



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



In the matter of:

Applicant for Security Clearance

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ISCR Case No. 15-01416

Appearances

For Government: Douglas Velvel, Esq., Department Counsel
For Applicant: Alan Edmunds, Esq.

11/23/2016

Decision

Tuider, Robert J., Administrative Judge:

Applicant's statement of reasons (SOR) alleges seven delinquent debts and a dismissed Chapter 13 bankruptcy. She did not provide sufficient mitigating information about her approximately \$100,000 debt resulting from her repossessed recreational vehicle and the status of her timeshare. With a monthly income of \$11,000, she and her husband had sufficient financial resources to establish payment plans for these two debts. Financial considerations security concerns are not mitigated. Eligibility for access to classified information is denied.

Statement of the Case

On July 14, 2012, Applicant signed and submitted a Questionnaire for National Security Positions version of a security clearance application (SF-86). On September 17, 2015, the Department of Defense (DOD) Consolidated Adjudications Facility (CAF) issued an SOR to Applicant, pursuant to Executive Order (Exec. Or.) 10865, *Safeguarding Classified Information Within Industry*, dated February 20, 1960, as amended; DOD Directive 5220.6, *Defense Industrial Personnel Security Clearance Review Program* (Directive), dated January 2, 1992, as amended; and the *Adjudicative Guidelines for Determining Eligibility for Access to Classified Information* (AG), which became effective on September 1, 2006.

The SOR alleged security concerns under Guideline F (financial considerations). The SOR detailed reasons why the DOD CAF was unable to find that it is clearly consistent with national interest to grant or continue Applicant's access to classified information and recommended referral to an administrative judge to determine whether Applicant's clearance should be granted, continued, denied, or revoked.

On October 20, 2015, Applicant responded to the SOR allegations. On February 3, 2016, Department Counsel was prepared to proceed. On April 13, 2016, the case was initially assigned to another administrative judge; however, on May 4, 2016, it was reassigned to me. On May 19, 2016, the Defense Office of Hearings and Appeals (DOHA) issued a hearing notice setting the hearing for June 10, 2016. Applicant's hearing was held as scheduled. Department Counsel offered 3 exhibits into evidence, and Applicant offered 12 exhibits into evidence. (Tr. 10-13; GE 1-3; AE A-L) All exhibits were admitted into evidence without objection. (Tr. 13) On June 17, 2016, DOHA received the transcript of the hearing. On July 8, 2016, the record was closed. (Tr. 61-62) No post-hearing evidence was received.

Findings of Fact¹

In Applicant's SOR response, she made some admissions about the SOR allegations. She also provided extenuating and mitigating information. Applicant's admissions are accepted as findings of fact.

Applicant is a 72-year-old investigator doing background investigations for security clearances. (Tr. 11, 15; GE 1) Applicant began her federal service as a GS-3. In 2003, she retired from DOD employment as a GS-14 Step 7 or 8 financial support and program manager after 30 years of government employment, and she has worked continuously for a defense contractor thereafter to the present. (Tr. 12-15, 53; AE L) She graduated from high school, and she did not receive a college degree. (Tr. 12) In 1966, she married her current spouse, and her three children are ages 45, 48, and 54. (Tr. 14)

Applicant's husband is a veteran of the Vietnam War; he served in the Army for 22 years; and he retired with 20 years of U.S. government service. (AE L) In 2016, her husband will be 70 years old. (Tr. 16) She held a security clearance since 1984. (Tr. 15-16) There is no evidence of security violations.

Financial Considerations

Applicant's history of delinquent debt is documented in her credit reports, SOR response, hearing transcript, and hearing exhibits. Applicant and her husband have about \$11,000 in monthly income. (Tr. 16, 43; AE C) Applicant and her husband helped their children with their mortgages and school debts. (Tr. 26) In 2007, Applicant and her husband moved to a different state, and Applicant's husband's annual income

¹Some details have not been included in order to protect Applicant's right to privacy. Specific information is available in the cited exhibits.

decreased by about \$100,000. (Tr. 29, 39) He did not have employment in the new state. (Tr. 41) They built a house in the new state for \$445,000 with a monthly payment of more than \$3,000. (Tr. 41-42) Applicant had medical problems which required back surgery. (Tr. 30) She did not describe the costs of medical expenses or indicate she did not receive pay while recovering from the surgery.

