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SELECT COMMITTEE ON BENGHAZI,
U.S. HOUSE OF REPRESENTATIVES,
WASHINGTON, D.C.

INTERVIEW OF: [REDACTED]

Thursday, August 27, 2015

Washington, D.C.

The interview in the above matter was held in Room HVC-205,
Capitol Visitor Center, commencing at 10:13 a.m.

Appearances:

For the SELECT COMMITTEE ON BENGHAZI:

CRAIG MISSAKIAN, DEPUTY CHIEF COUNSEL

MARK GRIDER, DEPUTY GENERAL COUNSEL

SARA BARRINEAU, INVESTIGATOR

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RONAK DESAI, MINORITY COUNSEL

For the DEPARTMENT OF STATE:

AUSTIN EVERS, SENIOR ADVISOR

Mr. Grider. Let's go on the record, please.

This is a transcribed interview of [REDACTED] conducted by the House Select Committee on Benghazi. This interview is being conducted voluntarily as part of the committee's investigation into the attack on U.S. diplomatic facilities in Benghazi, Libya, and related matters pursuant to House Resolution 567 of the 113th Congress and House Resolution 5 of the 114th Congress.

Ms. [REDACTED], can you please state your full name for the record.

Ms. [REDACTED]. [REDACTED].

Mr. Grider. On behalf of the committee, we appreciate your time and willingness to come here today. My name is Mark Grider. I'm one of the lawyers on the committee. And I'm going to take a few moments to go around the room and let everyone introduce themselves.

Mr. Missakian. I'm Craig Missakian. I'm one of the lawyers on the majority staff.

Mr. Desai. Ronak Desai with the minority staff.

Ms. Sawyer. Heather Sawyer with the minority staff.

Ms. Barrineau. I'm Sara Barrineau with the majority staff.

Mr. Evers. Austin Evers, State Department.

Mr. Grider. Okay. I'd like to go over some ground rules and explain how the interview will proceed. Generally, the way the questions proceed is that a member from the majority will ask questions first for up to an hour. And then the minority will have an opportunity to ask questions for an equal period of time if they so choose.

Questions may only be asked by a member of the committee or designated staff member. We'll rotate back and forth 1 hour per side until we're out of questions and the interview will be over at that time.

Unlike testimony or a deposition in Federal Court, the committee format is not bound by the rules of evidence. The witness or counsel may raise objections for privilege subject to review by the chairman of the committee. If these objections cannot be resolved in the interview, the witness can be required to return for a deposition or a hearing. Members and staff of the committee, however, are not permitted to raise objections when the other side is asking questions.

This session is to begin as unclassified. Any questions that call for a classified answer, please let me know, and we'll reserve that answer until we move into a classified setting. In preparing for your interview, I don't believe any of my questions will go into classified information based on the documents that I've reviewed. But if you feel it does, please refer to counsel and we'll handle it accordingly.

You're welcome to confer with counsel at any time throughout the interview, but if something needs to be clarified, we ask the witness, we ask that you make that known to me. If you need to discuss anything with counsel, we'll go off the record and stop the clock to provide you an opportunity to do so.

We'll also take a break whenever it's convenient for you. This can be after every hour of questioning, after a couple of rounds, or whatever you prefer. During a round of questioning, if you need

anything, a glass of water or need to use the facilities or to confer with counsel, please just let us know, we'll go off the record, stop the clock, because our goal is to make this process as comfortable for you as possible.

As you can see, an official reporter is taking down everything you say to make a written record. So we ask that you give verbal responses to all questions, yes and no, as opposed to nods of the head. I'm going to ask the reporter to please feel free to jump in, in case you respond nonverbally. Do you understand that?

Ms. [REDACTED]. Yes.

Mr. Grider. Okay. Also, we'll try not to talk over each other so it's easier to get a clear record. And I need to work on that. So I'll just slow down, ask the question, and allow you to complete your thoughts. We'll take our time to repeat or clarify any questions that you need clarifying. And if you have any questions or don't understand any of our questions, please let us know and we'll be more than happy to clarify or repeat questions for you.

If you honestly don't remember an answer or don't know an answer to a question or don't remember, it's best not to guess. Please give us your best recollection. And if there's things you don't know or you cannot remember, just say so, and please inform us who, to the best of your knowledge, may be able to provide a more complete answer to the question.

Do you understand that you have an obligation to answer questions from Congress truthfully?

Ms. [REDACTED]. Yes.

Mr. Grider. This also applies to questions posed by congressional staff in an interview. Do you understand that?

Ms. [REDACTED]. Yes.

Mr. Grider. Witnesses that knowingly provide false testimony could be subject to criminal prosecution for perjury or for making false statements. Do you understand that?

Ms. [REDACTED]. Yes.

Mr. Grider. Is there any reason you're unable to provide truthful answer to today's questions?

Ms. [REDACTED]. No.

Mr. Grider. Okay. That's the end of my preamble. Does the minority have anything to say?

Ms. Sawyer. No. Except for we look forward to hearing from you and very much appreciate your agreement to appear voluntarily.

Mr. Grider. Okay. Let's go off the record real quick.

[Discussion off the record.]

EXAMINATION

BY MR. GRIDER:

Q I'm going to ask you again to please state your name for the record.

A [REDACTED].

Q Okay. Is Ms. [REDACTED], is that okay?

A That's fine.

Q Okay. Thank you.

Just for background purposes, can you just sort of give us your educational and professional background, I guess starting maybe a few years prior to before you joined the State Department?

A Okay. If you want me to start with education background, I've got a bachelor's degree in chemistry and physics. I have a master's degree in environmental engineering. That's education.

I have worked in private industry in Federal contracting and in the Federal Government as a contracting officer. I've worked for the Treasury Department, the Department of Homeland Security, and the State Department.

Q When did you start with the State Department?

A I started with the State Department in 2004, March.

Q And can you tell me what that position was?

A I was the departmental competition advocate.

Q So let's back up. I'm a little bit familiar with State, but I know there's a lot of offices. Can you tell me where, is that in the acquisition and management or where exactly, what, you know, in the broader scheme, where does that fit?

A Within the State Department, that was in the Office of the Procurement Executive under the A Bureau.

Q And the A Bureau is the --

A Administration.

Q Right. So that was in 2004?

A Correct.

Q And can you walk me through from 2004 until 2011 and 2012?

A I with the Office of the Procurement Executive until May of 2012, serving as the departmental competition advocate and all the other duties as assigned. In May of 2012, I moved within the A Bureau to the Acquisitions Branch, AQM, supporting Diplomatic Security and the Local Guard Program.

Q So in this prior Office of Procurement, before you got into Acquisition and Diplomatic Security and local programs, were you working on contracting issues in that position?

A Yes.

Q Okay.

A It was at the policy level.

Q Okay. So let's focus our attention on sort of the May 2012 time period when you transferred into Acquisitions, Diplomatic Security, and working on the local programs, can you explain that to me? What is that role? Was it Libya specific or --

A When I joined AQM, I was supporting the Local Guard Program. I was assigned a portfolio of what they call posts. Benghazi was one of several local guard contracts that were in my -- was in my portfolio.

Q Okay. Approximately how many were in your portfolio?

A Eight contracts.

Q So you had eight contracts. Does that represent eight different locations?

A That's correct. It represents eight different contracts.

Q Eight different contracts. Right. But I guess my -- could you have two contracts for one location?

A No.

Q Okay.

A But you could have one contract that would have an embassy and a consulate.

Q Okay. So, if you recall, what were the other -- so you had Benghazi. Do you recall the other ones?

A We've had musical portfolios. So I have to think that one through for a minute.

Q Were they in the Middle East?

A Benghazi was the only one in the Middle East. I had stuff in the Western Hemisphere, including Mexico City, European posts, some other Africa posts.

Q Okay. So let's focus on the Benghazi Local Guard Program. What was your -- can you explain what does that mean, what was the Local Guard Program?

A The Local Guard Program is the contract piece of the security and safety of the embassies. Under Diplomatic Security, you either have personal services agreements, which I don't get involved in because those are employee-employer relationships between the State Department and the guards. I got involved with the contract piece, where we award a contract to a contractor and the contractor hires the employees who are the guards.

Q So as I reviewed some of the background information, there were a number of names that came up that I -- that may have been in that office. So can you just sort of give us the general organization

of that office that you were in? Who you reported up to, were there people, you know, that were, that you supervised? So can you sort of give us sort of a --

A Okay. I did not supervise anyone.

Q Okay. Okay.

A We were -- AQM and the group that I work with is embedded with our internal customer, Diplomatic Security, Overseas Protective Operations, OPO.

Q Okay.

A So we all sat in the Diplomatic Security building on the same floor, you know, very close in proximity.

Q Okay.

A So some of the people I worked with in AQM during that timeframe, let's see --

Q [REDACTED]?

A [REDACTED] is with Diplomatic Security.

Q Okay. What about [REDACTED]?

A [REDACTED] is Diplomatic Security.

Q Okay. And then [REDACTED]?

A [REDACTED] was one of my colleagues in Acquisitions, AQM.

Q Okay. And so when you say [REDACTED] was Diplomatic Security, what was his role in Diplomatic Security?

A He is what they call under OPO a desk officer. He is a civil servant. And he's of a technical perspective. So he helps with the program from a technical perspective.

Q You mentioned A. What about M? How does Management, is that somehow connected?

A Yes.

Q Okay. Please explain that to us.

A A reports up to M.

Q Okay. And who was the head of Administration during your time period, if you recall?

A Of A?

Q Yes.

A I believe Barr is still of the A. I mean, that's far up the chain. I do not interact --

Q I understand.

How were assignments -- so you said -- you mentioned you had eight contracts. How were those assignments assigned to you? Were you able to choose them? Or when you came in, they said all right, we're going to give you Benghazi? Or how did they sort of hand out the different contracts and assignments?

A When I came in there wasn't an official supervisor. So there was a lot of kind of chaos. But when I first got there, it was like here's your portfolio.

Q Okay. And who gave you your portfolio?

A Well, I had a direct supervisor. I either got it from [REDACTED] or I got it from [REDACTED], who was not my supervisor but he had been there and was a senior-level person.

Q Right. Okay. It's my understanding the general

procurement process from initiation to closeout -- and I'm new to this, I don't have your level of expertise, but let me just sort of see, I sort of have, like, six main buckets developing and I welcome you to sort of clarify this. Like pre-award actions; number 2, solicitation process; 3, evaluation process; 4, contract award; 5, post-award actions; and, 6, contract closeout. Am I missing, are there any big ticket items? Because we're going to walk through, I'm just trying to give you an outline of just some of those issues when we dealt with Benghazi. Is that sort of the outline? Or is something missing there?

A No, those are the major areas.

Q Okay. Okay. Very good.

One question, just to go back. Is there a warrant, did you have a warrant level?

A Yes.

Q Can you explain to us for those, what a warrant level is?

A A contracting officer warrant is the authority to bind the Federal Government. So they grant that in writing by issuing a contracting officer warrant. And under that warrant, it tells you how much you can buy on behalf of the Federal Government.

Q And if you don't mind, what was your warrant level?

A At that time, it was \$25 million.

Q Okay. So would that be considered a senior --

A Yes.

Q -- or journeyman? Is that senior?

A Yes.

Q Okay. So you had senior level, senior warrant level.
Okay.

A Uh-huh.

Q Okay, let's turn our attention to sort of the Benghazi contract.

A Okay.

Q Are you familiar with the term high threat post?

A Yes.

Q Okay. What's your understanding of a high threat post?

A Well, which context of high threat? Because, again, there are several definitions of it. There's stuff that's, you know, how State Department and DS classify high threat posts. And how they do that, I don't know. I just know that it ends up a list, which posts are high threat and which posts are not.

Q Okay. So you're aware that there's a list?

A Uh-huh.

Q And so when you came in May of 2012, to your knowledge, was Benghazi considered a high threat post?

A You know, I do not know.

Q And do you know if high threat post, if there's a location that's designated a high threat post, does that have any impact on your decisionmaking with respect to contracts, is it sort of a different type of thought process or calculus?

A For awarding the contract, no. For the specifications, maybe. But I don't write the specifications. The technical people

write the specifications. Now, the State Department has special authority so we can do some contract awards using a cost technical tradeoff versus low price technically acceptable under high threat post.

