



Defense Industrial Personnel Security Clearance Review Program (January 2, 1992), as amended (Directive); and the adjudicative guidelines (AG) effective in the DOD on September 1, 2006.

Applicant answered the SOR on December 15, 2015. She admitted 9 of the 17 allegations of delinquent debt with explanations. She elected to have the matter decided on the written record. (Item 1) Department Counsel submitted the Government's written case on January 19, 2016. Applicant received a complete file of relevant material (FORM) on February 4, 2016, and she was provided the opportunity to file objections and to submit material to refute, extenuate, or mitigate the disqualifying conditions. Applicant did not respond to the FORM. I was assigned the case on August 16, 2016.

Procedural Issues

Applicant was advised in the FORM that the summary of the Personal Subject Interview (PSI) with an OPM agent (Item 4) was not authenticated and could not be considered over her objection. She was further advised that she could make any corrections, additions, or deletions to the summary to make it clear and accurate, and she could object to the admission of the summary as not authenticated by a Government witness. She was additionally advised that if no objection was raised to the summary, the Administrative Judge could determine that she waived any objection to the admissibility of the summary. Applicant did not respond to the FORM so she did not raise any objection to consideration of the information in the PSI. Any objection to the information is waived. I will consider information in the PSI in my decision.

Findings of Fact

I thoroughly reviewed the case file and the pleadings. I make the following findings of fact.

Applicant is a 54-year-old 1980 high school graduate. She married in May 1987 and divorced in April 1997. She has two children at home. Applicant has been employed as an account manager for a defense contractor since June 2014. Previously, she was a staff accountant for a business from June 2001 until November 2007, and a senior staff accountant for another business from November 2007 until June 2014. Applicant's e-QIP shows she has been fully employed since June 2001. This is her first application for eligibility for access to classified information. (Item 3, e-QIP, dated August 19, 2014; Item 4, PSI, dated September 24, 2014)

The SOR lists, and credit reports (Item 5, dated September 9, 2014, and Item 6, dated March 13, 2015) confirm the following delinquent debts for Applicant: a car repossession debt charged off for \$2,877 (SOR 1.a); a loan charged off for \$1,094 (SOR 1.b); a furniture rental debt charged off or \$951 (SOR 1.c); a television account in collection for \$935 (SOR 1.d); a furniture rental debt charged off for \$924 (SOR 1.e); a cash loan account in collection for \$895 (SOR 1.f); a loan at least 120 days past due for \$ 674 on a balance of \$749 (SOR 1.g); a furniture rental account charged off for \$674

(SOR 1.h); a credit account charged off for \$600 (SOR 1.i); a loan charged off for \$483 (SOR 1.j); a telephone debt in collection for \$382 (SOR 1.k); a furniture rental account charged off for \$291 (SOR 1.l); a judgment for apartment rent for \$2,097 (SOR 1.m); three communications debts in collection for different creditors for the same account for \$480 (SOR 1.n), \$299 (SOR 1.o), and \$378 (SOR 1.p); AND a debt to a bank for an unknown amount (SOR 1.q).

Applicant listed two accounts (SOR 1.b, and 1.m) as delinquent in response to a financial question on the e-QIP. (Item 3) The amount of the delinquent debt in the SOR is approximately \$14,124. Some of the debts appear to be duplicates which will affect the total amount of delinquent debt. All of the SOR debts are listed on the credit reports. Applicant in her response to the SOR, admitted the debts at SOR 1.a, 1.b, 1.f, 1.g, 1.j, 1.n, 1.o, 1.p, and 1.q.

Applicant told the OPM security investigator that she started to get behind in paying her bills in 2009 when she tried to both pay her debts and help her live-in boyfriend pay his financial obligations. She was unable to keep up with her financial obligations and help the boyfriend at the same time. Applicant reported that she pays her debts as best she can and intends to contact each creditor and make payment arrangements. She will pay one account at a time until she is debt free. She told the investigator that she has a plan and intends to be debt free by December 2017. When questioned about specific debts, she reported that some had been paid or resolved. Applicant provided no documents to support her statements. (Item 4, PSI, dated September 24, 2014, at 7)

In her response to the SOR, Applicant noted that the debts listed in the SOR at 1.c, 1.e, 1.h, and 1.l are duplicates and are for furniture rental. She claims that the furniture company damaged her house when delivering the furniture and no payment on the furniture rent would be made until the damage claim was settled. She claims the debt at SOR 1.m was paid by garnishment, the telephone debt at SOR 1.k was paid, the debt at SOR 1.d has been disputed, and she has no knowledge of the debt at SOR 1.i. Applicant did not provide documents to support her assertions or to establish she paid or resolved her debts in response to the SOR. Since she did not respond to the FORM, she did not provide additional information on her efforts to pay or resolve her debts. (Item 2, Response to SOR, dated December 15, 2015)

Policies

When evaluating an applicant's suitability for a security clearance, the administrative judge must consider the adjudicative guidelines (AG). In addition to brief introductory explanations for each guideline, the adjudicative guidelines list potentially disqualifying conditions and mitigating conditions, which must be considered in evaluating an applicant's eligibility for access to classified information.

These guidelines are not inflexible rules of law. Instead, recognizing the complexities of human behavior, these guidelines are applied in conjunction with the

factors listed in the adjudicative process. The administrative judge's overarching adjudicative goal is a fair, impartial, and commonsense decision. According to AG ¶ 2(c), the entire process is a conscientious scrutiny of a number of variables known as the "whole-person concept." The administrative judge must consider all available, reliable information about the person, past and present, favorable and unfavorable, in making a decision.

