

Findings of Fact

Applicant admitted the SOR allegations. He is a 32-year-old senior systems administrator employed by a defense contractor since September 2007. He has held a clearance since entering the U.S. military in September 1999. He has been continuously employed since leaving the military in July 2006.

The SOR alleges, Government exhibits establish, and Applicant admits, six delinquent debts totaling \$23,000. Record evidence documents that SOR debt 1.d is a duplicate of the judgment at SOR 1.b and SOR debt 1.e is a duplicate of the judgment at SOR 1.a. Accordingly, the delinquent amount at issue is approximately \$19,000.

When Applicant left the military in about July 2006, he went on something of a spending spree, opening and using multiple credit cards. Although he obtained private-sector employment almost immediately at the same nominal salary as he earned while in the military, he did not take into account the fact that his new job effectively paid less than his military salary because of the non-taxable pay and allowances he received as part of his military compensation. Consequently, he quickly found himself deeply in debt on the credit accounts alleged in the SOR. While he closed the credit accounts and has not opened any new credit accounts, he has struggled to resolve the delinquent accounts. His finances were further complicated when he married his pregnant girlfriend in August 2008 and acquired a six-year-old stepson to go along with his son born in October 2008.

Applicant engaged the services of a debt counseling service between 2007 and 2008 (AE B), without much apparent progress. He tried to work on his debts by himself for awhile, again without much success. In April 2010, he engaged the services of another debt counseling service (AE C). The company wanted him to let the accounts fall delinquent and most of his payments went to service fees, not debt reduction. Consequently, not much progress was made on his debts. So in 2012, he decided again to try to address his debts directly.

Applicant began making \$50 monthly payments to the creditors in SOR 1.a, 1.b, and 1.c in about November 2012. He documented 10 monthly payments through August 2013 for SOR debt 1.a (GE 3; AE F), reducing the outstanding balance to about \$550. Interest continues to accrue on the account, which means Applicant has at least a year of payments before this account is satisfied.

Applicant also documented 10 monthly payments through August 2013 for SOR debt 1.b (GE 3; AE D). The outstanding balance is unknown. He documented five monthly payments through August 2013 for SOR debt 1.c (AE E), reducing the outstanding balance to \$3,000. He began making monthly payments on SOR debt 1.f in April 2013 (AE A). The outstanding balance is unknown. It is not clear whether interest continues to accrue on these accounts.

Applicant recently received a small salary increase, but has not increased his debt payments. He has no retirement account at work, and has no savings. His wife does not work outside the home. He has received no credit or financial counseling. He provided no work or character references.

Policies

The adjudicative guidelines (AG) list factors to evaluate 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 show a fair, impartial, and commonsense consideration of the factors listed in AG ¶ 2(a). The applicability of a disqualifying or mitigating condition is not, by itself, conclusive. However, specific guidelines should be followed when a case can be measured against them, as they are policy guidance governing the grant or denial of a clearance. 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, disputed 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 required judgement, reliability, and trustworthiness of those who must protect national interests as their own. The "clearly consistent with the national interest" standard compels deciding any reasonable doubt about an Applicant's suitability for access in favor of the Government.³

Analysis

The Government established a case for disqualification under Guideline F, and Applicant did not mitigate the security concerns. Applicant has nearly \$19,000 in delinquent debt that he voluntarily incurred and has yet to resolve.⁴ Moreover, the delinquent debt is directly attributable to Applicant's financial irresponsibility after getting out of the military. While it is to Applicant's credit that he has not incurred any new debt, he has only recently begun to make any progress on these debts, and painfully slow progress at that.

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

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

In addition, Applicant meets none of the mitigating conditions for financial considerations. His financial difficulties are recent and not infrequent, although they may be unlikely to recur.⁵ The circumstances that caused Applicant's indebtedness were certainly within his control. He cannot be considered to have acted responsibly in addressing his debts under the circumstances, because the debts were due to his own conduct and he did not begin to take effective action until sometime in 2012.⁶ Further, while his recent efforts at repayment show some good faith in attempting to resolve those debts, the amount of his payments, with the exception of SOR debt 1.a which will be paid within the next year, is insufficient to resolve those debts in the reasonably foreseeable future.⁷

The concern with Applicant is that while he credibly stated his intent to resolve these debts, the length of time realistically projected to accomplish this task raises doubts about Applicant's ability to maintain his payments. At his current rate of payment, he will not satisfy his smallest debt until at least August 2014. In rough numbers, even assuming that the other accounts do not continue to accrue interest and that Applicant is able to continue his current \$200 per month total payments, his next smallest debt (SOR 1.c) would not be paid until approximately August 2016, SOR debt 1.b not until approximately 17 months after that, and SOR debt 1.f not until approximately 29 months after that, or approximately June 2020. This further assumes that Applicant encounters no further financial roadblocks, an unreasonable assumption given that he has no savings with which to meet any unforeseen circumstances. His budget provides only minimal payments to his debts. He has not received financial counseling. He certainly has not demonstrated that these delinquent debts are being resolved in an expeditious manner.⁸ Further, he has no favorable character and work references to establish a "whole-person" analysis supporting a favorable clearance action. I conclude Guideline F against Applicant.

Formal Findings

Paragraph 1. Guideline F:	AGAINST APPLICANT
Subparagraph a:	For Applicant
Subparagraphs b-c:	Against Applicant
Subparagraphs d-e:	For Applicant (duplicates)
Subparagraph f:	Against Applicant

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

⁶¶ 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;

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

⁸¶ 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;

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.

JOHN GRATTAN METZ, JR
Administrative Judge