Q Very good. Okay. Good. I was going to ask you. I appreciate you bringing that up. So can we just -- can you explain to us sort of the LPTA, the low price technically acceptable, what does that mean?

A Under contracting, that means when you get proposals they are evaluated. If the proposals are technically acceptable, then whoever has the lowest price wins the contract.

Q Okay. And you're familiar with the term best value?

A Yes.

Q And can you just explain that?

A Okay. Well, LPTA is a form of best value. But I think you're referring to cost technical tradeoff.

Q Okay. Okay. Good.

A And cost technical tradeoff means we will pay a little bit more for a higher technically evaluated proposal.

Q Good. Okay. So at the timeframe that you were working on the Benghazi contract in May of 2012, do you know, was LPTA applied to that or was the cost technical tradeoff applied?

A It was LPTA. They did not have authority to use any other methodology until later.

Q Okay. Do you know when that --

A That was -- that occurred in the next -- I think they got the authority under the NDAA in the next fiscal year. Or it could have been -- it may not have been in the NDAA, it's someplace else, that they got a pilot authority. But it was a year later.

Q And I'm just trying to get some definitions out of the way here. So can you explain just sole source? How does that -- can you explain what sole source is with respect to contracting in Benghazi?

A With respect to contracting --

Q Sole source contracting.

A Sole source contracting means instead of competing and letting all contractors come to the table or all offerors who are interested in competing come to the table and submit an offer, you're just going to one company.

Q Okay.

A Or maybe sometimes you're limiting competition. There's different authorities you have.

Q Okay. So based on reviewing the Benghazi file when you -- the contract -- at that time it was LPTA. Do you know if it was sole source? Was sole source used?

A Based on my review of the contract, no, it was a competitively awarded contract.

Q Okay. So it was competitively awarded. And do you know how many companies competed for it?

A Well, I didn't award the contract. So some of this, the pre-award stuff that you're asking me about would be better to ask the

people who were involved with that.

Q Right. And who was?

A That would be [REDACTED], [REDACTED], [REDACTED], as far as the acquisition people go.

Q So to your knowledge, you don't recall if it was -- you know it wasn't sole source, but you're not sure how many potential bidders --

A Okay. The offers that I do know about, there were two.

Q Okay.

A Were there more? I don't know.

Q Okay. So what offers do you know about?

A Torres and Blue Mountain Group, whatever you want to call them, loosely.

The Reporter. Could you repeat the first one?

Ms. [REDACTED]. Torres Advanced Enterprise Solutions.

BY MR. GRIDER:

Q You said the second was Blue Mountain Group?

A Yes.

Q Okay. When you reviewed the file, were you able to discover why Blue Mountain Group was chosen versus Torres?

A Again, you'd have to talk to the people who actually looked at that. I didn't find enough to really figure out what happened.

Q Okay. So when the file came to you, the company that you were working and evaluating was Blue Mountain Group, is that correct?

A I wasn't evaluating. I was working with Blue Mountain. They already had the contract and were performing it.

Q Okay. We may come back to this. And I say once again, I'm a novice. I'm a novice. So a lot of this is just, you know, really just trying to sort of unpack and having a better understanding of the contracting process. So I understand some of my questions aren't like, you know, I'm not a journeyman or anything like that. I understand you're, like, why is he asking me this? But we're just trying to sort of get clarity on what happened. I appreciate you working with me on this.

Okay, let's turn to what we call the security rings in Benghazi. It's my understanding that you had Diplomatic Security, RSOs, on the ground. Are you familiar with RSOs?

A Yes.

Q And then local guard force February 17. Are you familiar with them?

A Local guard force? Benghazi -- or, excuse me -- the Blue Mountain Group guard force, yes.

Q Host nation. Are you familiar with February 17?

A 17, no.

Q Never?

A Huh-uh.

Q Okay. So you didn't work with anything with respect to, you know, the Feb 17, if there was a host nation security?

A No. I worked with the contract guard force.

Q Okay. And I'm going to pull on your State experience. If someone was working with host nation security, what group in the State

Department would be handling, like, the February 17th or host nation security? It's not Acquisitions and Management.

A It would be -- it wouldn't be Acquisitions and Management. I mean, my guess, because I'm not the expert in this --

Q I understand.

A -- would be somebody in Diplomatic Security. But which group, I don't know.

Q Okay. Perfect. Thank you.

So in your experience, with respect to Blue Mountain Group, had you heard of that type of contracting group before? Were you familiar with Blue Mountain Group prior to taking over the contract?

A Prior to taking over that contract, I had not heard of Blue Mountain Group.

Q Okay. When you took the contract, did anyone -- obviously they gave you the file -- did anyone sort of give you a background sort of update or briefing on sort of what was going on prior to you coming in? Did you sit down and discuss with any of the people that initiated the contract?

A Some of the people were around. Did I get a briefing? No. If I had questions, I could go ask them.

Q Sure. So did you do that?

A Yeah, there was a few times I asked questions. But, you know, just going through the file or what was there. But, you know, did I get a briefing? No. They had their own portfolio and were running in other directions at the time.

Q Okay. Okay. Very good. If someone was trying to vet contractors, the vetting of contractors, can you explain that process, how that works at State?

A I can talk to it for the contracts. Under the contract terms and conditions there's usually a clause in section H that says: Contractor, here's the information you give and you give it to the COR, the contracting officer's representative, who is usually the ARSO on the ground. And you say: Here's your paperwork. They take the paperwork. They do their stuff with it. Every post is a little bit different on how they do it. But they take their paperwork. They process it. They do background name checks. If they go verify where they live, they do whatever they need to do. Then they go back to the contractor and say: Okay, the employee that you nominated has been approved or disapproved.

Q And would that be put into the file, the vetting, that vetting process? Would that enter the file once it's completed?

A Which file?

Q The contracting file. So there's a contracting file for --

A It would be at the post. It wouldn't necessarily be incorporated into the contract. And I would not necessarily have that information in Washington.

Q Okay. Okay. So if the vetting process was completed, it would be, if there was a document, it would be more at post than being --

A Correct.

Q -- something that you would have.

A Correct.

Q So to your knowledge, do you know if the Blue Mountain Group was vetted or not?

A To the best of my knowledge, they were. But I was relying on the contracting officer's representative to do their job and to do the vetting.

Q And what's the basis of that conclusion, to the best of your knowledge they were?

A The guards were coming to work every day and they were performing work there. Again, you'd have to talk to whoever the COR is at the point. But I can't imagine that they would want them to be working if they weren't approved.

Q Okay. Okay. But there wasn't a physical document that you saw, it was just based on sort of observation of the process going --

A Right.

Q -- and therefore you assumed that they had been vetted, is that correct?

A Correct.

Q Some of these may be outside of the scope of your knowledge but I'm going to ask them and you can let me know. Were you aware that BMG may have been released from two contracts in Tripoli, were you aware of that?

A No.

Q When you took over the contract, can you just -- the Benghazi contract, when I say the contract, I'm referring to

that -- what was your observation of sort of the procurement status or what was your -- I mean, was it in good shape? Was it needing some work? What was your general observation?

A Well, this was a contract that was slapped together in a hurry. So it was not in the best of shape.

Q And can you explain, what do you mean by slapped together in a hurry?

A The contracting process that you talked about all the way to get to award usually takes 18 months.

Q Yes.

A You know, that's the general timeframe we tell people. We need 18 months.

Q Correct.

A Okay. This was solicited in January.

Q Yes.

A And contract performance started on March 1st.

Q That's what I'm asking. So was this sort of outside of -- to your knowledge, based on your training -- was it sort of outside the normal contracts that had been put together as far as the timing?

A The timeframe was unusual, okay, but is it unheard of? No. No security services is not an option. So sometimes you do the best you can with the time you got available.

Q Right. Right. But standard is 18 months. In this instance, it was approximately 3 to 4 months solicited and gone through

that entire process?

A Correct.

Q Okay. Do you know when they brought you in on the contract, did they need your expertise and help? Or do you think it was just a function of somebody needed to cover this contract?

A The contract was up and running at the time that I had it. So did they really need help? No. It was already off and running. And they had processes and everything already established.

Q Okay.

A So, you know, did they need my help? Yes, no, but yes and no. They just needed contract administration and oversight at the time.

Q All right. I'm going to show you a document, government's exhibit 1.

[██████████ Exhibit No. 1
was marked for identification.]

Mr. Grider. We'll give you some time.

Mr. Evers. Do you want to go off the record?

Mr. Grider. Yes. Sure. Let's go off the record.

[Discussion off the record.]

Mr. Grider. Let's go back on the record.

BY MR. GRIDER:

Q All right. I'd like to direct your attention to page 2. Let me read the document. It's document number C as in Charlie, 05528550. And we'll work through, back up. But on page 2, we have

the from, from [REDACTED], sent on Monday, September 10th, 2012, at 3:37 p.m., to [REDACTED] and [REDACTED]. You state: Oh, happy day, [REDACTED], I have a bushel of lemons. I'm trying to figure out how to make something good out of this. Pardon me, I'm whining. Now down to business.

And then you go into the letter from the law firm. Can you explain, number one, you know, what was your -- what was sort of your, you know, your understanding, you said bushel of lemons, what was your understanding of what was going on at that time?

A Again, I was trying to problem solve here and got the letter from the attorney and trying to figure out, you know, who really -- and there were a lot of different entities going on and trying to figure out who was related to the contract and who wasn't and whether they really had a justification for what they were doing or not.

Q And did you ever come to that, did you ever sort of straighten that out of who was related to the contract and who wasn't?

A To some extent, yes and no and yes or no. There was never a clear -- there were way too many parties and it was way too confusing.

Q Okay. So your observation of the contract, there were a number of parties and somewhat confusing?

A Yes.

Q Okay. All right. All right. So let's try to -- let's try to walk through some of the parties. I'm aware of some of the parties. You had Blue Mountain Group UK?

A Yes.

Q And can you walk me through some of the other parties that you remember that were party to the contracts?

A Well, really there were -- what I was trying to figure out -- and I'm going to use an analogy to make it a little bit easier, okay -- there appeared to be two parties that came together as a joint venture who we awarded the contract to. Now, in Federal contracting, we can either contract with the two parties. So if you say these two parties come together, we have Blue Mountain Group and then we have somebody in Libya who had a license under Blue Mountain Group. Okay? They were 50/50 partners.

Now, I don't know, it was never clear to me whether these two parties, and I'll call them, like, parents, if they came together and had a child and we awarded the contract to the child and the two parents were in control of the child, or if we actually -- and you can in Federal contracting award to the two parties, like the two individuals together at the same time.

Q And so in your expertise, were you ever able to figure out what actually -- was it awarded to two parties or was it awarded to one and they --

A What I concluded -- and then you've got to also understand, we have system limitations, like, we have a system that writes a contract, and it has a limitation, it will not let me use two parties, it will only let me do one. Okay? So when we talk about this, there's a couple different things that you might be looking at. In looking at, if you look at the SF-33, which is the contract award, it may only

have one name, but the intent was we award it to two parties, not a child. So we have, like, a mom and a dad.

Q Right.

A In the analogy.

Q Sure.

Are you familiar with, going back to the parties, are you familiar with Torres?

A Torres Advanced Enterprise Solutions, yes.

Q And then what about XPAND?

A XPAND I did not know anything until September of 2012.

Q Okay. So tell us what did you learn in September of 2012 about XPAND.

A XPAND -- Blue Mountain UK sent the -- it was basically a dissolution of their joint venture agreement and it identified XPAND. That was the first time I had seen XPAND.

Q Okay. And then did you ever, after the dissolution, did you ever work with XPAND or did they --

A No.

Q Okay. So what happened after the dissolution?

A We got the dissolution agreement in late I think it was August of 2012. And then shortly after that, then the Jordanian lawyer sent the thing, the letter saying -- claiming that Blue Mountain UK had not lived up to the terms of the dissolution.

Q And then what happened after that letter came?

A After that letter came, these emails that you see from this

exhibit --

Q Correct.

A -- was some of the issues that were going on.

Q Did you ever resolve -- did you all ever resolve the issue?

A The last thing was that [REDACTED] was going to send the attorney an email. So that was September 10th.

Q Right. Okay. So prior to September 11th there were several questions about the joint venture, the dissolution, and the parties involved in the contract. Is that correct?

