articulates the security concern relating 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 overextended is at risk of having to engage in illegal acts to generate funds.

AG ¶ 19 provides two conditions that could raise a security concern and may be disqualifying in this case: “(a) inability or unwillingness to satisfy debts”; and “(c) a

history of not meeting financial obligations.” ISCR Case No. 03-20327 at 3 (App. Bd. Oct. 26, 2006) provides, “Applicant’s credit report was sufficient to establish the Government’s prima facie case that Applicant had . . . delinquent [SOR] debts that are of security concern.” Applicant’s history of delinquent debt is also documented in her SOR response and her oral statement at her hearing. She failed to ensure her creditors were paid as agreed. The government established the disqualifying conditions in AG ¶¶ 19(a) and 19(c). Further inquiry about the applicability of mitigating conditions is required.

Five conditions under AG ¶ 20 may mitigate security concerns and 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’s conduct does not warrant full application of AG ¶ 20(a) because she did not act more aggressively and responsibly to resolve her delinquent debts after returning to employment in September 2008.³ Her delinquent debts are “a continuing course of conduct” under the Appeal Board’s jurisprudence. See ISCR Case No. 07-11814 at 3 (App. Bd. Aug. 29, 2008) (citing ISCR Case No. 01-03695 (App. Bd. Oct. 16, 2002)). She receives partial credit because her delinquent debts “occurred under such circumstances that [they are] unlikely to recur.” I am convinced that she will continue with her payment plans and resolve all of her SOR debts. Her SOR debts do not “cast doubt on [her] current reliability, trustworthiness, or good judgment.”

³ For example, Applicant could have made monthly payments of \$100 to \$200 to the creditor in SOR ¶ 1.a from October 2008 to February 2009 without waiting for a payment plan to be established.

Applicant receives partial credit under AG ¶ 20(b) because her financial problems initially resulted because of unemployment, underemployment and her spouse's disability.⁴ She does not receive full mitigating credit because she did not establish that she acted with sufficient initiative and resolve to address her delinquent debts.

AG ¶ 20(c) fully applies. Applicant began her financial counseling. Moreover, she demonstrated a firm grasp of budgeting, payment plans, and expense reduction. She has the self-discipline necessary to reduce and resolve her debts. There are "clear indications that the problem is being resolved or is under control." She has also established full mitigation under AG ¶ 20(d) because she showed good faith⁵ in the resolution of her SOR debts.

Applicant did not contest the validity of any debts. AG ¶ 20(e) does not apply.

In sum, Applicant should have been more diligent and made greater efforts sooner to resolve her delinquent debts. Her SOR listed five debts totaling about \$28,200. She paid two debts, and her county property tax account is now current. Her other two SOR debts, totaling about \$17,500, are in established payment plans. In October 2008, she began the process of establishing payment plans and resolved some of her delinquent debts, substantially before she received the SOR on April 6, 2009. She promised to continue to comply with her payment plans until all of her SOR debts are resolved. I am confident she will keep her promise⁶ because of her substantial recent progress on SOR debt resolution.

⁴"Even if Applicant's financial difficulties initially arose, in whole or in part, due to circumstances outside his [or her] control, the Judge could still consider whether Applicant has since acted in a reasonable manner when dealing with those financial difficulties." ISCR Case No. 05-11366 at 4 n.9 (App. Bd. Jan. 12, 2007) (citing ISCR Case No. 99-0462 at 4 (App. Bd. May 25, 2000); ISCR Case No. 99-0012 at 4 (App. Bd. Dec. 1, 1999); ISCR Case No. 03-13096 at 4 (App. Bd. Nov. 29, 2005)). A component is whether the Applicant maintained contact with his or her creditors and attempted to negotiate partial payments to keep debts current.

⁵The Appeal Board has previously explained what constitutes a "good faith" effort to repay overdue creditors or otherwise resolve debts:

In order to qualify for application of [the "good faith" mitigating condition], an applicant must present evidence showing either a good-faith effort to repay overdue creditors or some other good-faith action aimed at resolving the applicant's debts. The Directive does not define the term 'good-faith.' However, the Board has indicated that the concept of good-faith 'requires a showing that a person acts in a way that shows reasonableness, prudence, honesty, and adherence to duty or obligation.' Accordingly, an applicant must do more than merely show that he or she relied on a legally available option (such as bankruptcy [or statute of limitations]) in order to claim the benefit of [the "good faith" mitigating condition].

