



441 G St. N.W.
Washington, DC 20548

September 30, 2026

Congressional Requesters

Foreign Assistance: Agencies Made Broad Changes, but State Lacked Guidance for Decisions

The U.S. government uses foreign assistance to assist strategically important countries, countries in conflict, and populations in need. Foreign assistance can help combat extremism and promote stability abroad, as well as mitigate disease and protect the homeland. On January 20, 2025, the President issued Executive Order (E.O.) 14169, pausing foreign development assistance while agencies reviewed their foreign assistance programs to assess programmatic efficiencies and consistency with U.S. foreign policy.¹ In addition, subsequent executive orders regarding the federal workforce resulted in decreased staff and agencywide reorganizations.² Prior to 2025, the U.S. Agency for International Development (USAID) provided the largest amount of U.S. foreign assistance of any agency. However, the U.S. Departments of State, Agriculture, Health and Human Services, the Treasury, and Defense; and the Millennium Challenge Corporation (MCC) also administered key foreign assistance programs. The current Administration has made changes to the U.S. government entities administering foreign assistance, including announcing that USAID ceased implementing foreign aid as of July 1, 2025, and moving some former USAID functions to State. Together, these actions led to the realignment and reevaluation of foreign assistance, including significant reductions in programming and staffing at the U.S. Agency for International Development, as well as operational changes at the Department of State and other U.S. government agencies with foreign assistance programming.³ As a result, State is now the lead provider of U.S. foreign assistance.

¹Exec. Order No. 14169, *Reevaluating and Realigning United States Foreign Aid*, 90 Fed. Reg. 8619 (Jan. 20, 2025). The Secretary of State was authorized to grant waivers for specific programs to continue during the review. Agencies conducted foreign assistance reviews as directed by Executive Order 14169 to align programs with the President's priorities on foreign policy.

²Exec. Order 14217, *Commencing the Reduction of the Federal Bureaucracy*, 90 Fed. Reg. 10577 (Feb. 19, 2025). Exec. Order 14238, *Continuing the Reduction of the Federal Bureaucracy*, 90 Fed. Reg. 13043 (Mar. 14, 2025). For example, Executive Order 14217 directed executive branch agencies to reduce their respective workforce. Agencies subsequently implemented multiple efforts to reduce their workforces, including the government-wide deferred resignation program (DRP), terminating probationary employees, the Voluntary Early Retirement Authority (VERA), reductions in force, and a hiring freeze. In addition, agencies placed many employees on administrative leave.

³In May 2025, State's Office of Inspector General reported on initial changes in management and the operational environment at State and USAID between January and April 2025, as well as State's approach for realigning USAID functions at State. Office of Inspector General, U.S. Department of State, *Evaluation of the Department of State's Approach to Realigning U.S. Agency for International Development Functions*, AUD-GEER-25-20 (May 2025).

On January 20, 2025, Executive Order 14158 created the United States DOGE Service (USDS) within the Executive Office of the President.⁴ The service was established to implement the President's DOGE (Department of Government Efficiency) agenda to maximize government efficiency and productivity by modernizing federal technology and software. The order also directed executive branch agencies to establish internal DOGE teams to work with USDS and advise agency heads on implementing the agenda.⁵

Congress appropriated approximately \$56 billion in fiscal year 2025 and \$50 billion in fiscal year 2026 for State and other foreign affairs agencies and programs, including foreign assistance.⁶

You asked us to review changes in programming and operations at various foreign assistance agencies. We examined: (1) changes to selected agencies' foreign assistance programming from January 2025 up to May 2026; (2) changes to these agencies' staffing over the same time frame; and (3) how agencies made decisions on programming and staffing changes.

In addition to this report, we have ongoing reviews addressing other issues related to recent changes in U.S. foreign assistance, including State's plans for excess USAID property and facilities, savings and costs resulting from foreign assistance changes at USAID and State, and any effects of the foreign assistance changes made to international humanitarian and development assistance.

To address our first objective, we analyzed agency information and data from selected agencies on foreign assistance programming levels as of and after January 2025. Agencies provided information for programming and staffing that covered different time frames (March to May 2026), as noted in the enclosed slides. To address our second objective, we analyzed agency-related information and data related to foreign assistance staffing levels at the selected agencies over the same periods. To address our third objective, we interviewed agency officials and reviewed documentation about strategic processes used to inform agencies' overall approach on programming and staffing decisions. We assessed these processes against criteria such as agency policies and federal internal control standards. We also reviewed the extent to which agencies notified Congress regarding changes to their programming and staffing.

The nine agencies we selected and reviewed were:

- USAID
- State

⁴Exec. Order No. 14158, *Establishing and Implementing the President's "Department of Government Efficiency,"* 90 Fed. Reg. 8441 (Jan. 20, 2025).

⁵For a timeline of selected directives, government-wide guidance, and related actions on federal workforce changes from January 2025 to January 2026, see GAO, *Federal Agency Workforce Changes: Update for July 2025 to January 2026*, [GAO-26-108583](#) (Washington, D.C.: June 17, 2026).

⁶Full-Year Continuing Appropriations and Extensions Act, 2025, Pub. L. No. 119-4, div. A, tit. XII, 139 Stat. 9, 36 (2025); Rescissions Act of 2025, Pub. L. No. 119-28, 139 Stat. 467 (2025); Consolidated Appropriations Act, 2026, Pub. L. No. 119-75, div. F, 140 Stat. 173, 513 (2026).

- The Department of Agriculture’s (USDA) Foreign Agricultural Service
- The Department of the Treasury’s Office of Technical Assistance
- Millenium Challenge Corporation (MCC)
- The Inter-American Foundation (IAF)
- U.S. African Development Foundation (USADF)
- U.S. Agency for Global Media (USAGM)⁷
- U.S. International Development Finance Corporation (DFC)

We selected these agencies and sub-components based on several factors including: agencies identified within appropriations legislation for the Department of State, foreign operations, and related programs, as well as agencies identified in executive orders regarding commencing and continuing the reduction of the federal bureaucracy. In addition, we selected USDA due to their administration of international food assistance programs.

We conducted this performance audit from June 2025 to September 2026 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. While there are limitations to the data, as discussed in this report, they represent the best available information at the time of our review, and we believe they are sufficient and appropriate to respond to our audit objectives.

Background

Figure 1 provides descriptions of agency roles related to foreign assistance for the nine agencies we selected for review.

⁷USAGM operates through both federal and non-federal (grantee) entities that include two federal broadcasting networks—Voice of America (VOA) and Office of Cuba Broadcasting (OCB)—and three non-federal grantee broadcasting networks: Radio Free Europe/Radio Liberty (RFE/RL), Radio Free Asia (RFA), and Middle East Broadcasting Networks (MBN). USAGM also oversees and funds the Open Technology Fund (OTF), a non-federal grantee focused on global internet freedom. For the purposes of this review, we list OTF as one of USAGM’s grantees, although OTF is not an actual broadcasting network. Additionally, USAGM oversees the Frontline Media Fund, an independent non-profit organization established in fiscal year 2024; we did not include the Frontline Media Fund in our review.

Figure 1: Select U.S. Agencies that Provide Foreign Assistance

	Agency	Description
	U.S. Agency for International Development (USAID)	USAID served as the lead international humanitarian and development assistance arm of the U.S. government. ^a
	U.S. Department of State (State)	State is the lead executive agency responsible for formulating and implementing U.S. foreign policy. Its mission is to protect and promote U.S. security, prosperity, and democratic values.
	U.S. Department of Treasury Office of Technical Assistance (OTA)	OTA, within Treasury, conducts foreign assistance. OTA helps finance ministries and central banks of developing countries to strengthen their ability to manage public finances effectively and safeguard their financial sectors.
	U.S. Department of Agriculture (USDA) Foreign Agricultural Service (FAS)	USDA's FAS administers U.S. international food assistance programs, including Food for Progress and McGovern-Dole International Food for Education and Child Nutrition Program. USAID's Food for Peace program is now being implemented by USDA.
	Millennium Challenge Corporation (MCC)	MCC is an independent U.S. government corporation that promotes economic growth by providing results-driven foreign assistance. MCC's grants support large-scale infrastructure projects, strategic reforms, and economic modernization.
	Inter-American Foundation (IAF)	IAF invests in locally-led development across Latin America and the Caribbean. IAF directly engages community leaders, innovators, and entrepreneurs who work to make the region and their communities more prosperous, peaceful, and democratic.
	U.S. African Development Foundation (USADF)	USADF supports African-led development that grows community enterprises by providing financial and technical support to African-owned and African-led enterprises that have faced barriers to resources.
	U.S. Agency for Global Media (USAGM)	USAGM and the six networks it oversees seek to inform, engage, and connect people around the world in support of democracy and freedom.
	U.S. Development Finance Corporation (DFC)	DFC promotes U.S. overseas investment and U.S. foreign policy goals through partnership with the private sector.

