

Congress of the United States

Washington, DC 20515

August 29, 2005

The Honorable Donald H. Rumsfeld
Secretary of Defense
1000 Defense Pentagon
Washington, DC 20301

Dear Mr. Secretary:

We are writing to request that you investigate the Secretary of the Army's decision to remove Bunnatine Greenhouse, a career civil servant in the Senior Executive Service, from her position as principal assistant for contracting for the Army Corps of Engineers. The decision to remove Ms. Greenhouse from her position and demote her appears to be retaliation for her June 27, 2005 testimony before Congress.

In her June 27 testimony, Ms. Greenhouse detailed her objections to improper and potentially illegal conduct in the award of contracts for Iraq reconstruction projects. Specifically, Ms. Greenhouse objected to the contract awarded to a Halliburton subsidiary, Kellogg, Brown & Root, to restore Iraqi oil infrastructure. Ms. Greenhouse testified that the contract award process was compromised by improper influence by political appointees, participation by Halliburton officials in meetings where bidding requirements were discussed, and a lack of competition.¹

On July 14 — less than three weeks after her testimony — the Secretary of the Army approved Ms. Greenhouse's removal. The dismissal is to take effect on August 27, 2005.

At the hearing, Ms. Greenhouse testified that she had been warned by the acting general counsel of the Army Corps of Engineers that her appearance before Congress would not be in her best interest. She testified nonetheless because she had exhausted all internal avenues and believed she had an obligation to bring her concerns to the attention of Congress. The Secretary's action appears to be the retaliation that she was warned about.

Ms. Greenhouse first raised questions about special treatment for Halliburton in 2003, when she objected to the five-year term of the no-bid, sole-source Restore Iraqi Oil contract. On October 22, 2004, the Army referred Ms. Greenhouse's allegations of procurement irregularities to the DOD Inspector General. The Acting Secretary of the Army further ordered that any adverse personnel action against Ms. Greenhouse be suspended "so that Ms. Greenhouse remains in her current position until a sufficient record is available to address the specific matters [she] raised."²

¹ Senate Democratic Policy Committee, Testimony of Bunnatine Greenhouse, *An Oversight Hearing on Waste, Fraud and Abuse in U.S. Government Contracting in Iraq* (June 27, 2005).

² Letter from Robert M. Fano, Department of the Army, to Michael D. Kohn, Esq. (October 22, 2004).

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The DOD Inspector General's office has confirmed to our staff that its investigation of Ms. Greenhouse's allegations is "open and ongoing."³ The Inspector General's office indicated that it has not provided any findings or final report to the Secretary of the Army regarding Ms. Greenhouse's allegations. Indeed, the office further told us that it is working with the Department of Justice regarding potential prosecutions relating to the Halliburton contracts.⁴


Given these facts, the sudden dismissal of Ms. Greenhouse appears highly suspect. The appropriate procedure would be to wait for the results of the ongoing Inspector General investigation. In fact, this is exactly what the Acting Secretary of the Army ordered last October. No explanation has been provided for the reversal in policy and the rash dismissal of Ms. Greenhouse.

Retaliation against employees for providing information to Congress is illegal and entirely unacceptable. Ms. Greenhouse has given Congress important information essential to our oversight of waste, fraud, and abuse. Instead of turning a blind eye to improper conduct, Ms. Greenhouse worked within her own agency to object. When her internal objections were dismissed, she raised her concerns with Congress. These actions to protect the integrity of the procurement process and prevent the waste of taxpayer dollars should be commended, not serve as grounds for dismissal.

We ask that you conduct an investigation into the decision to remove Ms. Greenhouse from her position. We also request that you reinstate Ms. Greenhouse pending such an inquiry.

Sincerely,


Byron L. Dorgan
United States Senator


Henry A. Waxman
Member of Congress


Frank Lautenberg
United States Senator

³ Telephone interview of Bill Goehring, DOD-IG, by Minority Staff, House Committee on Government Reform (Aug. 11, 2005).

⁴ *Id.*