(internal citation and footnote omitted) ISCR Case No. 02-30304 at 3 (App. Bd. Apr. 20, 2004) (quoting ISCR Case No. 99-9020 at 5-6 (App. Bd. June 4, 2001)).

⁶ Of course, the government can re-validate Applicant's financial status at any time through credit reports, investigation and/or additional interrogatories. Approval of a clearance now does not bar the government from subsequently revoking it, if warranted. Violation of a promise made in a security context

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 relevant 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.

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. AG ¶ 2(c). I have incorporated my comments under Guideline F in my whole person analysis. Some of the factors in AG ¶ 2(a) were addressed under those guidelines, but some warrant additional comment.

There is some evidence against mitigating Applicant's financial conduct. When she was began her new employment in September 2008, she should have been more aggressive in her efforts to ensure she established payment plans on her delinquent debts. She had sufficient income to make greater progress in delinquent debt resolution. These factors show some financial irresponsibility and lack of judgment. Her history of delinquent debt raises sufficient security concerns to merit further inquiry.

The mitigating evidence under the whole person concept is sufficient to warrant reinstatement of Applicant's security clearance. There is no evidence of any security violation(s). She is a law-abiding citizen. Her current financial problems were caused by factors beyond her control: (1) insufficient income; (2) her spouse's disability; (3) unemployment; and (4) underemployment. Her SOR lists five debts totaling about \$28,200. She paid two debts, and her county property tax account is now current. Her other two SOR debts, totaling about \$17,500, are in established payment plans. Her other debts, such as her car payments, mortgage, line of credit, credit cards and student loan are current or in forbearance. The Appeal Board has addressed a key element in the whole person analysis in financial cases stating:

to pay legitimate debts also raises judgment concerns under Guideline E, and may support future revocation of a security clearance. Completion of a security clearance decision documents and establishes a warning to Applicants about the importance of financial responsibility and retention of documentation about debt resolution. The comments in this footnote do not imply that this clearance is conditional.

In evaluating Guideline F cases, the Board has previously noted that the concept of “meaningful track record” necessarily includes evidence of actual debt reduction through payment of debts.” However, an applicant is not required, as a matter of law, to establish that he has paid off each and every debt listed in the SOR. All that is required is that an applicant demonstrate that he has ‘ . . . established a plan to resolve his financial problems and taken significant actions to implement that plan.’ The Judge can reasonably consider the entirety of an applicant’s financial situation and his actions in evaluating the extent to which that applicant’s plan for the reduction of his outstanding indebtedness is credible and realistic. See Directive ¶ E2.2(a) (‘Available, reliable information about the person, past and present, favorable and unfavorable, should be considered in reaching a determination.’) There is no requirement that a plan provide for payments on all outstanding debts simultaneously. Rather, a reasonable plan (and concomitant conduct) may provide for the payment of such debts one at a time. Likewise, there is no requirement that the first debts actually paid in furtherance of a reasonable debt plan be the ones listed in the SOR.

ISCR Case No. 07-06482 at 2-3 (App. Bd. May 21, 2008) (internal citations omitted).

Applicant has achieved some important educational and employment goals, demonstrating her self-discipline, responsibility and dedication. She graduated from high school, earned a bachelor of science degree, and has accumulated some post-graduate credits towards her master’s degree. Her employment history and contributions to a defense contractor speak well for her character. She understands how to budget and what she needs to do to establish her financial responsibility. Applicant has demonstrated her loyalty, patriotism and trustworthiness through her service to the Department of Defense as an employee of a defense contractor.

After weighing the disqualifying and mitigating conditions, and all the facts and circumstances in the context of the whole person, I conclude Applicant has mitigated financial considerations security concerns.

I take this position based on the law, as set forth in *Department of Navy v. Egan*, 484 U.S. 518 (1988), my careful consideration of the whole person factors and supporting evidence, my application of the pertinent factors under the Adjudicative Process, and my interpretation of my responsibilities under the Guidelines. Applicant has fully mitigated or overcome the government’s case. For the reasons stated, I conclude she is eligible for access to classified information.

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: FOR APPLICANT

Subparagraphs 1.a to 1.e: For Applicant

Conclusion

In light of all the circumstances presented by the record in this case, it is clearly consistent with the national interest to grant or continue Applicant's eligibility for a security clearance. Eligibility for a security clearance is granted.

MARK HARVEY
Administrative Judge