A Yes. I mean there was a dispute between the two parties. That's not the same as the contract that was between the State Department and this Blue Mountain UK. That issue was something else.

Q Correct.

A That was between those two parties.

Q Right. But the two parties that were executing the contract were having a dispute, correct?

A Yes.

Q Prior to September 11th?

A Yes.

Q And prior to September 11th, they had sent letters to you or to Acquisitions to try to resolve this dispute that was occurring. Is that correct?

A They were trying to get us to resolve it for them.

Q Right.

A But under privity of contracts, it's not my problem.

Q On page 1, [REDACTED] states, as you stated early, on September 10th, 2012, you know, what UK has to say about the lawyer's letter. And then the next day, the attack occurred.

A Yes.

Q Can you explain to me what happened, from your perspective dealing with the contract, you know, during the attack?

A During the attack?

Q Yes.

A You mean on September 11th and into September 12th?

Q Correct.

A The guards were, you know, on duty. And then, you know, something, the attack happened. That is an excusable delay for the contractor under the terms of the contract.

Q Okay. An excusable delay. So at what point did the contractors, did you pick back up working with Blue Mountain Group after the attack?

A What do you mean by working with Blue Mountain Group after the attack?

Q So during the attack, were you in contact with Blue Mountain Group on those days, September 11th and September 12th?

A On September 11th, Blue Mountain sent me an email saying: I'm aware of the attack. And that was kind of my red flag of: Huh? Except that on September 11th, there were other attacks going on around the world other than that. Then on September 12th, we were trying to contact Blue Mountain Group and their people and get data, you know,

what they know, information, whatever was going on.

Q That's correct. So who were you reaching out to, to try to get information and data?

A Nigel Thomas.

Q And can you tell me who Nigel Thomas is?

A He is the owner of Blue Mountain UK, or managing director, something along those lines.

Q And were you able to get in contact with him September 12th?

A Yes. He was providing information on how to get ahold of the project manager so that Diplomatic Security could talk to the project manager and find out what he knew.

Q And to your knowledge, who was the project manager at that time?

A It was [REDACTED] -- his name escapes me right now.

Q [REDACTED], by any chance?

A Yes.

Q And did you have an occasion to talk to [REDACTED]?

A We got ahold -- we, myself, Diplomatic Security, and a whole a lot of people called him on his cell phone on September 12th when he was at the airport. I believe he was in Dubai or someplace like that.

Q And what, if anything, did he communicate to you?

A Diplomatic Security debriefed him. They debriefed him.

Q Okay. So DS debriefed him. Were you on that call during the --

A I was there.

Q Okay. Were you on the call?

A Yes. I was on the call with him. I sat and listened.

Q Okay. We may come back to this. But let me just sort of -- it's my understanding that the eight contracts that you had, did you have any contracting oversight or insight into Tripoli and the contracting process in Tripoli?

A Tripoli was not a local guard contract. It was a personal services agreement.

Q Can you explain the difference between a local guard contract and a personal service agreement?

A PSC or PSA is an employee-employer relationship between the State Department and the guards.

Q Right.

A A contract is the contract between the State Department and a contractor. And the contractor's employees are the guards.

Q And to your knowledge, was PSA ever considered with respect to -- using PSAs with respect to Benghazi as far as the guards?

A At the time of award or at the time we were having disputes about the security license?

Q Very good. At the time of the award, to your knowledge.

A I would not know.

Q You don't know?

A I do not know.

Q So then at the time you took over the contract -- we'll get

to the attack -- was it ever considered, was PSA ever considered?

A At the time I took over the contract, no.

Q Okay. And then after the attack was the use of a PSA ever considered?

A After the attack?

Q Correct.

A Well, not really, no.

Q So there were never any discussions about PSAs?

A There were discussions about PSA prior to the attack because we were having these issues that are on exhibit 1.

Q Correct.

A So we needed -- you know, no security service is not an option. We had to have belts and suspenders. We had to have a plan B if plan A failed.

Q Correct. So prior to the attack, PSAs were being discussed due to the issues of the contract?

A Due to what -- again, we're just talking belts and suspenders to make sure that if this failed, that we have a backup plan.

Mr. Grider. Okay. Very good. Thank you.

Can we go off the record for 1 second?

[Discussion off the record.]

Mr. Grider. Let's go back on the record.

And I would like to introduce to you exhibit 2, document number C as in Charlie, 05408680.

[REDACTED] Exhibit No. 2

Was marked for identification.]

BY MR. GRIDER:

Q I just want to direct your attention to sort of the last full paragraph on the page that states: "Benghazi guards -- M has decreed that we should proceed with PSAs for the local guards. DS disagrees, saying that it's too difficult to manage a PSA program with RSOs rotating every month and the short-term viability of Benghazi. PSA could be written as a limited term appointment. M staff wants us to make sure that PSA is not the way forward." And then it says: "DS wants to push ahead with guard contract vice PSAs using one of two contractors operating in Libya."

Just for the record, that email is from [REDACTED] on Monday, January 9th, 2012, at 12:21 p.m. I understand that this discussion predates you. But I'm just -- in your review of the file and in having questions and discussions about PSAs you mentioned prior to the attack that there were discussions about PSAs in light of the joint venture and dissolution. Was this discussion, did anyone ever bring a discussion, you know, this type of discussion was ever brought to your attention that PSAs had been considered back in January of 2012?

A No.

Q Okay. So today is the first time that, after reading this document, that you found that there were actual discussions in January of 2012 about PSAs versus doing sort of a guard services contract. Is that correct?

A Yes.

Q Based on your experience of working at State, could you, if you can, could you understand, can you sort of maybe explain to us why there may have been a disagreement between PSAs and guard service contracts in general, if you know? Are there pros and cons of both?

A There are pros and cons to both. How they make the decision, that's, again, I don't write the technical specs and I don't make the final decisions on whether it should be one way or the other.

Q Right. So I understand you don't write the technical aspects. But in light of taking over the contract and realizing that there was a dissolution going on in between the two contracting entities, PSAs were being considered. Why was PSAs being considered as opposed to just doing another contract? Why would that be brought to the table, as opposed to let's just do another contract similar to what we have done?

A We actually talked about another contract too and PSAs. So we were exploring all the opportunities that could go on. But if there was a failure with the one contractor, contractually I still have to address the one contract because we're still bound to the one contract. And until we get to the point where we've either terminated the contract or we've had a mutual agreement that we're walking away from it in a contract modification, I can't even go down the path of awarding a new contract.

Q Right.

A And in the meantime, no security services is not an option.

Q Absolutely. Absolutely. So you mentioned there were

discussions about possible other, you know, maybe having another contract come in. You mentioned that.

A Possible, yes. But you also have to factor in how long did they need the services, how long was that place going to be open.

Q And did you ask that question?

A Those were the type of questions I asked them.

Q Right. And what were the responses that you received?

A No responses. No answers. I asked the questions. They were never -- we never fully explored it or had the opportunity.

Q Thank you. So as you were evaluating the contract and trying to determine other options, based on sort of the confusion in this current contract, you considered PSAs, correct?

A Yes.

Q You considered bringing in another outside, you know, getting another contractor in, correct?

A Yes.

Q And then you asked questions about essentially how long we were going to be in Benghazi. Is that correct?

A Yes. I asked how long they might need the services.

Q Yes. So who did you ask that question to?

A Those were discussions I had with Diplomatic Security, people would be such as [REDACTED], [REDACTED].

Q And during this time that you were considering different options and you were attempting to gather facts so you can make a decision of how to remedy things, when you asked the question of how

long or what's going on or how long they would need the services, you never had that answer or --

A That's correct.

Q That's correct.

In your review of the contract, do you familiarize yourself with sort of, like, potential impediments or requirements that Libya or a different country may put on the State Department in sort of placing guards in?

A After contract award I would not consider that. When you're doing solicitation planning, those are some of the questions that you would go through and ask.

Q Okay. Good. Good. And so when you were doing your consideration in light of this dissolution happening prior to the attack, would you say that you were thinking through sort of a, you know, would I have to do a potential solicitation? Or what would be the term, if for some reason you terminated and you got new contractors, would you start all over on the solicitation or what would you do?

A Most of the time -- well, most of these local guard contracts, for the most part, are very similar. But every one of them is a little bit different. So the overall structure is the same. Most of the terms and conditions are the same. So section H of the contract is pretty much uniform.

Q Right. So do you recall if there was any Libyan law or requirements about the contractors being armed or unarmed?

A I don't recall. I know this contract was unarmed.

Q All right. And did ever look into why they were unarmed?

A Not really.

Q Not really? Okay.

A Unarmed -- okay. That falls into a whole class under licenses.

Q Okay.

A And you've seen the emails. So you've seen where I was asking a lot of questions about licenses. If you add weapons to the factor, there's usually other licenses that are needed. Sometimes you need licenses down to the individual guards if they carry weapons, worldwide. You know, it just depends on each country. So those are a lot of questions that we would have to go back and ask. But, again, I inherited the contract after it was awarded. So a lot of those questions, you know, predate me. And I don't know what they --

Q What they asked or not asked, you don't know?

A I don't know.

Q Okay. But, generally, when you're walking through the contracting process, the person that's doing the award should ask those questions about the law, armed and unarmed?

A They should. But this is a complex program. It takes a long time to learn enough. And believe me, in May of 2012 I was not sophisticated enough to know to ask some of those questions. Since then, I've got the battle scars.

Q Okay. I'm at my 4-minute mark. I'll ask one more and then we'll take a break.

I'm just generally thinking as the contracting officer you may have reviewed the file in 2012, so you may remember this, you may not. Are you familiar with life services, the life services contract?

A Only superficially.

Q Okay. In what context do you recall the life services contract?

A I know more about it in, like, Afghanistan and Iraq and stuff because they do stuff there. And it's run by a different division within AQM and awarded differently.

Q Okay. Do you recall if there was a life services contract prior to bringing in Blue Mountain Group?

A I don't know the details of it. I believe there was, but I'm not an expert in that arena. And it would not be in the contract file.

Mr. Grider. Okay. All right. I can stop there.

[Recess.]

RPTR GENEUS

EDTR ROSEN

[11:30 p.m.]

BY MR. GRIDER:

Q Let's go back on the record, please.

Thank you, Ms. [REDACTED]. I've handed you government exhibit -- excuse me -- exhibit 3, and Bates Numbers 50625, 50626, and 50627.

And before we get to this article, I just want to recap on some of the discussions that we had.

Earlier you had talked about whether it be a dispute between the parties, Blue Mountain UK, we'll call it Blue Mountain Libya.

A Okay.

Q To your knowledge, or in the role that you sat in in working on the contract, if there were performance issues with respect to the contract, would that have been brought to your attention?

A Yes.

Q How?

A The technical people, the ARSO, who was on the ground, would contact the diplomatic security, would have been either the COR, who was [REDACTED] at the time, and/or [REDACTED]. And I worked on the same floor, very closely with both [REDACTED] and [REDACTED], so they would have raised it to my attention.

Q And did they ever bring any performance issues to your attention?

A No.

Q Were you aware that there may have been salary disputes with respect to the workers?

A No.

Q No. Would you know if someone had been hired or fired based -- under the contract?

A No, except for the key personnel in the contract, and that would be the project manager.

Q So if there were performance issues and they fired the key personnel, you would have knowledge of that?

A Yes.

Q But if there were performance issues and with respect to the workers or the individuals that were actually guarding and they fired someone, would you know about that?

A No.

Q So the only way you would know about it is that -- if someone had communicated to you in the ARSO, [REDACTED] or something to that, would have had to come and tell you about what happened with respect to sort of lower-level performance issues or workers at the compound; is that correct?

A Yes.

Q So there could have been performance issues at the low-level compound that was never brought to your attention or you just didn't know about?

A Yes.

Q So people could have been fired that you didn't even know about?

A Yes.

Q People could have been sleeping on the job and you wouldn't know about that; is that correct?

A Yes.

Q Okay. So you had certain levels of visibility with respect to performance on the contract, but you didn't have all levels of visibility with respect to performance on the contract; is that correct?

A Yes.

Q Okay. Let's turn to exhibit 3, please. I'm just going to read the first section, and then we can -- this is an article published on October 2nd, 2012, Fox News, states: "State Department stayed out of contractors' dispute over consulate security, letters show."

