



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



In the matter of:	)	
	)	
	)	ISCR Case No. 07-01554
SSN:	)	
	)	
Applicant for Security Clearance	)	

**Appearances**

For Government: James F. Duffy, Esquire, Department Counsel  
For Applicant: Pro Se

October 7, 2008

**Decision**

HOGAN, Erin C., Administrative Judge:

Applicant submitted his Electronic Questionnaire for Investigations Processing (e-QIP) on December 14, 2005. On April 9, 2008, the Defense Office of Hearings and Appeals (DOHA) issued a Statement of Reasons (SOR) detailing the security concerns under Guideline E, Personal Conduct, and Guideline F, Financial Considerations, for Applicant. The action was taken under Executive Order 10865, *Safeguarding Classified Information within Industry* (February 20, 1960), as amended; Department of Defense Directive 5220.6, *Defense Industrial Personnel Security Clearance Review Program* (January 2, 1992), as amended (Directive), and the revised adjudicative guidelines (AG) promulgated by the President on December 29, 2005, and effective within the Department of Defense for SORs issued after September 1, 2006.

On May 21, 2008, Applicant answered the SOR and requested a hearing before an administrative judge. Department Counsel was ready to proceed on June 18, 2008. The case was assigned to another administrative judge on June 25, 2008. The case was transferred to me on July 9, 2008. On July 31, 2008, a Notice of Hearing was issued, scheduling the hearing for August 26, 2008. The case was heard on that date. The Government offered seven exhibits which were admitted as Government Exhibits (Gov) 1 – 7, and called one witness. The Applicant offered seven exhibits which were

admitted as Applicant Exhibit (AE) A - H. Applicant testified and called two witnesses. The record was held open until September 9, 2008, to allow Applicant to submit additional documents. Applicant timely submitted a five-page document that was admitted as AE I. Department Counsel's response to the documents is marked as Hearing Exhibit 1. The transcript was received on September 12, 2008. Based upon a review of the case file, pleadings, exhibits, and testimony, eligibility for access to classified information is denied.

### **Findings of Fact**

In his Answer to the SOR, Applicant admitted the factual allegations in ¶¶ 1.b, 1.f, 2.c, 2.d, 2.e, and 2.f, but denies the allegations in ¶¶ 1.a, 1.c, 1.d, 1.e, 2.a, 2.b, and 2.g.

Applicant is a 30-year-old employee with a Department of Defense contractor seeking to retain his security clearance. He has been employed as a local area network administrator with his company since March 2004. He served on active duty in the United States Air Force from May 8, 1996, to May 7, 2000. He separated at the rank of Airman First Class, E-3. He has held a security clearance since 1996. He has two years of college credit, majoring in computer science. He is married and has a nine-year-old daughter. (Tr at 4-6, 83-84; Gov 1; Gov 2 at 1.)

While on active duty, Applicant received Article 15 nonjudicial punishment on September 26, 1997, for violating Article 92, UMCJ, Failure to Obey a Lawful General Regulation and Article 134, UCMJ, Dishonorable Failure to Pay a Debt. Applicant wrongfully used his government credit for private purchases in the amount of \$1,793, and failed to pay the debt. His commander punished him to be reduced to the grade of Airman, which was suspended until March 25, 1998. (Gov 2 at 2-4.)

After separating from active duty, Applicant accepted a job with a defense contractor in May 2000. He worked in a military squadron. The defense contractor's office was at another location. The military customer arranged to send Applicant to a computer training seminar from 27-30 May 2003. The training was held in his former hometown. His brother still lived in the area. Applicant did not show up May 27, 2003, the first day of training, which started at 9 am until the afternoon. He was advised to be on time the next day. The next day, he left early in the afternoon. He did not attend class the remaining two days. (Tr at 20-31; 84-92.) At hearing, Applicant admitted to visiting with family members and friends during times when he was supposed to be at the training seminar. (Tr at 91-92.)

