

SOURCE	Katy Steinmetz, "The Cost of Romney's Government-Assisted Transition: \$8.9 million," TIME Magazine
DATE	September 17, 2012

Memorandum of Understanding between the General Services Administration and the Romney Readiness Project

INTRODUCTION

This Memorandum of Understanding (MOU) establishes guidelines for obtaining services and facilities made available by the General Services Administration (GSA) to Governor Mitt Romney (Eligible Candidate), who is an eligible candidate in the next general election for President of the United States, as defined in the Presidential Transition Act of 1963, 3 U.S.C. § 102 note, as amended by the Pre-Election Presidential Transition Act of 2010 (Pub. L. No. 111-283) (the "Transition Act"). The services and facilities to be provided to the Eligible Candidate for the period of August 30, 2012, through November 6, 2012, are defined in Part I of this MOU, and the services and facilities to be provided to the President-elect and Vice-President-elect for the period of November 7, 2012, through February 19, 2013, are defined in Part II of this MOU. Part II of this MOU will become effective only if the Eligible Candidate is elected to be the President-elect pursuant to Section 3(c) of the Transition Act. If Governor Romney is not ascertained as the winner of the general election, Part II of this MOU will be null and void. Pursuant to section 3(h)(3) of the Transition Act, Governor Romney established R2P, Inc. (R2P) as a separate fund for the payment of expenditures in connection with his preparation for the assumption of official duties as President. R2P is also the authorized transition entity for those preparations.

I. PRE-ELECTION

The Administrator of General Services (Administrator) is authorized to provide to the Eligible Candidate, for use in connection with his preparations for the assumption of official duties as President if he wins the election, necessary services and facilities including: suitable office space appropriately equipped with furniture, furnishings, office machines, equipment and supplies, and telecommunications services. Other services required may be provided on a reimbursable basis. The space, supplies, and other services will be used exclusively for the Eligible Candidate's preparations for the assumption of official duties as President, the Eligible Candidate has designated Michael Leavitt, Chris Liddell, and Douglas Wooden to act on his behalf to make decisions as may be required in connection with the services and facilities to be provided under the Transition Act. This authority maybe re-delegated by any of the aforementioned in writing, delivered to the GSA Senior Career Executive, Darren Blue, or Liliana DelBonifro, Director of GSA's Transition Support Team. In order that all requirements can be expeditiously provided for and necessary financial and other controls maintained, the following procedures for obtaining services made available by the GSA are effective immediately. The procedures outlined below are not exhaustive and questions may arise from time to time with regard to specific situations. In those instances, the Eligible Candidate or his representatives should consult with the Director of the GSA Transition Support Team, Liliana DelBonifro.

Office Space, Furniture, Equipment, and Supplies

GSA will provide office space and related services to the Eligible Candidate's Transition Team. GSA has identified in its inventory approximately 14,459 usable square feet of office space in Washington, DC, designed to house 100 of the Eligible Candidate's staff members from August 30, 2012, through November 6, 2012. The space and services can be increased to accommodate additional people during the time period as mutually agreed to by both parties. The location designated for use is the Mary E. Switzer Building, located at 330 C St, SW, Washington, DC. GSA has completed space planning in "universal layouts" appropriate for the purposes for which it will be used by the Eligible Candidate's Transition Team, GSA will make furniture and office equipment available from stock inventory. The rent for this "turn-key" office space, including all customary charges and fees as defined in the attached Occupancy Agreement (Attachment A), is the responsibility of R2P unless exempted by the Administrator or his designee, in accordance with 40 U.S.C. § 586(b)(3). All furniture and equipment for the Eligible Candidate's Transition Team will be in place by August 30, 2012. Therefore any specific requests for changes in existing space and furniture layouts, or additional furniture or equipment will result in additional costs that will be charged to R2P. Such additional costs will not be included in the rent, nor waived under any request for a rent exemption. Office equipment supplies, with the exception of cell phones and laptops, will not be removed from the premises without the express permission of the Senior Career Executive or the Director of the Transition Support Team. All office equipment and supplies are