In October 2010, Applicant filed for bankruptcy under Chapter 13 of the Bankruptcy Code, and in September 2011, her bankruptcy was dismissed. (Tr. 17; SOR ¶ 1.a response; AE F) Her bankruptcy documentation listed numerous creditors; however, the amount owed to each creditor was not part of the record evidence. (AE F) On February 2, 2016, she received financial counseling, which met the legal standards for bankruptcy counseling. (Tr. 27; AE B) Applicant provided a personal financial statement, and she has a monthly remainder of \$3,842. (AE C) She said she elected to have the bankruptcy dismissed because she wanted to settle the debts as she was contacted by her creditors. (Tr. 38) When the bankruptcy was dismissed, the trustee sent letters to all of the creditors letting them know the bankruptcy was dismissed; however, Applicant did not take the initiative to contact her creditors or attempt to resume payments to her creditors. (Tr. 38, 50-51) After the bankruptcy was dismissed in 2011, she and her husband purchased new cars. (Tr. 44)

Applicant acknowledged her responsibility for a bank debt for \$201,538 relating to her motor home. (Tr. 17-18; SOR ¶ 1.b) In 2004, she and her husband purchased a recreational vehicle for about \$190,000, and the monthly payment was about \$1,000. (Tr. 40) Applicant returned the motor home to the creditor and wanted to know how much credit she received for returning the motor home to the creditor. (Tr. 18) At an unspecified date, she called the creditor and learned the difference between the sale price of the motor home and the debt was \$114,000. (Tr. 20) In February 2016, Applicant wrote the creditor asking for information about the debt, and on March 3, 2016, the creditor replied and provided a copy of the installment contract pertaining to this debt. (Tr. 18, 37; AE H) The creditor did not waive collection of the debt; however, the creditor has not sought additional payments from Applicant. (AE H) In any event, the creditor has not provided enough information for Applicant to resolve this debt. (Tr. 19-20) Nevertheless, Applicant considered the debt to be resolved. (Tr. 20) She said she had sufficient funds to make payments on the debt if it resurfaces. (Tr. 49)

SOR ¶ 1.c alleges a charged-off debt for \$3,146, which pertains to the purchase of furniture. On February 16, 2016, the creditor wrote that collection efforts have terminated. (Tr. 20-21; AE G)

SOR ¶ 1.d alleges a charged-off bank debt for \$234. On October 13, 2011, a collection company wrote seeking payment of \$234 from Applicant. (Tr. 21; AE E) On February 22, 2015, Applicant paid the creditor \$234, and this debt is resolved. (Tr. 21-22; AE E) On September 9, 2014, and on October 9, 2014, the creditor bank in SOR ¶ 1.d provided Form 1099-Cs indicating debts for \$1,753 and \$1,715 were discharged. (AE A)

SOR ¶ 1.e alleges a charged-off debt for \$149 owed to a store. On February 22, 2016, Applicant paid the creditor \$149, and this debt is resolved. (Tr. 22; AE E)

SOR ¶ 1.f alleges a charged-off bank debt for \$23,000. Applicant said she wrote the creditor asking about the account. (Tr. 23) On February 28, 2016, the creditor wrote the debt was sold to a specific debt collection company, and the creditor provided the telephone number for the collection company. (Tr. 33; AE I) There is no evidence of record that Applicant contacted the entity collecting the debt or made any effort to resolve the debt. Applicant said, "I have no place to pay that money. No, I do not owe that." (Tr. 23-24)

SOR ¶ 1.g alleges a delinquent bank debt for \$21,900. Applicant said she wrote the creditor asking about the account. (Tr. 24) Applicant said the debt was settled, and a September 16, 2013 Form 1099-C from a collection agent indicated \$6,566 from a bankcard was discharged. (Tr. 24-25; AE A) On February 20, 2016, the creditor wrote that the debt was not being reported by the creditor to the three largest credit reporting companies, and the creditor confirmed the debt was not reported on their reports. (Tr. 31-32; AE J) A May 31, 2012 Form 1099-C from a collection agent for the creditor bank in SOR ¶ 1.g indicates a debt for \$21,924 was discharged. (AE A) Applicant said she declared the income indicated on the Form 1099-Cs on her federal income tax returns. (Tr. 52)

SOR ¶ 1.h alleges a debt on a time share for \$523. Applicant said she relinquished the timeshare, and she believes the debt is satisfied. (Tr. 25) There is no evidence of record that the debt is resolved.