Applicant left the area where the training was held on Friday, May 30, 2008, and returned to his home on Sunday. When he returned to work, he completed an expense report claiming expenses for the training even though he did not complete the course. He also completed a time card claiming he worked eight hours each day during the training seminar. (Tr at 93-95; Gov 3.)

When Applicant returned to the squadron, he told two co-workers, MSgt B. and Mr. D., that the training was not “curtailed to his benefit.” He did not mention that he failed to attend most of the training sessions. (Tr at 94.) MSgt B. was contacted in the middle of June by the company who ran the training and informed that Applicant had missed half a day the first two days of training, and failed to show up for training on Thursday and Friday. They told MSgt B. that they cancelled Applicant’s registration and credited the voucher back to the government. MSgt B. informed them he would handle the matter internally. (Gov 3 at 3.) The record is unclear as to whether MSgt B. informed Applicant’s employer – the defense contractor.

The Deputy Division Manager (and Facility Security Officer) of Applicant’s former company testified during the hearing. He works at the defense contractor’s office and does not work with Applicant on a daily basis. On September 1, 2003, he was informed that the training company sent in a notification of reimbursement for the training that Applicant failed to complete in May 2003. The training company provided further details in an e-mail sent on September 2, 2003. Applicant’s pay and travel records were reviewed. It was discovered that although he did not complete the course, Applicant submitted a travel reimbursement request for the entire period of the training and claimed that he worked eight hours each day during the training period. (Tr at 19-21; Gov 3.)

On September 3, 2003, Applicant was called into the meeting with the Deputy Division Manager and the program manager who worked with Applicant on a daily basis. During the meeting, Applicant was informed that he was being terminated for false time charging and false expense reporting related to the May 2003 training that Applicant was required to attend but did not. Memorandums were prepared which summarized what happened during the meeting. The Deputy Division Manager identified these memorandums and testified that they were accurate summaries of what occurred during the meeting. He testified that Applicant was clearly informed of the basis for his termination and that he was not subject to rehire. (Tr at 17 - 35; Gov 3; Gov 4.)

Applicant was hired by his current employer in March 2004. On December 14, 2005, Applicant completed a Questionnaire for National Security Position, (e-QIP) in conjunction with a routine periodic reinvestigation of his security clearance. He answered “No” in response to section “22. Your Employment Record. Has any of the following happened to you in the last 7 years? 1. Fired from job; 2. Quit after being told you’d be fired; 3. Left a job by mutual agreement following allegations of misconduct; 4. Left a job by mutual agreement following allegations of unsatisfactory performance; 5. Left a job for other reasons under unfavorable circumstances?” He did not list his termination on September 3, 2003, from his previous employer. (Gov 1.)

On October 11, 2007, Applicant was interviewed in conjunction with his background investigation. He provided a signed, sworn statement on that same date. In his statement, Applicant acknowledges being fired from his previous employer in September 2003. In the statement, he explained that he attended a training seminar in

2003 in relation to his job. He found that most training sessions were not useful for his job and he attended only two to three sessions. He admits to being paid on a per diem rate for travel and meals. (Gov 5.) At hearing, Applicant testified that he attended sessions on each day of the training seminar. (Tr. at 85-89.)

In his statement, Applicant indicates that he was given a good evaluation and a raise in August 2003. Around that time, he noticed a co-worker was keeping a log of work activities on her work computer. He reported her activity to his supervisor in late August 2003. On September 1, 2003, his managers contacted him and arranged a meeting on September 1, 2003. He believed the meeting was to discuss the issue with the co-worker. At the meeting, Applicant was asked to provide all of his papers and materials from his training in early May 2003. He met with his superiors again on September 3, 2003. He was told that he was being fired during this meeting. He claims he was never given a reason for the termination. (Gov 5 at 1-2.) At hearing, Applicant admits that he was told during the meeting that he was fired for expense report fraud and submission of a false time card. (Tr at 101-106.)