the property of the GSA and must be returned to GSA at the conclusion of the period covered by this MOU, except for consumable supplies (e.g., paper, pens) that were used. Any consumable supplies required beyond what GSA initially provides must be obtained with funding from R2P. The space will be available from 7:00AM to 5:00PM, Monday through Friday. Use of the space after hours is permissible, but will be subject to overtime utility costs on a reimbursable basis and will require coordination with the Director. GSA will notify the Eligible Candidate or his representative of what information will be required regarding staff members to ensure all security access protocols are completed and staff members can access the facility and utilize the services. The Eligible Candidate or his representative will ensure all required information is supplied and security protocols followed. In the event of no transition, the space must be vacated within 3 days of the election.

Telecommunications and IT Services

GSA will provide an open architected infrastructure through telecommunications and IT services and equipment for use by the Eligible Candidate's Transition Team, with installation included as part of the "turn-key" office space. GSA will supply software and equipment from its inventory, and all such property will be repurposed, after removal of any sensitive data and/or full hard drive cleanup, to GSA users or clients after the election if there is no transition or the inauguration if there is a transition. Attached is a list of items to be provided by GSA (Attachment B). The GSA Presidential Transition Support Team will establish procedures for distributing and collecting all Government personal property that is made available for use by the Eligible Candidate's Transition Team. R2P assumes responsibility for loss of, or damage to, GSA's personal property provided to the Eligible Candidate's Transition Team and agrees to return all items in the same condition as received, reasonable wear and tear excepted. The GSA Presidential Transition Support Team will establish a service desk to provide IT support and miscellaneous other assistance to be further defined by GSA. GSA acknowledges that some members of the Eligible Candidate's Transition Team may wish to use personal equipment instead of that provided by GSA. The service desk staff will be knowledgeable on hardware, software, and tools provided by GSA and used by the Eligible Candidate's Transition Team's "end-users", but only limited support will be available for non-GSA equipment. Service desk support will be available Monday through Friday, 8AM to 6PM, excluding holidays. Emergency support will be available 24 hours, 7 days a week. Any specific requests by the Eligible Candidate or his representative for additional IT services, equipment or personnel will result in additional costs that will be charged to R2P and will not be included in the rent nor waived under any request for an exemption. Local and long distance service are included for both cellular and desk phones. Outbound international calls can be enabled as required for both cellular and desk phones. Costs incurred for international calls will be directly charged to R2P. All phones will receive inbound international calls at no cost. The wireless contract supporting the GSA issued Android smart phones will provide local and long distance service for 300 anytime minutes per month pooled with all users, with unlimited nights and weekends, and unlimited texting and data. Additional minutes over this amount, including any roaming charges, will be directly charged to R2P. Conference calling cards will be provided and cover up to 2.5 million minutes (explained in Attachment B). Unused minutes will be rolled into Post Election in the event of a transition.

Other Candidates

R2P acknowledges that GSA will offer similar space and services to other eligible candidates as defined by the Transition Act. All information and assistance by GSA will be on an equal basis and without regard to political affiliation. Other eligible candidates may be given space in the Switzer Building, but the staffs will be physically separated.

Other Funds

As described above, the Eligible Candidate has established a separate fund, R2P, pursuant to Section 3(h)(3) of the Transition Act to support his activities in preparation for the assumption of official duties as President. Accordingly, R2P must comply with the reporting and disclosure requirements of the Transition Act. The Eligible Candidate, as a condition for receiving services and office space, shall not accept more than \$5,000 from any person, organization, or other entity for purposes of preparations for his assumption of office as the President.

Reports

R2P, as a condition of receiving services and office space, shall disclose to the Administrator; (1) the date of contribution, source, amount, and expenditure of all money, other than funds from the Federal Government, and including currency of the United States and of any foreign nation, checks, money orders, or any other negotiable instruments payable on demand, received for use in the preparation of the Eligible Candidate for the assumption of official duties as President; and, (2) make available to the Administrator and the Comptroller General all information concerning such contributions as the Administrator or Comptroller General may require for purposes of auditing both the public and private funding used in the activities authorized by the Transition Act. Disclosures made under paragraph (1) above shall be in the form of a report to the Administrator by December 5, 2012, unless the Eligible Candidate becomes the President-elect. If the Eligible Candidate becomes the President-elect, the report may be

included as part of the report made to the Administrator by February 19, 2013. The report shall be made available to the public by the Administrator upon receipt.