Source: GAO review of agency documentation. | GAO-26-108607

^aThe administration announced that USAID ceased implementing foreign aid as of July 1, 2025.

Programming

Since January 2025, as detailed in the enclosure, eight of the nine agencies in our scope decreased either funding (i.e. obligations) for or the total number of foreign assistance awards, which includes grants, cooperative agreements, and contracts.⁸ However, due to a program transfer, one agency is expected to receive an increase in foreign assistance funding.⁹ Specifically, USDA decreased funding for its existing international food assistance programs, but by February 2026 USDA had assumed implementing new awards for USAID's Food for Peace program. Congress appropriated \$1.2 billion for Food for Peace in fiscal year 2026. Further, some agencies' geographic focus have not changed, while others shifted since January 2025. For example, during the foreign assistance review, USAID terminated the largest number of awards by dollar value in the Europe and Eurasia region, but that region still has the highest

⁸While the number of active grants at the U.S. African Development Foundation (USADF) has not changed, USADF has been unable to disburse funds to grantees since January 2025, according to a USADF official.

⁹We also found that one agency, Treasury's Office of Technical Assistance, increased the number of projects providing technical assistance with its funding, even though it received less foreign assistance funding in fiscal year 2026. The Office of Technical Assistance increased its active projects from 63 to 75 between January 2025 and March 2026.

dollar value of remaining active USAID awards that are now administered by State. Likewise, State terminated the most awards by dollar value in the Western Hemisphere region. However, that region still has the largest dollar value of State's original active grants and cooperative agreements when compared to other regions. DFC had fewer new investments in Africa and Asia and more new investments in the Western Hemisphere and Europe. Following Executive Order 14127, USADF's self-appointed acting President took actions that would lead to terminating most USADF awards in Africa. These actions have been the subject of litigation as of May 2026.¹⁰ However, USADF officials reported that they have not provided funds to grantees in this region because it has not received permission from the Office of Management and Budget to provide funds to grantees.

Having assumed the remaining functions from USAID, State is now the lead provider of U.S. foreign assistance. However, we found that some data on program funding changes needs improvement. Specifically, State data on grants and cooperative agreements provided to GAO from State's grants management system (MyGrants) contained a large number (over 4,000 of around 10,000) of awards that were listed as both active and terminated, despite being actually terminated. State officials from the Bureau of Global Acquisitions said this was because the period of performance end dates for the terminated awards had not been updated. Officials said the lack of updates was due to varying timelines for necessary administrative actions.

In response to follow-up questions about the reliability of the data, State provided clarification which allowed us to identify terminated awards from other data fields, but did not provide an updated, accurate dataset of awards. They attributed this, in part, to the inaccurate end dates in their system and the large volume of information requests to which State was responding. If award data were up to date and accurate, State would be able to readily pull data and information for their own management and oversight. Federal internal control standards note management should be able to obtain or generate relevant, quality information and use it to support agency operations.¹¹ Without timely, accurate, and consistent grants and agreements information, State may not have quality information necessary to evaluate progress, address risks, or to respond to oversight. In addition, without quality information, State officials may make incorrect assumptions when making management decisions about which awards to continue or terminate, which could lead to legal dispute or the retraction of terminated awards.

Staffing

All nine agencies decreased staff, which included both headquarters and overseas personnel, from January 2025 up to May 2026. Details for each agency are provided in the enclosure. Agencies reported that staffing changes were due to government-wide efforts which included offering staff the Deferred Resignation Program and the Voluntary Early Retirement Authority,

¹⁰On May 21, 2025, two employees that were laid off from USADF and an implementing partner based in Zambia whose grants were terminated sued the Acting USADF President and Chair of the USADF Board and other U.S. government officials and entities alleging, among other things, violation of the Federal Vacancies Reform Act and the African Development Foundation Act. On March 13, 2026, the U.S. District Court for the District of Columbia ruled that the actions of the Acting President and Chair of USADF have no force or effect. The court also ordered that the defendants take all necessary steps to restore USADF employees' access to offices, IT systems, and financial systems. *Rural Development Innovations Limited, et al. v. Morocco*, No. 25-1631 (D.D.C. Mar. 13, 2026). On May 12, 2026, the defendants reported that USADF's leadership was granted access to some of their IT systems.

¹¹GAO, *Standards for Internal Control in the Federal Government*, [GAO-25-107721](#) (Washington, D.C.: May 2025).

as well as agency-specific reductions in force.¹² Some agencies reported that many employees were placed on administrative leave, where they did not work but retained their salary. Most significantly, USAID staff decreased from about 13,600 staff worldwide in January 2025 to several hundred as of March 2026. At the other eight agencies, the decrease in staff from January 2025 up to May 2025 ranged from about 13 percent (at Treasury OTA) to 72 percent (at USAGM).¹³

While the other eight agencies in our review provided us with updated staffing information, State was the only agency unable to produce complete data on its staffing levels during the eleven months that we requested it. Specifically, we requested agencywide data from State's Chief Human Capital Officer on State's workforce, including the number of foreign service, civil service, locally employed staff, and contractors. State officials told us they could not provide this agencywide staffing data, which we requested from August 2025 through July 2026. As a result, the full extent of State's workforce reductions is unknown.

While we did not receive agencywide State staffing data, we are aware of some changes to foreign assistance staffing. For example, on July 11, 2025, State issued reductions in force (RIF) notices to approximately 1,300 foreign and civil service employees. On December 17, 2025, the United States District Court for the Northern District of California issued a preliminary injunction that, among other things, prohibited State and other defendants from taking any action to implement, carry out, or effectuate reductions in force of employees at State, including any actions to separate employees through at least January 30, 2026.¹⁴ In addition, OPM and State data from our February 2026 government-wide review show that State's Foreign Service Officer and Civil Service workforce declined from about 32,000 employees at the end of September 2024 to about 27,000 at the end of December 2025, a 16 percent decrease.¹⁵ However, in that review, State and OPM could not provide data for its contractors or locally employed staff overseas, who have historically represented the majority of State's workforce. In the past, State has reported comprehensive data on its workforce, including the number of locally employed staff and other types of staff. For example, State reported in September 2024 there were approximately 50,000 locally employed staff, representing 63 percent of its workforce.

¹²As of January 28, 2025, OPM announced that federal employees could voluntarily resign effective September 30, 2025. Employees electing to resign would have their duties reassigned or eliminated by their agency and would be placed on paid administrative leave until September 30, with some exceptions. Employees who took this deferred resignation were also excused from return-to-office requirements while retaining their salary and benefits in the interim. The Voluntary Early Retirement Authority allows agencies that are undergoing substantial restructuring, reshaping, downsizing, transfer of function, or reorganization to temporarily lower the age and service requirements in order to increase the number of employees who are eligible for retirement.

¹³The decrease in staffing is for active USAGM employees and does not count employees on administrative leave or contractors.

¹⁴*AFSCME v. OMB*, 813 F.Supp. 3d 944 (N.D. Cal. 2025). After the preliminary injunction, State executed approximately 200 RIF actions of foreign service employees and civil service employees, which are currently being litigated, according to court filings. We have several other reports forthcoming that will include information on changes in State staffing.

¹⁵GAO, *Federal Agency Workforce Changes: Update for January to June 2025*, [GAO-26-108719](#) (Washington, D.C.: February 24, 2026). This report provides data on workforce changes at Chief Financial Officers Act agencies.

According to federal internal control standards, agencies should be able to obtain or generate quality information to support management oversight.¹⁶ State could not provide us with agencywide information about the composition of its workforce, including changes in staffing. We requested this staffing data in August 2025 and made several follow-up requests through July 2026. According to State officials, State does not maintain staffing data in a way that allows generating comprehensive data on the composition of its workforce. Without readily available information on the size and composition of its workforce, including locally employed staff and contractors, State cannot be assured that it has the organizational capacity necessary to carry out its mission or to make informed decisions about its operations.

Decision-Making

State and USAID were the largest providers of foreign assistance, but could not provide evidence of their guidance for changes to foreign assistance.

USAID

In July 2025, USAID officials informed us that the agency conducted and documented a review of foreign assistance programs in response to E.O. 14169. Officials stated that the Bureau of Planning, Learning and Resource Management developed relevant guidance, regional offices conducted reviews and presented outcomes to agency leaders, and they made final decisions. However, USAID did not provide evidence of this process or guidance. USAID officials told us that it is focused on agency close-out activities and has not responded to repeated requests for this evidence as of June 2026.

