



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



In the matter of: )  
 )  
XXXXXXXXXXXXXXXXXXXXXXXXXXXX ) ISCR Case No. 15-01670  
 )  
Applicant for Security Clearance )

**Appearances**

For Government: Gregg A. Cervi, Esquire, Department Counsel  
For Applicant: *Pro se*

11/10/2016

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**Decision**

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METZ, John Grattan, Jr., Administrative Judge:

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

On 26 September 2015, the Department of Defense (DoD) sent Applicant a Statement of Reasons (SOR) raising security concerns under Guideline F, Financial Considerations.<sup>2</sup> Applicant timely answered the SOR, requesting a decision without hearing by the Defense Office of Hearings and Appeals (DOHA). The record in this case closed 9 March 2016, when Applicant's response to the FORM was due. Applicant provided no additional documents. DOHA assigned the case to me 19 October 2016.

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<sup>1</sup>Consisting of the File of Relevant Material (FORM), Items 1-6.

<sup>2</sup>DoD acted under Executive Order 10865, *Safeguarding Classified Information Within Industry* (February 20, 1960), as amended; 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 admitted the SOR financial allegations. He is a 48-year-old electronics technician employed by a U.S. defense contractor since August 2010. He was unemployed from February 2009 to August 2010. He was previously employed in similar positions from March 2004 to January 2009. He has not previously held a clearance.

The SOR alleges, Government exhibits (Items 4-6) substantiate, and Applicant admits 16 delinquent debts totaling nearly \$25,000. Over \$13,000 of the debt is for the deficiency amount on an automobile repossession (SOR 1.I). Another seven delinquent medical debts total \$3,800. The remaining debts are consumer accounts. Applicant listed no financial problems on his July 2014 clearance application (Item 3). Applicant documented no contacts with his creditors, and provided no evidence of their current status. Applicant attributes his financial problems generally to his 18 months' unemployment and a child-support obligation that ended in 2014.

Applicant discussed his financial and marital situations with a Government investigator during an August 2014 subject interview (Item 6). He acknowledged each of the SOR debts and committed to following up on them. However, he has not documented any contact with his creditors since completing his clearance application in July 2014 and discussing his personal situation with the Government investigator in August 2014. He has stated no plan for addressing his delinquent debts. Six of the debts are less than \$500 each; another four are less than \$1,000 each. He provided no budget or financial statement. Applicant has not received any credit counseling or debt consolidation. He provided no work or character references, or any evidence of community involvement.

## **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 failed to submit sufficient evidence to mitigate the security concerns. Applicant has a history of financial difficulties, which are ongoing.<sup>4</sup>

Applicant meets none of the mitigating conditions for financial considerations. His financial difficulties are both recent and multiple; although the immediate cause of his problems may be unlikely to recur.<sup>5</sup> Applicant’s unemployment was certainly beyond his control, but he has been re-employed for over six years and has taken no steps to address his delinquent debts.<sup>6</sup>

Applicant submitted no evidence to show that he received credit or financial counseling, and his debts are clearly not being resolved.<sup>7</sup> There are no signs that Applicant has been in contact with any of the creditors alleged in the SOR, and thus he cannot establish that he has made a good-faith effort to address his debts.<sup>8</sup> Moreover, Applicant has mostly disregarded these financial obligations since completing his clearance application in July 2014. His documented inaction for over two years raises significant security concerns that Applicant has not begun to address. Accordingly, I conclude Guideline F against Applicant.

### **Formal Findings**

Paragraph 1. Guideline F:	AGAINST APPLICANT
Subparagraphs a-p:	Against Applicant

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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 . . .

<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.

### **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