

TEN FOR TEN

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A FAILURE TO CHANGE



RESEARCH DEPARTMENT

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I. OBAMA PROMISED A NEW WASHINGTON BUT VOTERS ARE STUCK WITH MORE OF THE SAME

OBAMA WAS SUPPOSED TO BRING CHANGE TO WASHINGTON

THEN: Obama: “Washington Is Broken. My Whole Campaign Has Been Premised From The Start On The Idea That We Have To Fundamentally Change How Washington Works.” (Sen. Barack Obama, [Remarks At Service Nation Summit](#), New York, NY, 9/11/08)

- **NOW: Obama Said, “The Most Important Lesson I’ve Learned Is That You Can’t Change Washington From The Inside.”** OBAMA: “You know what—obviously, the fact that we haven’t been able to change the tone in Washington is disappointing. We know now that as soon as I came into office you already had meetings among some of our Republican colleagues saying, ‘How do we figure out how to beat the president?’ And I think that I’ve learned some lessons over the last four years, and the most important lesson I’ve learned is that you can’t change Washington from the inside. You can only change it from the outside.” (President Barack Obama, [Univision Town Hall](#), Miami, FL, 9/20/12)

Obama Has “Missed Or Passed Up Opportunities To Show His Willingness To Challenge The Status Quo.” “He also missed or passed up opportunities to show his willingness to challenge the status quo. And there is not much evidence that, as things turned sour, there was a fallback strategy for how to change the climate.” (Dan Balz, “Obama Did Not Change Washington, Was There A Way Around United Republican Opposition?” [The Washington Post](#), 9/1/12)

Obama Admitted Washington Is Stuck With “More Of The Same,” And “Maybe A Little Worse.” CNN’s WOLF BLITZER: “When we spoke here end of 2008, ‘hope and change.’ You know what I see in Washington still to this day? OBAMA: “More of the same.” BLITZER: “The same old same old.” OBAMA: “Yeah.” BLITZER: “A lot of bickering, backstabbing.” OBAMA: “Maybe a little worse.” (CNN’s [“The Situation Room,”](#) 8/16/11)

“So Much For The High Road: Victory Is More Important Than Purity.” (Jim Vandehei, “The Political Transformation,” [Politico](#), 2/9/12)

FactCheck.org: “[I]t’s Simply A Fact That The President Failed At ‘Bringing Democrats And Republicans Together.’” “To be sure, the president did sign the Patient Protection and Affordable Care Act into law in 2010, but it wasn’t enacted by ‘bringing Democrats and Republicans together.’ The bill passed the Senate on Dec. 24, 2009, by a vote of 60-39, without any Republicans voting for it. And when the House passed its version of the bill almost three months later, by a vote of 219-212, it too garnered no support from Republicans. We won’t offer any opinion about whether one side is more to blame than the other for that, but it’s simply a fact that the president failed at ‘bringing Democrats and Republicans together.’” (D’Angelo Gore, “Promises, Promises,” [Fact Check.org](#), 1/4/12)

Polarization Is “As Deep As It Has Been In Modern Times.” “Today Obama’s words sound quaint, even naive. Instead of bipartisanship, there is polarization as deep as it has been in modern times.” (Dan Balz, “Obama Did Not Change Washington, Was There A Way Around United Republican Opposition?” [The Washington Post](#), 9/1/12)

“And, Far From Breaking A Generation-Long Partisan Standoff In Washington, Obama’s Presidency Has Been Almost Entirely Defined By It.” (John F. Harris and Jonathan Martin, “DNC 2012: Barack Obama, The Conventional President,” [Politico](#), 9/3/12)

Historian Doris Kearns Goodwin Says Obama’s “Tenure Is Viewed Through The Prism Of His Failure To Transcend The Deep Divisions In Washington.” “Doris Kearns Goodwin, who has written several presidential histories and has come to know Obama personally, said the 44th president’s policies — such as a stimulus package that may have averted another Depression and an overhaul of health care policy — most likely will be seen as profoundly far-reaching. But in contrast to the soaring expectations

Obama himself helped set, Goodwin said his tenure is viewed through the prism of his failure to transcend the deep divisions in Washington.” (John F. Harris and Jonathan Martin, “DNC 2012: Barack Obama, The Conventional President,” [Politico](#), 9/3/12)

Obama Has Been “Unable To Bridge A Political Divide That Had Only Grown Wider Since He Took Office With A Promise To Change The Ways Of Washington...” “A president who promised to bring the country together, who confidently presented himself as the transformational figure able to make that happen, now had his chance. But, like earlier policy battles, the debt ceiling negotiations revealed a divided figure, a man who remained aloof from a Congress where he once served and that he now needed. He was caught between his own aspirations for historical significance and his inherent political caution. And he was unable to bridge a political divide that had only grown wider since he took office with a promise to change the ways of Washington, underscoring the gulf between the way he campaigned and the way he had governed.” (Peter Wallsten, Lori Montgomery, and Scott Wilson, “Obama’s Evolution: Behind The Failed ‘Grand Bargain’ On The Debt,” [The Washington Post](#), 3/17/12)

In 2008, Obama Said “Change Has Come” But Today He’s Asking Voters For Patience

THEN: Obama: “Change Has Come To America.” OBAMA: “It’s been a long time coming, but tonight, because of what we did on this day, in this election, at this defining moment, change has come to America.” (President-Elect Barack Obama, [Election Night Victory Speech](#), Grant Park, IL, 11/4/08)

- **NOW: Obama: “[I] Promise You, Change Will Come.”** OBAMA: “If you’re willing to work even harder this than you did last election, I promise you, change will come.” (President Barack Obama, [Remarks At DNC Fundraiser](#), Chicago, IL, 1/11/12)

“The Lofty Rhetoric Of ‘Hope’ And ‘Change’ From 2008 Have Been Replaced With A More Sober Message About The Realities Of Governing.” (Jake Tapper, “In Pre-Dawn Email, President Obama Launches 2012 Re-Election Campaign,” ABC’s [Political Punch](#), 4/4/11)

Absent From Obama’s Re-Election Announcement Was The “Hope And Change” Theme, “A Recognition That The Meme Just Wouldn’t Float After His Failure To Deliver On Some Of His More High Profile Promises From 2008...” “Nearly absent from Monday’s [re-election announcement] rhetoric is the ‘hope and change’ theme that dominated Obama’s effort for four years ago – a recognition that the meme just wouldn’t float after his failure to deliver on some of his more high profile promises from 2008 ...” (Jennifer Epstein and Glenn Thrush, “President Obama Launches Reelection Campaign With Video,” [Politico](#), 4/4/11)

Obama’s Promises Of Change Were “Either Hopelessly Naïve” Or Were “A Little Bit Of A Shell Game.” “‘Any president who says he’s going to change this is either hopelessly naïve or polishing the reality to promise something other than can be delivered,’ said Paul Light, a New York University professor and expert on presidential transitions. ‘At best it’s naïve and a little bit of a shell game.’” (Fred Schulte, John Aloysius Farrell, And Jeremy Borden, “Obama Rewards Big Bundlers With Jobs, Commissions, Stimulus Money, Government Contracts, And More,” [iWatch](#), 6/15/11)

Obama Said He Now Needs Another Term To Do What He Promised As A Candidate. OBAMA: “I didn’t overpromise. And I didn’t underestimate how tough this was gonna be. I always believed that this was a long-term project; this wasn’t a short-term project. And, you know, for individual Americans, who are struggling right now, they have every reason to be impatient. They should want all these things solved tomorrow. It doesn’t matter how good my economic theories are. If you don’t have a job right now, the only economic policy you want to hear is, ‘I’m hired. I’ve got a job. I can pay my bills. I can look after my family.’ But what I understood coming in was that reversing a culture here in Washington, dominated by special interests, reversing a political culture that was dominated by polls and sound bites and [a] 24-hour news cycle, reversing structural problems in our economy that have been building up for two decades, that was gonna take time. It was gonna take more than a year. It was gonna take more than two

years. It was gonna take more than one term. Probably takes more than one president.” (CBS’ “[60 Minutes](#),” 12/11/11)

OBAMA WAS GOING TO RID WASHINGTON OF SPECIAL INTEREST INFLUENCE

Lobbyists Weren’t Going To Find A Job In Obama’s White House

THEN: Obama Promised That Lobbyists Would Not “Find A Job In [His] White House.” “President Obama promised during his campaign that lobbyists ‘won’t find a job in my White House.’ ... Formalized in a recent presidential executive order, it forbids executive branch employees from working in an agency, or on a program, for which they have lobbied in the last two years.” (Kenneth P. Vogel & Mike Allen, “Obama Finds Room For Lobbyists,” [Politico](#), 1/30/09)

- **Obama: “[Lobbyists] Will Not Run My White House, And They Will Not Drown Out The Voices Of The American People When I’m President.”** OBAMA: “I won’t take money from PACs, won’t take money from federal registered lobbyists. They have not funded my campaign, they will not run my White House, and they will not drown out the voices of the American people when I’m president.” (Sen. Barack Obama, Remarks At Ault Park Pavilion, Cincinnati, OH, 10/9/08)
- **Obama: “[Lobbyists] Won’t Find A Job In My White House.”** OBAMA: “One year from now, we have the chance to tell all those corporate lobbyists that the days of them setting the agenda in Washington are over. I have done more to take on lobbyists than any other candidate in this race - and I’ve won. I don’t take a dime of their money, and when I am President, they won’t find a job in my White House.” (Sen. Barack Obama, [Remarks At A Campaign Event](#), Spartanburg, SC, 11/3/07)
- **Obama’s Anti-Lobbyist Promise “Is The Cornerstone Of President Obama’s Campaign Theme About Limiting The Influence Of Special Interests.”** “Of the 513 promises we’re tracking, this one has become the most controversial. It is the cornerstone of President Obama’s campaign theme about limiting the influence of special interests. During the campaign, Obama said many times that lobbyists would not run his White House, and the campaign delighted in tweaking rival John McCain for the former lobbyists who worked on McCain’s campaign.” (Angie Drobnic Holan, “Former Lobbyist In The White House? It’s Okay If They Say It’s Okay,” [PolitiFact](#), 3/17/09)

NOW: “It’s Well-Known That President Barack Obama Has Surrounded Himself With Lobbyists.” (John Carney, “Obama’s Lobbyist-Heavy Administration,” [CNBC](#), 11/1/11)

- **The Center For Responsive Politics Finds Over 350 Individuals In The Obama Administration Who Have Been Through The Revolving Door, With Over 100 Individuals Who Are Current Or Formerly Registered Lobbyists.** ([Center For Responsive Politics](#), Accessed 10/29/12)

Thomas Hale Boggs, Chairman Of Major Washington Lobbying Firm Patton Boggs, “There Are Lots Of Lobbyists Working For The Administration.” BOGGS: “Now they’ve greatly changed that [last year, the Obama re-election campaign hired former lobbyist Broderick Johnson, and in March, Joe Biden tapped former lobbyist Steve Ricchetti as an adviser], there are lots of lobbyists working for the administration, which is probably going to make it work better in the second term.” (Catherine Ho, “Lobbying Icon Boggs Predicts Obama Win, Weighs In On Election’s Impact On K Street,” [The Washington Post](#), 10/7/12)

President Obama Has Granted Numerous Exceptions To His Lobbyist Ban. “Yet in the past few days, a number of exceptions have been granted, with the administration conceding at least two waivers and that a handful of other appointees will recuse themselves from dealing with matters on which they lobbied within the two-year window.” (Kenneth P. Vogel and Mike Allen, “Obama Finds Room For Lobbyists,” [Politico](#), 1/30/09)