State

State issued a cable to all staff announcing the foreign assistance review in January 2025 but did not provide additional formal guidance to inform its decision-making as it realigned programs with administration priorities. Among other things, State's cable stated that the agency would develop additional guidance for implementing its foreign assistance review. This guidance would include standards to ensure that all foreign assistance was aligned with administration's foreign policy agenda.¹⁷ However, we found that State's Office of Policy Planning had not developed, documented, and communicated such guidance internally to officials responsible for making foreign assistance decisions. These officials include the leadership of State bureaus and other offices responsible for programs and operations. In response to our request for guidance, State provided a document review and approval matrix. While this document outlines which officials are responsible for reviewing foreign assistance contracts, it does not provide State officials with the rationale for how to make decisions on foreign assistance, such as award terminations. According to State's departmental policies and federal internal control standards, management should establish and document policies and procedures to mitigate risks to achieving an entity's objectives.¹⁸ In addition, according to federal internal control standards, management should internally communicate relevant and quality information to enable personnel to understand and

¹⁶GAO-25-107721.

¹⁷State All Diplomatic and Consular Posts Collective, *Executive Order on the Review of Foreign Assistance Programs*, January 24, 2025.

¹⁸2 FAM 021.3 and GAO, *Standards for Internal Control in the Federal Government*, GAO-25-107721 (Washington, D.C.: May 2025).

perform key roles in achieving objectives. In response to questions about why additional guidance was not created, the agency referred us to the Office of Management and Budget (OMB). However, internal controls are to be implemented by the agency's internal leadership. Without developing, documenting, and communicating guidance with standards for its reviews of foreign assistance programs, State officials responsible for foreign assistance programmatic decisions may not have the information necessary to determine what changes are needed to effectively align their programming with foreign policy priorities. As a result, State officials responsible for foreign assistance programming may make inconsistent or ad hoc decisions or lack the information necessary for effective decision-making.

Conclusions

The nine agencies selected for our review made changes, some of which were significant, to their foreign assistance programming and staffing since January 2025. While State is now the lead U.S. agency providing foreign assistance, we found gaps in State's data on the status of its awards and its staffing levels. These gaps raise concerns about the quality of information that State has to make decisions about funding, program implementation and operations, and to report accurate information to key entities like Congress with oversight functions.

The status of over 4,000 grants and agreements that were listed in State's primary grant system were incorrectly identified as both active and terminated. Without readily available and reliable data on the status of State's grants and agreements, State lacks the information necessary to make informed programmatic decisions, evaluate award progress, and address risks when making management decisions, such as terminating foreign assistance awards.

In addition, State could not provide agencywide data on changes to the composition and locations of its workforce since January 2025, including changes in the number of contractors and locally employed staff overseas, who historically represent the majority of the department's workforce. Without reliable data on changes in its workforce, State cannot ensure it has the skills and expertise required to achieve agency objectives or to report accurate information about its workforce. We also found that State had not developed, documented, and internally communicated standards to officials responsible for making foreign assistance decisions as of May 2026. In the absence of such guidance, State officials responsible for foreign assistance programmatic decisions may not have the information necessary to determine what changes are needed to effectively align programming with foreign policy priorities. Officials responsible for foreign assistance programming may make inconsistent, ad hoc, or ineffective decisions that could waste taxpayer money.

Recommendations for Executive Action

Recommendation 1: The Secretary of State should direct the Chief Acquisition Officer and Director of the Bureau of Global Acquisitions and other relevant programming bureaus to ensure that the status of foreign assistance grants and agreements in the MyGrants database is consistent, accurate, and up to date.

Recommendation 2: The Secretary of State should direct the Chief Human Capital Officer and Comptroller, or other appropriate official, to take steps to ensure that State is able to obtain or generate comprehensive data on the composition of its workforce, including Foreign Service, Civil Service, locally employed staff, and personal services contractors, by location.

Recommendation 3: The Secretary of State should ensure that the Director, Office of Policy Planning or other appropriate office develops, documents, and communicates agencywide guidance with standards for aligning foreign assistance program and project decisions with foreign policy priorities.

Agency Comments

We provided a draft of this report to all nine agencies in our review. State, DFC, IAF, MCC, USDA, and several non-federal entities under USAGM provided technical comments, which we incorporated as appropriate. In its comments, reproduced in enclosure II, State agreed with our recommendations. We clarified the language in recommendation 2 in response to updated information that State provided on its access to contractor data. During our review State officials told us they could not provide agencywide staffing data, including data for foreign service, civil service, locally employed staff, and contractors as of multiple time periods. In response to our recommendation that State should take steps to generate comprehensive data on the composition of its workforce, State officials said the Department is able to generate detailed staffing reports on the composition of staff by location. However, State did not demonstrate that it could obtain or generate data on the composition of its workforce during the eleven months that we requested it.

We are sending copies of this report to the appropriate congressional committees, the Secretary of State, the Chief Executive Officer of the U.S. International Development Finance Corporation, the President and Chief Executive Officer of the Inter-American Foundation, the Acting Chief of Staff of the Millennium Challenge Corporation, the Secretary of the Treasury, the Secretary of Agriculture, the President and Chief Executive Officer of the U.S. African Development Foundation, the Acting Administrator of the U.S. Agency for International Development, the Acting Chief Executive Officer of the U.S. Agency for Global Media, and other interested parties. In addition, this report is available at no charge on the GAO website at <https://www.gao.gov>.

If you or your staff have any questions about this report, please contact me at LoveGrayerL@gao.gov. Contact points for our Offices of Congressional Relations and Media Relations may be found on the last page of this report. GAO staff who made key contributions to this report include Lisa Helmer (Assistant Director), Andrea Riba Miller and Jon Fremont (Analysts in Charge), Mario Tiberie, Anna Sophia Lindholm, Karl Antonsson, Larissa Barrett, Bahar Etemadian, Julie Hirshen, Samantha Lalisian, Gergana Danailova-Trainor, and Terry Richardson.

//SIGNED//

Latesha Love-Grayer
Director, International Affairs and Trade

Enclosures - 2

List of Committees

The Honorable Jeff Merkley

Ranking Member

Committee on Budget

United States Senate

The Honorable Jeanne Shaheen

Ranking Member

Committee on Foreign Relations

United States Senate

The Honorable Gregory W. Meeks

Ranking Member

Committee on Foreign Affairs

House of Representatives

The Honorable Sara Jacobs

Ranking Member

Africa Subcommittee

Committee on Foreign Affairs

House of Representatives

Enclosure I: Foreign Assistance: Agencies Made Broad Changes, but State Lacked Guidance for Decisions

Foreign Assistance: Agencies Made Broad Changes, but State Lacked Guidance for Decisions

Enclosure: Foreign Assistance Changes at Selected Agencies

Introduction

- The U.S. government has used foreign assistance to help strategically important countries and populations in need. The U.S. Agency for International Development (USAID), the Department of State, and other agencies have used U.S. foreign assistance for missions such as combating extremism, promoting stability, mitigating disease, and protecting the homeland.
- On January 20, 2025, the President issued Executive Order (E.O.) 14169 *Reevaluating and Realigning United States Foreign Aid*, pausing foreign development assistance for 90 days to assess whether programs were efficient and consistent with United States foreign policy.
- On the same date, E.O. 14158, *Establishing and Implementing the President's "Department of Government Efficiency"*, created the United States DOGE Service (USDS) within the Executive Office of the President to maximize government efficiency and productivity by modernizing federal technology and software.
- This and other E.O.s led agencies involved with foreign assistance functions to review and make changes to their foreign assistance programming and staffing, such as terminating some awards (including contracts, cooperative agreements, and grants) and decreasing staff at some agencies.

Objectives

You asked us to review changes in programming and operations at various foreign assistance agencies. We examined:

1. How have select agencies' foreign assistance programming changed since January 2025?
2. How have select agencies' foreign assistance staffing changed since January 2025?
3. To what extent did these select agencies use a strategic process to inform programming and staffing decisions?

Methodology

Our review of foreign assistance agencies included USAID, State, the Departments of Agriculture's Foreign Agricultural Service and Treasury's Office of Technical Assistance, Millennium Challenge Corporation (MCC), Inter-American Foundation (IAF), U.S. African Development Foundation (USADF), U.S. Agency for Global Media (USAGM)¹, and U.S. International Development Finance Corporation (DFC).

To answer our questions, we reviewed internal agency data and documentation on foreign assistance awards from January 2025 to March 2026, unless otherwise noted; reviewed publicly available data; and interviewed officials at the agencies named above.