I'm just going to read just a brief section. "The letters pertain to a dispute between Blue Mountain Libya, the security license holder in Libya, and its operations partner, Blue Mountain UK, which trained and provided the local guards. A source with knowledge of two State Department meetings, one in June and July" -- "and a second in July, told Fox News that Blue Mountain Libya felt the security provided by the UK partner was substandard, and the situation was unworkable. But according to the source, when the Libyans tried to bring in a third party, an American contractor, to improve security, a State Department contract officer declined to get involved."

And there's a quote here, "The U.S. Government is not required to mediate any disagreements between two parties of the Blue Mountain Libya partnership, contracting officer [REDACTED] wrote on July 10th to Blue Mountain Libya adding that to date, the contract performance is satisfactory."

Then it says, "Asked about the letter Tuesday, State Department spokeswoman Victoria Nuland said, 'The Department's investigation likely would address the issue.'"

So I just want to walk through and make sure the facts are accurate. I think we already covered some of this. So I think we talked about, you know, the letters with respect to the dispute between Blue Mountain Libya, which they're stating is the security license holder in Libya, and Blue Mountain UK. So we talked about the different parties.

A Uh-huh. Yes.

Q And so are these parties accurate with respect to the parties of the contract?

A Yes. We talked earlier about it was Blue Mountain UK and a local partner who held the security license.

Q That's correct. Okay.

The article discusses that there is an individual that's stated that the substandard -- that the work was substandard and the situation was unworkable. And the Libyans tried to bring in a third party, an American contractor, to improve security.

Just based on your time with the contract, do you ever recall the

Libyans trying to bring in a third party, an American contractor?

A Yes, I do.

Q Okay. Could you tell us about that, please?

A I was -- several people within HUM were contacted by a company named Cohort International claiming to represent the local partner.

Q In? I'm sorry, represent the local partner in?

A In Libya -- the Blue Mountain partnership. UK, Blue Mountain.

Q Go ahead.

A It's hard to -- we need to kind of make sure we have a clear understanding of how do we define the different parties.

Q Yes.

A Because you've got Blue Mountain UK.

Q That's correct.

A You've got a local Libyan partner who -- you know, I don't know if you want to call them the Blue Mountain Libya, and then you've got Cohort, which is a different entity.

Q Yes. Okay. Thank you for that clarification.

No, it's very -- this contract is very complex, and I appreciate the good work that you did handling it.

So Cohort International, when they -- they reached out, who did they reach out to?

A If I recall correctly, they reached out to [REDACTED], and he forwarded the contact information to me. They may have reached out

to [REDACTED].

Q And refresh our recollection of who [REDACTED] is again?

A [REDACTED] was involved in the -- was working in acquisitions at the time of the contract award and was involved with the contract award to Blue Mountain Libya, Blue Mountain UK.

Q Right. And you also said, based on your recollection, that Cohort may have reached out to [REDACTED] or [REDACTED]; is that correct?

A Yes.

Q Did they ever reach out to you?

A Since I was managing the contract at that point, that -- any contact was then turned over to me to deal with.

Q So did you -- who at Cohort International were you dealing with, if you recall?

A I don't remember his name off the top of my head.

Q Do you recall the level? Was it --

A He was somebody who worked at Cohort. It was -- no, I don't remember. More like a salesman, you know, business development type.

Q Okay. And just based on your review or discussions with Cohort, where were they based?

A That's a good question. They appeared to be an American company and had operations, or claimed on their Web site to have operations in Dubai or someplace like that, and then they also had work in -- I even want to say Afghanistan or it could have been Baghdad.

Q Okay. So when you dealt with Cohort, you stated that they

were claiming to represent, we'll call it, Blue Mountain Libya; is that correct?

A That's correct.

Q So what were they communicating to you on why they felt like they needed to come in? Why were they calling you? What was the substance?

A They contacted me because they wanted to have a meeting, face-to-face meeting, with us.

Q About what?

A About the Blue Mountain -- or the contract in Benghazi was the request at the beginning.

Q So did you ever have a meeting with them?

A We did have a meeting.

Q Okay. And based on that meeting, what issues were brought up about a contract in Benghazi?

A During that meeting what they said is, we're Cohort. We're going to kick the Blue Mountain UK off the team, and we're going to take over contract performance.

Q So did they discuss contract performance?

A No, not to the best of my recollection.

Q But they stated they were going to take over contract performance; is that correct?

A Yes. They were claiming that their intent was, we're going to take over the contract for Blue Mountain UK.

Q Okay. And who was at that meeting?

A The meeting was attended by myself, [REDACTED], [REDACTED], [REDACTED], [REDACTED], and then one representative from Cohort, and I don't think there was anybody else -- and myself. I don't think there was anybody else.

Q Do you recall approximately when that meeting took place?

A It was at the end of June.

Q So with respect to this article, it says June and July, is that accurate?

A Yeah.

Q Okay. During the meeting, were performance issues ever raised?

A Not that I remember.

Q So Cohort -- I guess -- well, let me back up. Does this happen -- is this type of -- you know, once the State Department's has a contract and it's done, do other companies still come in, say, hey, we had like to take over this contract? Does that occur?

A That is highly unusual.

Q Okay. All right. So the --

A Highly unusual.

Q Okay. So once the contract is done, for another company to come in and petition the State Department and say, we want to take over this contract --

A That's correct.

Q -- highly unusual?

A Highly unusual.

Q Very good.

Why in this instance, in your opinion, did that happen?

A I have no idea why this other company decided they were going to try and take over, their ultimate motive for doing that.

Q But during the meeting, they would have communicated -- I mean, if they are doing a sale, they would have communicated why we are here; why we think there's a gap, and why we think we can steal it if it's a sales, right?

A It wasn't a sales pitch. It was, we represent this local guy, and we're going to take over.

Q Okay. Very good. So they weren't requesting. They're saying, we're doing it?

A Yeah.

Q And they also mentioned take over, I think you said, contract performance?

A Well, again, they were going to kick off one of the partners to the contract.

Q So anything else in that meeting that was discussed with respect to performance or the kicking off of one of the partners?

A It was primarily focused on that. The only thing I ever -- the other thing I remember from this guy was he was bragging about something that they were doing in, I believe it was, Afghanistan. That I sat there and thought, I'm glad -- he's just bragging, because to me it sounds like they were trafficking arms.

Q Okay. Very nice.

A And I was like, I -- you know, it's not my problem.

Q You mentioned that it's highly unusual to have someone come in and attempt to take over the contract. Is it standard for State to at least occupy or have a meeting with someone wanting to do this or demanding that they're doing this?

A Okay. Well, first of all, what they demanded or what -- this was highly unusual. I made the Cohort at least establish their bona fides, you know, that they actually represented somebody that was a party to the contract.

Q And how did you do that?

A I requested from him that they establish one. So they gave me a letter that was signed by the local partner.

Q And do you recall who signed that letter?

A It was an Arabic name, and the name matched the name on the license.

Q So prior to setting up the meeting, you wanted to check and see if they were legitimate; is that correct?

A Yes.

Q And so in doing that, you requested that they get some verification with the Libya individual that they were representing?

A Yes.

Q And so you asked -- did you ask for anything, or did they -- they offered up a letter?

A I said, before I have the meeting, you must give me your bona fides. They offered up this letter that was signed by this -- a

guy from Blue Mountain Libya. And like I said, the name matched the name on the license.

Q And so once you received that letter -- did you have the authority to have that meeting yourself, or was that a discussion with other individuals in the office?

A I wasn't going to that meeting myself. I wanted my team, the whole team, to participate with this.

Q I guess my question is, in meeting with someone, could you have met with them -- did you have the authority -- well, you're, you know, senior level. So you could have -- you have the authority to make the decision, could Cohort come in and meet or not meet; is that correct?

A Yes.

Q Okay. And so once they establish and they sent you that letter, that was enough for you to go ahead and set up a meeting with Cohort; is that correct?

A Yes.

Q Okay. Any other information that they gave you that helped you to sort of make that decision about sitting down with Cohort?

A Not really, no. I went to their Web site and looked at who Cohort was and who the key players are.

Q At that time in June, were you aware that there were some levels of dispute between the two companies, or at that time in June, were things peaceful?

A It was all beginning to bubble up about the same time --

Q Okay.

A -- these disputes.

Q So the disputes were happening between the two parties, Cohort reaches out to you and says, we represent one of these parties; here's a letter. And you said, based on the dispute, based on the verification, you said, yes, we'll meet with you?

A Yes.

Q Okay. After that meeting, what decisions did you make or meet with your team on evaluating whether Cohort was going to somehow enter into the contract, or what was your process?

A During the meeting, I explained to Cohort, under government contracting with this joint party, these two parties are jointly and severally liable for contract performance. If a new team member -- again, remember we talked a little bit ago about two parents; we're going to kick one parent off the team, and we are going to replace it with another parent, a new parent; we are going to have to have a contract modification, and we call it a novation. We're going to take one team member off and put the other team member on. This was complicated because it was a 50-50 joint venture.

Q Let me just pause on that. Once reviewing the file, did you understand why it was a 50-50 joint venture, or was that something new to you?

A 50-50 joint ventures are -- I've had one bad experience with that before in private industry. And the problem is when it's 50-50, neither party can actually get rid of the other party without mutual

agreement. If you have a majority holder, the majority can then kick the minority off.

Q So once you receive the file, did you ever turn around and asked [REDACTED], or people that were initiating this contract, why did you do a joint venture or --

A By the time the contract's awarded, it's already water under the bridge.

Q Right.

A They are not going to change it.

Q Absolutely. But going forward, if you were going to terminate the contract, would you have done another joint venture?

A We award contracts to joint venture parties --

Q Absolutely.

A -- every day, so that's not unusual.

Q Okay.

A Based on my one bad experience and now two bad experiences with 50-50 joint ventures, I'm the only one with institutional knowledge enough to say, hey, wait a minute, these 50-50 joint ventures aren't such a good idea.

Q All right. Very good.

And at what point -- today is 2015. In 2012, was that -- did you sort of form that opinion as well, that these 50-50 joint ventures are not necessarily a good idea?

A Like I said, in private industry, I had one bad experience with a 50-50 joint venture. Okay? Because of these issues --

Q Sure.

A -- so when you get to disputes, it's hard to resolve the dispute.

Q I guess my question is, today you would inform individuals about the joint venture and say, hey, we've had a bad experience, let's pause.

During 2012 when you were sort of working on this contract, did you ever communicate that to other individuals about should we do this again, or --

A Okay. Well, as I said, this contract was already awarded, so you can't undo it.

Q I understand.

A If I received a proposal today that had a 50-50 joint venture before awarding it, I would have negotiations, and I would ask the parties about how they're going to settle their disputes.

Q Okay. Very good.

A Because this is an issue.

Q Okay. Very good. So let's just wrap up this -- the quote here, "The U.S. Government is not required to mediate any disagreements between the two parties of the Blue Mountain Libya partnership," and Libya adding that -- stated, "Adding that to date, 'contract performance is satisfactory.'"

Do you recall, was that an email, or was that your perspective at the time?

A That quote is from a letter I wrote.

Q Okay.

A And, yes, I validated that with State Department. You were asking about the performance issues. Before I wrote that, I validated that with [REDACTED], then [REDACTED], and asked them to ask the post, is contract performance satisfactory, making sure that when we wrote -- when I wrote the letter, that it was accurate.

Q And contract performance, there's multiple layers with respect to contract performance; is that correct?

A Yes.

Q So, you know, a guard could be doing something that it's not doing, but theoretically, overall, that doesn't mean the contract performance is poor?

A That's correct.

Q Is there sort of a -- is there a standard with respect to contract performance, because in your view, based on your statement, performance was satisfactory. There may have been -- there may have been some other views on their -- you know, that the performance was unsatisfactory. Could there be a difference of opinion?

A Again, it's a subjective thing, so different people could have a different opinion.

Q Okay. All right. So contract performance can be a subjective thing; is that correct?

A Yes.

Q Are you familiar with the World Protective Services contract or --

A Somewhat.

Q I know I didn't get it right. Could you explain to me the World -- I'm familiar with it, but can you explain to me what World Protective Services contract? Is that correct?

A It's got an acronym, the WPS contract.

