

TESTIMONY OF BUNNATINE H. GREENHOUSE

Senate Democratic Policy Committee Hearing

“Abuses in Private Security and Reconstruction Contracting in Iraq: Ensuring Accountability, Protecting Whistleblowers”

Friday, September 21, 2007

My name is Bunnatine Greenhouse. I thank the Committee for allowing me to appear here today. As you may be aware, I was the United States Army Corps of Engineers' Procurement Executive and Principal Assistant Responsible for Contracting (PARC). I am the first black female to have held a Senior Executive Service position within the Army Corps of Engineers. A career spanning over 23 years ended on August 27, 2005, when I was removed from the Senior Executive Service and from contracting. I was removed after I raised concerns over the award of a \$7 billion sole source, no compete, cost plus contract to Halliburton subsidiary Kellogg Brown & Root (“KBR”) known as the Restore Iraqi Oil (RIO) contract. The award of this contract and other contracts related to the RIO contract represent the worst contract abuse I witnessed during my professional career.

Before the contract was awarded, I voiced great concern over the legality of the selection of KBR, the total lack of competition and the excessive duration of the RIO contract. I explained to representatives from the Department of Defense, the Department of the Army and the Army Corps that granting a contract for two base years with the potential to extend the contract for an additional three years was simply unconscionable under the compelling emergency justification that was identified as the basis for awarding the contract to KBR. All of my objections were ignored and so in February 2003 I chose to pen next to my signature on a critical contracting document my concern over the duration of the contract that was going to be awarded to Halliburton/KBR.

In October of 2004 I received notice that I was to be demoted and removed from the SES. At that juncture the concerns I had over the award of the RIO contract and other contract abuses related to Halliburton/KBR were brought to the attention of members of Congress and the public. In response to the substance of my concerns, the Acting Secretary of the Army directed that my concerns were to be referred to the Department of Defense Inspector General for review and action and

that I was not to be demoted or removed from the SES until “a sufficient record is available to address the specific matters” I had raised. Yet, the DOD IG has failed to conduct any investigation of my concerns.

In June of 2005 I was asked to appear before this Committee and I agreed to do so. Just prior to my appearance, the Army Corps’ Acting General Counsel let me know in no uncertain terms that it would not be in my best interest to do so. I ignored this threat to my professional career and swiftly thereafter I was removed from the SES and from contracting.

Things have not fared well for me since then.

After having a full year to figure out where I should be placed upon my demotion, I was directed to report to the Army Corps’ Civil Works Engineering and Construction Division, where I was supposed to function as a “program manager.” As I was about to report to the Engineering and Construction Division Katrina was poised to strike New Orleans. Indeed, the horrific breach of the New Orleans levees commenced less than 24 hours from the time I was directed to report to the Civil Works division.

The response to the Katrina disaster was one of the largest contracting civil works efforts the Army Corps has ever faced. But, the Corps had no leadership in contracting; an SES was moved into my position who was not a Contracting Careerist and had not served a day as a contracting officer – and had to seek a waiver for the experience and training requirements that were established by Congress.

On the contracting side, I had long been acknowledged as the most knowledgeable and critical thinking contracting professional within the Army Corps, yet there was no role for me to play in response to Katrina.

On the civil works side, I am a Defense Systems Management College certified program manager, with a master’s degree in engineering management from George Washington University, and a War College master’s degree in national resources strategy, a master’s degree in Business Management and a graduate of the Defense Senior Acquisition Course, yet there was no role for me to play in the face of the Katrina disaster.

Instead, I was systematically excluded from the Katrina management meetings that were held in my office area, behind closed doors.

I was born and raised in Louisiana and am a member of the Louisiana Hall of Fame for Women in Government, and I can assure you that it pained me greatly that I was not permitted to assist with the Katrina disaster.

Ultimately, the only reason given for having failed to give me performance standards for nine months was that my supervisor was too busy responding to the Katrina emergency to give me something to do. I don't believe that for one minute.

Since my demotion I have experienced isolation; I continue to receive inappropriately down-graded performance reviews; my top secret clearance has been withdrawn; individuals have attempted to take credit for my work, no training opportunities have been identified since I have no Engineering and Construction mission responsibilities, and I have been prevented from returning to my contracting career field.

Additionally, I had to fight off efforts to cripple the Defense Base Act ("DBA") insurance pilot program – a program where I single-handedly wrote the concept of operations, and all solicitation documentation; responded to all questions from industry; conducted an industry forum with more than fifty insurance brokers in attendance; and engineered the procurement process to its final stages. The Congressional Budget Office has recognized the benefit of my DBA insurance program, which saved the government \$45 million in its first year alone, with even greater savings forecast for the years to come. The intensity of battle I had to fight to maintain the DBA insurance program leads me to believe that the Army Corps was more than willing to sacrifice my program then allow me to garner credit for its success.

Finally, it is paramount for this Committee to recognize that my removal has caused a deep chill to descend over the government contracting community and the SES Corps. Contracting officers now know that speaking up against contracting abuses will not bring them praise but can cost them their jobs.