The following slides include additional information on our scope and methodology for each agency.

¹USAGM operates through a structure of both federal and non-federal (grantee) entities that include two federal broadcasting networks—Voice of America (VOA) and Office of Cuba Broadcasting (OCB)—and three non-federal grantee networks: Radio Free Europe/Radio Liberty (RFE/RL), Radio Free Asia (RFA), and Middle East Broadcasting Networks (MBN). USAGM also oversees and funds the Open Technology Fund (OTF), a non-federal grantee focused on global internet freedom.

USAID

Background, Scope, and Methodology

USAID previously served as the primary international humanitarian and development assistance arm of the U.S. government since its establishment in 1961. USAID provided assistance to about 130 countries worldwide in fiscal year 2024. As in FY24, in FY25, approximately \$2 billion was appropriated in the associated appropriations act to title II for USAID, and in FY26, \$174.5 million was appropriated to that title for the administration of assistance.²

- **January 24, 2025:** USAID issued “stop-work orders” on its grants and contracts.
- **March 2025:** USAID and State notified Congress of their intent to reorganize foreign assistance programming.
- **July 1, 2025:** The Secretary of State announced that USAID had ceased to implement foreign assistance and any remaining USAID programs that aligned with administration priorities would be administered by the State Department.

Methodology

We reviewed State-provided data on USAID foreign assistance awards as of March 2026. We reviewed USAID staffing data from January 2025, and OPM federal workforce data as of April 2026. OPM workforce data only includes federal civilian employees and omits locally employed staff and contractors. We reviewed the extent to which agencies notified Congress regarding changes to their programming and staffing. We also interviewed USAID officials in July 2025 and requested documents. We reviewed documentation about strategic processes used to inform agencies’ overall approach on programming and staffing decisions. We assessed these processes against criteria such as agency policies and federal internal control standards. In June 2026, USAID informed us that they were unable to estimate when they would be able to meet or provide responses to our requests, because the agency was prioritizing addressing other agency needs.

²Amounts presented reflect only enacted amounts in the following appropriations acts: Pub. L. No. 118-47, div. F, tit. II, 138 Stat. 460, 740 (2024), as carried forward in Pub. L. No. 119-4, 139 Stat. 9 (2025); Pub. L. No. 119-75, div. F, tit. II, 140 Stat. 173, 523 (2026). In FY25, \$125,000,000 was rescinded from the FY25 appropriation for USAID, which is not reflected in the totals above. Pub. L. No. 119-28, 139 Stat. 467, 469 (2025). The FY25 appropriations act carried forward the FY 24 appropriations heading name for title II of division F, which was United States Agency for International Development. In the FY26 appropriations act, the heading name for the same title changed to Administration of Assistance.

**USAID
Programming**

According to State data as of March 2026, about **6,780** of USAID's **7,510** awards that were active on or after January 2025 had been terminated (about 90 percent) while about **730** awards remained active. Terminated and active awards represented a reported **\$131.2** billion in cumulative obligations from the start dates of the awards (between calendar years 2015-2026) until March 2026 (or the date the award was terminated).

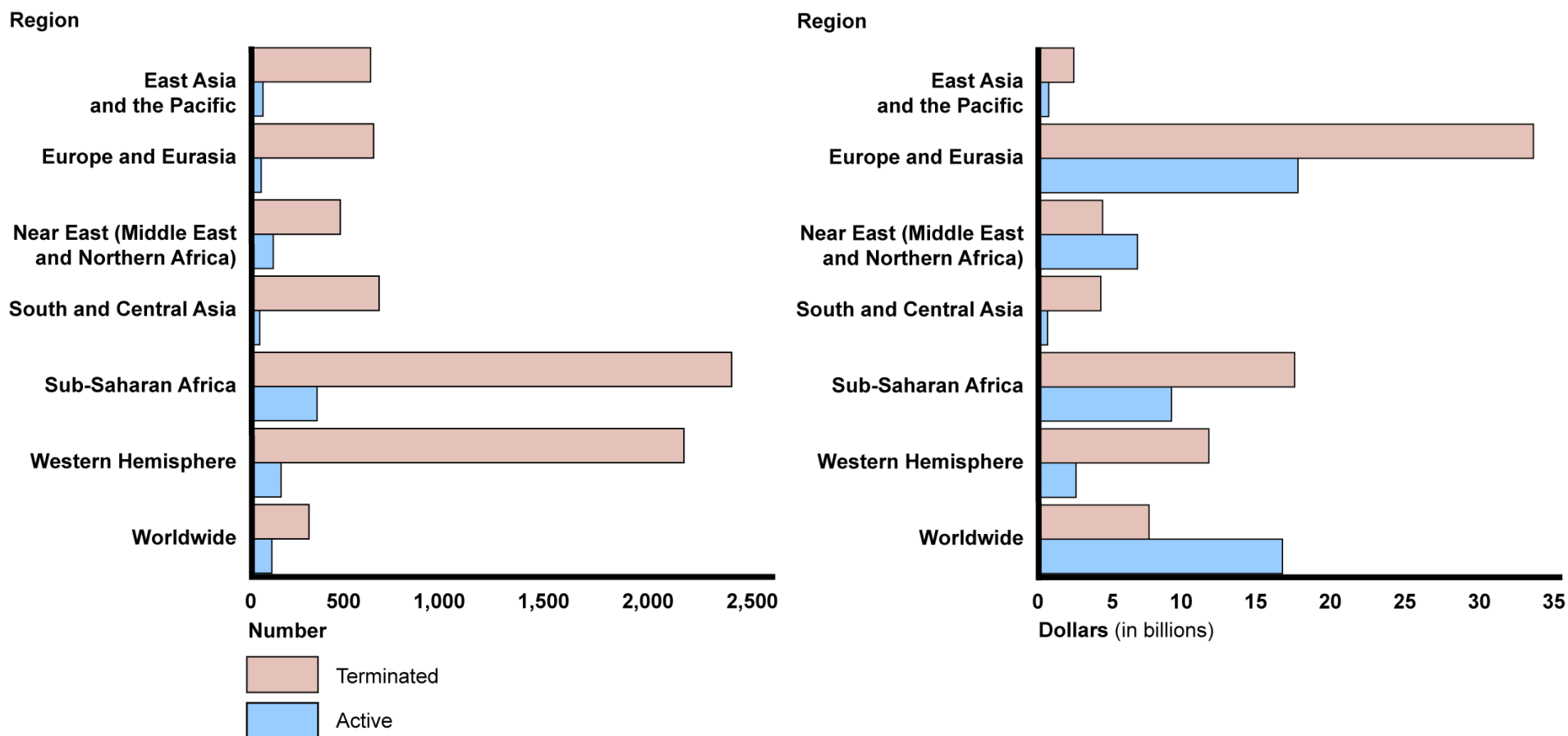
- Of this reported **\$131.2** billion, **\$79.1** billion was obligated to awards that were ultimately terminated, and **\$52.1** billion was obligated to active awards.³
- While about **90** percent of USAID's awards were terminated, the remaining 10 percent represented about 40 percent of USAID's total cumulative obligations as of March 2026. The responsibility for these remaining active awards has been transferred to State.⁴

³Cumulative obligations for terminated awards do not represent cost savings, money returned to the federal government, or any future obligations that have been eliminated due to the termination of these awards. An upcoming GAO report will review savings and costs to the U.S. government resulting from changes to foreign assistance programming.

⁴According to officials from State's Office of Inspector General, an additional 639 active awards transferred to State expired between September 2025 and March 2026.

USAID Programming (cont.)

Figure 1: USAID Foreign Assistance and Acquisition Awards, Number and Cumulative Obligations by Region as of March 2026



Source: GAO analysis of Department of State data. | GAO-26-108607

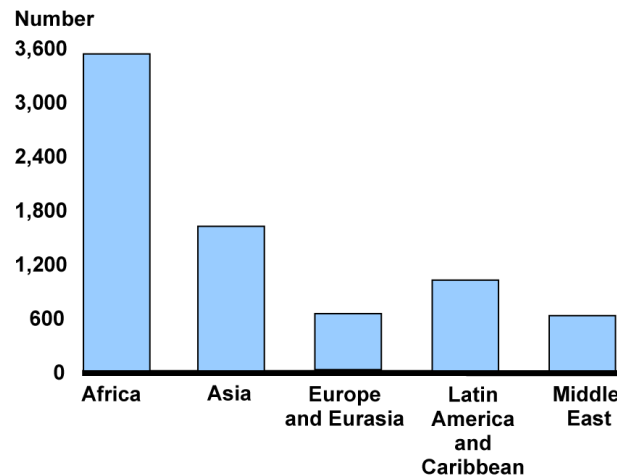
Notes: The dollar value represents State-reported value of cumulative total obligations on active and terminated awards as of March 31, 2026 (or the date of termination for awards terminated between January 2025 and March 2026), according to State officials. These awards started in calendar years 2015-2026. This value does not represent annual obligations in any specific fiscal year. Cumulative obligations for terminated awards do not represent cost savings, money returned to the federal government, or any future obligations that have been eliminated due to the termination of these awards.