Q Okay. Yes.

A It's an IDIQ contract where they award task orders for security services in places like -- in high-threat areas such as Iraq, Afghanistan.

Q Would Libya fall into that?

A I don't know the contract well enough to tell you if it would fall under the definition of that contract or not.

Q So WPS, WPS, to my understanding is prevetted contractors so that in these high-threat areas, they can go and choose from these section of contractors. Is that sort of a layman's --

A Sort of a layman's, yes.

Q Thank you. I appreciate your technical expertise, and I welcome you clarifying it. Is that --

A Yes. Again, I don't manage those contracts, so I don't know the ins and outs of them.

Q I understand.

So when [REDACTED] -- you weren't there, but when [REDACTED] was initiating the contract, and the WPS -- if he was allowed to go to WPS, the WPS, he could have -- not suggesting he didn't, because [REDACTED] is not here -- he could have gone to a prevetted contractor out of the

WPS to use?

A You'd have to talk to him about that.

Q [REDACTED].

A I don't have the expertise about that.

Q Very good.

Now, you mentioned the term, the contract was quickly put together, or, you know --

A Yes.

Q Normally it takes approximately 18 months --

A Yes.

Q -- this one was probably sort of 3 months.

Did you ever understand -- I understand it was already done, but did you ever get an understanding of why it was done so quickly? What was the -- what was the urgency?

A I don't have a real sense of what the urgency was other than, you know, no security services is not an option.

Q Right.

A They needed services.

Q Right. But were there not -- so it wasn't that there were no services there --

A I don't know.

Q You don't know?

A I have no idea.

Q Correct. So you don't know if there were -- there were no services there prior to BMG. So if there were services there prior

to BMG, and they did a 3-month contract, would you have -- would you understand why a 3-month -- you know, putting together a normal process takes 18 months versus 3 months?

A And, again, I wasn't there, so I don't know what the urgency was, and I don't know what the decision-making process was.

Q Very good.

Mr. Grider. Can we go off the record for a second?

[Discussion off the record.]

[Recess.]

RPTR MCCONNELL

EDTR HOFSTAD

[12:40 p.m.]

Mr. Desai. Let's go back on the record. The time is approximately 12:40 p.m.

Ms. [REDACTED], good afternoon. Allow me to introduce myself. I'm Ronak Desai. I am one of the counsels with the minority staff of the select committee. I'm joined here today by my colleague Ms. Sawyer. And on behalf of the entire minority staff and its members, we want to thank you for your appearance here today. We also want to thank you for your service to our country.

There is a good chance we may go over some information that we covered in the last hour. If we do and we retread old ground, I want to apologize. It is just to make sure that we have gotten the information that we need for the record and that we have fully captured the full extent of your response.

EXAMINATION

BY MR. DESAI:

Q So, just to get started, in the last hour, my colleague showed you exhibit No. 3, and if I could just redirect your attention to that. And that was this Fox News article that mentions you on page 2, and if I can again just go over it.

The first paragraph of the article, it says, quote, "Letters obtained exclusively by Fox News appear to show the State Department refused to get involved when the company tasked with protecting the

U.S. consulate in Benghazi, Libya, raised security concerns, the latest indication that warning signs may have been ignored in the lead-up to last month's terror attack," end quote.

And the next paragraph states, "The letters pertain to a dispute between Blue Mountain Libya, the security license holder in Libya, and its operations partner, Blue Mountain UK, which trained and provided the local guards."

So, as an initial matter, the first paragraph here says "letters obtained exclusively by Fox News." And do you have any idea how Fox News got the letters that are being referenced in this article?

A No.

Q And you weren't the source of providing these letters to Fox News; is that right?

A No.

Q Okay.

So the article goes on, it cites these two letters --

Ms. Sawyer. And, on that point, they used as the basis of a pretty sweeping allegation these letters that they say they have in their possession. Would you agree with that characterization? They used the letters to say that warning signs may have been ignored in the lead-up to the attack?

Ms. [REDACTED]. It's a general characterization, yes.

Ms. Sawyer. It's more than a characterization. They actually accuse someone in the State Department, potentially you, of ignoring warning signs. Is that not a fair reading of what they are saying?

Ms. [REDACTED]. That's a fair reading.

BY MR. DESAI:

Q Right. So they used these letters, it appears, that appear to show that the State Department refused to get involved.

And then, again, it says in the second paragraph, "The letters pertain to a dispute between Blue Mountain Libya, the security license holder in Libya, and its operations partner, Blue Mountain UK, which trained and provided the guards."

So it looks like we are in the June or July 2012 timeframe; is that right?

A Yes.

Q Okay.

So, going to the next, let's see, middle of the page, page 2, it says, "The July 10 exchange and the apparent warning that set it off are sure to be examined closely as both the State Department and Congress begin to scrutinize what may have gone wrong in the weeks and months preceding the attack, in which the U.S. Ambassador and three other Americans were killed," end quote.

So then here it references a July 10 exchange; is that right?

A Yes.

Q And I know in the last hour you discussed with my colleagues some correspondence that was ongoing between yourself and others as well as folks from Cohort International. So I think in the June 2012 timeframe you said you had corresponded with these individuals who were purporting to represent the local Libyan partners; is that right?

A Yes.

Q And then you had gone to effectively ensure their, I think you said, bona fides, to make sure they were, in fact, who they were purporting themselves to be?

A Yes.

Q Okay.

And then that correspondence comes, and then we have this reference to a July 10 exchange.

So what I would like to do, Ms. [REDACTED], is provide you with two exhibits, the first which I will mark as exhibit 4, and the second I will mark as exhibit 5.

[REDACTED] Exhibit No. 4
Was marked for identification.]

[REDACTED] Exhibit No. 5
Was marked for identification.]

Mr. Desai. So why don't we go off the record for a couple of minutes. I will give you the opportunity to review both of these, and then we can come back on and discuss them.

Ms. [REDACTED]. Yes.

[Recess.]

Mr. Desai. Let's go back on the record.

BY MR. DESAI:

Q So the first document that I have handed to you that I have marked as exhibit 4, just to identify the document for the record, it has document ID number C05409645. At the very top of the document,

we see the Blue Mountain Libya letterhead; directly underneath that, your name, to which it is addressed to, and then the address. We have what appears to be a date, "BML 7/2012," with subject, "Program Management Change," followed by an identifying marker of some sort, "US Mission Benghazi Local Guard Contract."

Ms. [REDACTED], is this document familiar to you?

A Yes.

Q And is this the document that you and my colleague in the last hour may have referenced with respect to a correspondence from the local Libyan partner to you informing you of certain changes to the joint ventureship partner?

A Yes.

Q So if I could turn to the contents of the document, and I'm going to characterize this, and please jump in if I'm characterizing it inaccurately, but it appears that this representative from Blue Mountain Libya is informing you of certain changes to the joint ventureship partner. He says that "as of July 15, 2012, Blue Mountain Libya will be installing" -- the name has been redacted -- "as Program Manager on the US Mission contract in Benghazi." He goes on to characterize this individual's performance.

At the bottom of that first paragraph, quote, "The transition will be seamless and coordinated directly with the RSO in Benghazi," end quote.

At the bottom of this page, he lists what he calls an additional change. "Please direct future payments for contract SAQ to the account

listed below." There is some bank information here, with the bank account based in Tripoli, Libya. The information has been redacted.

Moving on to this --

BY MS. SAWYER:

Q And just as an initial question before we leave that page, in that first paragraph, the name is redacted. You had discussed in the last hour contact with Cohort and an individual from Cohort.

A Uh-huh.

Q Is that individual associated with -- the person referenced in this letter associated with Cohort?

A Until I received this letter, unless it was on the Web site, the individual referenced here, [REDACTED], was not the person we met with from Cohort International. They are two different individuals.

Q And what was Cohort's relationship to this exchange?

A You can't tell, other than they said that Blue Mountain was going to put [REDACTED] in as the project manager.

Q And did you come to learn at some point in time that [REDACTED] [REDACTED] was associated with Cohort?

A Yes. And I don't recall exactly when, but he was -- or if he was actually identified on the Cohort Web site when Cohort came on in the June-July timeframe.

Q So the entity, Cohort, that had asked for the meeting with you, also one of their associates, employees, someone associated with them, was also then being proposed as a new contract manager -- I think program manager on the contract.

A Yes.

BY MR. DESAI:

Q Moving to page 2, if I can focus your attention there, the first paragraph on page 2 appears to explain why certain changes were being requested. It looks like he claims in order to comply with Libyan law.

And then this last paragraph here on page 2, again, directing your attention to maybe the third sentence or the third line of paragraph 2, quote, "The changes being implemented are in the best interest of the U.S. State Department, and Blue Mountain Libya will continually review operations and practices to maintain best performance," end quote.

And then, at the bottom of the document, we have a signature here. The name of the individual has been redacted, and then "Chairman" appears below that.

So, just based on this first document and, again, going back to the claims that are being made in the Fox News article in exhibit 3, there doesn't appear to be, at least in this letter, any claims of contract performance or any concerns surrounding safety or security of the services that Blue Mountain was providing; is that correct?

A That's correct.

Q And, on the contrary, what the individual who wrote this letter to you is stating is that, despite the requested changes, operations are still going to continue as they were and that, in fact, this is supposed to be better for the State Department and what their

objectives are with respect to the services being provided. Is that right?

A Yes.

Q Okay.

Now, if I can turn your attention to exhibit No. 5 --

BY MS. SAWYER:

Q And just before we leave this, again, you know, there is a discussion of maintaining best performance. So certainly they were not coming in claiming that there had been a failure to perform at a high level in terms of the underlying security support they were providing.

A That's correct.

Q And so, to the extent Fox News -- and I will just redirect your attention to exhibit 3 again -- in that first paragraph, appears to have relied upon this letter exchange, in a manner that they say individuals, quote, "raised security concerns," do you believe that's accurate based on both your experience in terms of being in the meetings, hearing this, and also the letter and what it represents?

A Well, assuming that they are using these letters, is it an accurate representation? No, not in my opinion.

Q And was it accurate even in accord with your experience, what you were experiencing in the meeting? Were they raising security concerns and claiming that there had been a failure on their part -- because they were in the joint venture -- to perform at the highest level in terms of the underlying security?

A They never made any such claims.

BY MR. DESAI:

Q So if I can again redirect your attention now to the second document I handed to you, exhibit 5. And I will identify this document for the record. It carries with it document identification number C05409368.

At the very top of the document, on the upper right-hand corner, the document is dated July 10, 2012. It's addressed to an individual whose name has been redacted, but it appears that he is from Blue Mountain Libya on the second line.

And on the second page of the document, it looks as if it says, "Sincerely," and then your name, "Contracting Officer." Is that right?

A Yes.

Q Okay. So, again, this appears to be the response that you sent in reply to the letter that we just examined; is that right?

A Yes.

Q Okay.

And if I could direct your attention to the second paragraph of the first page of the document, quote, "Contract performance under contract," with a name, or the number rather, "commenced on March 1, 2012. Through June 2012, Blue Mountain Libya's contract performance is acceptable," end quote. And that's the sentence you wrote in that paragraph; is that right?

A Yes.

Q You echo this sentiment again on the second page of the document. In the second-to-last paragraph you write, starting in the third sentence it looks like, quote, "To date, contract performance is satisfactory," end quote. Is that right?

A Yes.

Ms. Sawyer. You know, the very next sentence goes on to say, "If in the unlikely event that contract performance is compromised, both parties are accountable."

So it appears to me that you are absolutely pointing out to the parties that if there is indeed any problem with performance they will be accountable for that. Is that not what you were informing them?

Ms. [REDACTED]. Yes.

Ms. Sawyer. So if indeed security had been compromised, you would have taken steps to address that?

Ms. [REDACTED]. Yes.

BY MR. DESAI:

Q So, moving your attention to the fourth paragraph on the first page. And you convey some information here, at least in the top portion, that you conveyed to my colleague in the last session: that this was a joint ventureship; there were two parties that comprised that joint venture; each had a 50-percent stake in that JV; and that any changes that were going to be made, there needed to be consent by both parties before they could move forward. Is that right?

A Yes.

Q Now, going to the rest of paragraph 4, it appears as if

you're indicating that the individual that they have proposed to become project manager, the new project manager, is a subcontractor. And, in this paragraph, you write that subcontracting is prohibited expressly by the contract that they ventured into with the State Department. Is that right?