Effective Dates

Part I of this MOU becomes effective upon signature by both parties. Part I of this agreement ends when the Administrator ascertains the apparent winner of the Presidential election.

Amendments

Any terms and conditions of this Memorandum of Understanding, other than those reflecting existing laws or regulations, may be amended at any time by the mutual agreement of the parties in writing.

II. TRANSITION

Pursuant to the Transition Act and upon request, the Administrator is authorized to provide to the President-elect and Vice President-elect for use in connection with their preparations for the assumption of official duties as President or Vice President, necessary services and facilities including: suitable office space, appropriately equipped with furniture, furnishings, office machines, equipment and supplies; payment of the compensation of members of office staffs designated by the President-elect or Vice President-elect; payment of expenses for the procurement of services of experts or consultants; payment of travel expenses and subsistence allowances, including lease of motor vehicles; communications services; payment of expenses for printing and binding; and reimbursement to the postal service in the amount equivalent to the postage that would otherwise be payable on mail matter.

The Transition Act authorizes funds not to exceed \$6.6 million to be appropriated to the Administrator for the use of the Office of the President-elect and Office of Vice President-elect (referred to collectively herein as the Office of the President-elect). For the 2012-2013 transition, \$5.6 million is designated for expenditure on behalf of the Office of the President-elect and \$1 million is for Appointee Orientation and a Transition Directory (the "Transition Act funds"). The Transition Act funds may not be expended by the Administrator for obligations incurred by the President-elect or Vice President-elect before November 7, 2012, or after February 19, 2013, except that the \$1 million for the Transition Directory and orientation activities is available through September 30, 2013.

As provided in the Transition Act, the President-elect and Vice President-elect have authorized Michael Leavitt, Chris Liddell, and Douglas Wooden to act on their behalf to make decisions as may be required in connection with the services and facilities to be provided by the Administrator under the Transition Act. This authority may be re-delegated by either of the aforementioned in writing, delivered to Darren Blue, GSA Senior Career Executive, or Liliana DelBonifro, Director of the GSA Transition Support Team.

In order that all needs can be expeditiously provided for and necessary financial and other controls maintained, the following procedures for obtaining services made available by the GSA are effective immediately after the Administrator ascertains the Eligible Candidate as the apparent winner of the Presidential election. The procedures outlined below are not exhaustive and questions may arise from time to time with regard to specific situations. In those instances, the Office of the President-elect should consult with Liliana DelBonifro or directly with the appropriate GSA Transition Support Team member, as designated by Ms. DelBonifro.

Control of Funds

Michael Leavitt, Chris Liddell, and Douglas Wooden, or persons designated by any of them in writing to Mr. Blue and Ms. DelBonifro, are designated as the "Fund Manager(s)" for the Office of the President-elect. Only these individuals shall be authorized to execute and deliver documents for the expenditure or obligation of appropriated Transition Act funds. These individuals will work directly with the GSA Transition Support Team to ensure that all transactions are documented and processed in accordance with Federal law, GSA procedures and this MOU, and will serve as the contact for GSA on financial matters.

GSA will not pay any person with Transition Act funds on behalf of the Office of the President-elect, nor reimburse the Office of the President-elect for expenses incurred by it, without the prior submission and approval of obligating documents from the Office of the President-elect, executed by a person authorized under the preceding paragraph.

Accounting Services

Accounting records will be established and maintained by GSA to show the financial transactions of the Office of the President-elect with regard to the obligation and expenditure of Transition Act funds. In addition, GSA will prepare any reports required by the Office of the President-elect, excluding the reports described in Section 5 of the

Transition Act, which are the responsibility of the Office of the President-elect.