USAID Staffing

USAID reduced staffing by **98** percent, from about **13,600** reported staff worldwide as of January 2025 to **241** reported staff as of April 2026, based on USAID and Officer of Personnel Management (OPM) data.⁵ The majority of remaining staff is working on close-out activities as of June 2026, according to a former USAID official.

- About 6,200 of these employees were present in the Washington, D.C. area, while the remaining 7,400 were employed overseas.
- USAID had staff present in 108 countries or territories as of January 2025. USAID's Africa region had the most overseas staff with around 3,500 staff as of January 2025.

Figure 2: USAID Reported Overseas Staffing by Region as of January 2025



Source: GAO analysis of U.S. Agency for International Development (USAID) data. | GAO-26-108607

Note: USAID-provided data from January 2025 included staff categories such as Foreign Service, Civil Service, Foreign Service Nationals, and contractors. USAID did not provide updated staffing data as of August 2026.

⁵USAID-provided data from January 2025 included the following staff categories: Foreign Service, Civil Service, Foreign Service Nationals, and contractors, among others. April 2026 data from OPM only includes federal civilian employees.

USAID
Decision-Making

In July 2025, USAID officials stated USAID conducted and documented a review of program decisions as part of the E.O. 14169 foreign assistance review.

- According to USAID officials, the Bureau of Planning, Learning and Resource Management developed guidance for the program review process. Regional offices conducted reviews and presented outcomes to agency leaders who made final decisions on what programs to terminate.
- However, USAID could not provide evidence of this process or guidance. The agency had not responded to our repeated requests for a copy of the guidance or to our follow-up questions about the decision-making process as of August 2026.

Department of State Background, Scope, and Methodology

State was appropriated \$4.7 billion in FY26 for the administration of foreign affairs, an \$8.2 billion decline from the \$12.9 billion it was appropriated in FY25 for the administration of foreign affairs.⁶

- **January 24, 2025:** State announced the pause of all new obligations of funding pending a foreign assistance review and issued “stop-work” orders on its existing grants and contracts.
- **March 28, 2025:** State notified Congress of State’s intent to undertake a reorganization that would realign certain USAID functions to State by July 1, 2025.
- **May 29, 2025:** State formally notified Congress of its intent to reorganize its bureaus and offices. One of several stated goals of this reorganization was to streamline State’s bureaucracy and to ensure its operations were maximally efficient and aligned to support core U.S. national security and foreign policy priorities.

Methodology

We reviewed data provided by State on its foreign assistance awards, including awards terminated between January 2025 through March 2026 and active as of March 2026. We also reviewed State and public staffing data from September 2024 through January 2026. As discussed below, State did not provide the comprehensive staffing data we requested. We interviewed relevant officials regarding programming and staffing. We reviewed documentation about strategic processes used to inform State’s overall approach on programming and staffing decisions. We assessed these processes against criteria such as agency policies and federal internal control standards. We also reviewed the extent to which agencies notified Congress regarding changes to their programming and staffing.

⁶Amounts presented reflect only enacted amounts in the following appropriations acts: Pub. L. No. 118-47, div. F, tit. I, 138 Stat. at 729, as carried forward in Pub. L. No. 119-4, 139 Stat. at 12; Pub. L. No. 119-75, div. F, tit. I, 140 Stat. at 513. CRS reported that State was appropriated \$12.72 billion in FY26 and \$12.41 billion in FY25, which includes budget authority such as offsetting fee collections.

Department of State Programming

As of March 2026, State had terminated approximately **4,280** of **17,200** (about **25** percent) of its foreign assistance grants, contracts, and cooperative agreements, according to State data. The cumulative obligations for these terminated awards totaled approximately **\$2.98 billion**.

Table 1: Number and Cumulative Obligations for State Department Initiated Foreign Assistance Awards, Active and Terminated (March 2026)

Foreign Assistance Award Type and Status	Number of Awards	Cumulative Obligations (Billions USD)
Grants/Cooperative Agreements^a	10,475^b	\$16.12
Active	6,467	\$13.35
Terminated	4,008	\$2.77
Contracts^c	6,738	\$4.86
Active	6,464	\$4.65
Terminated	274	\$.21

Source: GAO analysis of Department of State data. | GAO-26-108607

Note: U.S. funding represents total cumulative obligations over multiple years until March 31, 2026, according to State officials. Funding does not represent total obligations in any specific fiscal year. Funding for terminated awards does not represent cost savings, money returned to the federal government, or any future obligations that have been eliminated due to the termination of these awards. These numbers do not include former USAID awards now managed by State.

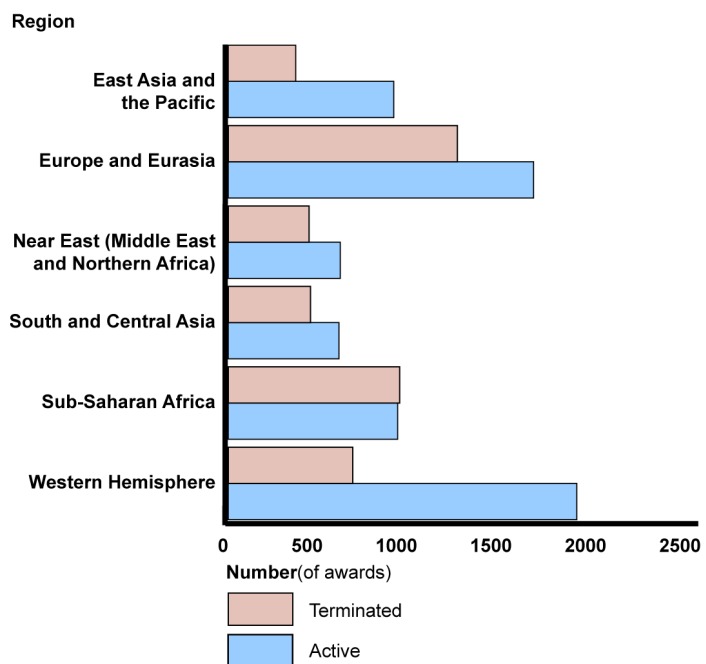
^aThese grants and cooperative agreements started between 2019 and 2026.

^bState reported a total of 11,488 non-contract awards as of March 31, 2026. Of this total, we excluded 625 awards of assessed contributions, voluntary contributions, and non-bulk agreements, 417 of which were active, and 208 of which were terminated. We also excluded 92 awards started prior to 2019, 19 of which were active and 73 terminated as of March 31, 2026, and 297 awards terminated before 2025.

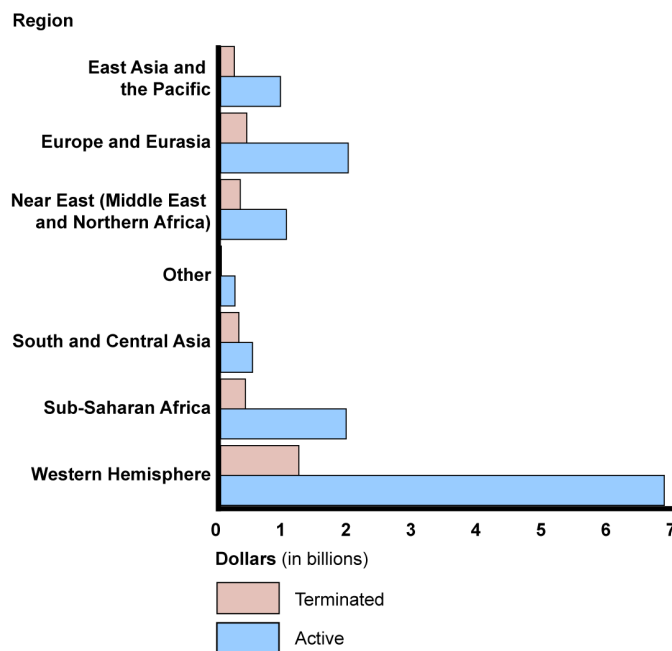
^cState's contract data do not consistently include start dates for overseas contracts, according to officials.

Department of State Programming (cont.)