- **The Washington Post’s Dana Milbank: “Earlier, Obama Administration Officials Got Around Their Self-Imposed Rule (Which Prevents A Lobbyist From Serving For Two Years) By**

Granting Waivers To People Obama Sought To Appoint, Such As Former Raytheon Lobbyist William Lynn, Who Got A Top Job At The Pentagon.” (Dana Milbank, Op-Ed, “Settling In To Washington’s Ways,” [The Washington Post](#), 3/6/12)

PolitiFact Rated Obama’s Promise To Bar Lobbyists From His Administration As “Broken.” “We rated that one a Promise Broken because his policy has substantial loopholes that have allowed Obama to essentially decide when he wants to ignore the rule. He’s right that on his first day in office, he signed an executive order to bar lobbyists from his administration. But the order also included a loophole — a ‘waiver’ clause that allows former lobbyists to serve. Waivers are granted by the administration itself, so they are little more than the administration saying it’s okay for the lobbyist to work for the administration.” (“Obama Says Lobbyists Have Been Excluded From Policy-Making Jobs,” [PolitiFact](#), 10/7/11)

- **PolitiFact: “Another Provision Allows Lobbyists To Serve If They Agree To Recuse Themselves From Discussions Related To Their Former Jobs.”** (“Obama Says Lobbyists Have Been Excluded From Policy-Making Jobs,” [PolitiFact](#), 10/7/11)
- **PolitiFact: “What About Those Recusals We Mentioned Earlier? The Administration Has Not Made Public How Many Of These Have Been Issued.”** (“Obama Says Lobbyists Have Been Excluded From Policy-Making Jobs,” [PolitiFact](#), 10/7/11)

PolitiFact Gives Obama A “False” On His Claim To Have “Excluded Lobbyists From Policymaking Jobs.” “Obama said that he has ‘excluded lobbyists from policymaking jobs.’ But that’s not the case. We know of at least four that have taken on policymaking roles in the Obama administration -- Frye’s title even contains the word ‘policy.’ While these appointments may be few and far between, and while those who made the cut have signed special waivers, we give Obama a False on this claim.” (“Obama Says Lobbyists Have Been Excluded From Policy-Making Jobs,” [PolitiFact](#), 1/27/11)

Obama Was Going To Close The “Revolving Door” And Not Allow Staff To Use White House Connections To “Promote Their Own Interests”

THEN: Obama “Boasted” That His Pledge Would Close “The Revolving Door” That Lets Public Employees Use “Their Time In Public Service” To “Promote Their Own Interests.” “And we need to close the revolving door that lets lobbyists come into government freely, and lets them use their time in public service as a way to promote their own interests over the interests of the American people when they leave.” (President Barack Obama, [Remarks By The President In Welcoming Senior Staff And Cabinet Secretaries To The White House](#), Washington, DC, 1/21/09)

NOW: PolitiFact: “We Rate Obama’s ‘Revolving Door’ Policy For Former Lobbyists His Biggest Broken Promise.” (Angie Drobnic Holan, “Not So Fast On Obama Revolving Door Policy,” [PolitiFact](#), 1/23/09)

Despite Obama’s Pledge To Stop The Revolving Door, Nothing Has Changed In Washington. “But with his administration at its midpoint, a traditional time for personnel turnover, it’s clear that despite Obama’s avowals, a longtime truism of Washington life — that a prestigious-sounding administration post can be a lucrative career enhancer — remains unchanged.” (Kenneth P. Vogel, “Obama Administration’s Revolving Door,” [Politico](#), 1/18/11)

- **Officials From The White House Have Left For Lucrative Jobs On K Street, Wall Street.** “In recent months, officials have quietly left the White House, the Federal Communications Commission, the Federal Highway Administration and the Departments of the Treasury, Commerce and Homeland Security for high-paying gigs on K Street and Wall Street, for top PR firms including the Glover Park Group and VOX Global and to work or lobby for powerful media and telecom companies including Facebook, Comcast, Bloomberg L.P., DirecTV, Sprint Nextel and T-Mobile.” (Kenneth P. Vogel, “Obama Administration’s Revolving Door,” [Politico](#), 1/18/11)

“For All His Anti-Lobbyist Rhetoric, President Barack Obama Has Done More Than Almost Anyone To Help K Street Fatten Its Wallet.” (Chris Frates, “A Second Stimulus For K Street?” [Politico](#), 3/17/11)

- **Obama’s Regulatory Polices Have Resulted In “K Street’s Second Stimulus.”** “Now, regulators are writing hundreds of new rules required by the twin reforms, creating a bonanza of new business for Washington lobbyists positioned to help companies influence and comply with the new regulations. Call it K Street’s second stimulus.” (Chris Frates, “A Second Stimulus For K Street?” [Politico](#), 3/17/11)
- **“Or As Another Lobbyist Put It, ‘God Bless Barack Obama, He’s Helping The Lobbyists.’”** (Chris Frates, “A Second Stimulus For K Street?” [Politico](#), 3/17/11)

In 2008, Voters Deserved To Know When White House Officials Met With Lobbyists

THEN: Obama: “Because You Deserve To Know When Your Elected Officials Are Meeting With Lobbyists, I Ask Congress To Do What The White House Has Already Done -- Put That Information Online.” (President Barack Obama, [State Of The Union Address](#), Washington, DC, 1/25/11)

NOW: White House Officials Met “Hundreds Of Times” With Lobbyists At A Coffee Shop Across The Street From The White House. “Here at the Caribou on Pennsylvania Avenue, and a few other nearby coffee shops, White House officials have met hundreds of times over the last 18 months with prominent K Street lobbyists -- members of the same industry that President Obama has derided for what he calls its ‘outsized influence’ in the capital.” (Eric Lichtblau, “Across From White House, Coffee With Lobbyists,” [The New York Times](#), 6/24/10)

- **Administration Officials Also Meet With Lobbyists At “A Complex Just Off The White House Grounds.”** “Caught between their boss’s anti-lobbyist rhetoric and the reality of governing, President Barack Obama’s aides often steer meetings with lobbyists to a complex just off the White House grounds – and several of the lobbyists involved say they believe the choice of venue is no accident.” (Chris Frates, “Lobbyists: W.H. Hides Meetings Off-Site,” [Politico](#), 2/24/11)
- **The Meetings Are Being Held Off-Grounds So That The White House Visitor Logs Would Not Be “Released To The Public And Embarrass The President”** “Some lobbyists suspected they were being kept outside the gates for political, rather than logistical, reasons. ‘My understanding was they were holding the meeting there because it included several high-level business and trade association lobbyists,’ said a senior business lobbyist who attended the meeting. ‘This was an effort to not have to go through the security protocols at the White House which could lead to the visitor logs at some point being released to the public and embarrass the president.’” (Chris Frates, “Lobbyists: W.H. Hides Meetings Off-Site,” [Politico](#), 2/24/11)
- **Jeff Smith, White House Senior Adviser To The Director Of The Office Of Science And Technology Policy, Offered To Meet With Jim Kirkland Of GPS Industry Outside Of The White House To Avoid Appearing In Visitor Logs.** “Other emails released on Tuesday show Jeff Smith, a senior adviser to the director of the Office of Science and Technology Policy, offering to meet with Jim Kirkland, an executive from the GPS industry, off the White House grounds. LightSquared clashed with the GPS industry for years as it tried to get approval to use frequencies near those used by GPS. Republicans have alleged that contracts for LightSquared, which was backed by several major Democratic donors, had received preferential treatment from the White House.” (Jennifer Epstein, “GOP: W.H., Messina ‘Failed’ On Transparency,” [Politico](#), 7/31/12)
- **Smith: “You’d Appear On An Official WH Visitor List Which Is Maybe Not Want [Sic] You Want At This Stage...”** “‘Jim – coffee at Caribou Coffee – across the corner from the WH – would work at 11:30 a.m. on Friday...plus getting you through the new WH security rules these days almost takes an act of Congress almost (and you know how well that’s going these days),’ Smith

wrote. '[P]lus you'd appear on an official WH Visitor List which is maybe not want [sic] you want at this stage ...'" (Jennifer Epstein, "GOP: W.H., Messina 'Failed' On Transparency," [Politico](#), 7/31/12)

NOW: "Many Of The President's Biggest Donors, While Not Lobbyists, Took Lobbyists With Them To The White House, While Others Performed Essentially The Same Function On Their Visits." (Mike McIntire and Michael Luo, "White House Opens Door To Big Donors, And Lobbyists Slip In," [The New York Times](#), 4/4/12)

- **Obama's Biggest Donors Are "Far More Likely To Visit The White House Than Others."** "More broadly, the review showed that those who donated the most to Mr. Obama and the Democratic Party since he started running for president were far more likely to visit the White House than others." (Mike McIntire and Michael Luo, "White House Opens Door To Big Donors, And Lobbyists Slip In," [The New York Times](#), 4/4/12)
- **Among Donors Who Gave \$30,000 Or Less To Obama, About 20 Percent Have Visited The White House.** "Among donors who gave \$30,000 or less, about 20 percent visited the White House, according to a New York Times analysis that matched names in the visitor logs with donor records." (Mike McIntire and Michael Luo, "White House Opens Door To Big Donors, And Lobbyists Slip In," [The New York Times](#), 4/4/12)
- **"But Among Those Who Donated \$100,000 Or More, The Figure Rises To About 75 Percent."** (Mike McIntire and Michael Luo, "White House Opens Door To Big Donors, And Lobbyists Slip In," [The New York Times](#), 4/4/12)
- **"Approximately Two-Thirds Of The President's Top Fund-Raisers In The 2008 Campaign Visited The White House At Least Once, Some Of Them Numerous Times."** (Mike McIntire and Michael Luo, "White House Opens Door To Big Donors, And Lobbyists Slip In," [The New York Times](#), 4/4/12)

II. UNDER OBAMA, WASHINGTON HAS BEEN “SCANDAL-RIDDEN”

OBAMA HAS FAILED TO HOLD HIMSELF “RESPONSIBLE FOR THE CONDUCT OF [HIS] OPERATIONS”

Obama: “As President Of The United States, It's Pretty Clear To Me That I'm Responsible For Folks Who Are Working In The Federal Government And You Know, Harry Truman Said The Buck Stops With You.” OBAMA: “Well, here's what I know, we were just talking about responsibility and as president of the United States, it's pretty clear to me that I'm responsible for folks who are working in the federal government and you know, Harry Truman said the buck stops with you.” (“President Obama Says Romney Should Answer Bain Capital Questions,” [WILA](#), 7/13/12)

- **Obama: “One Of The Things You Learn Is, You Are Ultimately Responsible For The Conduct Of Your Operations...”** OBAMA: “Ultimately Mr. Romney, I think, is going to have to answer those questions, because if he aspires to being president one of the things you learn is, you are ultimately responsible for the conduct of your operations, but again that's probably a question that he's going to have to answer and I think that's a legitimate part of the campaign.” (“President Obama Says Romney Should Answer Bain Capital Questions,” [WILA](#), 7/13/12)

Scandals Are “Generating The Kinds Of Questions That No Administration Wants To Answer This Close To A Re-Election Bid.” “Neither Obama nor his top aides have been implicated, but both of those stories are generating the kinds of questions that no administration wants to answer this close to a re-election bid.” (David Jackson, “Obama Grapples With Secret Service, GSA Scandals,” [USA Today](#), 4/18/12)