Personnel and Payroll Services

The Administrator is authorized, upon documented request, to pay the compensation of members of the office staffs designated by the President-elect or Vice President-elect, or their designees, from the Transition Act funds. Payments shall be at rates determined by the Office of the President-elect (OPE), but not to exceed the rate provided for by 5 U.S.C. § 5376, for Executive Level IV (\$55,500). Persons receiving compensation, as members of the office staffs under the Transition Act, other than those detailed from Federal agencies, are not held or considered to be employees of the Federal Government. These individuals are ineligible for the Federal Employees' Retirement System (FERS), Civil Service Retirement System (CSRS), Federal Employees' Health Benefits (FEHB), and Federal Employees' Group Life Insurance (FEGLI).

The employees of the Office of the President-elect will be paid through the OPE or a third party provider contracted by OPE. This provision applies only to staff of the OPE who are paid with Federally appropriated funds. It does not apply to: (1) Employees of R2P who are not members of the staff of the OPE; (2) Payment for experts and consultants; or (3) Federal employees detailed to the OPE. The OPE shall be responsible for the preparation, accuracy and presentation to GSA of all payments of staff compensation using Federally appropriated funds. GSA shall be responsible for reimbursements for staff compensation at rates determined by the OPE, but not to exceed the rate provided for by 5 U.S.C. § 5376, for Executive Level IV (\$155,500 per annum). The OPE shall notify the GSA Transition Support Staff of all personnel accessions and terminations.

GSA will pay OPE bi-weekly, based on the written certification and invoice of designee of the proper payroll for the previous bi-weekly period. GSA shall provide payment to the OPE within 10 business days of receipt of such documentation by GSA. Payment will be by Electronic Funds Transfer. The OPE will notify the GSA Presidential Transition Support Team immediately if any employees terminate employment with the OPE for any reason, including beginning employment with the Federal Government, so that these employees can be removed from the active Transition payroll records. GSA retains the ability to offset against current invoices amounts that were overpaid on previous invoices. GSA retains the ability to withhold payment related to any separated employee until certification that the separated employee has returned or accounted for all GSA issued Government property.

Auditable accounts of any and all payments involving Presidential Transition Act funds shall be made available to GSA upon request. In addition, the OPE shall certify any amounts that represent fees paid to the third party provider, employee benefit payments or any other payments to the third party providers that are part of the staff compensation.

Employment of Experts and Consultants

The Administrator of General Services is authorized to pay "expenses for the procurement of services of experts or consultants or organizations thereof for the President-elect or Vice President-elect, as authorized for the head of any department by Section 15 of the Administrative Act of 1946, as amended," (5 U.S.C. § 3109) at rates not to exceed \$496.48 per day for individuals.

Detail of Federal Employees

Any employee of any agency of any branch of the Federal Government may be detailed to the Office of the President-elect on a reimbursable basis with the consent of the head of the agency. A detailed employee shall continue to receive compensation for his or her regular employment and retain the rights and privileges of such employment without interruption. A letter from the Office of the President-elect requesting the detail must be submitted to the head of the agency, with a copy to the GSA Transition Support Team.

Office Space, Furniture, Equipment, and Supplies

GSA has identified in its inventory approximately 129,000 rentable square feet of space designed to house approximately 500 to 700 Presidential Transition staff members between the election and inauguration. GSA, in coordination with the Department of Homeland Security, Federal Protective Service and the U.S. Secret Service, shall secure and control access to the site. GSA will provide 150 parking spaces.

The space has been prepared in advance of the election in "universal layouts" appropriate for the purposes for which it will be used by the Office of the President-elect, so that it will be available for use the day after the election. GSA will supply furniture and office equipment from existing inventory. The Office of the President-elect hereby assumes responsibility for loss of, or damage to, GSA's property under its control and agrees to return all items in the same condition as received, reasonable wear and tear excepted.

The rent for this 'turn-key' office space, including all customary charges and fees as defined in the attached Occupancy Agreement (Attachment A), is chargeable to the Transition Act funds unless exempted by the General Services Administration, in accordance with 40 U.S.C. § 586(b)(3). The parties acknowledge and agree that in the event that the Administrator or his designee grants a rent exemption, and, in the event that after all accounting for expenditures by the Office of the President-elect against the Transition Act Appropriation there is an unobligated balance remaining, such unobligated balance is an appropriation available to reimburse the GSA, Federal Buildings Fund for its loss of revenue in accordance with 40 U.S.C. § 586(b)(3), and the Office of the President-elect will be deemed to have requested the Administrator to reimburse the Federal Buildings Fund from the unobligated balance of the Transition Act appropriation, in accordance with the Transition Act.