Character Evidence

A retired colonel, who has worked with Applicant since 1995; a retired military intelligence officer, who has known Applicant since 1992; an intelligence officer, who worked with Applicant when she was a DOD employee; and her neighbor for 5 ½ years, described Applicant's excellent work performance, conscientious compliance with rules, professionalism, competence, trustworthiness, and honesty. (Tr. 32-35; AE K) Their statements support continuation of Applicant's access to classified information. (AE K) There is no evidence of reportable arrests or convictions, or abuse of illegal drugs or alcohol. (GE 1)

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

applicant's 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.

Eligibility for a security clearance is predicated upon the applicant meeting the criteria contained in the adjudicative guidelines. 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 commonsense 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 safeguard classified information. Such decisions entail a certain degree of legally permissible extrapolation about 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 applicant concerned." See Exec. Or. 10865 § 7. 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 about 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

Financial Considerations

AG ¶ 18 articulates the security concern relating to financial problems:

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 disqualifying 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." In ISCR Case No. 08-12184 at 7 (App. Bd. Jan. 7, 2010), the Appeal Board explained:

It is well-settled that adverse information from a credit report can normally meet the substantial evidence standard and the government's obligations under [Directive] ¶ E3.1.14 for pertinent allegations. At that point, the burden shifts to applicant to establish either that [he or] she is not responsible for the debt or that matters in mitigation apply.

(internal citation omitted). Applicant's history of delinquent debt is documented in her credit reports, SOR response, hearing transcript, and hearing exhibits. The Government established the disqualifying conditions in AG ¶¶ 19(a) and 19(c), requiring additional inquiry about the possible applicability of mitigating conditions.

Five 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;² 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.

The Appeal Board concisely explained Applicant's responsibility for proving the applicability of mitigating conditions as follows:

Once a concern arises regarding an Applicant's security clearance eligibility, there is a strong presumption against the grant or maintenance of a security clearance. See *Dorfmont v. Brown*, 913 F. 2d 1399, 1401 (9th Cir. 1990), *cert. denied*, 499 U.S. 905 (1991). After the Government presents evidence raising security concerns, the burden shifts to the applicant to rebut or mitigate those concerns. See Directive ¶ E3.1.15. The standard applicable in security clearance decisions is that articulated in *Egan, supra*. "Any doubt concerning personnel being considered for access to classified information will be resolved in favor of the national security." Directive, Enclosure 2 ¶ 2(b).

ISCR Case No. 10-04641 at 4 (App. Bd. Sept. 24, 2013).

Applicant presented some mitigating information. Several circumstances beyond her control adversely affected her finances. Applicant and her husband helped their children with their mortgages and school debts. In 2007, Applicant and her husband moved to a different state, and Applicant's husband's annual income decreased by about \$100,000 because he did not have employment in the new state. Applicant had medical problems which required back surgery. Applicant received financial counseling and generated a budget. Full mitigating credit is not available because they did not establish that the move to a different state without obtaining employment in the new state first (in light of their debts) was reasonable. The cost of her back surgery was not provided. Moreover, she did not provide enough documentation showing that she acted

²The 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) 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)).

responsibly to address the delinquent SOR debts in ¶ 1.b, 1.f, and 1.h when she had stable employment; her monthly income was about \$11,000; and her monthly remainder was \$3,842.