The protection of the national security is the paramount consideration. AG ¶ 2(b) requires that "[a]ny doubt concerning personnel being considered for access to classified information will be resolved in favor of national security." In reaching this decision, I have drawn only those conclusions that are reasonable, logical, and based on the evidence contained in the record.

Under Directive ¶ E3.1.14, the Government must present evidence to establish controverted facts alleged in the SOR. Under Directive ¶ E3.1.15, the applicant is responsible for presenting "witnesses and other evidence to rebut, explain, extenuate, or mitigate facts admitted by applicant or proven by Department Counsel. . . ." The applicant has the ultimate burden of persuasion for obtaining a favorable security decision.

A person who seeks access to classified information enters into a fiduciary relationship with the Government predicated upon trust and confidence. This relationship transcends normal duty hours and endures throughout off-duty hours. The Government reposes a high degree of trust and confidence in individuals to whom it grants access to classified information. 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 of potential, rather than actual, risk of compromise of classified information.

Analysis

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, thereby raising 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 ¶ 18) Similarly, an individual who is financially irresponsible may also be irresponsible, unconcerned, or careless in her obligations to protect classified information. Behaving responsibly or irresponsibly in one aspect of life provides an indication of how a person may behave in other aspects of life.

A person's relationship with her creditors is a private matter until evidence is uncovered demonstrating an inability or unwillingness to repay debts under agreed

terms. Absent evidence of strong extenuating or mitigating circumstances, an applicant with a history of serious or recurring financial difficulties is in a situation of risk inconsistent with the holding of a security clearance. An applicant is not required to be debt free, but is required to manage finances in such a way as to meet financial obligations.

Adverse information in credit reports can normally meet the substantial evidence standard to establish financial delinquency. Applicant has a history of delinquent debts as documented in her credit reports, by her admissions to the OPM investigator, and her response to the allegations in the SOR. All of Applicant's SOR debts are listed on the credit reports at Items 4 and 5. The evidence is sufficient to raise security concerns under Financial Considerations Disqualifying Conditions AG ¶ 19(a) (inability or unwillingness to satisfy debts), and AG ¶ 19(c) (a history of not meeting financial obligations). The information raises both an inability and an unwillingness to pay delinquent debt. Once the Government has established delinquent debt, the Applicant has the responsibility to refute or mitigate those debts. I find that the debts listed at SOR 1.e, 1.h, and 1.i are duplicates of the debt at SOR 1.c. SOR 1.e, 1.h, and 1.i will be found for Applicant. Likewise, the debts at SOR 1.o and 1.p are duplicates of the debt at SOR 1.n. SOR 1.o and 1.p will be found for Applicant.

I considered the following Financial Consideration Mitigating Conditions under AG ¶ 20:

- (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 problems 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; and
- (d) the individual has initiated a good-faith effort to repay the overdue creditors or otherwise resolve debts.

The mitigating conditions do not apply. Applicant has been gainfully employed since June 2001. She tried to support herself and her boyfriend starting in 2009 and incurred delinquent debt. She did not establish that her delinquent debt was incurred as a result of conditions beyond her control, or under circumstances that were unusual and unlikely to recur. Applicant did not provide any information to establish that she is paying or has paid any delinquent debts. She claims some debts have been paid but

provided no documents to support her claim. Department Counsel in the FORM informed her that she needed to document her efforts to pay the debts, but she has not provided any such documents. She has not provided any documents to establish she received financial counseling.

Applicant has not shown that she acted reasonably and responsibly to resolve her financial problems. The evidence does not support responsible management of her finances. Her financial problems are not under control. Applicant claims lack of knowledge of some of the debts, but she has not provided any information on her attempts to learn the details of the debts. She has not provided information or documents to support any attempts to contact creditors. Based on Applicant's failure to verify her efforts to resolve her debts, it is clear that she has not been reasonable and responsible in regard to her finances. Her lack of reasonable and responsible action towards her finances is a strong indication that she may not protect and safeguard classified information. Applicant did not present sufficient information to mitigate security concerns for financial considerations.

Whole-Person Concept

Under the whole-person concept, an administrative judge must evaluate an applicant's eligibility for access to classified information by considering the totality of the applicant's conduct and all 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.

Under AG ¶ 2(c), the ultimate determination of whether to grant eligibility for access to classified information must be an overall commonsense judgment based upon careful consideration of the guidelines and the whole-person concept.

I considered the potentially disqualifying and mitigating conditions in light of all the facts and circumstances surrounding this case. Applicant did not provide sufficient credible documentary information to show that she paid or resolved her delinquent debts. She did not establish that she has taken reasonable and responsible action to resolve her financial problems. Applicant did not demonstrate appropriate management of her finances and a consistent record of action to resolve financial issues. Overall, the record evidence leaves me with questions and doubts concerning Applicant's judgment, reliability, and trustworthiness. She has not established her suitability for access to

classified information. For all these reasons, I conclude Applicant has not mitigated the security concerns arising from her financial situation.

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
Subparagraphs 1.a - 1.d:	Against Applicant
Subparagraph 1.e:	For Applicant
Subparagraphs 1.f - 1.g:	Against Applicant
Subparagraph 1.h:	For Applicant
Subparagraphs 1.i – 1.k:	Against Applicant
Subparagraph 1.l:	For Applicant
Subparagraphs 1.m – 1.n:	Against Applicant
Subparagraphs 1.o – 1.p:	For Applicant
Subparagraph 1.q:	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 Applicant eligibility for access to classified information. Eligibility for access to classified information is denied.

THOMAS M. CREAN
Administrative Judge