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Accessible Version

May 17, 2021

The Honorable Samantha Power
Administrator
U.S. Agency for International Development
1300 Pennsylvania Avenue, NW
Washington, D.C. 20523

Priority Open Recommendations: U.S. Agency for International Development

Dear Administrator Power:

The purpose of this letter is to provide an update on the overall status of the U.S. Agency for International Development's (USAID) implementation of GAO's recommendations and to call your personal attention to areas where open recommendations should be given high priority.¹ In November 2020, we reported that on a government-wide basis, 77 percent of our recommendations made 4 years ago were implemented.² USAID's recommendation implementation rate for the same time was 100 percent. As of April 2021, USAID had 27 open recommendations. Fully implementing these open recommendations could significantly improve agency operations.

Since our April 2020 letter, USAID has implemented all three of our open priority recommendations. Specifically, USAID

- provided evidence that it has collected complete and consistent monitoring data from implementing partners for international food assistance projects, in accordance with established requirements. We believe that this, in conjunction with other steps the agency has taken, will improve how USAID manages and oversees international food assistance projects;
- established outcome-oriented performance measures to assess the effectiveness of its reform efforts, which we believe will enhance the agency's ability to assess the results of the changes it is making and better position USAID to make long-term and sustainable improvements in its efficiency and effectiveness; and
- scheduled its global roll-out strategy for a new data management system that will help the agency better track and manage performance information for its counter-trafficking in persons projects. We believe taking these steps will allow USAID to better understand

¹Priority recommendations are those that GAO believes warrant priority attention from heads of key departments or agencies. They are highlighted because, upon implementation, they may significantly improve government operation, for example, by realizing large dollar savings; eliminating mismanagement, fraud, and abuse; or making progress toward addressing a high-risk or duplication issue.

²GAO, *Performance and Accountability Report: Fiscal Year 2020* [GAO-21-4SP](#) (Washington, D.C.: Nov. 16, 2020).

and report on the achievements of its counter-trafficking in persons projects, and adjust projects as needed to strengthen their performance.

USAID has no priority recommendations remaining from those we identified in the 2020 letter. We are adding three new priority recommendations related to complying with Equal Employment Opportunity requirements and improving financial information. (See enclosure for the list of recommendations.)

The three priority recommendations fall into the following two areas.

Complying with Equal Employment Opportunity requirements.

We identified two priority recommendations that would help ensure USAID is consistently performing required Equal Employment Opportunity activities. In June 2020, we recommended that USAID (1) ensure that the Office of Civil Rights and Diversity (OCRD) consistently analyzes USAID workforce demographic data for trends and potential barriers to equal employment opportunity and (2) demonstrate senior leadership attention to diversity by ensuring that OCRD has the capacity to perform required Equal Employment Opportunity functions. USAID concurred with these recommendations.

In its July 2020 State of the Agency briefing to senior agency management, OCRD stated it would begin barrier analyses on several identified triggers in USAID's Direct-Hire workforce. OCRD also stated its intent to establish an intra-agency barrier analysis working group and disseminate program information to senior leaders for their engagement and assistance in developing action plans. We will consider these recommendations implemented when (1) USAID demonstrates an ability to consistently analyze its workforce, such as through barrier analysis, and (2) USAID senior leadership has taken actions demonstrating attention to diversity, including expanding OCRD's capacity to consistently perform key Equal Employment Opportunity functions.

Improving financial information.

We made one priority recommendation in December 2020 that could enable USAID to make more informed resource decisions. Specifically, we recommended that USAID analyze financial data on the timeliness of expenditures, which would better enable USAID to identify missions and bureaus that are experiencing challenges managing their funds as well as help identify more funds that may be deobligated and reobligated to be used for other purposes. USAID concurred with this recommendation. USAID officials stated that they are working on an implementation plan to address the recommendation and have a tentative completion date of June 30, 2021. We will continue to monitor USAID's progress in implementing this recommendation.