Scandals Are “Distracting Embarrassments That Are Dominating Public Attention” While Obama Tries To Focus On Other Issues. “The scandals are taking a toll. They are distracting embarrassments that are dominating public attention while Obama seeks to focus on difficulties abroad and jobs at home. And they are giving Republicans an opportunity to question his competence and leadership, an opening for Romney in a race so close that any advantage might make a difference.” (Jim Kuhnenn, “Trouble In Threes: Scandals Hamper Obama's Message,” [The Associated Press](#), 4/19/12)

- **And “Frustrate Obama's Argument That Government Can Be A Force For Good.”** “Even if the Democratic president escapes being defined by these flare-ups, they still feed a story line that can erode public confidence in Washington institutions, fuel a perception of federal excess and frustrate Obama's argument that government can be a force for good.” (Jim Kuhnenn, “Trouble In Threes: Scandals Hamper Obama's Message,” [The Associated Press](#), 4/19/12)

Scandals Have Overwhelmed Obama's Agenda. “But taken altogether, the events have overwhelmed the president's agenda. The Secret Service scandal broke while Obama was in Cartagena last weekend for a Summit of the Americas with more than 30 Western hemisphere leaders. Back home the headlines and the news anchors were hardly focusing on the summit, instead playing up the fact that 11 Secret Service agents and uniformed officers had been sent home on accusations of misconduct. By the time the president got home, General Services Administration officials were appearing before congressional committees about a lavish Las Vegas conference and junkets to resorts, and more evidence of excess was beginning to emerge. Obama's attempts to draw attention to his efforts against oil market manipulation on Tuesday and to help the economy on Wednesday were drowned out by further Secret Service revelations and by the publication of gruesome photos depicting GIs with the bodies of Afghan insurgents.” (Jim Kuhnenn, “Trouble In Threes: Scandals Hamper Obama's Message,” [The Associated Press](#), 4/19/12)

- “[T]he President Can't Turn His Back On The Problems, Either, And Is Ultimately Held Responsible For Restoring The Reputations Of Troubled Agencies.” (Jim Kuhnenn, “Trouble In Threes: Scandals Hamper Obama’s Message,” [The Associated Press](#), 4/19/12)

***Pittsburgh-Tribune Review*: “What We Could Not Have Predicted...Was How Scandal-Ridden Mr. Obama’s Administration Would Be.”** “What we could not have predicted, however, was how scandal-ridden Mr. Obama’s administration would be. There’s the prevaricating attorney general who, promoting the rule of lawlessness, was found in contempt of Congress (think of the Fast and Furious gun-running scandal). There are the executive orders that exceeded presidential authority (think of the broad amnesty for illegal aliens). And then there’s the rank abuse of the government pulpit for political ends (think of Health and Human Services Secretary Kathleen Sebelius’ unpunished violations of the Hatch Act), among other unsavory behavior.” (Editorial, “OPINION: Mitt Romney For President,” [Pittsburgh Tribune-Review](#), 10/20/12)

III. FAST AND FURIOUS

UNDER OBAMA, GUNS WERE ALLOWED TO FALL INTO THE HANDS OF MEXICAN DRUG CARTELS AND WERE FOUND AT THE SITE OF A MURDERED AMERICAN BORDER AGENT

The “Fast And Furious” Operation Was An ATF Program That Tracked Weapons Sold To Illegal Buyers In Hopes Of Arresting Mexican Drug Cartel Members. “Agents with the federal Bureau of Alcohol, Tobacco, Firearms and Explosives purposely allowed licensed firearms dealers to sell weapons to illegal straw buyers, hoping to track the guns to Mexican drug cartel leaders and arrest them. But they lost track of more than 2,000 weapons, and the Mexican government says some of them have turned up at about 170 crime scenes there.” (Richard A. Serrano, “Emails Show Top Justice Department Officials Knew Of ATF Gun Program,” [Los Angeles Times](#), 10/03/11)

- **“During The Course Of The Investigation, ATF Agents Seized Only About 100 Of The Firearms Purchased, The Result Of A Strategy Jointly Pursued By ATF And The U.S. Attorney’s Office That Deferred Taking Overt Enforcement Action Against The Individual Straw Purchasers While Seeking To Build A Case Against The Leaders Of The Organization.”** (“A Review Of ATF’s Operation Fast And Furious And Related Matters,” U.S. Department Of Justice, [Office Of The Inspector General](#), 9/19/12)
- **“Univision News Identified A Total Of 57 More Previously Unreported Firearms That Were Bought By Straw Purchasers Monitored By ATF During Operation Fast And Furious, And Then Recovered In Mexico In Sites Related To Murders, Kidnappings, And At Least One Other Massacre.”** (Gerardo Reyes And Santiago Wills, “Fast And Furious Scandal: New Details Emerge On How U.S. Government Armed Mexican Drug Cartels,” [ABC News](#), 9/30/12)

Two “Fast And Furious” Weapons Were “Found At The Scene Of The Dec. 14 Shooting Of US Border Patrol Agent Brian Terry.” “The Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) is facing criticism of a program that funneled illegal guns into the hands of Mexican gun runners, drug gangs, and other criminals after two of those guns were found at the scene of the Dec. 14 shooting of US border patrol agent Brian Terry by Mexican bandits in Arizona...The Dec. 14 shootout in Peck Canyon, near Nogales, Ariz., occurred after border patrol agents halted a group of armed border bandits and fired at them with bean bag guns. The bandits then opened fire with live bullets from AK-47 submachine guns, killing Mr. Terry.” (Patrik Jonsson, “Did Flawed US Policies Play Role In Death Of Border Patrol Agent?,” [The Christian Science Monitor](#), 3/4/11)

- **The Link Between Terry’s Death And “Fast And Furious” Was Known Immediately To Officials.** “Internal documents show the link between Terry’s murder and the gunwalking operation labeled ‘Fast and Furious’ was known immediately to some government officials, but it’s unclear how high up the chain that information went and how fast.” (Sharyl Attkisson, “Attorney General Eric Holder ‘Sorry’ For Terry Family Loss,” [CBS News](#), 11/11/11)
- **ATF Agents “Made No Effort” To Apprehend The Person Who Bought The Rifles Recovered At The Scene Of Terry’s Murder.** “On January 16, 2010, one of the straw purchasers, Jaime Avila, purchased three AK-47 style rifles from a Phoenix-area gun store. ATF agents learned about that purchase 3 days later and, consistent with the investigative strategy in the case, made no effort to locate Avila or seize the rifles although ATF had identified Avila as a suspect in November 2009. Two of the three rifles purchased by Avila on January 16 were recovered 11 months later at the scene of the murder of Agent Terry, who was shot and killed on December 14, 2010, as he tried to arrest persons believed to be illegally entering the United States.” (“A Review Of ATF’s Operation Fast And Furious And Related Matters,” U.S. Department Of Justice, [Office Of The Inspector General](#), 9/19/12)

“[T]he Senior Leadership Of The ATF And The Department Of Justice...Took Little Action In The Immediate Aftermath Of Agent Terry’s Death To Learn More” About Operation “Fast And Furious.”

“Although the Federal Bureau of Investigation (FBI) was assigned to investigate the murder of Agent Terry, the senior leadership of ATF and the Department of Justice (Department or DOJ) took little action in the immediate aftermath of Agent Terry’s death to learn more about an ATF investigation that involved the trafficking of approximately 2,000 weapons over many months, and how guns purchased by a previously-identified subject of that investigation ended up being recovered at the scene of Agent Terry’s murder.” (“A Review Of ATF’s Operation Fast And Furious And Related Matters,” U.S. Department Of Justice, [Office Of The Inspector General](#), 9/19/12)

No Government Officials Involved In “Fast And Furious” Have Been Held Criminally Liable. “One year ago today, Border Patrol Agent Brian A. Terry was gunned down in Arizona near the Mexican border by illegal immigrants armed with weapons from the now-infamous ATF ‘Fast and Furious’ gunwalking operation. Terry’s killing has touched off a firestorm that crossed international borders and trigger investigations, Congressional hearings, denials and admissions to the upper levels of the Justice Department. A statement issued today by Terry’s family raises the notion that responsible government officials should be prosecuted. ‘We now believe that if it can be shown that laws were broken, then all those responsible for Fast and Furious should be held criminally liable,’ reads the statement.” (Sharyl Attkisson, “Terry Family Marks One Year Anniversary Of Death Of Their Son, Brian Terry, Murdered Border Patrol Agent,” [CBS News](#), 12/14/11)

AN INSPECTOR GENERAL REPORT FOUND ATF OVERSIGHT TO BE “SERIOUSLY DEFICIENT”

“Our Review Of Operation Fast And Furious And Related Matters Revealed A Series Of Misguided Strategies, Tactics, Errors In Judgment, And Management Failures....” “Our review of Operation Fast and Furious and related matters revealed a series of misguided strategies, tactics, errors in judgment, and management failures that permeated ATF Headquarters and the Phoenix Field Division, as well as the U.S. Attorney’s Office for the District of Arizona...In the course of our review we identified individuals ranging from line agents and prosecutors in Phoenix and Tucson to senior ATF officials in Washington, D.C., who bore a share of responsibility for ATF’s knowing failure in both these operations to interdict firearms illegally destined for Mexico, and for doing so without adequately taking into account the danger to public safety that flowed from this risky strategy.” (“A Review Of ATF’s Operation Fast And Furious And Related Matters,” U.S. Department Of Justice, [Office Of The Inspector General](#), 9/19/12)

- **“We Also Found Failures By Department Officials Related To These Matters, Including Failing To Respond Accurately To A Congressional Inquiry About Them.”** (“A Review Of ATF’s Operation Fast And Furious And Related Matters,” U.S. Department Of Justice, [Office Of The Inspector General](#), 9/19/12)

“We Found It Troubling That A Case Of This Magnitude And That Affected Mexico So Significantly Was Not Directly Briefed To The Attorney General.” “We found it troubling that a case of this magnitude and that affected Mexico so significantly was not directly briefed to the Attorney General. We would usually expect such information to come to the Attorney General through the Office of the Deputy Attorney General. However, as discussed below, neither ATF nor the U.S. Attorney’s Office sufficiently advised the Office of the Deputy Attorney General about the investigation itself or of any operational concerns regarding the investigation.” (“A Review Of ATF’s Operation Fast And Furious And Related Matters,” U.S. Department Of Justice, [Office Of The Inspector General](#), 9/19/12)

- **ATF Oversight “Was Seriously Deficient.”** “We further determined that ATF Headquarters’ oversight of Operation Fast and Furious was seriously deficient. Deputy Director Hoover, Assistant Director Chait, and Deputy Assistant Director McMahon all failed to adequately respond to indications and warnings early in the investigation that heightened scrutiny at the Headquarters level was needed to ensure public safety...We determined that ATF’s leadership failed to seek timely closure of the investigation, even after Hoover recognized the need to conclude the

investigative phase of Operation Fast and Furious. Although we found no evidence that ATF Headquarters' executives had improper motives or were seeking through their work on Operation Fast and Furious anything other than to dismantle a dangerous firearms trafficking organization, our investigation found that their oversight of the investigation was seriously deficient." ("A Review Of ATF's Operation Fast And Furious And Related Matters," U.S. Department Of Justice, [Office Of The Inspector General](#), 9/19/12)

THE OBAMA ADMINISTRATION HAS REFUSED TO PROVIDE DOCUMENTS RELATED TO FAST AND FURIOUS

"The House Of Representatives Voted 255-67 On Thursday To Hold Attorney General Eric Holder In Criminal Contempt For Refusing To Turn Over Documents Related To The Fast And Furious Gun-Running Sting." ("House Votes To Hold Holder In Contempt," [CNN](#), 6/28/12)

- **17 House Democrats Joined Republicans In A Bipartisan Vote To Hold Holder In Contempt Of Congress Over "Fast And Furious."** "More than 100 Democrats left the House floor before the vote, but 17 moderate Democrats stayed behind and joined with Republicans in voting for contempt, robbing the Obama administration and congressional Democrats of its main argument that the vote was a blatant partisan maneuver to discredit Holder and the White House in an election year." (Ed O'Keefe, "Which Democrats Voted To Hold Eric Holder In Contempt Of Congress?" [The Washington Post's 2Chambers](#), 6/29/12)

"President Barack Obama Invoked Executive Privilege Wednesday To Withhold Documents A House Committee Is Seeking In An Investigation Of A Flawed Gun-Smuggling Probe In Arizona."