A Yes.

Q And you are also telling them that the CV that you received of this individual and his alleged qualifications, that it looks like, from what you understand, that these could have been embellished and that this individual has had past performance issues with the State Department and contracts he has had in the past, as well. Is that right?

A That is correct.

Q So, if I have understood correctly, even if they both agree to a change and they then come to you or they come to the State Department, it doesn't necessarily mean that you are going to accept the change. Is that right?

A That is correct.

Q On the contrary, it looks as if, you know, security and safety continue to be of paramount concern for you insofar as you are even assessing and evaluating the qualifications of this individual and his efficacy and performance in past performance of contracts. Is that right?

A That's correct.

Q And had you had any belief that there could be an impact

on safety and security by making the proposed changes, that would have been addressed, correct?

A That is correct.

Q And you would have had tools or certain measures that you could have taken to address any issues that could have arisen as a result of contract performance. Is that right?

A Yes.

Q And what would those tools or measures have been, if you are able to tell me?

A You start at the lowest level. You try a deficiency letter. You do requests, corrective action plans. If it gets bad enough, you write notices, and if it's even worse than that, you terminate.

Q Okay.

So, again, my reading of paragraph 4 and the document overall is that, once again, you know, contract performance with respect to safety and security and the services that are being provided by Blue Mountain at our mission in Benghazi was paramount, that this was something that you were monitoring very closely and tracking very closely. Is that right?

A Yes.

Q And I think what you just told me is, had there been any issues, those would have been addressed through a full scope of measures that would have addressed those issues. Is that right?

A Yes.

BY MS. SAWYER:

Q So, before we leave this, can I just ask you a couple questions?

This article comes out by Fox News in October of 2012, early October, a month after the attacks. It, in essence, accuses, quote, "a State Department contract officer declined to get involved," end quote, and links that declination of involvement to potentially ignoring security attacks at the consulate that's been attacked and has resulted in the loss of American lives. And it specifically identifies you by name in this article.

A Yes.

Q Can you just share with the committee how that made you feel?

A It made me angry. It was not a good time. I got lots of phone calls at home. And, again, it made me feel like they didn't take the facts into consideration and that they were lying, so to speak.

Q And they were lying based upon what they kind of applauded themselves as letters of State obtained exclusively by them, letters that had your name on them. Is that not accurate?

A Yes.

BY MR. DESAI:

Q And we have looked at those letters, assuming these are in fact the ones that they are referencing, and there is nothing in either exhibit 4 or exhibit 5 which actually claims to say what Fox News is purporting they claim to say. Is that right?

A That's correct.

Q And, in fact, on the contrary, where in both letters no

issues of safety or security were raised in exhibit 4. Is that right?

A That's correct.

Q And, in exhibit 5, what you have here is, you know, your very single-handed focus on safety and security and informing the Libyan partner of the joint venture that any changes, even if there is consent, are going to be carefully assessed by the State Department, by yourself, to make sure they don't impact safety and security of the mission there. Is that right?

A That's correct.

Ms. Sawyer. So, Ms. [REDACTED], I do hope that, if nothing else from your appearance today, that we can help correct the public record on your involvement here and what you did actually, in fact, do to assure and, quite frankly, show your willingness to get involved when required to assure the security on the ground in Benghazi.

Ms. [REDACTED]. Thank you.

BY MR. DESAI:

Q Moving on to a slightly related topic, is one on contract performance. And I know you and my colleague, in the last hour, talked about contract performance and what that could possibly entail. I know he asked you some questions about the subjectivity of contract performance and whatnot, and I just wanted to ask a couple of followup questions with respect to that.

The first one being, you weren't on the ground, obviously, in Benghazi at any point to see what was happening at the mission with respect to Blue Mountain or the Local Guard Force; is that right?

A That's correct.

Q So, as a result, you are necessarily relying on others who have the responsibility, authority, and visibility to do all those things to report to you of whether or not the contract is being performed and fulfilled as per the terms of the contract. Is that right?

A That's correct.

Q And, ostensibly, that would be -- I think you told my colleague in the last session Diplomatic Security would have the authority, visibility, and responsibility to be monitoring these things and reporting back to you and others to ensure that the contract is being performed as it should be. Is that right?

A That's correct.

Q Now, I know my colleague in the last hour brought up some examples -- for example, if there was a guard that was sleeping on the job or a guard who has been fired, let's say, for lack of performance or for some other reason. And these things happen, ostensibly; is that right?

A Yes.

Q Okay.

Now, at any point, were you aware if, you know, Diplomatic Security ever came to you and said, hey, we have a problem with this individual guard because he is sleeping on the job, or we are having a problem with this guard for not performing, and we have asked the contractor to fire him or her but the contractor won't do that and we are having problems, were you ever made aware of anything like that

during your time monitoring this and being involved with this contract?

A No.

Q Okay.

You would have heard of any instance where anyone at DS or anybody else on the ground or anyone else at the State Department, you would have been made aware or become cognizant of if there were overall performance issues with the contract with respect to providing security at the mission. Is that right?

A Yes.

Q And during your time when you became responsible for this contract and it was a part of your portfolio, was there ever an instance where anybody at any point came to you and said, Ms. [REDACTED], we are having a problem with the overall contract performance as it relates to safety and security by Blue Mountain in Benghazi?

A There was never an incident like that.

Q Okay.

Ms. Sawyer. And, again, just to loop it back to what we just discussed, presuming they had come to you, you would have indeed had the tools to address the actual nonperformance overall of the critical security functions that the Blue Mountain Group was providing.

Ms. [REDACTED]. Yes.

BY MR. DESAI:

Q Another question I wanted to ask you -- and, again, we talked about this in the last session -- was that the contract that was put into effect -- and I know this was put into effect before your

time -- that it was done in a compressed way. I think it was an accelerated timeframe, and it wasn't a normal process.

That being the case, I want to ask you effectively the same question. Despite the fact that this contract was put together in this compressed timeframe of 3 or 4 months or whatever it was, at any point were you aware or did you become aware or did you learn that the fact that it was put together in an accelerated way impacted the overall contract performance with respect to safety and security in Benghazi?

A I am aware of no such compromise.

Q Okay.

Ms. [REDACTED], if I can redirect your focus to exhibit 1 that my colleague showed to you in the last session.

Now, again, we have spent a lot of time talking about contract performance and your assessment of whether or not the dispute between the two partners had impacted contract performance. And I think you told us that it did not impact contract performance, which is why it was up to them to ultimately resolve. And it appears that this is a sentiment that you reflect here again.

So if I can direct your focus to page 3 of the document, the top half, about three paragraphs down, you write, quote, "The contract performance is thus far satisfactory, and there are no problems with the guard force. We have monitored the guard force to ensure that the guards are paid and that there are no issues on the ground. The issue is that the two parties who got together during the solicitation no longer want to work together," end quote.

This letter goes to a Mr. [REDACTED], who I believe you said was in the State Department Legal Advisor's office; is that correct?

A That's correct.

Q At the very top of the document, it appears that he agrees with your overall perspective and assessment. Three lines down, in the middle of that top page, page 1, he says, "[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]" end quote.

So, again, he is echoing what you have said, is this is an internal dispute, but the second we feel as if contract performance is being impacted by this dispute, at that point we will take action. Is that right?

A That's correct.

Q And I think you told my colleague in the last session that your assertion here with respect to contract performance being unimpacted, you validated that; is that right?

A Yes.

Q And can you just tell us how you validated that and the steps you took for that validation?

A I would validate with the Diplomatic Security contact points -- [REDACTED], [REDACTED]. And they would then turn around and communicate with the Assistant Regional Security Officer who was in charge on the ground at the time.

Q Okay. So these gentlemen, they are interlocutors or individuals on the ground in Benghazi who are in charge of security; is that right?

A Yes.

Q And they were the ones providing information that ultimately leads to validation that there has been no contract performance; is that correct?

A That's correct.

Q Very good. And --

Ms. Sawyer. No contract performance problems.

BY MR. DESAI:

Q No contract performance problems, to be clear, that there were no issues with contract performance that could impact safety or security.

A That's correct.

Q And then, very quickly, again, refocusing your attention back to page 3 -- and I know you looked at some text there. I'm going to bring you back up to the middle of the page. You write here again, quote, "Based upon the letter we received today, DS is now taking action to convert this requirement to PSA. However, this will take some time to do so," end quote.

And, again, you had some of this discussion with my colleague in the last hour. The letter that you're referencing here, what letter is that? Is that the letter with respect to the termination agreement or the Jordanian law firm that informed you that there had been some

breach of the termination agreement, or settlement agreement rather?

A This was the Jordanian law firm saying that the dispute -- or that they had breached the joint venture termination agreement.

Q Okay.

So, if I read this correctly, what we are seeing here is that, based upon this letter that you got and the fact that the dispute is ongoing and that you had mentioned to me a few minutes ago that safety and security are paramount, the option of converting these guards through the PSA program is what is being floated here. Is that right?

A Yes.

Q Okay.

BY MS. SAWYER:

Q So, at that point in time, certainly, again, the underlying concern is about a, kind of, inter-partnership dispute, bickering amongst the parties, as it were?

A Yes.

Q The concern, even at that point in time, is not still the performance of the underlying and critical security functions; is that accurate?

A Yes.

Q But, even given that, it's clear from this exchange or it seems from this exchange that you are well aware of it, you are monitoring it, you and others are exploring all of the possible options, including potentially converting to a PSA. Is that accurate?

A That's right.

Q It also indicates that you are willing to consider another entity. I think on the front page of that exhibit, your email on September 10, the day before the attacks, 6:00 p.m. --

A Uh-huh.

Q -- indicates a willingness. And I think we have talked about Torres, in that second paragraph.

A Yes.

Q You are certainly also willing to consider the viability of moving to a different contracting entity; is that not --

A That's correct.

Q And you raise there that, though you are willing and this will be explored, the same kind of issues that are coming up with this contractor could come up, as well. Is that not accurate?

A That's correct.

Q So, in weighing all the possible options, you did weigh into them the fact that things might not necessarily get better in terms of this, kind of, ongoing administrative bickering amongst a contracting entity, correct?

A That's correct.

Q And, again, the issue wasn't whether or not the safety and security of personnel on the ground, our people on the ground, was being compromised because of that bickering. Is that accurate?

A That's correct.

Mr. Desai. So I think my colleague will have some questions, as well.

Ms. Sawyer. Yeah, I just had a couple of questions, shifting gears a little bit.

BY MS. SAWYER:

Q You know, I think we started the day talking a bit about some of the core contracting requirements. I think there was a reference to "LPTA." You had explained what that acronym meant at the time, but I have forgotten it. So could you explain that again?

A Lowest price, technically acceptable.

Q And that core contracting requirement is a requirement of law at the time that the contract was awarded in Benghazi; is that accurate?

A That's correct.

Q And that particular core contracting requirement, as well as many others, are actually set and determined by Congress by law; is that accurate?

A That's correct.

Q And you had then indicated that, with regard to that particular requirement, after Benghazi, sometime after, I think you referenced the NDAA -- and I assume that referred to one of the National Defense Authorization Acts -- had altered that requirement in some manner after Benghazi. So, again, Congress altered one of the core requirements in --

A That's correct.

Q So both limits and flexibility that the State Department may have in terms of how it bids contracts and awards contracts, those

core requirements are set by the Congress. Is that accurate?

A Under this program, yes.

Q And do you know -- there was a reference to "WPS," World Protective Services. Do you know how, with regard to an LPTA requirement at the time relevant here, which would have been January-February-March 2012, how that would have interacted with an LPTA requirement?

A I'm not sure I understand your question.

Q And it may not make sense as a question.

There was a reference to World Protective Services as potentially an entity that would have been pre-vetted that would have been available. I don't know if that's even accurate as a factual matter, but to the extent it is, that they are a contracting entity -- I'm not familiar with them, but I'm just curious about if there is any interaction between an entity like that and a requirement like an LPTA requirement, whether you have to get a waiver of the LPTA if they are not the LPTA.

A No. The Worldwide Protective Services is a separate State Department contract. And they are contract vehicles. It's a different, a very different ball game in how those are done, and the authorities that they use are different. So I can't -- you know, again, I wasn't there at the time, so I don't know what discussions occurred.

