

# Unafraid to blow the whistle

## EXEC MAY LOSE JOB Army Corps manager critical of contracts given to Halliburton

BY DEBORAH HASTINGS  
The Associated Press

WASHINGTON — In the world as Bunnatine Greenhouse sees it, people do the right thing. They stand up for the greater good, and they speak up when things go wrong. She believes God has a purpose for each life, and she prays every day for that purpose to be made evident.

She is praying her heart out these days, because she is in a great deal of trouble.

Bunnatine "Bunny" Greenhouse is the Principal Assistant Responsible for Contracting ("PARC" in the alphabet soup of military acronyms) in the Army Corps of Engineers. Least the title fool, she is responsible for awarding billions upon billions in taxpayers' money to private companies hired to resurrect war-torn Iraq and to feed, clothe, shelter and do the laundry of American troops stationed there.

She has rained a mighty storm upon herself for standing up, before members of Congress and live on C-SPAN, to proclaim things are just not right in this staggeringly profitable business.

She has asked many questions: Why is Halliburton — a giant Texas firm that holds more than 50 percent of all rebuilding efforts in Iraq — receiving billions in contracts without competitive bidding? Do the duration of those contracts make sense? Have there been violations of federal laws regulating how the government can spend its money?

Halliburton denies wrongdoing. "These false allegations have been recycled in the media ad nauseam," the company said in response to a list of e-mailed questions from The Associated Press.

Bunny Greenhouse now may lose her job — and her reputation, which she spent a lifetime

building.

She is a black woman in a world of mostly white men; a 60-year-old workaholic who abides neither fools nor frauds. But she is out of her element in this fight, her former boss said.

"What Bunny is caught up in is politics of the highest damn order," said retired Gen. Joe Ballard, who hired Greenhouse and headed the Corps until 2000. "This is real hardball they're playing here. Bunny is a procurement officer, she's not a politician. She's not trained to do this."

### Stirring the pot

Greenhouse has known for a long time that her days may be numbered. Her needling of contracts awarded to Halliburton subsidiary Kellogg, Brown & Root (KBR) predated the Iraq war, beginning with costs she said were spiraling "out of control" from a 2000 Bosnia contract to service U.S. troops. From 1995 to 2000, Halliburton's CEO was Dick Cheney, who left to run for vice president. He maintains his former company has not received preferential treatment.

She since had questioned both the amounts and the reasons for giving KBR tremendous contracts in the buildup to invading Iraq. She was ignored at first, she said. She then was cut out of the decision-making process.

On Oct. 6, she was summoned to the office of her boss. Maj. Gen. Robert Griffin, the Corps' deputy commander, was demoting her, he told her, taking away her Senior Executive Service status and sending her to midlevel management. Griffin declined to be interviewed.

Her performance was poor, according to a letter he presented. This was a surprise. Her previous job evaluations had been exemplary, she said.

If she didn't want the new position, she could retire with full benefits, the letter noted.

Over my dead body, Greenhouse said.

She has hired lawyer Michael Kohn. Two weeks after Greenhouse's trip to the woodshed, Kohn wrote a letter to the acting secretary of the Army, re-

questing an independent investigation of "improper action that favored KBR's interests."

The status of an independent investigation by the Defense Department is unclear. "As a matter of policy, we do not comment on open and ongoing investigations," said Lt. Col. Rose-Ann Lynch, a Pentagon spokeswoman.

Halliburton also is under federal investigation for alleged favoritism by the Bush administration. FBI agents questioned Greenhouse for nine hours in November about that probe. In March, a former employee was indicted for taking bribes while working for KBR in Iraq.

Company spokeswoman Melissa Norcross said KBR has "delivered vital services for U.S. troops and the Iraqi people at a fair and reasonable cost, given the circumstances."

### Going after the big boys

When Ballard hired Greenhouse in 1997 she was over-qualified — three master's degrees and more than 20 years of contracting experience in private industry and the military.

"She is probably the most professional person I've ever met," Ballard said.

Ballard used her, he said, to



Bunnatine Greenhouse's beliefs may cost her a job.

help him revolutionize the Corps — by ending the old-boys practice of awarding contracts to a favored few, and by imposing private-industry standards on a mammoth, 230-year-old government agency.

“The Corps is a tough organization. And I’ll tell you, it’s not easy to be a woman in this organization, and a black one at that,” said Ballard, who was the first black leader of the Corps.

He is not optimistic about her future.

“I think you can put a fork in it,” he said. “Her career is done.”

At Corps headquarters, few speak to her, she said, and her bosses write down what she says at departmental meetings.

In a city where politics is everything, including blood sport, she refuses to play.

“I have never gone along to get along,” she said.

Her contracting staff was reduced sharply, she said, and her superiors have gone behind her back, most notably in issuing an emergency waiver — on a day she was out of the office

— that allowed KBR to ignore requests from Department of Defense auditors who issued a draft report in 2003 concluding KBR overcharged the government \$61 million for fuel in Iraq.

The Army Corps of Engineers declined to comment on Greenhouse’s complaints. “It’s a personnel matter,” Corps spokeswoman Carol Sanders said.

“They want me out,” Greenhouse said.

### ***A list of one***

Greenhouse is mandated by Congress to find the best quality at the cheapest price from the most qualified supplier. Over her objections, KBR was awarded three multibillion-dollar contracts, two without competitive bidding.

Greenhouse’s most strenuous complaints were over the Restore Iraqi Oil contract, estimated at \$7 billion, originally planned to handle oil-field fires that might be started by Saddam Hussein’s troops. When that didn’t happen, it morphed into an agreement to repair oil

fields and import fuel.

KBR was given the contract in March 2003. In Greenhouse’s view, that process violated federal regulations concerning fair and open bidding. Halliburton denies that.

Later, she would tell Democratic members of Congress: “The abuse related to contracts awarded to KBR represents the most blatant and improper contract abuse I have ever witnessed during the course of my professional career.”

At the Corps, Greenhouse said she was told KBR was the only qualified firm.

With the country on the brink of war, she reluctantly signed the RIO contract.

Greenhouse grew up in the segregated South. Her brother is Elvin Hayes, the Hall of Fame basketball player. She’s a registered independent. Her husband, Aloyisus, is retired after a career as a senior Army procurement officer. They have three grown children.

No matter what, Bunny Greenhouse’s faith still beams.

“I simply believe that we have callings and purposes in this life. I walk through this life for a purpose. I wake up every day for a purpose. And every day I say, ‘Here I am. Send me.’”