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## Army Contract Official Critical of Halliburton Pact Is Demoted

By [ERIK ECKHOLM](#)

A top Army contracting official who criticized a large, noncompetitive contract with the Halliburton Company for work in [Iraq](#) was demoted Saturday for what the Army called poor job performance.

The official, Bunnatine H. Greenhouse, has worked in military procurement for 20 years and for the past several years had been the chief overseer of contracts at the Army Corps of Engineers, the agency that has managed much of the reconstruction work in Iraq.

The demotion removes her from the elite Senior Executive Service and reassigns her to a lesser job in the corps' civil works division.

Ms. Greenhouse's lawyer, Michael Kohn, called the action an "obvious reprisal" for the strong objections she raised in 2003 to a series of corps decisions involving the Halliburton subsidiary Kellogg Brown & Root, which has garnered more than \$10 billion for work in Iraq.

Dick Cheney led Halliburton, which is based in Texas, before he became vice president.

"She is being demoted because of her strict adherence to procurement requirements and the Army's preference to sidestep them when it suits their needs," Mr. Kohn said Sunday in an interview. He also said the Army had violated a commitment to delay Ms. Greenhouse's dismissal until the completion of an inquiry by the Pentagon's inspector general.

Carol Sanders, spokeswoman for the Army Corps of Engineers, said Sunday that the personnel action against Ms. Greenhouse had been approved by the Department of the Army. And in a memorandum dated June 3, 2005, as the demotion was being arranged, the commander of the corps, Lt. Gen. Carl A. Strock, said the administrative record "clearly demonstrates that Ms. Greenhouse's removal from the S.E.S. is based on her performance and not in retaliation for any disclosures of alleged improprieties that she may have made."

Known as a stickler for the rules on competition, Ms. Greenhouse initially received stellar performance ratings, Mr. Kohn said. But her reviews became negative at roughly the time she began objecting to decisions she saw as improperly favoring Kellogg Brown & Root, he said. Often she hand-wrote her concerns on the contract documents, a practice that corps leaders called unprofessional and confusing.

In October 2004, General Strock, citing two consecutive performance reviews that called Ms. Greenhouse an uncooperative manager, informed her that she would be demoted.

Ms. Greenhouse fought the demotion through official channels, and publicly described her clashes with Corps of Engineers leaders over a five-year, \$7 billion oil-repair contract awarded to Kellogg Brown & Root. She had argued that if urgency required a no-bid contract, its duration should be brief.

Ms. Greenhouse had also fought the granting of a waiver to Kellogg Brown & Root in December 2003, approving the high prices it had paid for fuel imports for Iraq, and had objected to extending its five-year contract for logistical support in the Balkans for 11 months and \$165 million without competitive bidding. In late June, ignoring warnings from her superiors, Ms. Greenhouse appeared before a Congressional panel, calling the Kellogg Brown & Root oil contract "the most blatant and improper contract abuse I have witnessed during the course of my professional career." She also said the defense

secretary's office had improperly interfered in the awarding of the contract.

Her demotion was delayed when the Army's senior legal officials said they would first seek an independent investigation of her reprisal complaint. "The Army has referred this matter to the Department of Defense inspector general for their review and action, as appropriate," said an Oct. 22, 2004, letter to Ms. Greenhouse's lawyer from Robert M. Fano, the Army's chief of civilian personnel law. The acting secretary of the Army, Mr. Fano wrote, had also directed the Corps of Engineers to "suspend any adverse personnel action so that Ms. Greenhouse remains in her current position until a sufficient record is available to address the specific matters you raised."

But on July 14, the Army secretary approved Ms. Greenhouse's demotion, effective Aug. 27. With his request to proceed, General Strock had provided an unsigned nine-page memorandum, reviewing Ms. Greenhouse's recent performance ratings and responding to her allegations of impropriety.

Mr. Kohn said Sunday that the inspector general had not finished investigating the matter and that the demotion violated the Army secretary's commitment to wait on any action.

Mr. Kohn said that when he telephoned Dan Meyer, director of civilian reprisal investigations in the inspector general's office, on Aug. 24, Mr. Meyer was "shocked" to learn that the corps had proceeded against Ms. Greenhouse. Mr. Meyer said that he was immediately opening a "civilian reprisal" investigation and faxed forms to Mr. Kohn to initiate the process, Mr. Kohn said.

A Pentagon spokesman said Sunday that the inspector general's office could not be reached for comment.