Figure 3: Department of State Foreign Assistance Grants and Cooperative Agreements, Number and Cumulative Obligations by Region as of March 2026



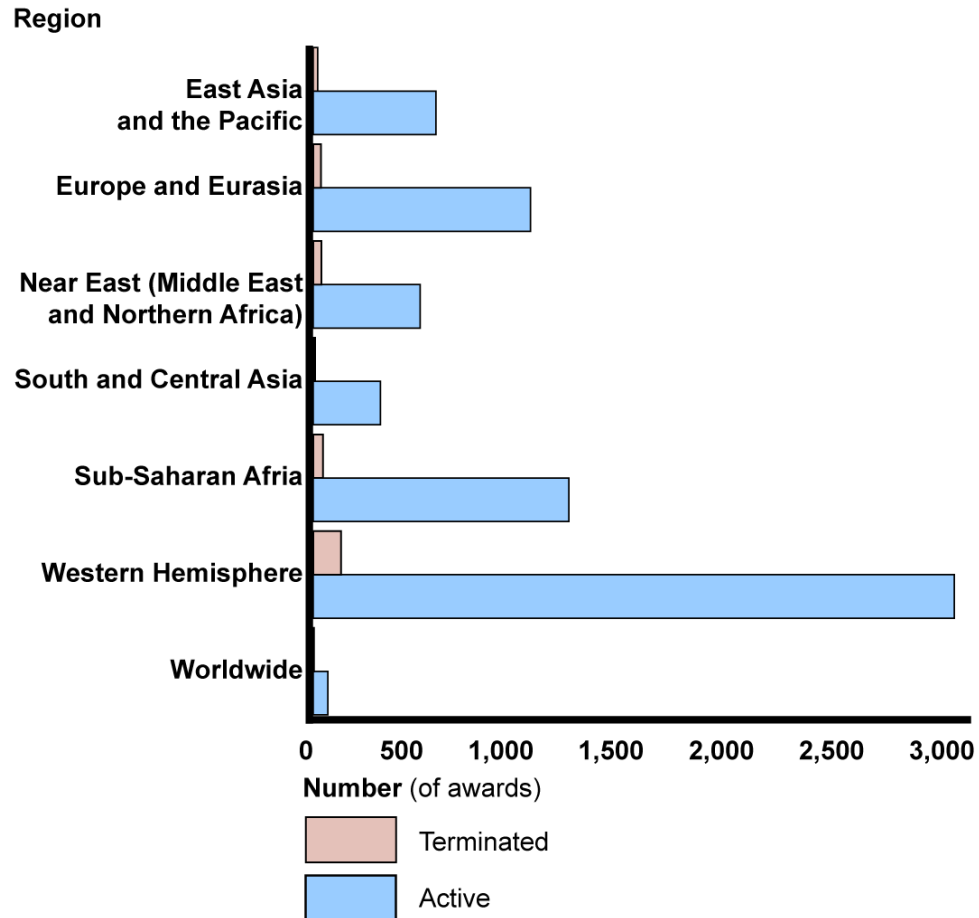
Source: GAO analysis of Department of State data. | GAO-26-108607



Source: GAO analysis of Department of State data. | GAO-26-108607

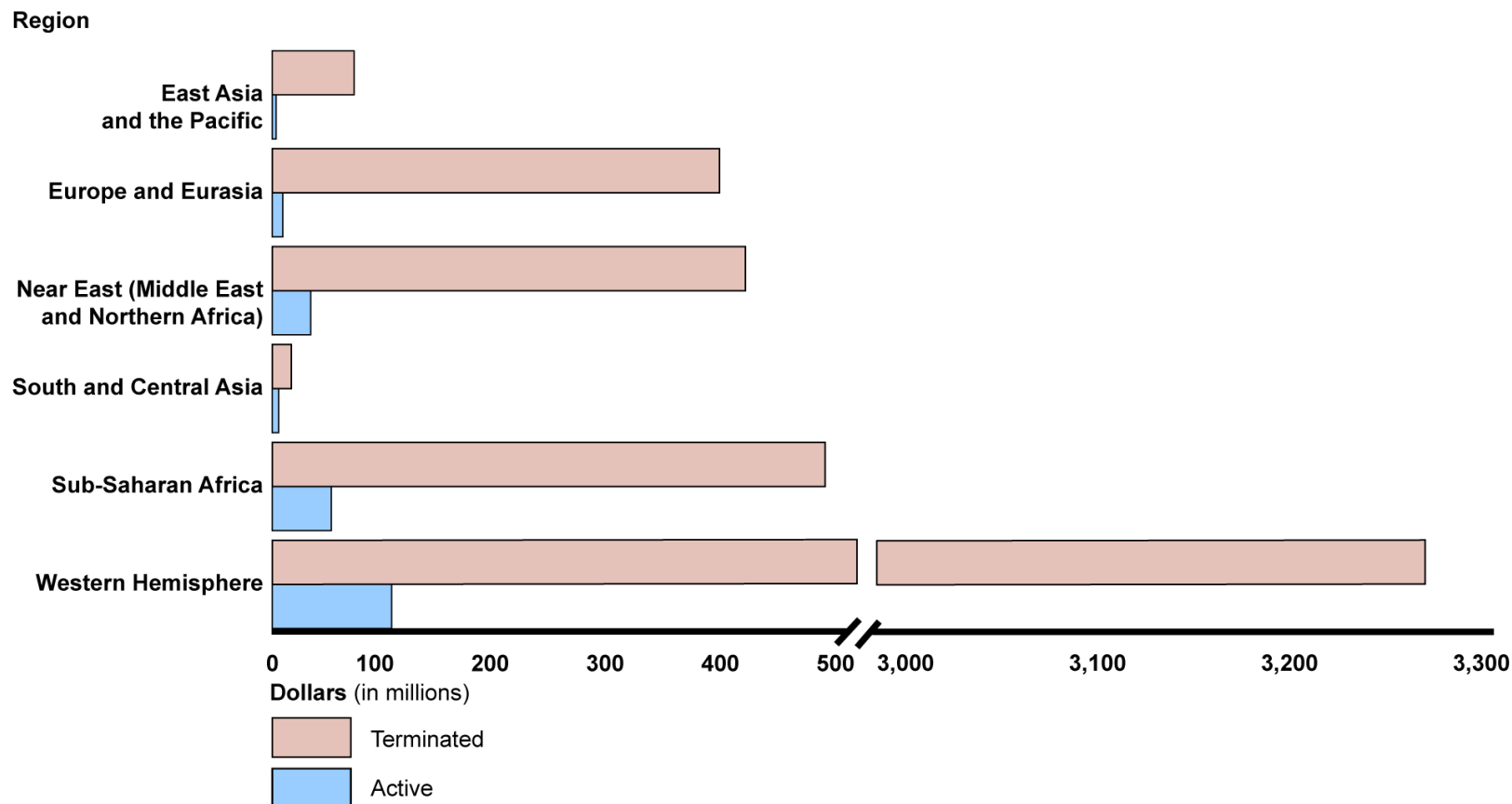
Note: Dollar values above represent cumulative obligations over multiple years until March 31, 2026 or the termination date, according to State officials. These grants and agreements started between 2019 and 2026. Funding does not represent total obligations in any specific fiscal year. Count of awards and funding numbers exclude voluntary contributions, assessed contributions, and non-bulk agreements. Funding for terminated awards does not represent cost savings, money returned to the federal government, or any future obligations that have been eliminated due to the termination of these awards. These figures do not include former USAID awards now managed by State.

**Department of State
Programming (cont.)**

Figure 4: Department of State Foreign Assistance Contracts, Number by Region as of March 2026

Source: GAO analysis of Department of State data. | GAO-26-108607

Figure 5: Department of State Foreign Assistance Contracts, Cumulative Obligations by Region as of March 2026



Source: GAO analysis of Department of State data. | GAO-26-108607

Notes: The dollar value represents State-reported cumulative total obligations over multiple years as of March 31, 2026, according to State officials. Funding does not represent total obligations in any specific fiscal year. Funding for terminated awards does not represent cost savings, money returned to the federal government, or any future obligations that have been eliminated due to the termination of these awards. These figures do not include former USAID awards now managed by State. For readability, the X-axis and bar for Western Hemisphere terminated awards omit values between 500 and 3,000 million dollars. However, this bar should be considered continuous.