After he was terminated, Applicant filed a complaint with his former company's corporate office. He claims there was an investigation. At the end of the investigation, he was told that he was eligible for employment with the company at its other locations but not at the location from where he was fired. (Gov 5.) He did not provide any documents to support this assertion.

Applicant states that he did not intentionally falsify section 22 on his security clearance questionnaire. He did not forget that he was fired but claims that since he was told he was eligible for rehire that the termination was not unfavorable. He feels that he was unjustly targeted during his time at his previous employer. (Tr at 112; Gov 5.)

Applicant's background investigation revealed that Applicant had financial issues. When Applicant separated from active duty, he started a small business. The business was not successful and he incurred a lot of debts. As a result, he filed for bankruptcy on December 3, 2001. (AE B.) He continued to incur delinquent debts after the bankruptcy discharge, including: a \$1,386 delinquent credit card account that was charged off (SOR ¶ 2.d: Gov 6 at 4; Gov 7 at 2.); a \$221 credit card account that was charged off (SOR ¶ 2.e: Gov 7 at 2); a \$1,169 credit card account placed for collection (SOR ¶ 2.f: Gov 4 at 2-3; Gov 6 at 6; Gov 7 at 2); and a \$2,125 jewelry store account that was charged off (SOR ¶ 2.g; Gov 6 at 5; Gov 7 at 3).

The debts alleged in SOR ¶¶ 2.e and 2.g were included in his bankruptcy (AE B at 16, Schedule F, page 2; AE B at AE B at 12; Schedule D, page 1.) The debt alleged in SOR ¶ 2.f is resolved. (Tr at 117-118; AE G at 9-10; AE I at 2-3.) Applicant entered into a payment agreement pertaining to the debt alleged in SOR ¶ 2.d. He agreed to pay \$115.55 per month until the debt is paid. He anticipates it will be resolved after 12 payments are made. He began making payments in June 2008 and has made four payments. (Tr at 114; AE G at 11-14; AE I at 5.)

In April 2008, Applicant consulted a credit counseling agency. The agency assisted him in preparing a budget. As of April 30, 2008, Applicant and his wife had a net monthly income of \$5,400. Their total monthly expenses are approximately \$4,679. After expenses, they have approximately \$721 in discretionary income. (AE G. )

Two witnesses testified on Applicant's behalf. The Director of the military squadron where Applicant works as a contractor testified that he has known Applicant for four years. He states Applicant is vigilant about keeping computers and servers safe. He claims that Applicant is the best LAN administrator he has worked with over the past 20 years. He has no reason to doubt Applicant's integrity and recommends renewal of his security clearance. (Tr at 57-64; AE A at 2.) An electronics engineer who has worked with Applicant over the past three years testified. He works with Applicant approximately 3-4 times a week. He describes Applicant as professional and dedicated to his work. He does not consider him a risk. (Tr at 66-69.)

Applicant provided several reference letters. The Chief, Seekers and Sensors Flight states he has worked with Applicant for the past four years. He states Applicant brings energy, enthusiasm, and commitment to his work. He consistently delivers high quality products to the organization who quickly established himself as a go-to person. (AE A at 1.) Another coworker describes him as "efficient, extremely competent, and [having] an excellent rapport with those he supported." (AE A at 3.)

Master Sergeant B. worked with Applicant at his previous employer and wrote a letter on his behalf. He states Applicant came to work in his squadron as a contractor in 2002. He states that he was not fully trained for his position and Applicant took the time to train him. He states Applicant was always available when he needed assistance with any issue within the squadron. He is aware that Applicant did not complete the training that he was sent to in May 2003. He claims that it was not a problem because the training company refunded the training fee back to the squadron. (It is unclear whether MSgt B. informed Applicant's employer about the issue. It is also unclear whether MSgt B. is aware that Applicant was reimbursed for his travel expenses even though he did not complete the course, and that he claimed full eight hour work days during the week of training even though he did not attend the training course for the majority of the week.) MSgt B. claims Applicant's integrity has never come into question when he worked for him. He claims his patience, honesty and work ethic were the best he has seen in his 23 and half years in the Air Force. (AE F.)