Q One of the other issues that came up early in the interview was the issue of vetting under the contract, vetting of the actual guards who were performing security functions at the temporary mission

in Benghazi.

You had indicated, I believe, that the contract had a clause that would require vetting by the contractor. Did I understand that correctly?

A That's correct.

Q And that that vetting would then be passed along to the security experts on the ground -- the DS agents, the RSO. Is that accurate?

A That's accurate.

Q And that they would then have both the responsibility and authority to approve or disapprove of a particular hire. Is that accurate?

A That's correct.

Q Did any of the DS agents ever -- would you ever have overruled or, as a factual matter, did you ever overrule a decision that was made about a particular hire and say to DS, "Regardless of your opinion on this individual, you must hire them"?

A I have never overruled them on the hiring or the approval of the guards.

Q And did any of the DS agents in Benghazi during the term that you were involved in performance under the contract ever come to you and say that they had asked for someone not to be hired but that request had not been honored by the contractor, the Blue Mountain Group?

A No.

Q And if that had been the case, would you have been able to

address that as part of a performance issue under the contract?

A Yes.

Q And, presumably, had any of these concerns been raised to you -- you have told us you did have the tools, as a factual matter -- would you have been willing to exercise those tools?

A Yes.

Q And I presume that is because you take safety and security of our personnel seriously.

A Yes, I do.

Q Just one clarification question, I think. There was a discussion about some of the options that were being explored in light of the ongoing bickering among the joint venture partners. And you had indicated you were trying to get a sense of how long those type of services might be needed in Benghazi because of the presence in Benghazi, and you had not yet gotten an answer.

Do you recall the timeframe of that discussion? Was that contemporaneous with the discussion around the 10th of September? Was it earlier?

A I don't really -- again, it was all during that entire timeframe. I can't tell you exactly when these kinds of discussions started popping up.

Q And, after the attacks, I presume you didn't get an answer, because, as far as I know, we have not had a presence in Benghazi as a matter of -- a diplomatic presence since the attacks.

A That's correct.

Q And did you get a sense that there was an intentional or purposeful effort to evade that question that you had asked?

A No.

Q Did you ever get the sense that any of the colleagues that you were working with -- Mr. [REDACTED], Mr. [REDACTED], who we have talked about your role -- had ever shown a disregard for security on the ground of our personnel in Benghazi?

A No. They never showed a disregard.

Q Like, what was your sense of how seriously they took that consideration?

A They took it very seriously. They were always available, just about 24 hours, 7 days a week, when issues were coming up and questions, and very responsively. They took it very seriously.

BY MR. DESAI:

Q Ms. [REDACTED], I'm going to shift focus here once again, hopefully for the last time. I'm going to ask you a series of questions about a number of public allegations that have been made related to the attack. We understand that the committee is investigating these allegations, and, therefore, we have to ask everyone that we interview about them.

It's the minority's view that these allegations have been asked and answered, but, again, because other members of the committee may be still looking into them, we ask everyone about these allegations.

You will see that there are several of them, and the way I'd like to proceed is I will tell you what the allegation is and then I will

ask you whether or not you have any evidence to support the allegation that's being made. So the focus here, again, is whether you have any evidence to support the allegation being made. If you don't have any evidence to support the allegation being made, I will just go to the next allegation until we have run out of allegations to ask you about.

Do you have any questions before we begin?

A No.

Q It has been alleged that Secretary of State Clinton intentionally blocked military action on the night of the attacks. One Congressman has speculated that, quote, "Secretary Clinton told Leon Panetta to stand down," end quote, and this resulted in the Defense Department not sending more assets to help in Benghazi.

Do you have any evidence that Secretary of State Clinton ordered Secretary of Defense Panetta to stand down on the night of the attacks?

A No.

Q Do you have any evidence that Secretary of State Clinton issued any kind of order to Secretary of Defense Panetta on the night of the attacks?

A No.

Q It has been alleged that Secretary Clinton personally signed an April 2012 cable denying security to Libya. The Washington Post Fact Checker evaluated this claim and gave it four Pinocchios, its highest award for false claims.

Do you have any evidence that Secretary Clinton personally signed an April 2012 cable denying security resources to Libya?

A No.

Q Do you have any evidence that Secretary Clinton was personally involved in providing specific instruction on day-to-day security resources in Benghazi?

A No.

Q It has been alleged that Secretary Clinton misrepresented or fabricated intelligence on the risk posed by Colonel Qadhafi to his own people in order to garner support for military operations in Libya in spring 2011.

Do you have any evidence that Secretary Clinton misrepresented or fabricated intelligence on the risk posed by Colonel Qadhafi to his own people in order to garner support for military operations in Libya in spring 2011?

A No.

Q It has been alleged that the U.S. Mission in Benghazi included transferring weapons to Syrian rebels or to other countries. A bipartisan report issued by the House Permanent Select Committee on Intelligence found that, quote, "the CIA was not collecting and shipping arms from Libya to Syria," end quote, and they found, quote, "no support for this allegation," end quote.

Do you have any evidence to contradict the House Intelligence Committee's bipartisan report finding that the CIA was not shipping arms from Libya to Syria?

A No.

Q Do you have any evidence that the U.S. facilities in

Benghazi were being used to facilitate weapons transfers from Libya to Syria or to any other foreign country?

A No.

Q A team of CIA security personnel was temporarily delayed from departing the Annex to assist the Special Mission Compound, and there have been a number of allegations about the cause and the appropriateness of that delay. The House Intelligence Committee issued a bipartisan report concluding that the team was not ordered to stand down but that, instead, there were tactical disagreements on the ground over how quickly to depart.

Do you have any evidence that would contradict the House Intelligence Committee's bipartisan finding that there was no stand-down order to CIA personnel?

A No.

Q Putting aside whether you personally disagree or agree with the decision to delay temporarily or think it was the right decision, do you have any evidence that there was a bad or improper reason behind the temporary delay of the CIA security personnel who departed the Annex to assist the Special Mission Compound?

A No.

Q A concern has been raised by one individual that in the course of producing documents to the Accountability Review Board damaging documents may have been removed or scrubbed out of that production.

Do you have any evidence that anyone at the State Department

removed or scrubbed damaging documents from the materials that were provided to the ARB?

A No.

Q Do you have any evidence that anyone at the State Department directed anyone else at the State Department to remove or scrub damaging documents from the materials that were provided to the ARB?

A No.

Q Let me ask these questions also for documents that were provided to Congress. Do you have any evidence that anyone at the State Department removed or scrubbed damaging documents from the materials that were provided to Congress?

A No.

Q It has been alleged that CIA Deputy Director Michael Morell altered unclassified talking points about the Benghazi attacks for political reasons and that he then misrepresented his actions when he told Congress that the CIA, quote, "faithfully performed our duties in accordance with the highest standards of objectivity and nonpartisanship," end quote.

Do you have any evidence that CIA Deputy Director Michael Morell gave false or intentionally misleading testimony to Congress about the Benghazi talking points?

A No.

Q Do you have any evidence that CIA Deputy Director Morell altered the talking points provided to Congress for political reasons?

A No.

Q It has been alleged that Ambassador Susan Rice made an intentional misrepresentation when she spoke on the Sunday talk shows about the Benghazi attacks.

Do you have any evidence that Ambassador Rice intentionally misrepresented facts about the Benghazi attacks on the Sunday talk shows?

A No.

Q It has been alleged that the President of the United States was, quote, "virtually AWOL as Commander in Chief," end quote, on the night of the attacks and that he was, quote, "missing in action."

Do you have any evidence to support the allegation that the President was virtually AWOL as Commander in Chief or missing in action on the night of the attacks?

A No.

Q It has been alleged that a team of four military personnel at Embassy Tripoli on the night of the attacks who were considering flying on the second plane to Benghazi were ordered by their superiors to stand down. Military officials have stated that those four individuals were instead ordered to remain in place in Tripoli to provide security and medical assistance in their current location.

A Republican staff report issued by the House Armed Services Committee found that, quote, "there was no stand-down order issued to U.S. military personnel in Tripoli who sought to join the fight in Benghazi," end quote.

Do you have any evidence to contradict the conclusion of the House

Armed Services Committee that there was no stand-down order issued to U.S. military personnel in Tripoli who sought to join the fight in Benghazi?

A No.

Q It has been alleged that the military failed to deploy assets on the night of the attack that would have saved lives. However, former Republican Congressman Howard "Buck" McKeon, the former chairman of the House Armed Services Committee, conducted a review of the attacks, after which he stated, quote, "Given where the troops were, how quickly the thing all happened, and how quickly it dissipated, we probably couldn't have done more than we did," end quote.

Do you have any evidence to contradict Chairman McKeon's conclusion?

A No.

Q Do you have any evidence that the Pentagon had military assets available to them on the night of the attacks that could have saved lives but that the Pentagon leadership intentionally decided not to deploy?

A No.

Mr. Desai. That's all from us right now. Thank you so much. We can go off the record.

[Recess.]

Mr. Grider. Ms. [REDACTED], once again, thank you for your time and coming to the committee and answering our questions, our broad and specific questions about the contracting process prior to 9/11, the

attack on Benghazi.

One thing I just want to point out, that my colleague had brought up the Fox News article and sort of that general insinuation. I want to just clear it up for the record, on behalf of the committee, we value and we commend your service to the State Department and what you have done. And there was no -- just to be clear, there was no connection on our part to state that you didn't care about the safety and security. Quite the opposite, based on my review, is that you came into a contract that had a lot of issues going on, and you put your head down and sort of figured it out in order to make things better for the people over there.

So I just want to state that. I mean, we do appreciate your service and appreciate your diligence to dig in. And there was no way -- you know, the article was the article. Our clarity was getting the facts. And so I just want you to know that we do appreciate your service and your good work.

Ms. [REDACTED]. Thank you.

Ms. Sawyer. And while we are on the record, then, I do think it would be helpful if you guys would agree -- I mean, I think it's pretty clear, based on what we have seen in those letters and what we have heard today, that we do owe a debt to this witness to clear up the public record on that. So --

Mr. Grider. Can we go off the record?

Ms. Sawyer. -- can we get your assurance of that?

Mr. Grider. Can we go off the record, please?

[Discussion off the record.]

Mr. Grider. Back on the record.

So you understand my point that we appreciate you coming today and appreciate the hard work that you have done?

Ms. [REDACTED]. Yes.

Mr. Grider. Okay. Thank you.

BY MR. GRIDER:

Q Okay. So let's -- prior counsel had asked the question about the WPS contract, and you had responded, "Not under this program." You had mentioned that.

I just wanted to clarify what types of different -- when you say "this program," what program are you referring to?

A "This program" meaning the local guard program.

Q Okay. And are there other types of programs other than the local guard program?

A Yes.

Q Okay. And what are some of those other types?

A The high-threat program. I mean, there's all kinds of different programs within the Department of State. Consular Affairs has programs. State DS has other programs.

Q So when you are talking about security guards, is there a high-threat program that relates to security guards?

A They have the high threat, the WPS program.

Q Okay. So the high-threat program connects up to the WPS program; is that correct?

A Okay, now we are back to that definition of what's high-threat and what's not, and so you have to be -- let's be careful with what we are referring to here.

Q Sure.

A There's the Worldwide Protective Services program, WPS. That's the "P" in WPS. Local guard program, that's the "P" in program.

Q Okay. And so the Benghazi contract was a local guard program.

A Yes.

Q It was not a high-threat program; is that correct?

A That's correct.

Q Okay.

Just for the range of security, just so we have clarity -- I understand that you were not over in Benghazi. Where, to your knowledge, where were the guards located? Do you know? If you know.

A I don't have specifics on exactly, physically, where they were at. In general, they would be on the perimeter and sometimes in some of the controlled access areas.

Q Okay. So, essentially, these guards were more perimeter guards; is that your understanding?

A More or less, yes.

Q Okay.

And, in handling the contract, I just want to be clear, and you may have answered this, did you ever engage with Libya or the Government in any way?

A With the Government of Libya?

Q Yes.

A No.

Q So, in handling the contract, you just would have been working within State Department and the people that bid, Blue Mountain Group. Is that correct?

A That's correct.

Q Okay.