**Department of State
Programming (cont.)**

- State's grants management system (MyGrants) provides a centralized and integrated system for the management of federal foreign assistance. However, we found that State data on grants and cooperative agreements in MyGrants was inaccurate at the time of our review. It contained a large number (over 4,000 of around 10,000) of awards listed as both active and terminated. Based on State responses to questions about the reliability of the data, we were able to identify and remove duplicate terminated awards.
- State officials stated that terminated awards may have appeared as active in State's MyGrants system because the period of performance end dates for the terminated awards had not been updated. Officials also said the data they provided us included terminated awards because of the volume of requests State was managing when they responded to our request for updated data. However, having accurate and complete data in its systems would have better positioned State to readily provide accurate information about its awards. Moreover, without timely, accurate, and consistent grants and agreements information in this system, State may not have quality information necessary to evaluate progress, address risks, or respond to oversight.⁷ State officials may make incorrect assumptions when making management decisions.

⁷GAO, *Standards for Internal Control in the Federal Government: 2025 Revision*, GAO-25-107721 (Washington, D.C.: May 2025).

**Department of State
Programming (cont.)**

Recommendation

- The Secretary of State should direct the Director of the Bureau of Global Acquisitions and Chief Acquisition Officer and other relevant programming bureaus to ensure that the status of foreign assistance grants and agreements in the MyGrants database is consistent, accurate, and up to date.

Department of State Staffing

OPM and State data show that part of State's workforce – foreign service and civil service employees – had declined from about **32,000** at the end of FY24 Q4 to about **27,000** at the end of FY26 Q1, a **16** percent decrease (see table 2). However, these numbers do not account for contractors and locally employed staff, who have historically made up the majority of State's workforce.

As of July 2026, State reported that it could not provide us with the detailed information we first requested in August 2025 about staffing, including locally employed staff and contractors. According to State officials, State does not maintain staffing data in a way that allows generating comprehensive data on the composition of its workforce. In the past, State has reported comprehensive data on its workforce, including the number of locally employed and other staff. Federal internal control standards state that management should generate relevant quality information and use it to support the functioning of an internal control system.⁸ Without readily available information on the size and composition of its workforce, State cannot be assured that it has the organizational capacity necessary to carry out its mission or to make informed decisions about its operations.

Recommendation

The Secretary of State should direct the Chief Human Capital Officer and the Comptroller, or other appropriate official, to take steps to ensure that State is able to obtain or generate comprehensive data on the composition of its workforce, including Foreign Service, Civil Service, locally employed staff, and personal services contractors, by location.

⁸GAO-25-107721.

Table 2: Foreign Service and Civil Service Employees in State’s Workforce and Specific Status, FY24Q4-FY26Q1

	FY24 Q4	FY25 Q2	FY25 Q3	FY25 Q4	FY26 Q1
Agency Workforce (at end of quarter)	31,663	31,661	30,435	27,563	27,403
Number in Career Conditional/Probationary/Trial Status	3,399	5,847	5,554	4,750	4,696
Number on Extended Administrative Leave	—	477	1,670	669	—
Separations	—	1,126	1,407	3,519	672
Hires	—	1,042	262	823	512

Source: GAO analysis of Department of State and OPM data. | GAO-26-108607

Note: These data exclude locally employed staff and contractors, according to State officials. State reported that it could not provide detailed staffing data in response to our request.

Department of State Decision-Making

In January 2025, State issued a departmental cable announcing the pause of all new obligations of funding pending a foreign assistance review.

- According to the cable, State planned to develop review standards within 30 days to ensure that all foreign assistance was aligned with the administration's foreign policy agenda.
- However, in May 2026, State officials indicated that they could not provide us documentation of any agency-wide guidance with standards for the foreign assistance review.
- In July 2026, State officials provided us a document review matrix for foreign assistance contracts, however, this document does not provide guidance with standards for foreign assistance program decisions.
- In response to questions about why this additional guidance was not created, the agency referred us to the Office of Management and Budget (OMB).

State's Foreign Affairs Manual and federal internal control standards state that management should establish and document policies and procedures for management control activities, including changes in controls, to mitigate risks to achieving agency objectives.⁹ In addition, according to federal internal control standards, management should internally communicate relevant and quality information to enable personnel to understand and perform key roles in achieving objectives.

⁹Department of State, *Foreign Affairs Manual*, 2 FAM 021.3 and [GAO-25-107721](#).

**Department of State
Decision-Making (cont.)**

Without developing, documenting, and communicating guidance and standards for its reviews of foreign assistance programs, State officials may not have the information necessary to determine how to effectively align State's programming with foreign policy priorities. As a result, State officials responsible for foreign assistance programming may make inconsistent or ad hoc decisions or lack the information necessary for effective decision-making, such as regarding award terminations.

Recommendation

The Secretary of State should ensure that the Director, Office of Policy Planning or other appropriate office develops, documents, and communicates agencywide guidance with standards for effectively aligning foreign assistance programs and project decisions with foreign policy priorities.

OTA

Background, Scope, and Methodology

The Office of Technical Assistance (OTA) within Treasury conducts foreign assistance. OTA helps finance ministries and central banks of developing countries strengthen their ability to manage public finances effectively and safeguard their financial sectors. For example, in 2024 OTA helped the government of Latvia advance national financial reforms by providing guidance on legislation, strategies, and standard operating procedures, according to OTA's 2024 Report to Congress.

OTA was appropriated **\$30 million** in FY26, an **\$8 million** decline from the **\$38 million** it was appropriated in both fiscal years 2024 and 2025.¹⁰

Methodology

We reviewed OTA documentation and data on active projects and staffing levels from January 1, 2025 to March 31, 2026, and interviewed OTA officials. We assessed these processes against criteria such as agency policies and federal internal control standards. We reviewed the extent to which agencies notified Congress regarding changes to their programming and staffing.

¹⁰Pub. L. No. 119-75, 140 Stat. at 529; Pub. L. No. 118-47, 138 Stat. at 746 as carried forward in Pub. L. No. 119-4, 139 Stat. at 12.

OTA Programming

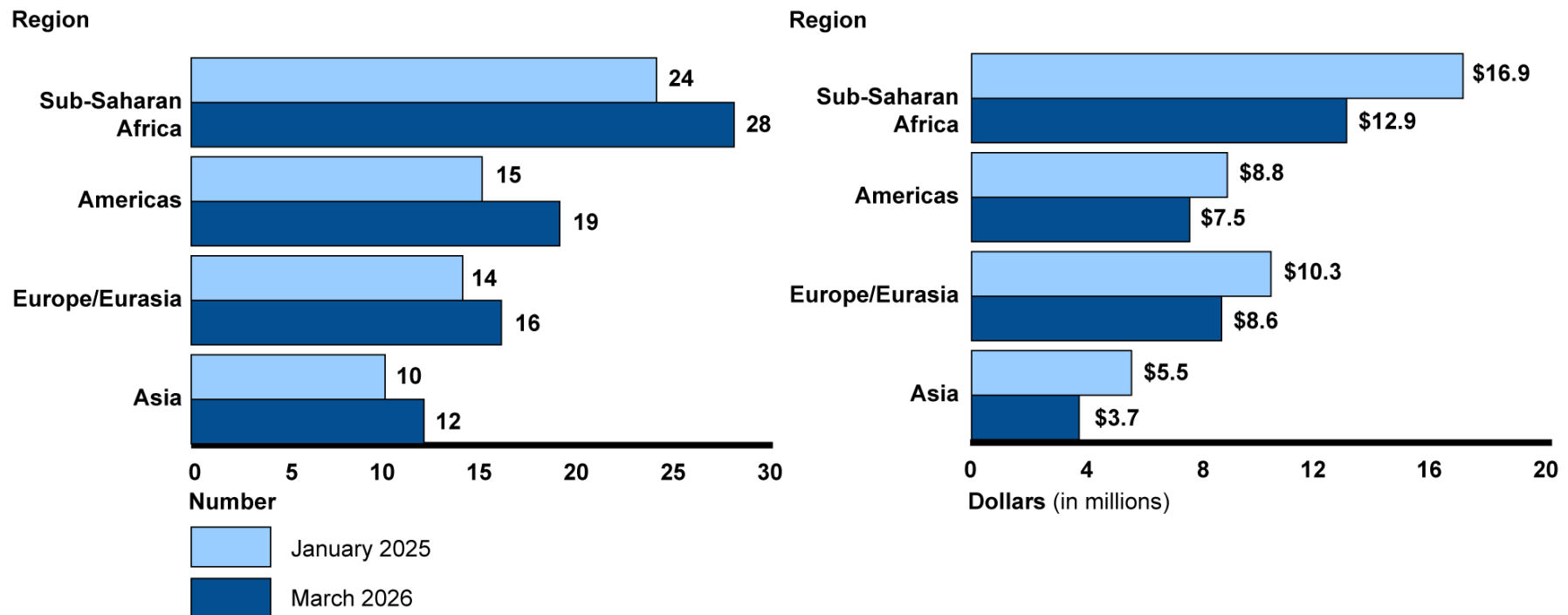
According to OTA internal data, OTA increased its total number of active projects from **63** as of January 1, 2025 to **75** as of March 31, 2026. Further, OTA increased the number of active projects in each of the four regions in its portfolio, as shown in **Figure 6**. However, while the number of projects increased, the total funding allocated for projects decreased.¹¹

- OTA allocated about **\$33 million** in total funding (direct appropriations and transfers) for the 75 projects listed as active as of March 31, 2026, a decrease from the **\$42 million** in total funding for the 63 projects in its portfolio as of January 1, 2025.