"President Barack Obama invoked executive privilege Wednesday to withhold documents a House committee is seeking in an investigation of a flawed gun-smuggling probe in Arizona. In a letter to Rep. Darrell Issa, R-Calif., a Justice Department official said the privilege applies to documents that explain how the department learned that there were problems with the investigation called Operation Fast and Furious." (Pete Yost, "Justice Dept Says President Has Exerted Executive Privilege Over Fast And Furious Documents," [The Associated Press](#), 6/20/12)

"The Obama Administration Is Asserting Executive Privilege" To Avoid Turning Over The Requested Documents. "Hours prior to the House Oversight and Government Reform Committee's 23-17 vote, Deputy Attorney General James Cole informed the committee's chairman, Rep. Darrell Issa, R-Vista (San Diego County), that the Obama administration is asserting executive privilege in declining to turn over documents...The administration's invocation of executive privilege covers documents produced after the Feb. 4, 2011, Justice Department letter denying use of gun-walking tactics in Fast and Furious." (Dan Freedman, "Attorney General Eric Holder Cited By Committee," [San Francisco Chronicle](#), 6/23/12)

"The White House Did Not Produce To Us Any Internal White House Communications, Noting That 'The White House Is Beyond The Purview Of The Inspector General's Office, Which Has Jurisdiction Over Department Of Justice Programs And Personnel.'"

"We also requested from the White House any communications concerning Operation Fast and Furious during the relevant time period that were sent to or received from (a) certain ATF employees, including Special Agent in Charge Newell, and (b) certain members of the White House National Security Staff, including Kevin O'Reilly. In response to our request, the White House informed us that the only responsive communications it had with the ATF employees were those between Newell and O'Reilly. The White House indicated that it previously produced those communications to Congress in response to a similar request, and the White House provided us with a copy of those materials. The White House did not produce to us any internal White House communications, noting that 'the White House is beyond the purview of the Inspector General's Office, which has jurisdiction over Department of Justice programs and personnel.'" ("A Review Of ATF's Operation Fast And Furious And Related Matters," U.S. Department Of Justice, [Office Of The Inspector General](#), 9/19/12)

Inspector General Michael Horowitz: Internal White House Communications Were "A Lead We Wanted To Follow." REP. BLAKE FARENTHOLD (R-TX): "You noted also in your report that the White

House refused to share internal communications with you during your investigation of Fast And Furious. We've noted a connection into the White House through Kevin O'Reilly at the National Security Council. Do you think the White House's refusal to share these documents limited the scope of your investigation, and would this committee be well served by pursuing an investigation in that avenue?" INSPECTOR GENERAL MICHAEL HOROWITZ: "Well, as we noted in the report and as you know, Congressman, we did not get internal communications from the White House, and Mr. O'Reilly's unwillingness to speak to us made it impossible for us to pursue that angle of the case and the question that had been raised." FARENTHOLD: "So it would probably be worthwhile for us to pursue?" HOROWITZ: "Well, certainly we have sought to pursue every lead we could. I can just tell you from our standpoint it was a lead we wanted to follow." (Committee On Oversight And Government Reform , U.S. House Of Representatives, Hearing, 9/20/12)

- [Watch Here](#)

Obama Falsely Claimed Fast And Furious Began Under A Previous Administration

Obama: "Well, First Of All, I Think It's Important For Us To Understand That The Fast And Furious Program Was A Field-Initiated Program Begun Under The Previous Administration." UNIVISION'S JORGE RAMOS: "Mr. President, you told me during an interview that you—Eric Holder or you did not authorize the Fast and Furious operation that allowed 2,000 weapons from the United States to Mexico, and they were in drug-trafficking hands. I think that up to 100 Mexicans might have died, and also American agent, Brian Terry. There's a report that 14 agents were responsible for the operation. But shouldn't Attorney General Eric Holder—he should have known about that. And if he didn't, should you fire him?" OBAMA: "Well, first of all, I think it's important for us to understand that the Fast and Furious program was a field-initiated program begun under the previous administration." (President Barack Obama, [Univision Town Hall](#), Miami, FL, 9/20/12)

- [Watch Here](#)

ABC's Jake Tapper: "Asked About The Fast And Furious Program At The Univision Forum On Thursday, President Obama Falsely Claimed That The Program Began Under President George W. Bush...In Actuality, The Fast And Furious Program Was Started In October 2009, Nine Months Into The Obama Presidency." (Jake Tapper, "President Obama Falsely Claims Fast And Furious Program 'Begun Under The Previous Administration," ABC News's "[Political Punch](#)," 9/21/12)

Politifact: "Fast and Furious Did Begin During The Time Obama Held Office." "Obama said that 'the Fast and Furious program began under the previous administration.' That is not the case; Fast and Furious did begin during the time Obama held office. Another similar program, called Operation Wide Receiver, did happen during the Bush administration, and a recent inspector general's report criticized both operations as ineffective and seriously flawed. But Operation Wide Receiver is not the same thing as the Fast and Furious program. We rate Obama's statement False." (Angie Drobnic Holan And Amy Sherman, "Barack Obama Said 'Fast And Furious' Began Under The Bush Administration," [Politifact](#), 9/20/12)

- **The Inspector General's Report "Clearly Shows That Fast And Furious Began Under The Obama Administration, Dating Its Inception To October 2009."** "A day before Obama's Univision interview, the U.S. Department of Justice's Inspector General released a 512-page report about Fast and Furious. 'Our review of Operation Fast and Furious and related matters revealed a series of misguided strategies, tactics, errors in judgment and management failures,' the report noted. The report also clearly shows that Fast and Furious began under the Obama administration, dating its inception to October 2009. (Obama took office in January 2009.) This directly contradicts Obama's claim." (Angie Drobnic Holan And Amy Sherman, "Barack Obama Said 'Fast And Furious' Began Under The Bush Administration," [Politifact](#), 9/20/12)

The Washington Post's The Fact Checker: "Obama Earns Three Pinocchios For His Comments About Fast And Furious." "Clearly, ATF didn't develop the practice of gun walking under the current administration. But Obama specifically referred to 'the Fast and Furious program,' which unquestionably started during his term as president. That operation was not 'begun under the previous administration.' Perhaps the president made a mistake, and he really meant to talk about gun-walking in general instead of a particular gun-walking operation. But he could also be trying to wash his hands of any accountability for a program that launched on his watch and put 2,000 powerful firearms on U.S. and Mexican streets. Either way, we can't let politicians get away with this sort of egregious factual mistake. Otherwise they'll start making them on purpose. For what it's worth, Obama has shirked responsibility for politically hot failures in the past. He earned two Pinocchios in a previous column for saying his administration wasn't at fault 'per se' for the \$535 million federal loan that went to the now-bankrupt solar-panel manufacturer Solyndra. Obama earns three Pinocchios for his comments about Fast and Furious. His factual error sends a message that the previous administration is responsible for gun walking and Operation Fast and Furious." (Josh Hicks, "Obama's Univision Denial That Fast And Furious Started On His Watch," *The Washington Post's The Fact Checker*, 9/21/12)

IV. GSA EXTRAVAGANCE

UNDER OBAMA, THE GSA SQUANDERED TAXPAYER MONEY AT LAVISH CONFERENCES

The General Services Administration's 2010 Western Region Conference "Made Headlines When An Inspector General Report Found A Pattern Of Excessive Spending, Waste, And Possible Fraud On The Pricey, Taxpayer-Funded Las Vegas Conference." "The conference made headlines this week when an Inspector General report found a pattern of excessive spending, waste and possible fraud on the pricey, taxpayer-funded Las Vegas conference, where organizers went out of their way to organize a lavish, over-the-top celebration that included a mindreader, a clown, fancy food, and several 'trial runs' by GSA employees." (Byron Tau, "Videos Of \$800K GSA Conference Surface," [Politico](#), 4/7/12)

- **The Huffington Post Obtained A Series Of Videos Taken At The GSA's Conference Showing Employees "Destroying Office Property" And "Rapping About Taxpayer-Funded Travel And Government Pay Raises."** "The Huffington Post obtains a series of embarrassing videos taken at the General Services Administration's 2010 Western Region Conference that show GSA employees destroying office property, drinking, singing 'Luck be a Lady,' flashings dollar bills, rapping about taxpayer-funded travel and government pay raises, blowing bubbles through hula hoops, and palling around with an 'angry clown.'" (Byron Tau, "Videos Of \$800K GSA Conference Surface," [Politico](#), 4/7/12)

"[T]he Scandal Will Be A Hard One To Shake For A White House That Launched A Crusade Last Year Against Government Waste." (Byron Tau and Glenn Thrush, "Obama Scandal Forecast: Slightly Hazy," [Politico](#), 4/19/12)

Sen. Joe Lieberman (ID-CT): Obama Should Be "Held Accountable" For GSA And Secret Service Scandals. "Sen. Joe Lieberman said on "Fox News Sunday" that President Barack Obama isn't responsible for recent scandals at the General Services Administration and Secret Service, but he should be 'held accountable for them.'" (Jonathan Strong, "Joe Lieberman: Obama Should Be 'Held Accountable' For Scandals," [Roll Call](#), 4/23/12)

- **Lieberman: "The Buck Stops At The President's Desk. He's The Leader Of Our Government. He Now Has To Be Acting With A Kind Of Relentless Determination To Find Out Exactly What Happened And To Make Sure That People Who Work For Him At The Secret Service And GSA And Everywhere Else In The Government Don't Let Anything Like This Happen Again."** (Jonathan Strong, "Joe Lieberman: Obama Should Be 'Held Accountable' For Scandals," [Roll Call](#), 4/23/12)

Senate Majority Whip Dick Durbin (D-Ill.) Called The GSA Scandal "Absolutely Outrageous."