Applicant is credited with making payments into the Chapter 13 bankruptcy plan and mitigating SOR ¶ 1.a. She is also credited with mitigating the debts in SOR ¶¶ 1.c through 1.e, and 1.g. She provided proof of payments of two debts totaling about \$500 (SOR ¶¶ 1.d and 1.e) and multiple IRS Form 1099-Cs showing creditors had discharged debts. She is not credited with mitigating the debts in SOR ¶ 1.b (about \$100,000), ¶ 1.f (\$23,000), and ¶ 1.h (\$523) because she did not make sufficient documented efforts to resolve these three debts, there is no documentation showing progress paying these debts or a reasonable dispute of these debts. She conceded she owed debts to the creditors in SOR ¶¶ 1.b and 1.h, and she did not take reasonable actions to contact the collection creditor handling the debt in SOR ¶ 1.f.

Applicant in this case relies in part upon the absence of delinquent debts from her current credit report to mitigate security concerns. “[T]hat some debts have dropped off his [or her] credit report is not meaningful evidence of debt resolution.” ISCR Case No. 14-05803 at 3 (App. Bd. July 7, 2016) (citing ISCR Case No. 14-03612 at 3 (App. Bd. Aug. 25, 2015)). The Fair Credit Reporting Act requires removal of most negative financial items from a credit report seven years from the first date of delinquency or the debt becoming collection barred because of a state statute of limitations, whichever is longer.

All states have statutes of limitations upon collectability of credit card debts, which range from three to six years. State statutes of limitations clearly and unequivocally end an Applicant’s legal responsibility to pay the creditor after the passage of a certain amount of time, as specified in state law. In a series of decisions, the Appeal Board has rejected statutes of limitations for debts generated through contracts, which is the law in all 50 states, as significantly mitigating financial considerations concerns under AG ¶ 20(d). See ISCR Case No. 08-01122 at 4 (App. Bd. Feb. 9, 2009); ISCR Case No. 07-08049 at 5 (App. Bd. Jul. 22, 2008); ADP Case No. 07-13041 at 5 (App. Bd. Sep. 19, 2008); ISCR Case No. 07-11814 at 2 (App. Bd. Dec. 29, 2008) ADP Case No. 06-14616 at 3 (App. Bd. Oct. 18, 2007) (stating, “reliance upon legal defenses such as the statute of limitations does not necessarily demonstrate prudence, honesty, and reliability; therefore, such reliance is of diminished probative value in resolving trustworthiness concerns arising out of financial problems. See, e.g., ISCR Case No. 03-20327 at 4 (App. Bd. Oct. 26, 2006).”).³

Recently, the DOHA Appeal Board reinforced its position on statutes of limitations not mitigating financial considerations concerns stating:

³Title 15 U.S.C. § 1681c. See Federal Trade Commission website, Summary of Fair Credit Reporting Act Updates at Section 605, <https://www.consumer.ftc.gov/articles/pdf-0111-fair-credit-reporting-act.pdf>.

In this case, the Judge noted that Applicant explained that he did not owe any of the alleged debts because they had either been deleted from his credit report or soon would be deleted, and he also relied on a state statute of limitations to absolve himself of debts. The Appeal Board has long recognized that debts remain relevant for security clearance purposes even if they are no longer enforceable due to the running of the statute of limitations or cannot be legally listed on a credit report due to the passage of time. See *e.g.*, ISCR Case No. 03-04779 at 4 (App. Bd. Jul. 20, 2005) and ISCR Case No. 03-20327 at 6 (App. Bd. Oct 26, 2006).⁴ We also have held that reliance on a state's statute of limitations does not constitute a good-faith effort to resolve financial difficulties and is of limited mitigative value. ADP Case No. 06-18900 at 5 (App. Bd. Jun. 6, 2008) (citing ISCR Case No. 03-04779 at 4 (App. Bd. Jul. 20, 2005) and ISCR Case No. 01-09691 at 2-3 (App. Bd. Mar. 27, 2003)).

ISCR Case No. 15-01208 at 3 (App. Bd. Aug. 26, 2016).