## **Policies**

When evaluating an Applicant's suitability for a security clearance, the Administrative Judge must consider the revised adjudicative guidelines (AG). In addition to brief introductory explanations for each guideline, the adjudicative guidelines list potentially disqualifying conditions and mitigating conditions, which are useful 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 over-arching adjudicative goal is a fair, impartial and common sense 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 as to 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 protect or safeguard classified information. Such decisions entail a certain degree of legally permissible extrapolation as to potential, rather than actual, risk of compromise of classified information.

Section 7 of Executive Order 10865 provides that decisions shall be "in terms of the national interest and shall in no sense be a determination as to the loyalty of the applicant concerned." See *also* EO 12968, Section 3.1(b) (listing multiple prerequisites for access to classified or sensitive information).

## **Analysis**

### **Personal Conduct**

The security concern relating to the guideline for Personal Conduct is set out in AG ¶ 15:

Conduct involving questionable judgment, lack of candor, dishonesty, or unwillingness to comply with rules and regulations can raise questions

about an individual's reliability, trustworthiness and ability to protect classified information. Of special interest is any failure to provide truthful and candid answers during the security clearance process or any other failure to cooperate with the security clearance process.

Personal conduct concerns are raised because of Applicant's misuse of a government credit card in 1997 when he was on active duty; his termination in September 2003 for fraudulent time charging and expense reporting related to the May 2003 training and his deliberate failure to list his termination in response to section 22 of the security clearance questionnaire; and his statement in a signed, sworn statement that he was not given a reason for the termination. The government concedes the allegation in SOR ¶ 1.c should be found for Applicant.

Applicant's termination in September 2003 and the underlying conduct supporting the termination raised Personal Conduct Disqualifying Conditions (PC DC) ¶ 16(c) (credible adverse information in several adjudicative issue areas that is not sufficient for an adverse determination under any other single guideline, but which, when considered as a whole, supports a whole-person assessment of questionable judgment, untrustworthiness, unreliability, lack of candor, unwillingness to comply with rules and regulations, or other characteristics indicating that the person may not properly safeguard protected information) and PC DC ¶ 16(d) (credible adverse information that is not explicitly covered under any other guideline and may not be sufficient itself for an adverse determination, but which, when combined with all available information supports a whole-person assessment of questionable judgment, untrustworthiness, unreliability, lack of candor, unwillingness to comply with rules and regulations, or other characteristics indicating that the person may not properly safeguard protected information - (3) a pattern of dishonesty or rule violations; and (4) evidence of significant misuse of government or other employer's time and resources).

In May 2003, Applicant was sent to training by the government customer. He arrived late the first day of training. He only spent half a day the second day of training and did not return for the remaining training. He decided that the training was not useful to him so he stopped attending. He did not seek authorization for leaving the training. He did not leave immediately when he thought the training was not useful in relation to his job. He admits that he has family in the area where the training was located, and he spent time with his family when he should have been attending training. He then claimed expenses for the training when he actually did not complete the course, and also claimed that he worked eight hours each day when he was at the training. His failure to attend training violated his company's policies, and was an abuse of his employer's and the government's time and resources. His conduct raises questions in regard to his judgment, untrustworthiness, lack of candor, and an inability to follow rules.

Applicant's conduct is further aggravated by his deliberate failure to list his termination in response to section 22 on his December 14, 2005, security clearance questionnaire and his statement that he was not aware of the basis for his termination in