"Senate Majority Whip Dick Durbin (D-Ill.) called the excessive spending scandal at the General Services Administration 'absolutely outrageous.'" (Vickie Needham, "Durbin: Spending At GSA Conference 'Absolutely Outrageous,'" [The Hill](#), 4/8/12)

- **Durbin: "What Happened Is An Absolutely Outrageous Expenditure Of Taxpayers' Money."** "'I'm glad that the GSA administrator left,' he said Sunday on NBC's 'Meet the Press.' 'What happened is an absolutely outrageous expenditure of taxpayers' money,' he added." (Vickie Needham, "Durbin: Spending At GSA Conference 'Absolutely Outrageous,'" [The Hill](#), 4/8/12)

Rep. Elijah Cummings (D-MD) Criticized The GSA Administrator Who Funded His "Lavish Lifestyle" As "Agency Royalty" With Taxpayer Money. "Rep. Elijah Cummings (D-Md.) ripped Neely and his wife Deb – who documents show was involved in some of the planning for the conference – for living like 'agency royalty' who funded their 'lavish lifestyle' at the taxpayers' expense." (Seung Min Kim, "GSA Official Pleads Fifth In Conference Scandal," [Politico](#), 4/16/12)

- **Cummings: "They Disregarded One Of The Most Basic Tenets Of Government Service – It's Not Your Money; It's The Taxpayers' Money."** "'They disregarded one of the most basic tenets of

government service – it's not your money; it's the taxpayers' money,' said Cummings, the top Democrat on the Oversight committee. 'I want to know how we can recoup these funds, including from Mr. Neely and other GSA employees personally.'" (Seung Min Kim, "GSA Official Pleads Fifth In Conference Scandal," [Politico](#), 4/16/12)

Sen. Claire McCaskill (D-MO): "What troubles me most is this one-day conference was a party to celebrate the fact that they were getting bonuses with taxpayer money." (NBC's [Nightly News](#), 7/20/12)

Top GSA Official Jeff Neely, Who Planned The Las Vegas Trip, Pled The Fifth At A House Oversight And Government Committee. "A top General Services Administration official who was in charge of organizing a lavish Las Vegas conference that's drawn congressional and taxpayer fire repeatedly invoked his Fifth Amendment right against self-incrimination Monday on Capitol Hill. During Monday's hearing, Jeff Neely, refused to answer several questions from House Oversight and Government Committee chairman Darrell Issa (R-Calif.), including rudimentary questions such as his official title at GSA and whether he was currently employed at the agency." (Seung Min Kim, "GSA Official Pleads Fifth In Conference Scandal," [Politico](#), 4/16/12)

- [Click To Watch Neely Plead The Fifth](#)

Even After Reports Of Misconduct And Extravagant Spending, No One Prevented Neely "From Taking More Trips On The Federal Dime." "After a preliminary report last year that detailed spending and travel abuses, and even after a final report in February that showed Jeff Neely may have illegally wasted government funds, no one stopped him from taking more trips on the federal dime. The failure to prevent the General Services Administration official from squandering more government money before finally putting him on administrative leave in March was a central focus of a House committee hearing Tuesday on overspending at the federal procurement agency." (Tom Cohen, "Who's On first? Hearing shows GSA's Dysfunction," [CNN](#), 4/17/12)

"GSA Employees And Contractors — Including At Least One Employee With Responsibility For The White House — Line Their Pockets To The Tune Of Millions Of Dollars A Year, According To Reports By The Agency's Inspector General." "It was a simple scam: Coleen Newton-White, a government contractor, and her husband would take General Services Administration credit cards from the motor pool at Ft. Monroe, Va., and use them to sell fuel at a discount to cash customers who pulled up to service stations five at a time. Between 2008 and 2010, the scheme netted the couple almost \$300,000, according to court records. Although the gas scheme is a world away from the nearly \$823,000 spent on a lavish Las Vegas-area conference put on by GSA official Jeff Neely — including a mind reader, sushi and in-room parties — it is an example of the fraud that the procurement and property management agency faces regularly. GSA employees and contractors — including at least one employee with responsibility for the White House — line their pockets to the tune of millions of dollars a year, according to reports by the agency's inspector general." (Ian Duncan, "GSA Waste Goes Much Deeper Than The Las Vegas Junket," [Los Angeles Times](#), 4/23/12)

- **From October 2010 To September 2011, There Were 64 Prosecutions Of "People Who Bilked The GSA By Inflating Costs, Or Just Flat Out Stole From It."** With the GSA thrust into the congressional spotlight over the 2010 Vegas conference and travel spending, lawmakers have demanded to know how deep the agency's problems run. Is there, they asked repeatedly in hearings last week, a culture of corruption? 'GSA handles a lot of money,' Brian Miller, the agency's inspector general, told a Senate committee Wednesday. 'Millions, maybe billions, of dollars flow through GSA. There's a lot of temptation.' And from Miller's most recent report to Congress, it seems more than a few employees and contractors give in to that temptation. The Newton-White case was just one of 64 prosecutions between October 2010 and September 2011 of people who bilked the GSA by inflating costs, or just flat out stole from it. In October, Miller's office and the Justice Department wrapped up a five-year investigation that found seven GSA employees had

conspired to award government contracts in return for kickbacks.” (Ian Duncan, “GSA Waste Goes Much Deeper Than The Las Vegas Junket,” [Los Angeles Times](#), 4/23/12)

Jeff Neely Is No Longer Employed By The GSA, Though It Is Unclear Whether He Resigned Or Was Fired. “The General Services Administration executive who was responsible for a lavish, \$823,000 conference in Las Vegas is no longer with the GSA, the agency confirmed Thursday. GSA spokesman Adam Elkington would not say whether Jeffrey Neely resigned or was fired from the agency that is in charge of federal buildings and supplies.” (“GSA Parts Ways With Host Of \$823K Las Vegas Conference,” [The Associated Press](#), 5/25/12)

THE GSA IG REPORTED A SECOND “EGREGIOUS WASTE OF TAXPAYER DOLLARS”

The GSA Inspector General Has Reported Another “Egregious Waste Of Taxpayer Dollars.” “The General Services Administration is back in Congress’s crosshairs today after the GSA’s inspector general reported to Congress on another installment of ‘egregious waste of taxpayer dollars’ at the beleaguered government agency.” (John Parkinson, “\$20K For Drumsticks? GSA Blasted For One-Day Quarter-Million Dollar Awards Conference,” ABC News’ [The Note](#), 7/19/12)

- **“Thursday’s Revelation Is The Latest Spending Embarrassment For The General Services Administration.”** (“GSA Finds More Than \$250,000 Spent On One-Day Event,” [CNN](#), 7/19/12)

GSA Is Under Investigation For Spending \$268,732 On A One-Day Conference In 2010, Located In Arlington, VA. “This time, the agency is being investigated for spending \$268,732 on a one-day conference for its Federal Acquisition Service division on Nov, 17, 2010, in Arlington, Virginia.” (John Parkinson, “\$20K For Drumsticks? GSA Blasted For One-Day Quarter-Million Dollar Awards Conference,” [ABC News’ The Note](#), 7/19/12)

- **\$20,000 Of Taxpayer Money Was Spent On Drumsticks, \$35,000 For Picture Frames, And \$20,000 For Catering.** “More than \$20,000 of taxpayer money was spent on drumsticks for 4000 attendees, more than \$8,500 for an appearance by someone called ‘Agent X’, according to the preliminary findings of the Inspector General. The event, which was held at the Crystal City Gateway Marriott just outside Washington, D.C., also included expenses of more than \$35,000 for picture frames, \$20,000 in catering charges as well as additional funding for a violinist and guitarist.” (John Parkinson, “\$20K For Drumsticks? GSA Blasted For One-Day Quarter-Million Dollar Awards Conference,” [ABC News’ The Note](#), 7/19/12)
- **The GSA Spent \$34,000 On The Venue, \$7,700 For A Reception, And \$104,000 For Logistical And Management Services.** “In addition to \$20,000 for drumsticks, the agency’s inspector general also informed Congress on Thursday that a preliminary review has found the spending included roughly \$34,000 for the venue, including catering charges, room rental charges and AV charges; roughly \$7,700 for a reception at a second hotel for the same one-day awards ceremony; and approximately \$104,000 for logistical and management services provided by a outside vendor.” (“GSA Finds More Than \$250,000 Spent On One-Day Event,” [CNN](#), 7/19/12)

Rep. Nick Rahall (D-WV): “It Is Deeply Troubling To Learn That More Than A Quarter Million Dollars In Hard Earned Taxpayer Money Was Wasted So That Certain GSA Employees Could Congratulate Themselves.” “It is deeply troubling to learn that more than a quarter million dollars in hard earned taxpayer money was wasted so that certain GSA employees could congratulate themselves,” Rep. Nick Rahall, the top Democrat on the House Transportation and Infrastructure Committee, wrote in a statement.” (John Parkinson, “\$20K For Drumsticks? GSA Blasted For One-Day Quarter-Million Dollar Awards Conference,” [ABC News’ The Note](#), 7/19/12)

Union Leader: “The General Services Administration Has Been Caught, Yet Again, In A Costly, Unnecessary And Irresponsible Waste Of Taxpayer Dollars.” (Editorial, “GSA, Again: Understand The Problem,” [Union Leader](#), 7/23/12)

“In Addition To The Las Vegas Conference, The GSA Apparently Spent \$330,000 To Relocate An Employee From Denver To Hawaii -- And Likely Millions More Dollars On Other Employees Over Two Years.” “In addition to the Las Vegas conference, the GSA apparently spent \$330,000 to relocate an employee from Denver to Hawaii -- and likely millions more dollars on other employees over two years -- according to a transcript of an interview with a GSA event planner.” (“GSA Finds More Than \$250,000 Spent On One-Day Event,” [CNN](#), 7/19/12)

84 GSA Employees Under Inspector General Investigations, “Are Still Collecting Their Bonuses, Totaling More Than \$1 Million In Taxpayer Money.” “Also, 84 GSA employees, most of them supervisors or other senior staff -- all subjects of inspector general investigations -- are still collecting their bonuses, totaling more than \$1 million in taxpayer money.” (“GSA Finds More Than \$250,000 Spent On One-Day Event,” [CNN](#), 7/19/12)

“An Employee Of The Embattled General Services Administration Has Been Suspended Without Pay For Campaigning On Behalf Of President Obama While On The Job.” “An employee of the embattled General Services Administration has been suspended without pay for campaigning on behalf of President Obama while on the job. According to a release by the Office of Special Counsel, the employee — a member of the civil service, not a political appointee — invited 23 people to an Obama campaign fundraiser while on the job. The OSC also reports that she used her government email to send campaign materials, and distributed campaign literature at work. The incident happened in 2007, during the tail end of the George W. Bush administration — when Obama was campaigning for the presidency, according to a GSA spokesperson.” (Byron Tau, “GSA Employee Suspended For Campaigning For Obama,” [Politico's 44](#), 8/17/12)

V. SOLYNDRA

OBAMA IS RESPONSIBLE FOR THE \$535 MILLION TAXPAYERS MAY NEVER GET BACK FROM BANKRUPT SOLYNDRA

Solyndra Was Offered The First Stimulus DOE Loan Guarantee, Receiving \$535 Million From Taxpayers In March 2009, And Went Bankrupt In August 2011.

