

<b>SOURCE</b>	Obama-Biden Transition Project documents
<b>DATE</b>	November 5, 2008

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## Memorandum of Understanding Between the Obama-Biden Transition Project and the General Services Administration

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This Memorandum of Understanding (MOU) establishes guidelines for obtaining services and facilities made available by the General Services Administration (GSA) to the President-elect and the Vice President-elect and paid out of funds appropriated by the Congress in accordance with the Presidential Transition Act of 1963, as amended, 3 U.S.C. 102 note (Transition Act).

The Transition Act authorizes the Administrator to seek an appropriation for the purposes of the transition of Government in an election year, some of which is designated specifically for use at the request 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 2008 - 2009 transition, the Administrator has sought an appropriation in the amount of approximately \$8.5 million dollars, with \$5.3 million designated for expenditure on behalf of the Office of the President-elect and \$1 million 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 5, 2008, or after February 19, 2009, except that the \$1 million for the Transition Directory and orientation activities is available through September 30, 2009.

The Administrator of General Services is authorized to use Transition Act funds 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 and 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; IT and telecommunications services; mail services; and payment of expenses for printing and other administrative services.

As provided in the Transition Act, the President-elect and Vice President-elect have authorized John Podesta and Christopher Lu 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 redelegated by either of the aforementioned in writing, delivered to Mr. Timothy Horne, 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. 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 Mr. Horne or directly with the appropriate GSA Transition Support Team member, as designated by Mr. Horne.

### Control of Funds

John Podesta, Christopher Lu, Katy Kale, and Bradley Kiley, or persons designated by any of them in writing to Mr. Horne, 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, the Office of Management and Budget, the Department of the Treasury or the Congress, excluding the reports described in Section 5 of the Transition Act, which are the responsibility of the Office of the President-elect.

### **Personnel Services**

The Administrator of General Services 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, but not to exceed the rate provided for by 5 U.S.C. § 5376, for Executive Level IV (\$149,000). 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 Employee's Health Benefits (FEHB) and Federal Employees' Group Life Insurance (FGLI).

### **Employment of Experts and Consultants**

The Administrator of General Services is authorized to pay "expenses for the procurement of services of experts, 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 \$475.36 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.

### **Payroll Services**

The employees of the Office of the President-elect will be paid through Electronic Funds Transfer (EFT) to the Financial Institution of their choice. GSA will enter all payroll data and maintain all payroll records. The employees of the Office of the President-elect will be paid bi-weekly, based on the written certification of the designee. Payroll deductions will be made for FICA and Federal and State tax withholding (except for those employees paid \$1.00 or less). The Office of the President-elect will notify the GSA Transition Support Team immediately if any employees terminate employment with the Office for any reason, including to begin employment with the Federal Government, so that these employees can be removed from the Transition payroll.

### **Office Space, Furniture, Equipment, and Supplies**

GSA has identified in its inventory approximately 120,000 square feet of office space in Washington, DC, designed to house approximately 500 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 the site and shall control access to the site.

The space is being prepared in advance of the election to "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 for use by the Office of the President-elect 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 chargeable to the Transition Act funds unless exempted by the Administrator of General Services, in accordance with 40 U.S.C. 586(b)(3). The parties acknowledge and agree that in the event that the Administrator 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 Presidential Transition Act.

In order for the facilities to be operational immediately after the election, GSA completed its space planning layouts and construction drawings in early October, 2008 and delivered all furniture and equipment by November 4, 2008. 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 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 Transition 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 Office of the President-elect employees to their duty stations if those duty stations are different than 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 Office of the President-elect employees and other persons invited to travel at the Office's expense, which is arranged through the 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 a standard level of 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 the transition. 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 Transition Support Team will establish a service desk 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 of 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 used by the Office of 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 requests 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 exemption that may be granted by the Administrator.

Local and long distance service will be provided to the Office of the President-elect. Access to international calling will be provided for specific executives as requested. International calls will be tracked and charged to the Transition Act funds. The wireless contract supporting the GSA issued Blackberrys will provide for 300 anytime minutes (pooled with all users), unlimited nights and weekends, and unlimited texting and e-mail access. The usage will be tracked and usage exceeding the contracted amount will be charged to the Transition Act funds.

### **Mail**

The GSA Transition Support Team will obtain support for mail services, the cost of which will be charged to 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, leasing of metering equipment, and purchase of special equipment for space. In addition, the service will provide offsite scanning of incoming USPS mail and that of alternate carriers, such as UPS, FedEx, DHL, etc. This includes irradiation for biological contamination, Q scan for bomb residue, and x-ray for contraband. In 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 President-elect's mailroom at 451 6th St., NW, Washington, DC. 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 monetary contributions, other than Federal funds, received either before or after November 4, 2008, for use in their preparations for assumption of office; and

(2) all information concerning such contributions as the Administrator may require for purposes of auditing both the 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 19, 2009, 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 the 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." For the 2008-2009 transition, the Administrator was appropriated \$1 million for the transition directory and orientation activities for the incoming Administration. GSA is already working with the National Archives and Records Administration on 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 must be obligated for the purposes of the Transition Act not later than September 30, 2009. Therefore, GSA strongly recommends that planning be substantially completed not later than June 2009, and that contracts be in place not later than August 31, 2009.

### **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**

This MOU becomes effective upon signature by both parties and upon the Administrator's ascertainment of the apparent successful candidates for President and Vice-President, but no sooner than November 5, 2008, and terminates on February 19, 2009, except that this MOU shall be effective through September 30, 2009 with respect to the section entitled "Appointee Orientation and Transition Directory."

### **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.

## Authorization

The terms and conditions of this MOU are agreed to and approved by:

*Office of the President-elect*

By: Chris Lu  
Title: Executive Director  
Date: November 5, 2008

*General Services Administration*

By: Timothy Home  
Title: Director, Transition Support Team  
Date: November 5, 2008



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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.

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