his October 11, 2007, signed, sworn statement. This conduct supports the applicability of PC DC ¶ 16(a) (deliberate omission, concealment, or falsification of relevant facts from any personnel security questionnaire, personal history statement, or similar form used to conduct investigations, determine employment qualifications, award benefits or status, determine security clearance eligibility or trustworthiness, or award fiduciary responsibilities). Applicant claims that he believed he did not need to list that he was terminated because he was informed he was subject to rehire at any other location aside from the location that he was fired. In his response to the SOR, he claimed that he did not have enough time to complete the questionnaire and did not read the question carefully. I do not find his explanation credible. The language of Section 22 is very specific. At hearing, Applicant admits that he was aware that he was fired. The outcome of the purported investigation did not change that. The government expects applicants to be truthful at all times. Self-serving justifications do not provide an excuse for failing to provide full disclosure. I find he deliberately failed to list that he was fired. I also do not find Applicant's statement that he was not aware of the basis for the termination to be credible. The Deputy Division Manager testified that Applicant was informed about the basis of his termination. The memorandums prepared at the time of the September 3, 2008, meeting verify what occurred during the meeting.

Since the government produced substantial evidence to establish a prima facie case and raise disqualifying conditions under Personal Conduct, the burden shifted to Applicant to produce evidence to rebut, explain, extenuate, or mitigate the security concerns. (Directive ¶ E3.1.15.) An applicant has the burden of proving a mitigating condition, and the burden of disproving it never shifts to the government. (See, ISCR Case NO. 02-31154 at 5 (App. Bd. September 22, 2005.)

The following Personal Conduct Mitigating Concerns (PC MC) have the potential to apply: PC MC ¶ 17(a) (the individual made prompt, good-faith efforts to correct the omission, concealment, or falsification before being confronted with the facts) has the potential to apply to Applicant's deliberate falsifications. I find it does not apply. After completing his personnel security questionnaire, Applicant did not promptly come forward to correct his incorrect answer to section 22. He only admitted to being fired after being confronted by the investigator conducting his background investigation. He continued to provide false information in his signed, sworn statement when he claimed he was not told why he was terminated. At hearing, he continued to provide excuses for his lack of forthrightness.

PC MC ¶ 17( c) (the offense is so minor so much time has passed, or the behavior is so infrequent, or it happened under such unique circumstances that it is unlikely to recur and does not cast doubt on the individual's reliability, trustworthiness, or good judgment); and PC DC ¶ 17(d) (the individual has acknowledged the behavior and obtained counseling to change the behavior or taken other positive steps to alleviate the stressors, circumstances, or factors that caused untrustworthy, unreliable, or other inappropriate behavior, and such behavior is unlikely to occur) potentially apply to the other issues under personal conduct. I find they do not apply. While Applicant is highly regarded at his current employer, his refusal to accept responsibility for the poor

judgment he demonstrated in his previous job which ultimately resulted in his termination does not support mitigation. On his own volition, Applicant decided he did not need to attend the training in May 2003. He fails to acknowledge that his failure to attend the training was irresponsible. He refuses to acknowledge that claiming travel and expenses for a training that he did not complete was fraudulent. He clearly did not work four eight hour days during the training course. He sees nothing wrong with claiming pay for these hours even though he was not working. Essentially, the training appears to have been an opportunity for Applicant to take a paid vacation at the government's expense (and ultimately the taxpayers) to visit family members. He still has not acknowledged the gravity of his conduct. He self-rationalizes and blames others for his own poor choices.

If Applicant had come forward and admitted that he made a serious mistake in his previous job and truthfully listed on his security clearance questionnaire that he was fired from his previous job, he would have a good case for mitigation considering his favorable work performance over the past four years in his current job. However, at hearing, Applicant provided inconsistent statements, evasive answers, and demonstrated a lack of insight as to the gravity of the incident which was the basis for his termination from his previous employer. His repeated failure to accept responsibility for his past errors in judgment remains a concern under personal conduct.

I find against Applicant under the Personal Conduct concern.

## **Guideline F, Financial Considerations**

The security concern relating to the guideline for Financial Considerations is set out in AG ¶ 18:

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.

The guideline notes several disqualifying conditions that could raise security concerns. I find Financial Considerations Disqualifying Condition (FC DC) ¶19(a) (an inability or unwillingness to satisfy debts); and FC DC ¶19(c), (a history of not meeting financial obligations) apply to Applicant's case. Applicant has a history of financial irresponsibility. He misused and did not pay a government credit card in 1997 when he was on active duty. His financial problems in the 2000-2001 led to his December 2001 bankruptcy filing. After his bankruptcy discharge, he incurred several delinquent accounts.