GSA has completed its space planning layouts. All furniture and equipment for the Office of the President-elect will be in place by November 6, 2012. Therefore, any specific requests by the Office of the President-elect for changes to existing space and furniture layouts, or additional furniture or equipment will result in additional costs that will be charged to the Transition Act funds; and such additional costs will not be included in the rent, nor waived under any request for a rent exemption that may be granted by the Administrator.

If the Office of the President-elect requests additional space or space in a location outside Washington, D.C., the Administrator will attempt to obtain such space in the location requested for use after the election, and all associated costs will be charged to the Transition Act funds. A rent exemption will not be considered for such additional space. Likewise, any additional costs associated with requests for "overtime" charges for building operations or additional cleaning requested by the Office of the President-elect will be charged to the Transition Act funds and such cannot be waived through any rent exemption.

Office supplies are available from the GSA Transitions Support Team on a reimbursable basis.

Travel

The Transition Act permits the payment of travel expenses to individual travelers at the official invitation of the Office of the President-elect and to the Office of the President-elect employees to their duty stations if those duty stations are different from their principal places of business or residence. Transition Act funds are not available for movement of household goods or for the transportation of family members. All official travel by the Office of the President-elect employees and other persons invited to travel at the Office's expense, which is arranged through GSA or ADTRAV under contract to GSA, shall be in accordance with GSA Internal Travel Regulations and Control of Official Travel, PFM P 4290.1.

Telecommunications and IT Services

GSA will provide an open architected infrastructure through telecommunications and IT services and equipment for use by the Office of the President-elect, with installation included as part of the "turn-key" office space. GSA will supply software and equipment from its inventory, and all such property will be repurposed to GSA users or clients after inauguration. Attached is a list of items to be provided by GSA (Attachment B). The GSA Transition Support Team will establish procedures for distributing and collecting all Government personal property that is made available for use by the Office of the President-elect. The Office of the President-elect hereby assumes responsibility for loss of, or damage to, GSA's personal property under its control and agrees to return all items in the same condition as received, reasonable wear and tear excepted.

The GSA Presidential Transition Support Team will establish a service for the convenience of the Office of the President-elect to provide IT support and miscellaneous other assistance to be further defined by GSA. GSA acknowledges that some members of the Office the President-elect may wish to use personal equipment instead of that provided by GSA. The service desk staff will be knowledgeable on hardware, software and tools provided by GSA and used by the Office of the President-elect "end-users," but only limited support will be available for non-GSA equipment. The onsite service desk support will be available Monday through Saturday, 6AM to 10PM. Emergency support will be available 24 hours a day, 7 days a week.

Any specific request by the Office of the President-elect for additional IT services, equipment or personnel will result in additional costs that will be charged to the Transition Act Funds, and will not be included in the rent nor waived under any request for a rent exception that may be granted by the Administrator.

Local and long distance service are included for both cellular and desk phones.

Outbound international calls can be enabled to the Office of the President-elect as required for both cellular and desk phones. Costs incurred for international calls will be directly charged to the Transition Act funds. All phones will

receive inbound international calls at no cost.

The wireless contract supporting the GSA issued Android smart phones will provide for 300 anytime minutes per month pooled with all users, with unlimited nights and weekends, and unlimited texting and data. Additional minutes over this amount, including any roaming charges, will be directly charged to the Transition Act funds.

Conference calling cards will be provided and covered up to 2.5 million minutes (explained in Attachment B) less the minutes used in the Pre-election phase.