(Solyndra, "Solyndra Offered \$535 Million Loan Guarantee By The U.S. Department Of Energy," [Press Release](#), 3/20/09; Joe Stephens and Carol Leonnig, "House Republicans Step Up Solyndra Investigation," [The Washington Post](#), 9/1/11; George Avalos, "Fremont Solar Tech Firm Solyndra To Shut Down, Lay Off 1,100 Workers," [San Jose Mercury News](#), 8/31/11)

- **On March 20, 2009, Solyndra Was Offered The First Conditional Loan Guarantee From The Department Of Energy.** "Solyndra, Inc. announced today that it is the first company to receive an offer for a U.S. Department of Energy (DOE) loan guarantee under Title XVII of the Energy Policy Act of 2005." (Solyndra, "Solyndra Offered \$535 Million Loan Guarantee By The U.S. Department Of Energy," [Press Release](#), 3/20/09)

In August 2011, Solyndra Announced That It Would File For Bankruptcy, "Immediately Laying Off 1,100 Employees." "Solyndra, a Fremont solar tech manufacturer, announced Wednesday it is suspending operations and immediately laying off 1,100 employees. The company said it will also file for bankruptcy." (George Avalos, "Fremont Solar Tech Firm Solyndra To Shut Down, Lay Off 1,100 Workers," [The San Jose Mercury News](#), 8/31/11)

The Wall Street Journal: The Obama Administration, Including Obama Himself, Praised The Taxpayer Guaranteed Loan In Solyndra. "A parade of Administration officials praised the investment, including President Obama, who said in a speech last year at the company's Fremont headquarters that 'companies like Solyndra are leading the way toward a brighter and more prosperous future.'" (Editorial, "The Solyndra Scandal," [The Wall Street Journal](#), 9/9/11)

- **Obama: "The True Engine Of Economic Growth Will Always Be Companies Like Solyndra, Will Always Be America's Businesses."** (President Obama, [Remarks By The President On The Economy](#), Fremont, California, 5/26/10)
- **Obama Referenced Solyndra In His 2010 State Of The Union Address.** OBAMA: "You can see the results of last year's investments in clean energy -- in the North Carolina company that will create 1,200 jobs nationwide helping to make advanced batteries; or in the California business that will put a thousand people to work making solar panels." (President Obama, [State Of The Union Address](#), Washington, D.C., 1/27/10)

Obama Was Personally Warned About The DOE's Loan Guarantee Program's Financial And Political Risks. "Long before the politically connected California solar firm Solyndra went bankrupt, President Obama was warned by his top economic advisors about the financial and political risks of the Energy Department loan guarantee program that boosted the company's rapid ascent." (Tom Hamburger, Kim Geiger and Matea Gold, "Obama Advisors Raised Warning Flags Before Solyndra Bankruptcy," [Los Angeles Times](#), 9/26/11)

- **Director Of The National Economic Council Larry Summers And Treasury Secretary Tim Geithner Told Obama The Energy Department's Loan Guarantee Program Wasn't Rigorous Enough In Its Selection Process.** "At a White House meeting in late October, Lawrence H. Summers, then director of the National Economic Council, and Timothy F. Geithner, the Treasury secretary, expressed concerns that the selection process for federal loan guarantees wasn't rigorous enough and raised the risk that funds could be going to the wrong companies, including ones that didn't need the help." (Tom Hamburger, Kim Geiger and Matea Gold, "Obama Advisors Raised Warning Flags Before Solyndra Bankruptcy," [Los Angeles Times](#), 9/26/11)
- **In Late 2010, Obama Advisors Drafted A Memo Urging Obama To Fix The "Broken Process" For Loan Approval.** "In late October 2010, administration officials took their opposing views directly to Obama. In preparation, a memo was drafted by Summers, who remained wary of the

program, and two others who were more supportive: then-energy advisor Carol Browner and Ron Klain, then chief of staff to Vice President Joseph Biden. The memo laid out their different concerns and options to fix a 'broken process' for getting loans approved." (Tom Hamburger, Kim Geiger And Matea Gold, "Obama Advisors Raised Warning Flags Before Solyndra Bankruptcy," [Los Angeles Times](#), 9/26/11)

- **"After The Meeting, Officials Worked To Streamline The Process But Didn't Make Significant Changes."** (Tom Hamburger, Kim Geiger and Matea Gold, "Obama Advisors Raised Warning Flags Before Solyndra Bankruptcy," [Los Angeles Times](#), 9/26/11)
- **Energy Secretary Chu "Wanted Less Scrutiny" From Treasury And OMB.** "Energy Secretary Steven Chu, also at the meeting, had a different view. Under pressure from Congress to speed up the loans, he wanted less scrutiny from the Treasury Department and the Office of Management and Budget, or OMB." (Tom Hamburger, Kim Geiger and Matea Gold, "Obama Advisors Raised Warning Flags Before Solyndra Bankruptcy," [Los Angeles Times](#), 9/26/11)

The Solyndra Scandal "Shows How Wealthy People Who Help Fund A President's Election Campaign Get Special Access To The White House." "The scandal at base is about how taxpayer money is used, or misused, by government. It shows how the White House uses companies for its own purposes and how companies try to use the White House to serve their aims. It shows how far political appointees, and particularly the senior-most aides in the West Wing, will go to push the chief executive's agenda on a sometimes slow but generally conscientious federal bureaucracy. And it shows how wealthy people who help fund a president's election campaign get special access to the White House." (Patrick B. Pexton, "Post Reporters, Shining A Light On The Solyndra Scandal," [The Washington Post](#), 11/25/11)

- **The Scandal Shows How, Despite Obama's Promises To Be "Transparent, Accountable, And Responsible," He "Often Isn't."** "The reporters have used these documents to push the story further and tie it to fundraisers. They have also consulted forensic accountants to help analyze how sick Solyndra was when its executives, and Obama officials, were publicly touting the company's rosy future. And they have shown that an administration that promised to be transparent, accountable and responsible often isn't." (Patrick B. Pexton, "Post Reporters, Shining A Light On The Solyndra Scandal," [The Washington Post](#), 11/25/11)

Solyndra Saw The White House As Their Personal Bank

Solyndra CEO Chris Gronet: "The Bank Of Washington Continues To Help Us!" (Email From Chris Gronet, 10/02/09)

Solyndra Founder Chris Gronet "Spoke Very Openly" To Obama About Solyndra. "When Obama visited Solyndra in June 2010, Chris Gronet spoke very openly to Obama about the need for installation of Solyndra's rooftop solar on U.S. government buildings. I heard Obama actually promise Chris that he would look into it when he returned to Washington. The point is that the government has to pay for energy no matter what. The capital funding to deploy a lot of rooftop solar on government buildings (say \$300million) just falls off the table in Washington anyway." ("The Solyndra Failure," [Committee On Energy And Commerce](#), U.S. House Of Representatives, 8/2/12, p. 57)

- **Email From Solyndra Board Member Tom Baruch To White House Staff: "Getting Business From Uncle Sam Is A Principle Element Of Solyndra's Channel Strategy."** "Getting business from Uncle Sam is a principle element of Solyndra's channel strategy. When Obama visited Solyndra in June 2010, Chris Gronet spoke very openly about the need for installation of Solyndra's rooftop solar on U.S. government buildings. I heard Obama actually promise Chris that he would look into it when he returned to Washington." (Email From Tom Baruch, 8/10/10)

THE WHITE HOUSE IGNORED WARNINGS ABOUT RESTRUCTURING THE LOAN

In January 2011, OMB Analyst Kelly Colyar Concluded That Restructuring The Loan Would Double

The Taxpayers' Loss. "Documents show that in January 2011, when Solyndra was in technical default on its loan, OMB analyst Kelly Colyar concluded that if the company were immediately liquidated, taxpayers would lose \$141 million. If the loan were restructured and more money were released to Solyndra, she estimated, a subsequent default would cost taxpayers \$385 million. The loss was attributable in part to allowing private investors to recover some of their money first." (Joe Stephens and Carol Leonnig, "White House Analyst Warned Saving Solyndra Could Cost More Than Letting It Fail," [The Washington Post](#), 8/1/12)

- **Colyar Warned Taxpayers Would Lose \$385 Million If Solyndra Defaulted On The Restructured Loan Versus \$141 Million If They Were Allowed To Liquidate.** (Kelly T. Colyar, [Email To Fouad Saad et. al.](#), f. 631, 1/4/11)

According To Kelly Colyar Of The OMB, Then-White House Chief Of Staff Bill Daley Had Been Briefed About OMB's "Reservations About The Prospects Of The Company And DOE's Proposal" To Restructure The Solyndra Loan. "You may recall that DOE announced in March that they had restructured the Solyndra loan. Prior to this restructuring, OMB staff expressed reservations about the prospects of the company and DOE's proposal. The issue was discussed with the NEC and the Chief of Staff." (Kelly T. Colyar, [E-mail To Richard A. Mertens Et. Al.](#), f. 732, 8/11/11)

Current White House Chief Of Staff And Then-OMB Director Jack Lew Allowed The Refinancing To Continue Despite Warnings From OMB Analysts That The Plan "Might Violate The Law." "The House energy committee is expected to release the results of its 18-month investigation into Solyndra this week. Its report, parts of which were obtained by The Washington Post, suggests that then-OMB Director Jack Lew let the refinancing move forward without intervening, even though some OMB analysts thought a refinancing plan that favored private investors might violate the law. Lew is now White House chief of staff." (Joe Stephens and Carol D. Leonnig, "White House Analyst Warned Saving Solyndra Could Cost More Than Letting It Fail," [The Washington Post](#), 8/1/12)

- **Colyar Had Warned Taxpayers Would Lose \$385 Million If Solyndra Went Defaulted On The Restructured Loan Versus \$141 Million If They Were Allowed To Liquidate.** (Kelly T. Colyar, [Email To Fouad Saad et. al.](#), f. 631, 1/4/11)

After The Obama Administration Offered To Let Taxpayer Money Take A Backseat To Private Investors, The White House Had "A Serious Problem At Solyndra." "On December 8, the day after DOE offered to subordinate its interest, Ms. Richardson emailed the office of DOE General Counsel Scott Blake Harris to request a meeting with Mr. Harris. She stated, 'We have a serious problem at Solyndra and need to be brief Scott as soon as possible.' The problem was that DOE's proposed subordination of the taxpayers' interest to private investors violated the plain language of the Energy Policy Act. In an interview with Committee staff, Ms. Richardson stated that during the December 8 meeting with Mr. Harris, she briefed him on the terms and conditions of the proposed Solyndra restructuring, including the subordination. Although DOE had already agreed to subordinate its interest, Ms. Richardson explained that it was her understanding that the deal could not go forward until her office determined whether the subordination violated Section 1702(d)(3) of the Energy Policy Act. 530 Section 1702(d)(3) provides that "[t]he obligation shall be subject to the condition that the obligation is not subordinate to other financing.'" ("The Solyndra Failure," [Committee On Energy And Commerce](#), U.S. House Of Representatives, 8/2/12, pps. 80-81)

- **OMB Staffer: "I Think They Have Stretched The Definition Beyond Its Limits."** "There are some questions at the staff level about how DOE is going about the restructuring for Solyndra. At least one involves the legal question of what 1703(d) (3) means for their plan to make some of the debt 'junior' to the new debt. (see below) I think they have stretched the definition beyond its limits." (J. Kevin Carroll, [Email To Richard Mertens](#), f. 578, 12/15/10)

The Government Will Recover Only \$24 Million Of The \$527 Million Loaned To Solyndra. "Last week, Solyndra's final liquidation plan estimated that the government will recover just \$24 million of the

\$527 million that taxpayers lent to the company.” (Joe Stephens and Carol D. Leoning, “White House Analyst Warned Saving Solyndra Could Cost More Than Letting It Fail,” [*The Washington Post*](#), 8/1/12)

VI. MF GLOBAL

OBAMA'S "WALL STREET GUY" AND TOP BUNDLER JON CORZINE LOST \$1.6 BILLION OF CUSTOMER MONEY AND HAS GOTTEN AWAY WITH IT

Jon Corzine Played A "Central Role" In Obama's Wall Street Fundraising Efforts. "His new legal troubles, sparked by the bankruptcy filing of his investment firm, MF Global, could complicate the president's efforts to raise money from the financial community given Corzine's central role in those efforts." (Michael Isikoff, "Corzine, Top Obama Fundraiser, Under FBI Investigation," [MSNBC](#), 11/2/11)

