Highlights of GAO-07-1153, a report to the Honorable Richard G. Lugar, Ranking Minority Member, Committee on Foreign Relations, U.S. Senate

DEPARTMENT OF STATE

Human Capital Strategy Does Not Recognize Foreign Assistance Responsibilities

What GAO Found

In fiscal year 2006, State had about $4.7 billion available for development and humanitarian assistance activities, nearly double the amount it was responsible for managing in 2000. This funding supported, for example, programs aimed at alleviating poverty and the suffering of refugees, as well as funding international drug interdiction efforts. State primarily uses grants and cooperative agreements to deliver this type of assistance.

State manages its development and humanitarian assistance programs centrally, obligating about 80 percent of the funds and making awards from headquarters. State uses a variety of oversight approaches. Grants officers and grants officer representatives have formal oversight responsibilities, but other staff also carry out functions informally. A mix of headquarters and overseas staff monitor program implementation.

State’s strategic workforce planning does not reflect its foreign assistance activities. A key principle of strategic workforce planning is to define the critical skills and competencies that will be needed to achieve current and future programmatic goals. State has not defined its staff needs to manage and monitor its foreign assistance programs and has not collected critical information on current staff with these responsibilities. Moreover, GAO found inconsistent training and skills requirements for staff involved in foreign assistance oversight. For example, grants officers—who are responsible for the legal aspects of entering into, amending, and terminating awards—must meet educational and training requirements, while grants officer representatives—who are delegated some monitoring responsibilities—do not. Further, a recent State survey suggests that Foreign Service officers overseas recognize that there is a gap in their foreign assistance management skills. Various State officials have concerns about the department’s ability to effectively manage its development and humanitarian assistance. Finally, State has not used strategic workforce planning to align F Bureau budget reforms with staffing and skill requirements.

What GAO Recommends

GAO recommends that State (1) define the skills and competencies it needs to manage its foreign assistance responsibilities and develop critical information on staff currently doing so, and (2) develop a strategy to address any gaps it identifies. State agreed with our recommendations and plans to take appropriate action.

Funding Available to State for Development and Humanitarian Assistance

Dollars in billions

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Source: GAO analysis of U.S. budget and State allotment reports.