There is insufficient evidence about why Applicant was unable to make greater documented progress resolving the debts in SOR ¶¶ 1.b (about \$100,000 on her repossessed recreational vehicle), 1.f (\$23,000 on a bank debt), and 1.h (\$523 on her time share contract). She did not make a sufficient effort to document settlement or investigation of these SOR debts. There is not enough assurance that her financial problems are being resolved, are under control, and will not recur in the future. Under all the circumstances, she failed to establish that financial considerations security concerns are mitigated.

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.

⁴ Compare ISCR Case No. 12-04806 (App. Bd. Jul. 3, 2014). In that case, Applicant corroborated efforts to settle debts that were in "charged-off" status. Also, that Applicant had received financial counseling. Ultimately, the Board affirmed the Judge's favorable decision.

Under AG ¶ 2(c), the ultimate determination of whether to grant eligibility for a security clearance must be an overall commonsense judgment based upon careful consideration of the guidelines and the whole-person concept. I have incorporated my comments under Guideline F in my whole-person analysis. Some of the factors in AG ¶ 2(a) were addressed under Guideline F, but some warrant additional comment.

Applicant is a 72-year-old investigator doing background investigations for security clearances. Applicant began her federal service as a GS-3 and rose to be a GS-14 Step 7 or 8 program manager after 30 years of government employment. She has experience as a financial support officer working for DOD. From 2003 to the present, she has worked continuously for a defense contractor. She held a security clearance since 1984. There is no evidence of security violations. She is sufficiently mature to conscientiously comply with her security responsibilities.

A retired colonel, a retired military intelligence officer, an intelligence officer, and her neighbor for 5 ½ years, described Applicant's excellent work performance, conscientious compliance with rules, professionalism, competence, trustworthiness, and honesty. Their statements support continuation of Applicant's access to classified information. There is no evidence of reportable arrests or convictions, or abuse of illegal drugs or alcohol.

The evidence against grant of a security clearance for Applicant is more persuasive. There is insufficient evidence about why Applicant was unable to make greater documented progress resolving the debts in SOR ¶¶ 1.b (about \$100,000 on her repossessed recreational vehicle), 1.f (\$23,000 bank debt), and 1.h (\$523 on her time share contract). Applicant has a lengthy history of delinquent debt. The debt arising from repossession of her RV has been delinquent for several years. She admitted the existence of the debts in SOR ¶¶ 1.b and 1.h, and she provided correspondence indicating the current holder of the debt in 1.f. Applicant did not provide enough specifics about how circumstances beyond her control adversely affected her finances; she did not provide copies of her tax returns, which would have documented her changes in income; she did not show that she acted responsibly to address her delinquent debts; she did not show how she reduced her expenses to conform with changes of her income; she did not provide documentation showing a reasonable dispute of any SOR debts; she did not provide sufficient documented payment histories of the debts in SOR ¶¶ 1.b, 1.f, and 1.h. Her failure to make greater progress resolving these three SOR debts shows lack of financial responsibility and judgment, and raises unmitigated questions about Applicant's reliability, trustworthiness, and ability to protect classified information. See AG ¶ 18.

It is well settled that once a concern arises regarding an applicant's security clearance eligibility, there is a strong presumption against the grant or renewal of a security clearance. See *Dorfmont*, 913 F. 2d at 1401. Unmitigated financial considerations security concerns lead me to conclude that grant of a security clearance to Applicant is not warranted at this time. This decision should not be construed as a determination that Applicant cannot or will not attain the state of reform necessary for award of a security clearance in the future. With a track record of behavior consistent

with her obligations, she may well be able to demonstrate persuasive evidence of her security clearance worthiness.

I have carefully applied the law, as set forth in *Egan*, Exec. Or. 10865, the Directive, and the AGs, to the facts and circumstances in the context of the whole person. Financial considerations security concerns are not mitigated.

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
Subparagraph 1.a:	For Applicant
Subparagraph 1.b:	Against Applicant
Subparagraphs 1.c through 1.e:	For Applicant
Subparagraph 1.f:	Against Applicant
Subparagraph 1.g:	For Applicant
Subparagraph 1.h:	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 or reinstate Applicant's eligibility for a security clearance. Eligibility for access to classified information is denied.

Robert J. Tuider
Administrative Judge