With respect to payments of, you know, payments of the contract, were there ever any issues with respect to any payments, who do you pay, and the payments getting to the contractors, the different contractors?

A The payments -- I'm not sure I understand your question.

Q So, once someone bids for the contract --

A Correct.

Q -- all right, do you pay them?

A After they perform the services and we accept the services, yes.

Q So, under your watch, were there any payments? Were you in charge of payments to Blue Mountain Group?

A Am I in charge? That's --

Q I understand.

A Again, there's a separate -- there's a foreign affairs handbook, the FAM and the FAH. There is a separation of duties. I contract; somebody else is in charge of payments.

Q Right. So the other person that's in charge of payments, would they contact you with respect to performance and, "We're going to go ahead and pay the salary or pay the contractor"?

A Shall we talk about process?

Q Yes. That would be great.

A Okay. The contractor performs the services. Okay. At the end of the month, they would prepare an invoice. They would submit their invoice to basically where we tell them to on the financial management side and the contracting officer representative.

And so, at that point, the COR is responsible for saying, yes, the goods and services were performed and delivered --

Q Okay.

A -- who would then contact the financial people, who then make the payment.

Q Okay. So, just to be clear, who was the COR that would be contacting the financial people?

A Under this contract --

Q Yes.

A -- it was [REDACTED].

Q [REDACTED]. And so, based on that, were you ever involved in that process or not?

A Not. There was, again, separation of duties.

Q Okay. That's all I want to know. Thank you.

You mentioned you were considering different options when the dissolution was happening -- PSAs, bringing in another contractor.

Was there ever any discussions about arming the guards?

A Arming the guards?

Q Yes.

A Again, that's not -- that's not a solution for if you're going to do a contract or if you're going to do a PSA. Again, that's a different issue.

Q Right. I understand that. I'm just asking, were there any discussions about arming guards? If you terminated the contract --

A Uh-huh.

Q -- and you were bringing someone new in, were there any discussions about that?

A Again, that would be developing specifications. I wouldn't necessarily be part of that conversation --

Q Okay.

A -- at that point.

Q Okay. That's what I'm asking. So, okay, thank you.

After the attack, how did you end the contract with Blue Mountain?

A How did we end the contract? The contract was under a -- it was under an excusable delay, and I don't remember if we actually issued a stop-work order or not. But the contract actually -- the period of performance just expired.

Q Okay. And do you know that date?

A It was February 28th of 2013.

Q And I realize [REDACTED] may know this. Did you finish paying for the contract?

A We paid through February 28th.

Q Okay. And who did you pay?

A The original -- whoever was set up, and I believe that was the U.K. entity.

Q So you paid the U.K. entity.

During your timeframe, were there ever any questions raised by Blue Mountain Libya or Blue Mountain UK about receiving payments?

A Besides the letter -- this letter?

Q Correct.

A Yes. I mean, yes, it was raised.

Q And so that was --

A So that was when the issues with paying for -- this was raised at that time, yes.

Q And that's government exhibit 4.

A Four.

Q You mentioned earlier that your experience in the private sector as well as your experience on this joint venture and this contract and how it has sort of been -- you would maybe counsel doing things differently in the future.

A Correct.

Q So, going forward, would you agree that if we are entering a high-threat post you would recommend using a thorough due diligence with respect to contractor security?

A Yes. I would recommend a due diligence on any kind of -- where safety and security of the U.S. Mission is at stake.

Q And what would be your recommendation, going forward, when you are dealing with a high-threat post versus the cost-technical tradeoff versus the LBTA? Is there any --

A There is a whole decision process that people need to go through and look at the factors of why you would do one versus the other.

Q If you were doing an LPTA, is there a limit on the amount of bidders that you can have under LPTA?

A No.

Q So you could have five bids, or you could have two; is that correct?

A It's all into -- it's up to the contractors, who is interested.

Q We are coming to a close here. I just want to get clarity on, sort of, the contracting process going forward. I understand that this was a 3-month process, but I just want to have a clear understanding.

I understand that [REDACTED] more than likely was the one doing these, taking these steps. But I want to be clear that, if the contract, if this contract in Benghazi had been, you know, terminated, would you have to start the whole solicitation process all over? Or what would you have done?

A Again, there's a lot of speculation in what you're saying. If you need a new contract, then you are going to have to write a new contract. How do you do it? Again, under circumstances, it would vary.

Q So if you are writing a new contract --

A Uh-huh.

Q -- you would, first and foremost, identify the need of the contract. You may not, but you would have someone on your team identify the need.

A Correct.

Q And then someone, whether it be you or someone on another team, would define the requirements; is that correct?

A Correct.

Q Now, would there be an acquisition team? Are you familiar with that?

A Yes. Are you talking the capital "Acquisition," capital A "Acquisition" or little A "acquisition"?

Q Okay, well, so let's start with the little A "acquisition." Can you explain that to me?

A Again, little A would be something more less informal, you know. And it might be a smaller team, and it might be just, like, two people. But those are very simple acquisitions for --

Q Right. I'm sorry. Go ahead.

A Go ahead.

Q So, with respect to security, an acquisition team -- would an acquisition team go over and review or meet with bidders, in a general sense?

A Okay, at what point in the acquisition? If you are developing specifications, it might not be so -- it doesn't look like

fair and open competition and that you treat everybody fairly if you're starting to meet with contractors or potential offerors --

Q Right.

A -- when you're developing your specifications.

Q Right. So sometime in the contract process, do acquisition teams meet with the bidders?

A It's not uncommon.

Q Okay.

A Sometimes.

Q And, to your knowledge, was there ever an acquisition team on this contract?

A Yes, there was.

Q And, to your knowledge, did the acquisition team ever go over to Libya or Benghazi to meet with --

A I wouldn't know what they did. Again, you would have to talk to them.

Q So you're not sure if they actually met with the two competing bids?

A If they would meet with the two offerors?

Q Yes.

A That would be highly unusual under the local guard program.

Q Okay.

And walking through, just walking through the process, the normal process, the State Department or the acquisition team would be doing market research, as well; is that correct?

A Yes.

Q Okay. And, to your knowledge, with respect to this contract with Blue Mountain Group, was market research done?

A I wouldn't know.

Q Okay.

Are there occasions that -- has there ever been an opportunity where acquisitions have piggybacked off other security contracts? So if a security contractor is protecting something in the north of a country, can you piggyback off that contract or does that need to be a brand-new contract if you need security in the south?

A It depends on the terms and conditions for the contract in the north.

Q Okay.

A If it's included in, you could.

Q Very good.

So, with respect to Tripoli, were you ever aware of how they were securing or were there contractors there in Tripoli?

A You mean a local guard contract?

Q That's correct.

A It would -- as I stated, it was a Personal Services Agreement, or PSC, personal services.

Q Do you recall if there was a justification and approval in the file, a J&A?

A A J&A for?

Q In the contract file, for the Benghazi -- for the local

guard force.

A I understand, but, under Federal contracting, there's lots of different J&As that contracting officers have to do. So I'm asking you --

Q No, I understand.

A -- for what.

Q Well, a justification and approval -- was there ever a justification and approval for Blue Mountain Group or the hiring of Blue Mountain Group?

A In the contracting process and the way that State Department is set up, there are procedures and reviews. So if you are looking for reviews of a solicitation, reviews of the contract award, and the documentation that goes into that, yes, there's stuff that's there and were conducted.

Q Okay. Thank you.

When reviewing the file and in your discussions, did you ever come across a company named Aegis?

A Aegis was the partner with Torres, I believe. That was their partner. Or maybe not. I don't know. Aegis -- now I'm confused. That could have been on the high-threat side. "Aegis" or "Aegis"?

Q "Aegis." A-e-g-i-s.

A Yeah. I mean, I can't recall.

Q So, during your time period in managing the contract, did you ever talk to Aegis or do you recall talking to Aegis?

A No, I didn't talk to Aegis.

Q Do you recall if they were in some way involved with the Blue Mountain Group?

A They were not involved with the Blue Mountain Group.

Let's see. No, but they're referenced here with Torres. I just don't recall.

Mr. Evers. The witness is pointing out a sentence on the middle email on exhibit 1 about the local provider for Torres. And I don't know to the extent that her musings were caught on the record, but that's what I think she was trying to find.

Ms. [REDACTED]. Yes, I was looking for exhibit 1, and I have to -- it's right here. It's my email dated September 10, 2012, at 6:00 p.m. In the second paragraph, in the second sentence, I was talking about, I talked to Torres, and they stated that they're going to go back to their local provider and see if their agreement is still valid or not.

And it could have been that that was the -- the local provider, I think, if I recall correctly, may have been Aegis.

Mr. Grider. Okay. Thank you.

RPTR MAAR

EDTR ROSEN

[1:52 p.m.]

BY MR. GRIDER:

Q During the evaluation process, do you normally look at a company's track record?

A Under normal circumstances, yes.

Q And to your knowledge, in reviewing the file, do you know if Blue Mountain Group's track record providing security services to State was ever done or evaluated?

A I have no personal knowledge whether they did it or did not.

Q Okay. Thank you. Based on your review of the file, do you know if there was a waiver of the source selection criteria?

A I do not recall off the top of my head.

Q Okay. And if you recall, do you know what the evaluation criteria was used to rate the proposals and what was the weight of the factors? For instance, you know, price, technical, licensings, or past performance?

A Again, by law, they had to award using low price technically acceptable. So there's no weighting factors.

Q Okay. Very good. Thank you. Just on general review, oftentimes there's a risk assessment done. Are you familiar with risk assessments in the contract --

A Yes.

Q To your knowledge, was there ever a risk assessment done

on the Blue Mountain contract?

A I don't know.

Q So you don't recall?

A I don't recall if one was done or not.

Q You may have mentioned this name, [REDACTED]. Are you familiar with him?

A I am familiar with [REDACTED], yes.

Q Yes. And who is he?

A He is an employee of Diplomatic Security, and at the time, was a desk officer in OPO.

Q Was he here in the United States, to your knowledge?

A Yes.

Q And these things you may not recall, but just based on your review of the file, was there ever a quality assurance plan established between the Blue Mountain Group and the State Department?

A A quality assurance plan?

Q Yes.

A You mean like exhibit C of the contract? Because that is called a quality assurance plan.

Q Right. So there was, based on the contract, exhibit C, there was a quality --

A I believe that contract had an exhibit C, yes.

Q Okay. Good. After the attacks, were you ever contacted by the Department of State press to gather talking points or gather information about the contract?

A After the attacks, I was contacted through numerous avenues and requested, you know, provided data to them.

Q And do you recall, do you recall which office you were dealing with?

A I primarily have to deal with my chain of command which was through the A bureau. So most of the requests came in through my chain of command. And I would then respond back through that. And then they would disseminate it.

Q And did you ever give -- was it -- were you answering questions? Or did you ever give documents from the file to individuals?

A I pulled lots of documents and provided lots and lots of documents.

Q So you provided documents to the people requesting information about the contract process?

A Right.

Mr. Grider. All right. Once again, that's all the questions that I have. Minority may have some follow-up. I'm not sure. But we want to thank you again for your time. And thank you for you were service.

Ms. [REDACTED]. Thank you.

Mr. Grider. Let's go off the record.

[Discussion off the record.]

Ms. Sawyer. Back on the record for a moment briefly.

BY MS. SAWYER:

Q Ms. [REDACTED], thanks again for your time. Just a couple of quick questions to wrap us up. You were just asked some questions about being asked to, about supplying information with regard to the contract at the Local Guard Program in Benghazi. Did you ever refuse to provide information when it was requested of you?

A No.

Q Were you ever asked to withhold information?

A No.

Q Were you ever asked not to be completely honest in your assessment when asked questions about the status of the contract, the performance of the security functions under that contract, or anything else related to your role and responsibility in administering or overseeing the contract for the local guard program in Benghazi?

A No.

Ms. Sawyer. I think that's all I have for you. Again, we appreciate your time. And from our perspective, hopefully you'll get a good lunch.

Mr. Evers. Take care, everybody.

[Whereupon, at 1:58 p.m., the interview was concluded.]

Certificate of Deponent/Interviewee

I have read the foregoing ____ pages, which contain the correct transcript of the answers made by me to the questions therein

recorded.

Witness Name

Date

Errata Sheet

Select Committee on Benghazi

The witness declined to review the accompanying transcript.