



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



In the matter of:	)	
	)	
XXXXXXXX, XXXXXXXX XXXXXXXX	)	ISCR Case No. 11-08185
	)	
Applicant for Security Clearance	)	

**Appearances**

For Government: Caroline H. Jeffreys, Esquire, Department Counsel  
For Applicant: *Pro se*

07/23/2012

**Decision**

METZ, John Grattan, Jr., Administrative Judge:

Based on the record in this case,<sup>1</sup> I deny Applicant's clearance.

On 4 April 2012, the Defense Office of Hearings and Appeals (DOHA) sent Applicant a Statement of Reasons (SOR) listing security concerns under Guideline F, Financial Considerations.<sup>2</sup> Applicant timely answered the SOR, requesting a decision without hearing. The record in this case closed 6 July 2012, the day Department Counsel noted no objection to Applicant's response to the Government's File of Relevant Material (FORM). DOHA assigned the case to me 19 July 2012.

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<sup>1</sup>Consisting of the FORM, Items 1-8, and the Applicant's response to the FORM.

<sup>2</sup>DOHA acted under Executive Order 10865, *Safeguarding Classified Information within Industry* (February 20, 1960), as amended; Department of Defense (DoD) Directive 5220.6, *Defense Industrial Personnel Security Clearance Review Program* (January 2, 1992), as amended (Directive); and the Adjudicative Guidelines (AG) effective within the DoD on 1 September 2006.

## Findings of Fact

Applicant denied the SOR financial allegations. She is a thrice-divorced, 50-year-old mother of two teenage daughters, employed as an inventory clerk by a U.S. defense contractor since February 2011. She previously held a clearance in May 2004.

The SOR alleges, and government exhibits document, eight delinquent debts totaling nearly \$31,000. The debts consist of a second mortgage which is \$560 past due on a \$19,000 balance, five delinquent medical accounts totaling \$560, a delinquent installment loan of \$11,300, and a \$93 book club collection. Applicant's response to the FORM documents that the book club account was paid in May 2012. She had previously stated that the account was hers, but the charge was not authorized, and she decided to pay it anyway.

Applicant has been employed full time since December 1999. She divorced her third husband in May 2002. He pays her \$500 monthly child support. Applicant listed no financial problems on her March 2011 clearance application (Item 5). In her April 2011 subject interview (Item 6), she claimed to be unaware of any of the delinquent accounts alleged in the SOR. She speculated that some of the accounts might belong to her ex-husband, but provided no documentation.

All the delinquent debts alleged in the SOR are reported as Applicant's individual debt. In her response to the FORM, Applicant stated, without corroboration, that her ex-husband was to cover the children under his medical insurance and he was to pay SOR debt 1.b. Applicant claimed, again without corroboration, that she had requested hard copies of the medical bills to see whether she or her ex-husband was responsible for the bills. If the bills were hers, or for uncovered amounts for her children, she intended to make payment arrangements.

Applicant claimed that SOR debt 1.a did not belong to her, and that she never had an account with that creditor. However, her February 2012 response to DOHA interrogatories lists a mortgage account with a now-defunct lender with an account number identical to the account number reported by the creditor who took over the defunct lender's accounts. SOR debt 1.a appears to be a related account by the same creditor. Nevertheless, Applicant has not documented any dispute with the creditor for SOR debt 1.a.

Applicant has no plan in place to address her debts. She has not received any financial counseling. She provided no information to suggest she is getting control over her finances or challenging the entries on her credit reports. She provided a favorable work reference from her manager, who does not otherwise appear aware of the SOR issues.

## Policies

The adjudicative guidelines (AG) list factors for evaluating a person's suitability for access to classified information. Administrative judges must assess disqualifying and mitigating conditions under each issue fairly raised by the facts and situation presented. Each decision must also reflect a fair, impartial, and commonsense consideration of the factors listed in AG ¶ 2(a). Any one disqualifying or mitigating condition is not, by itself, conclusive. However, specific adjudicative guidelines should be followed where a case can be measured against them, as they represent policy guidance governing access to classified information. Considering the SOR allegations and the evidence as a whole, the relevant adjudicative guideline is Guideline F (Financial Considerations).

Security clearance decisions resolve whether it is clearly consistent with the national interest to grant or continue an applicant's security clearance. The Government must prove, by substantial evidence, controverted facts alleged in the SOR. If it does, the burden shifts to applicant to refute, extenuate, or mitigate the Government's case. Because no one has a right to a security clearance, the applicant bears a heavy burden of persuasion.

Persons with access to classified information enter into a fiduciary relationship with the Government based on trust and confidence. Therefore, the Government has a compelling interest in ensuring each applicant possesses the requisite judgement, reliability, and trustworthiness of those who must protect national interests as their 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.<sup>3</sup>

## Analysis

The Government established a case for disqualification under Guideline F, and Applicant did not fully mitigate the security concerns. Applicant has a history of financial difficulties going back several years.<sup>4</sup> Once the Government established the indebtedness, the burden shifted to Applicant to show her clearance worthiness, which she was unable to do.

Applicant meets none of the mitigating factors for financial considerations. Her financial difficulties are both recent and multiple.<sup>5</sup> Since she has not offered an explanation how these debts came to be, I cannot conclude that the circumstances are unlikely to recur, or that the circumstances were beyond her control. She has not acted

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<sup>3</sup>See, *Department of the Navy v. Egan*, 484 U.S. 518 (1988).

<sup>4</sup>¶ 19(a) inability or unwillingness to satisfy debts; (c) a history of not meeting financial obligations;

<sup>5</sup>¶ 20(a) the behavior happened so long ago, was so infrequent, or occurred under such circumstances that it is unlikely to recur . . .

responsibly in addressing her debts.<sup>6</sup> She has not had credit counseling, and she has not otherwise brought the problem under control.<sup>7</sup> She has not shown that any of her debts have been paid in a timely, good-faith manner.<sup>8</sup> Further, given that she has not sought or used effective financial counseling, nothing in the record suggests that Applicant will put her financial problems behind her. I conclude Guideline F against Applicant. Assessment of the “whole-person” factors yields no different result.

### **Formal Findings**

Paragraph 1. Guideline F:                      AGAINST APPLICANT

Subparagraph a-h:                              Against Applicant

### **Conclusion**

Under the circumstances presented by the record in this case, it is not clearly consistent with the national interest to grant or continue a security clearance for Applicant. Clearance denied.

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JOHN GRATTAN METZ, JR  
Administrative Judge

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<sup>6</sup>¶ 20(b) the conditions that resulted in the financial problem were largely beyond the person’s control . . . and the individual acted responsibly under the circumstances;

<sup>7</sup>¶ 20(c) the person has received or is receiving counseling for the problem and there are clear indications that the problem is being resolved or is under control;

<sup>8</sup>¶ 20(d) the individual initiated a good-faith effort to repay overdue creditors or otherwise resolve debts.