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In March 2021, we issued our biennial update to our [High-Risk List](#), which identifies government operations with greater vulnerabilities to fraud, waste, abuse, and mismanagement or the need for transformation to address economy, efficiency, or effectiveness challenges.³

³GAO, *High-Risk Series: Dedicated Leadership Needed to Address Limited Progress in Most High-Risk Areas*, GAO-21-119SP (Washington, D.C.: Mar. 2, 2021).

Several government-wide high-risk areas have direct implications for USAID and its operations. These include (1) [improving the management of IT acquisitions and operations](#), (2) [improving strategic human capital management](#), (3) [managing federal real property](#), (4) [ensuring the cybersecurity of the nation](#), and (5) [government-wide personnel security clearance process](#). We urge your attention to the government-wide high-risk issues as they relate to USAID. Progress on high-risk issues has been possible through the concerted actions and efforts of Congress, OMB, and the leadership and staff in agencies, including within USAID.

Copies of this report are being sent to the Director of the Office of Management and Budget and appropriate congressional committees including the Committees on Appropriations, Budget, Foreign Relations, and Homeland Security and Governmental Affairs, United States Senate; and the Committees on Appropriations, Budget, Foreign Affairs, and Oversight and Reform, House of Representatives. In addition, the report will be available on the GAO website at <http://www.gao.gov>.

I appreciate USAID's continued commitment to these important issues. If you have any questions or would like to discuss any of the issues outlined in this letter, please do not hesitate to contact me or Thomas Melito, Managing Director, International Affairs and Trade, at melitot@gao.gov or (202) 512-9601. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. Our teams will continue to coordinate with your staff on all of the 27 open recommendations. Thank you for your attention to these matters.

Sincerely yours,

A handwritten signature in black ink that reads "Gene L. Dodaro". The signature is fluid and cursive, with a large, stylized "D" at the end.

Gene L. Dodaro
Comptroller General
of the United States

Enclosure – 1

cc: The Honorable Shalanda Young, Acting Director, Office of Management and Budget

Enclosure I - Priority Open Recommendations to the U.S. Agency for International Development (USAID)

Complying with Equal Employment Opportunity requirements

USAID: Mixed Progress in Increasing Diversity, and Actions Needed to Consistently Meet EEO Requirements. [GAO-20-477](#). Washington, D.C.: June 23, 2020.

Recommendations: The USAID Administrator should

- ensure that the Office of Civil Rights and Diversity (OCRD) consistently analyzes USAID workforce demographic data for trends and potential barriers to equal employment opportunity; and
- demonstrate senior leadership attention to diversity by ensuring that OCRD has the capacity to perform required Equal Employment Opportunity (EEO) functions.

Actions Needed: USAID concurred with our recommendations. In its July 2020 State of the Agency briefing to senior USAID management, OCRD stated it would begin barrier analyses on several identified triggers in USAID's Direct-Hire workforce. It also stated its intent to establish an intra-agency barrier analysis working group and disseminate program information to senior leaders for their engagement and assistance in developing action plans. We will consider these recommendations implemented when USAID demonstrates an ability to consistently analyze its workforce, such as through barrier analysis, and when USAID senior leadership has taken actions demonstrating attention to diversity, including expanding OCRD's capacity to consistently perform key EEO functions.

Director: Jason Bair

Contact information: bairj@gao.gov or (202) 512-6881

Improving financial information

Foreign Assistance: USAID Should Analyze Data on the Timeliness of Expenditures. [GAO-21-51](#). Washington, D.C.: December 2, 2020.

Recommendation: The Administrator of USAID should analyze financial data on the timeliness of expenditures.

Action Needed: USAID agreed with this recommendation. As of March 2021, USAID officials stated that they are working on an implementation plan to address the recommendation and have a tentative completion date of June 30, 2021. We will continue to monitor USAID's progress in implementing this recommendation.

Director: Jason Bair

Contact information: bairj@gao.gov or (202) 512-6881

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