

**RELEASE IN  
PART B5**

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**From:** Mills, Cheryl D <MillsCD@state.gov>  
**Sent:** Monday, June 7, 2010 12:04 PM  
**To:** H  
**Subject:** FW: 6/7/10 Senior Staff and Assistant Secretaries Meetings

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**From:** Smith, Daniel B  
**Sent:** Monday, June 07, 2010 10:48 AM  
**To:** Mills, Cheryl D; Abedin, Huma; Sullivan, Jacob J  
**Subject:** 6/7/10 Senior Staff and Assistant Secretaries Meetings

SENSITIVE BUT UNCLASSIFIED

BUDGET

- Jack said we would make a strong push on the Hill this week regarding the issue of retaining consular fees.
- The initial requests for the next budget were [redacted] above guidelines. Not even in the ballpark. Jack said we would make it clear that bureaus need to be more realistic.

LEGAL ISSUES

QDDR

- Six of twelve task force reports came in over the weekend, Anne-Marie reported.

PUBLIC AFFAIRS

- Expect questions today about the resignation of two key cabinet members in Kabul over the weekend.
- There is a story regarding an Army PFC in Iraq who apparently downloaded classified information onto a thumb drive, including reporting from our embassy that is shared with the Pentagon.

CONGRESSIONAL ISSUES

- Congress is back in session for four weeks. Focus in first couple weeks will be Iran sanctions.
- House Oversight Committee looking into the contract for purchase of fuel at Manas Airbase. Largely focused on DoD, but want State documents as well.
- House Office of Congressional Ethics is looking into issue of whether members have returned excess per diem. Involves State insofar as we disburse the money, but we have no authority to exercise control or conduct

audits. Rich suggested we might think of ways to get out in front of this, especially since some may charge they were never told by State that they needed to return excess per diem. Cheryl suggested we provide a formal notice about our practices with respect to Executive Branch employees and let the committee know they might consider recommending similar guidelines for Congressional travel.

#### IRAN

- Bill is speaking to the Russians to find out why their delegation in Vienna has not yet been told to deliver the joint letter to the IAEA with us.

#### ASSISTANT SECRETARIES MEETING – HIGHLIGHTS

#### EUR

- Secretary Gates had a good meeting with Aliyev in Baku yesterday. Gates raised the FSN issue and got no pushback.

#### NEA

- The political stalemate in Iraq continues. Maliki and Allawi have still not met. The June 10 opening of the new airport in Irbil will bring all of the leaders together, however. [REDACTED]
- VP Biden had a good meeting with Mubarak today.

#### OES

- The U.S. Government accepted an offer of international assistance from Canada for booms to help contain oil in the Gulf. This is the first government-to-government offer we have accepted.

#### SRAP

- SRAP said the cabinet resignations in Kabul over the weekend were not totally unexpected and suggested they were not playing that badly in Kabul.

#### IO

- Noted that the South Koreans had referred the *Cheonan* sinking to the Security Council without a specific course of action requested. We had advised them to do this. This will be taken up after the Iran Resolution.

#### EAP

- Secretary Gates had an unusually difficult meeting with his Chinese counterpart in front of a rather large gathering.