Mail

The GSA Transition Support Team will obtain support for mail services, the cost of which will be charged to the Transition Act funds. Support includes training on official government mail procedures for the Office of the President-elect, collection and delivery of official mail to the assigned zip code and leasing of metering equipment. In addition, the service will provide offsite scanning of incoming USPS mail and that of alternate carriers (e.g., UPS, FedEx). This includes irradiation for biological contamination, Q scan for bomb residue, and x-ray for contraband. In the case of a suspicious incoming mail item, the article will be isolated and the Department of Defense will be contacted for appropriate handling. Scanned mail will be delivered in a secure vehicle to the Office of the President-elect's mailroom at the Switzer Building. Outgoing mail will be metered on-site and subsequently picked up and entered into the postal mail systems. The service can provide for special pickups upon request.

Reports

As required by Section 5 of the Transition Act, the President-elect and Vice President-elect shall disclose to the Administrator:

- (1) the date of contribution, source, amount, and expenditure thereof of all money, other than funds from the Federal Government, and including currency of the United States and of any foreign nation, checks, money orders, or any other negotiable instruments payable on demand, received either before or after November 7, 2012, for use in their preparations for assumption of office; and
- (2) all information concerning such contributions as the Administrator and Comptroller General may require for purposes of auditing both public and private funding used in connection with preparations for assumption of office.

Disclosures made under paragraph (1) above shall be in the form of a report to the Administrator by February 20, 2013, and shall be made available to the public by the Administrator upon receipt.

The President-elect and Vice President-elect, as a condition for receiving services and funds authorized by the Transition Act, shall not accept more than \$5,000 from any person, organization, or other entity for purposes of preparations for their assumption of office as the President and Vice President.

They shall also, as a condition for receiving services and funds authorized by the Transition Act, make available to the public names, most recent employment, and information regarding the sources of funding which support the transition activities of all transition personnel (full-time or part-time, public or private or volunteer) who are members of the President-elect or Vice President-elect's Federal department or agency transition teams. Such disclosures shall be made public before the initial transition team contact with a Federal department or agency and shall be updated as necessary as required under Section 5(b) of the Act.

Appointee Orientation and Transition Directory

The Transition Act authorizes GSA to prepare a Transition Directory and to coordinate orientation activities for "individuals the President-elect...intends to nominate as department heads or appoint to key positions in the Executive Office of the President." Section 3(a)(8)(B). For the 2012-2013 transition, the Administrator has requested \$1 million for the transition directory and orientation activities for the incoming Administration. GSA, along with the National Archives and Record Administration, will produce the Directory. The GSA Transition Support Team will assist the Office of the President-elect in planning appointee orientation and, if requested, will contract with one or multiple third-party organizations for orientation services. The parties acknowledge and agree that the appropriated funds intended for Appointee Orientation and the Transition Directory must be obligated for the purposes of the Transition Act no later than September 30, 2013. Therefore, GSA strongly recommends that planning be substantially completed no later than June 2013, and that contracts be in place no later than August 31, 2013.

Emergency Preparedness

It is critical that the Office of the President-elect be prepared to respond to any emergency situation that may occur during the transition period. The GSA Transition Support Team will provide the following support to assist with emergency preparedness planning: (1) a draft continuity of operations plan; (2) an alternate site in the District of Columbia; (3) an alternate site outside of the District of Columbia; and (4) a Senior Emergency Management Officer to provide support to the Office of the President-elect. The Office of the President-elect should designate someone

authorized to work with the GSA Emergency Management Officer to finalize its emergency preparedness planning.

Effective Dates

Part II of this MOU becomes effective after signature by both parties and upon the Administrator's ascertainment of Governor Romney as the apparent successful candidate for President, but no sooner than November 7, 2012, and terminates on February 19, 2013. GSA will remain available to assist the administration with respect to the section entitled "Appointee Orientation and Transition Directory" pursuant to the terms of the Transition Act and the applicable appropriations act.

Amendments

Any terms and conditions of this MOU, other than those reflecting existing laws or regulations, may be amended at any time by the mutual agreement of the parties in writing.



The Partnership's Center for Presidential Transition helps ensure the efficient transfer of power that our country deserves. The Center's Ready to Govern® initiative assists candidates with the transition, works with Congress to reform the transition process, develops management recommendations to address our government's operational challenges, and trains new political appointees.

For original transition documents and additional resources, templates and tools, visit presidentialtransition.org.