- **Corzine Bundled Over \$500,000 For Obama's Reelection Campaign.** (Center For Responsive Politics, [Open Secrets](#), Accessed 10/29/12)
- **Obama: Corzine Is "Our Wall Street Guy."** "The rollout also provided a showcase for Corzine, the former Goldman Sachs CEO whom Obama referred to as 'our Wall Street guy' at a meeting of Democratic governors in Chicago on Friday." (Claire Heining, "Corzine Profile Rises In Obama Camp," [The Star-Ledger \(NJ\)](#), 6/23/08)

In November 2011, Jon Corzine, One Of Obama's "Leading Wall Street Fundraisers," Became "The Center Of An FBI Investigation" Due To \$1.6 Billion Missing From Customer Accounts. "Jon Corzine, now the center of an FBI investigation into the handling of hundreds of millions of dollars invested in his securities firm, was one of the leading Wall Street fundraisers for President Obama's campaign and suggested to investors that he might take a top administration post if the president were re-elected." (Michael Isikoff, "Corzine, Top Obama Fundraiser, Under FBI Investigation," [MSNBC](#), 11/2/11)

- **In December 2011, Jon Corzine Testified Before The House Of Representatives, Saying: "I Simply Do Not Know Where The Money Is, Or Why The Accounts Have Not Been Reconciled To Date."** (Jon S. Corzine, Committee On Agriculture, U.S. House Of Representatives, [Testimony](#), 12/8/11)

Corzine Battled With Regulators

In The Summer Of 2011, When Corzine Learned The CFTC Was Considering Banning Internal Repo, He Began To Lobby The Commission In Washington. NARRATOR: "But Corzine was using a financial strategy called internal repo, whereby a brokerage can borrow cash internally from another part of the firm. In Washington, in the summer of 2011, regulators at the Commodity Futures Trading Commission, the CFTC, were debating whether to ban internal repo transactions." *THE NEW YORK TIMES'* AZAM AHMED: "The CFTC was potentially going to say, 'No more doing internal repo.' And for a lot of companies, it was an important way to finance certain operational needs. Corzine, you know, got wind of this, so he begins to lobby in Washington." (PBS' ["Six Billion Dollar Bet"](#), 5/22/12)

- **Corzine Met With CFTC Officials Three Times To Lobby For Internal Repo.** "As shown in the above excerpt from tonight's film *Six Billion Dollar Bet*, internal repo transactions were so important to Corzine that he met with officials at the Commodities Future Trading Commission (CFTC) on three occasions to lobby for their preservation." (Jason Breslow, "How Corzine Steered Regulators To Protect Fatal MF Global Bet," [PBS](#), 5/22/12)

CFTC Commissioner Bart Chilton: "Senator Corzine Was One Of The More Prominent Individuals Who Came In And Told Us What A Drastic Mistake It Would Be To Curtail The Use Of These Internal Repurchasing Agreements." CFTC COMMISSIONER BART CHILTON: "Senator Corzine was one of the more prominent individuals who came in and told us what a drastic mistake it would be to curtail the use of these internal repurchasing agreements and that they were doing everything appropriate with regard to these internal repos, and that we shouldn't worry about them and we shouldn't touch them." NARRATOR: "Corzine visited the CFTC and met with commissioners on three different occasions.

CHILTON: "He's an impressive man, and he made a good case, and when he told me that we were making a big mistake. It certainly put some doubt into my mind for a little bit there as to whether or not we were going down the right course, but certainly somebody that had his stature was somebody who had, you know, added respect, in my view." (PBS' ["Six Billion Dollar Bet,"](#) 5/22/12)

CIVIL CHARGES WILL LIKELY BE FILED AGAINST MF GLOBAL

"Prosecutors Met With Former MF Global Chief Executive Jon Corzine In The Past Week But Gained Little New Information, People Said, Suggesting A Criminal Inquiry Is Drawing To A Close."

"As expected, prosecutors met with former MF Global chief executive Jon Corzine in the past week but gained little new information, people said, suggesting a criminal inquiry is drawing to a close. While criminal charges are appearing increasingly unlikely, the expected civil cases have not yet been filed."

(Aruna Viswanatha and Alexadra Alper, "As MF Global Criminal Probe Nears End, Civil Case Becomes Likely," [Reuters](#), 9/12/12)

"With A Criminal Case Becoming More Unlikely, The Pressure To Do So Will Now Move To The CFTC, As One Of The Company's Primary Regulators."

(Aruna Viswanatha and Alexadra Alper, "As MF Global Criminal Probe Nears End, Civil Case Becomes Likely," [Reuters](#), 9/12/12)

- **"The Hurdles For Filing Civil Charges Are Lower, And A Civil Enforcement Action By The CFTC Or SEC Could Result In Financial Penalties Or A Ban On Working In The Securities Industry."** (Aaron Lucchetti and Mike Spector, "Corzine Meets With MF Global Investigators," [The Wall Street Journal](#), 9/12/12)

"A House Investigative Committee Is Expected In Coming Weeks To Release Its Report On MF Global."

"A House investigative committee is expected in coming weeks to release its report on MF Global. Congressional investigators could give Ms. O'Brien immunity in an effort to get her to testify about MF Global's failure. She declined to answer questions from lawmakers earlier this year, citing her constitutional rights against self-incrimination." (Aaron Lucchetti and Mike Spector, "Corzine Meets With MF Global Investigators," [The Wall Street Journal](#), 9/12/12)

VII. SECRET SERVICE SCANDAL

“SECRET SERVICE PROSTITUTION SCANDAL IS GIVING HEADACHES TO THE OBAMA ADMINISTRATION”

“As If The General Services Administration Flap Wasn't Bad Enough -- An \$820,000 Conference/Party In Las Vegas -- Now The Secret Service Prostitution Scandal Is Giving Headaches To The Obama Administration.” (David Jackson, “Obama Grapples With Secret Service, GSA Scandals,” [USA Today](#), 4/18/12)

“Two Members Of The White House Staff May Have Been Involved With Prostitutes During President Obama's April Trip To Colombia.” “Two members of the White House staff may have been involved with prostitutes during President Obama's April trip to Colombia, according to a report Friday from Fox News. Fox said it was in possession of a letter from the Department of Homeland Security's Office of the Inspector General (OIG) informing Sen. Susan Collins (R-Maine) that ‘two non-[Secret Service] personnel may have had contact with foreign nationals.’” (Jonathan Easley, “Report: WH Staff May Have Been Involved With Prostitutes,” [The Hill](#), 9/21/12)

The Secret Service Prostitution Scandal Threatened To Eclipse Obama's “Charm Offensive To Latin America.” “A prostitution scandal involving U.S. security personnel in Colombia and an unprecedented regional push to end the isolation of Cuba threatened on Saturday to eclipse President Barack Obama's charm offensive to Latin America.” (Andrew Cawthorne and Brian Ellsworth, “Scandal Mars Obama's Wooing Of Latin America,” [Reuters](#), 4/17/12)

The Homeland Security Department Inspector General “Uncovered A Hotel Record Suggesting A Member Of President Barack Obama's Team Might Have Been Involved.” “Investigating the prostitution scandal at the Secret Service, the Homeland Security Department's inspector general uncovered a hotel record suggesting a member of President Barack Obama's team might have been involved, according to a summary of the case submitted to Congress.” Alicia A. Caldwell, “White House: No Wrongdoing In Prostitution Scandal,” [The Associated Press](#), 9/21/12)

- **According To IG Charles Edwards, A White House Employee “May Have Had Contact With Foreign Nationals.”** “A senior administration official told The Associated Press the White House determined the record was false and that the person in question did nothing wrong. The acting inspector general, Charles K. Edwards, said the employee ‘may have had contact with foreign nationals’ and ‘may have been affiliated with the White House advance operation,’ according to a letter to lawmakers obtained by the AP. Edwards cited as evidence a hotel registry obtained by his investigators.” (Alicia A. Caldwell, “White House: No Wrongdoing In Prostitution Scandal,” [The Associated Press](#), 9/21/12)

Edwards Did Not Further Investigate The White House Employee, Since His Focus Was Solely Homeland Security Employees. “Edwards acknowledged that his investigators did not pursue information about the activities of the White House employee, who was not identified, or the actions of another U.S. military employee, because his report was intended to focus solely on employees at the Homeland Security Department. Edwards said his office ‘did not conduct any additional investigation into this finding and has made no determination related to these individuals because they are not DHS personnel.’ The mere possibility of such an encounter raises the potential for election-year fallout for the White House, which reviewed the matter months ago and cleared all its workers of wrongdoing.” (Alicia A. Caldwell, “White House: No Wrongdoing In Prostitution Scandal,” [The Associated Press](#), 9/21/12)

- **“Yet The Summary Raises Questions About Two Non-Secret Service Personnel — The One Person Tied To Obama's Advance Operation, And One Department Of Defense Worker Affiliated With The Military's White House Communications Agency.”** “The inspector general focused solely on Homeland Security officials and therefore reached no conclusions about people

outside its jurisdiction. Yet the summary raises questions about two non-Secret Service personnel — the one person tied to Obama's advance operation, and one Department of Defense worker affiliated with the military's White House Communications Agency.” (Alicia A. Caldwell, “White House: No Wrongdoing In Prostitution Scandal,” [The Associated Press](#), 9/21/12)

According To A Recent IG Report, The Behavior In Columbia Was Not An Isolated Incident

“An Investigation Into The U.S. Secret Service Prostitution Scandal By The Department Of Homeland Security’s Inspector General Contradicts Secret Service Director Mark Sullivan’s Adamant Assertion Before Congress That ‘This Just Is Not Part Of Our Culture,’ ABC News Has Learned.” (Jake Tapper, “EXCLUSIVE: Inspector General’s Report Contradicts Secret Service On Prostitution Scandal,” [ABC News](#), 10/18/12)

- **According To The Report, One Of The Agents Involved Solicited A Prostitute On Two Previous Occasions, In El Salvador And Panama.** “The report, however, revealed that one of the agents who was in Cartagena during the scandal and picked up a prostitute ‘admitted to soliciting a prostitute on two previous occasions, once in El Salvador in 2008/2009 and one time in Panama in 2009.’” (Jake Tapper, “EXCLUSIVE: Inspector General’s Report Contradicts Secret Service On Prostitution Scandal,” [ABC News](#), 10/18/12)
- **“The Report Also Mentioned Allegations Of Similar Misconduct By Agents On Trips To Romania And China.”** “The report also mentioned allegations of similar misconduct by agents on trips to Romania and China. Details from the report, labeled ‘law enforcement sensitive,’ were shared with ABC News by sources who had reviewed it.” (Jake Tapper, “EXCLUSIVE: Inspector General’s Report Contradicts Secret Service On Prostitution Scandal,” [ABC News](#), 10/18/12)