FC DC ¶ 19(c)(deceptive or illegal financial practices such as embezzlement, employee theft, check fraud, income tax evasion, expense account fraud, filing deceptive loan statements, and other intentional financial breaches of trust) applies related to Applicant's history of breaching his fiduciary duty to the government and to his employer. In 1997, while on active duty, he was issued a government credit card which was only to be used for official travel. He used the card for personal purchases and failed to pay the debt. In May 2003, he breached his duty towards his employer by failing to complete the training seminar and filing for travel expenses and credit for hours not worked.

The guideline also includes examples of conditions that could mitigate security concerns arising from financial difficulties. Financial Considerations Mitigating Condition (FC MC) ¶ 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) does not apply. Applicant has a long history of financial irresponsibility starting with the abuse of his government credit card in 2007. He recently started to resolve his most recent delinquent accounts. However, questions about his trustworthiness and good judgment remain based on his lack of insight about the gravity of offense which was the basis for his termination from his previous job.

FC MC ¶ 20(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) applies with respect to Applicant's failure of his small business in 2001. He was unemployed for six months after he was fired in September 2003. He has taken steps to resolve the delinquent debts that remain. Although, Applicant's conduct was the basis for his termination from his previous employer, he acted responsibly under the circumstances pertaining to his financial situation.

FC MC ¶20(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) applies. Applicant attended financial counseling in April 2008. A budget was prepared as part of his counseling. Applicant appears to live within his means and has taken steps to resolve his delinquent accounts.

FC MC ¶20(d) (the individual initiated a good-faith effort to repay overdue creditors or otherwise resolve debts) applies. Applicant paid the debt alleged in SOR ¶ 2.f. The debts alleged in SOR ¶¶ 2.e. and 2.g were included in his bankruptcy. He entered into a payment agreement with the debt alleged in 2.d and is making regular payments towards this debt.

While Applicant has made progress towards resolving his financial delinquencies, issues remain as to his trustworthiness and judgment pertaining to his breach of

fiduciary duty towards his employer to file accurate travel and time reports. For this reason, I find against Applicant under Guideline F.

### **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) 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 a security clearance must be an overall common sense 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. I considered Applicant's active duty service in the United States Air Force. I considered the favorable recommendations of Applicant's superiors and co-workers at his current place of employment. I considered Applicant's attempts to resolve his current delinquent debts. However, questions remain under the personal conduct concern based on Applicant's deliberate omission of his September 2003 job termination on his security clearance questionnaire as well his refusal to acknowledge that his actions were wrong. Applicant mitigated the concerns raised under financial considerations. Concerns remain about Applicant's trustworthiness and reliability under the personal conduct concern due to his deliberate omission of his job termination and his refusal to accept responsibility for his past poor judgment.

### **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 E:	AGAINST APPLICANT
Subparagraph 1.a:	Against Applicant
Subparagraph 1.b:	Against Applicant
Subparagraph 1.c:	For Applicant
Subparagraph 1.d:	Against Applicant
Subparagraph 1.e:	Against Applicant
Subparagraph 1.f:	Against Applicant

Paragraph 2, Guideline F:

AGAINST APPLICANT

Subparagraph 2.a:	Against Applicant
Subparagraph 2.b:	Against Applicant
Subparagraph 1.c:	For Applicant
Subparagraph 1.d:	For Applicant
Subparagraph 1.e:	For Applicant
Subparagraph 1.f:	For Applicant
Subparagraph 1.g:	For Applicant

### **Conclusion**

In light of all of the circumstances presented by the record in this case, it is not clearly consistent with national security to grant Applicant eligibility for a security clearance. Eligibility for access to classified information is denied.

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ERIN C. HOGAN  
Administrative Judge