VIII. HHS SECRETARY KATHLEEN SEBELIUS

HHS SECRETARY KATHLEEN SEBELIUS VIOLATED THE HATCH ACT

According To The Office Of Special Counsel, HHS Secretary Kathleen Sebelius “Violated Federal Law By Using Her Cabinet Position To Campaign For President Obama.” “Health and Human Services Secretary Kathleen Sebelius violated federal law by using her Cabinet position to campaign for President Obama, federal investigators said Wednesday. The Office of Special Counsel (OSC) said Sebelius broke federal law by saying in a February speech that it is ‘imperative’ to reelect President Obama. She also used the speech, delivered at a Human Rights Campaign event in Charlotte, N.C., to plug local Democrats.” (Sam Baker, “Probe: Sebelius Broke The Law By Campaigning For Obama Reelection,” [The Hill](#), 9/12/12)

- **“The OSC Said Sebelius Violated The Hatch Act, Which Prohibits Federal Employees From Campaigning While Acting In An Official Capacity.”** (Sam Baker, “Probe: Sebelius Broke The Law By Campaigning For Obama Reelection,” [The Hill](#), 9/12/12)

In Remarks Made In February, Sebelius Encouraged The Reelection Of Obama And The Defeat Of An Anti-Gay Marriage Ballot Proposal. “The OSC was investigating comments Sebelius made in February, when she strayed from her prepared remarks to praise Obama and other Democrats. ‘One of the imperatives is to make sure that we not only come together here in Charlotte to present the nomination to the president, but we make sure that in November, he continues to be president for another four years,’ she said, according to the OSC report. She also ventured into state politics, urging the defeat of an anti-gay-marriage ballot proposal and saying it’s ‘hugely important to make sure that we reelect the president and elect a Democratic governor here in North Carolina,’ the OSC report says.” (Sam Baker, “Probe: Sebelius Broke The Law By Campaigning For Obama Reelection,” [The Hill](#), 9/12/12)

- **“Public Officials Are Allowed To Make Political Statements On Their Own Time, But The OSC Determined That Sebelius Was Appearing At The Event In Her Capacity As HHS Secretary.”** (Sam Baker, “Probe: Sebelius Broke The Law By Campaigning For Obama Reelection,” [The Hill](#), 9/12/12)

HHS Reclassified The Trip From Official To Political After Sebelius Made The Comments, Which She Said She Have Been Enough To Avoid Violation Of The Hatch Act. “The investigative office said HHS reclassified the trip from ‘official’ to ‘political’ after Sebelius made the comments. The Democratic National Committee also reimbursed the government for the cost of the trip, according to the OSC. That should have been enough to avoid a Hatch Act violation, Sebelius said in her response to the investigation.” (Sam Baker, “Probe: Sebelius Broke The Law By Campaigning For Obama Reelection,” [The Hill](#), 9/12/12)

IX. DEFENSE SECRETARY LEON PANETTA

WHILE OBAMA IS ADVOCATING DEEP CUTS TO THE MILITARY, OBAMA'S DEFENSE SECRETARY TOOK \$32,000 FLIGHTS HOME ON WEEKENDS

Secretary Leon Panetta Travels Home To California On Weekends, Costing The Pentagon As Much As \$860,000. Before accepting the job as defense secretary, Mr. Panetta negotiated his right to commute home to California nearly every weekend using a military equivalent of a Gulfstream jet, as his job as Pentagon chief requires him to do. The trips cost the government as much as \$860,000, and Mr. Panetta paid about \$630 per trip for a roundtrip flight that costs the Pentagon about \$32,000, defense officials told the Associated Press." (Susan Crabtree, "Panetta Paid \$17k For \$860K Commute To California," [The Washington Times](#), 4/6/12)

As The Pentagon Advocated For Deep Cuts In The Defense Budget, Panetta Was "Cross-Country Commuting" Even Though "The President Singled Out Travel As An Area Ripe For Savings." "Mr. Panetta's cross-country commuting was first reported by the Los Angeles Times in September, although that report did not detail the extent of the trips. The expenses involved with the commute drew another look after President Obama issued marching orders in November calling for all Cabinet agencies to cut back on everything — from out-of-town conferences to cellphone use and officials gifts such as pencils and mugs. The president singled out travel as an area ripe for savings." (Susan Crabtree, "Panetta Paid \$17k For \$860K Commute To California," [The Washington Times](#), 4/6/12)

The Dubuque Telegraph Herald: "When Defense Secretary Leon Panetta Looks For Ways To Cut The Pentagon's Proposed \$614 Billion Budget, He Might Start By Examining His Own Expense Account." (Editorial, Feds Should Look At Travel Expenses," [Telegraph Herald](#), 4/9/12)

"The Admission By Defense Secretary Leon Panetta That He Has Been Flying Home Frequently To California On The Pentagon's Tab At The Cost Of \$32,000 Per Round Trip Is Another Headache." (Amie Parnes, "Obama Hasn't Spoke To Secret Service Director About Prostitution Incident," [The Hill](#), 4/19/12)

X. VETERANS AFFAIRS DEPARTMENT

The VA Inspector General's Report Highlights \$762,000 In "Questionable Expenses." "Perhaps the \$50,000 taxpayer-funded motivational video featuring a Gen. George S. Patton look-alike, played at the Veterans Affairs conferences, should have included a lecture on fiscal discipline. That seemed to be the message from a Department of Veterans Affairs inspector general's report released Monday spotlighting \$762,000 in questionable expenses, including the Patton parody video, for two training conferences in Orlando, Fla., last year. The report also assailed 11 VA employees for accepting improper gifts, including massages, limo rides, meals and tickets to the Rockettes." (Richard Simon, "VA Report Highlights \$762,000 In Questionable Conference Expenses," [Los Angeles Times](#), 10/1/12)

Last Year, The Veterans Affairs Department Held Two Employee Conferences Which Cost \$9 Million. "The Veterans Affairs Department last year held two employee conferences at a combined cost of \$9 million at which attendees received tens of thousands of dollars in promotional items. And employees who organized the conferences may have improperly accepted gifts, including alcohol, concert tickets and spa treatments, according to sources." (Stephen Losey, "IG Investigating Two VA Conferences That Cost A Combined \$5 Million," [Federal Times](#), 8/13/12)

- **"The VA's Inspector General Is Investigating Allegations Of Wasteful Spending And Improper Acceptance Of Gratuities."** "The VA's inspector general is investigating allegations of wasteful spending and improper acceptance of gratuities in connection with two human resources training conferences, held in Orlando, Fla., in July and August 2011. The IG's office told Federal Times Aug. 13 it has 'uncovered questionable activities' in its probe, which began in April after receiving a tip on its hotline." (Stephen Losey, "IG Investigating Two VA Conferences That Cost A Combined \$5 Million," [Federal Times](#), 8/13/12)

XI. OBAMA'S INVOLVEMENT WITH ROD BLAGOJEVICH

December, 2008: Former Illinois Governor Rod Blagojevich Was Arrested For Attempting To Sell Obama's Vacated Senate Seat. "Federal agents arrest Blagojevich at 6 a.m. at his Ravenswood Manor home on Chicago's Northwest Side. U.S. Attorney Patrick Fitzgerald releases the criminal complaint against Blagojevich, which says the governor was secretly recorded saying that the opportunity to appoint someone to fill the U.S. Senate seat left vacant by the election of President Barack Obama was 'f---ing golden.'" (Natasha Korecki, "Key Dates In Blagojevich Case," [Chicago Sun-Times](#), 12/7/11)

June, 2011: Blagojevich Is Convicted Of 17 Counts Of Political Corruption. "The jury convicts Blagojevich of 17 of 20 counts, including the charge that he conspired to sell Obama's Senate seat and another involving shaking down potential campaign contributors in exchange for official actions." (Natasha Korecki, "Key Dates In Blagojevich Case," [Chicago Sun-Times](#), 12/7/11)

December, 2011: Blagojevich Was Sentenced To 14 Years In Prison For Corruption. "The Rod Blagojevich who once challenged a prosecutor to face him like a man, the glad-handing politician who took to celebrity TV shows to profess his innocence, was nowhere to be found Wednesday as he was sentenced to 14 years in prison for corruption." (Don Babwin And Michael Tarm, "Blagojevich Gets 14 Years In Prison For Corruption," [The Associated Press](#), 12/7/11)

Then-Obama Chief Of Staff Rahm Emanuel "Attempted To Trade Favors" With Embattled Gov. Rod Blagojevich. "President Barack Obama's chief of staff, then a congressman in Illinois, apparently attempted to trade favors with embattled Illinois Gov. Rod Blagojevich while he was in office, according to newly disclosed e-mails obtained by *The Associated Press*... Emanuel agreed to sign a letter to the Chicago Tribune supporting Blagojevich in the face of a scathing editorial by the newspaper that ridiculed the governor for self-promotion. Within hours, Emanuel's own staff asked for a favor of its own: The release of a delayed \$2 million grant to a school in his district." (John O'Conner, "Rahm Traded Favors with Blago: Report," [NBC Chicago](#), 6/21/10)

Emanuel And Senior Advisor Valerie Jarrett Were Subpoenaed In Blagojevich Trial. "President Obama's chief of staff Rahm Emanuel and Senior Advisor Valerie Jarrett were subpoenaed by the defense to testify in Rod Blagojevich's upcoming trial, a Blagojevich attorney told the *Chicago Sun-Times*." (Natasha Korecki And Lynn Sweet, "Blagojevich Subpoenas Rahm Emanuel And Valerie Jarrett For His Defense UPDATED," [Chicago Sun-Times' The Scoop](#), 6/2/10)

Obama Statements

On December 11, 2008, Obama Told Reporters That He Would "Gather All The Facts About Any Staff Contacts" With Blagojevich Or His Office And That He Would Have And Present Those Facts "In The Next Few Days." OBAMA: "In terms of our involvement, I'll repeat what I said earlier, which is I had no contact with the governor's office. I did not speak to the governor about these issues. That I know for certain. What I want to do is to gather all the facts about any staff contacts that I might -- may have -- that may have taken place between the transition office and the governor's office. And we'll have those in the next few days, and we'll present them." (President-Elect Barack Obama, Press Conference, Chicago, IL, 12/11/08)

Obama Privately Pressured Reid To Seat Roland Burris

A Senate Democrat Source Said One Of The Factors That Led To Reid Accepting Burris Into The Senate Was "Obama's Concerns." "A top Senate Democratic source said Obama's concerns about the Burris situation were among several factors that resulted in an about-face by Senate leaders, who had vowed to reject Burris or anyone else named by disgraced Gov. Rod Blagojevich." (Rick Pearson and Mike Dorning, "Senate's Democratic Majority Clears Path For Roland Burris," *Chicago Tribune*, 1/7/09)

Obama Told Reid That Burris Should Be "Seated As Quickly As Possible." "Obama told Senate Majority Leader Harry Reid (D-Nev.) and others when he visited Capitol Hill this week 'that if Burris had

legal standing—and it appears he has—he should be seated as quickly as possible,’ a senior Democratic official said Wednesday.” (Rick Pearson and Mike Dorning, “Senate’s Democratic Majority Clears Path For Roland Burris,” *Chicago Tribune*, 1/7/09)

But Publicly, Obama Said It Was A “Senate Matter”

Publicly, Obama Said The Situation Was “A Senate Matter.” “[S]hortly before the Reid-Durbin news conference, Obama told reporters the case ‘is a Senate matter.’” (Ann Sanner, “Reid Says Burris Might Ultimately Get Senate Seat,” *The Associated Press*, 1/7/09)

- **“Obama Earlier Had Sided With Reid’s Opposition To The Appointment.”** (Rick Pearson And Mike Dorning, “Senate’s Democratic Majority Clears Path For Roland Burris,” *Chicago Tribune*, 1/7/09)