¹¹According to officials, total funding represents the project's approved budget and is equal to the total amount of funding that OTA has allocated to a project for the fiscal year, not the amount obligated or incurred. OTA does not obligate the full approved project funding amount at the outset of a project or for the full period of performance. OTA implements technical assistance projects directly and generally obligates funds as project-related costs are incurred.

OTA Programming (cont.)

Figure 6: Comparison of Active OTA Projects and Total Funding Amount Allocated by Region, January 2025 and March 2026



Source: GAO analysis of Department of the Treasury Office of Technical Assistance data. | GAO-26-108607

OTA Staffing

OTA decreased staffing from **197** to **172** from January 1, 2025, to March 31, 2026, according to officials. This represents a decrease of about **13 percent**. However, as of May 2026, OTA had hired, was in the process of hiring, or had planned to hire a total of 34 additional staff.

- Only 10 of the 172 staff are federal employees. The rest are Personal Service Contractors (PSCs), according to officials.
- OTA's decrease in staff reflects PSCs who retired, whose contracts had expired, or whose expertise was no longer needed for projects, according to officials. One federal employee left OTA between January 1, 2025 and March 31, 2026, and one federal employee was hired by OTA during the same period.

OTA Decision-Making

- In January 2025, Treasury paused all technical assistance to foreign partners to align with the foreign assistance review.
- Between May and June 2025, OTA reviewed its portfolio of 63 projects that were currently active. According to officials, OTA conducted this review using existing internal guidance to identify opportunities for greater efficiency and more effective deployment of OTA resources.
- OTA completed memos for every project to determine if the project should continue, be modified, or terminated before Treasury leadership made final decisions, according to officials and our review of documentation for 56 of these projects.¹²
 - After completing its review, OTA terminated four of its 63 projects for a variety of reasons, including that some advisors would no longer be available and that time frames would not be sufficient after restarting technical assistance, according to officials.
- On June 9, 2025, Treasury signed a memo permitting OTA to restart projects in alignment with the Administration's policy priorities.
- Officials noted that Treasury is not required to notify Congress of the termination of projects, and Treasury did not communicate with Congress regarding these terminations.

¹²OTA officials provided us with 56 project determination memos during our review.

U.S. Department of Agriculture (USDA) Background, Scope, and Methodology

USDA's Foreign Agricultural Service (FAS) administers:

- **Food for Progress**, which focuses on selling U.S. commodities to promote agricultural development and expand agricultural trade in developing countries and emerging economies.
 - Food for Progress is funded through USDA's Commodity Credit Corporation. USDA anticipates awarding up to \$226 million for Food for Progress projects for FY26.
- **McGovern-Dole International Food for Education and Child Nutrition Program (McGovern-Dole)**, which focuses on directly feeding school-age children, infants, and nursing mothers through school meal activities to reduce hunger and improve primary education and nutrition.
 - Congress appropriated **\$240 million** for McGovern-Dole programs in FY26.¹³
- **Food for Peace**, Title II, formerly administered by USAID, has been transitioned to USDA while State closes out remaining USAID projects. Food for Peace provides U.S. agricultural commodities for emergency and nonemergency assistance to food-insecure countries.
 - Congress appropriated **\$1.2 billion** to Food for Peace—Title II for FY26.¹⁴

Methodology

We reviewed USDA data on Food for Progress and McGovern-Dole agreements from January 2025 to March 2026, as well as obligations data for FY24 through the second quarter of FY26. We also reviewed FAS's International Food Assistance Division staffing data from January 2025 through March 2026. For Food for Peace awards, we reviewed State and USDA documents and State data on active awards as of March 2026. We also reviewed written responses from State and USDA officials regarding programming and staffing. We assessed USDA decision-making processes against criteria such as agency policies and federal internal control standards. We also reviewed the extent to which USDA notified Congress regarding changes to their programming and staffing.

¹³Pub. L. No. 119-37, 139 Stat. 495, 537 (2025).

¹⁴ Pub. L. No. 119-37, 139 Stat. at 537.

USDA Programming - Food for Progress and McGovern-Dole

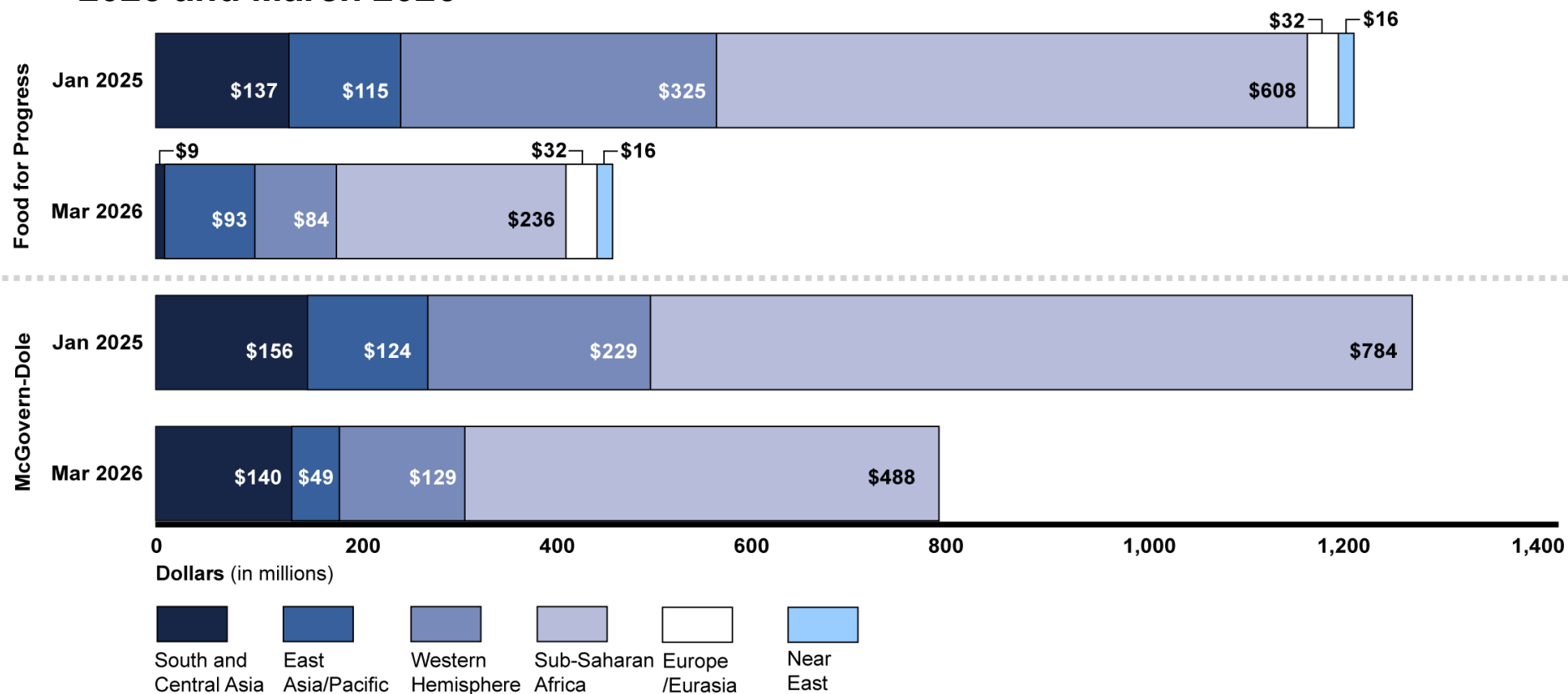
Between May and July 2025, according to USDA data, USDA terminated **27** of **41** Food for Progress agreements and **18** of **48** McGovern-Dole agreements that were active as of January 2025. According to USDA data:

- Food for Progress: FAS obligated about \$881 million for the terminated agreements in FY24 or prior years. Five additional agreements that had been active completed their performance between March 2025 and January 2026.¹⁵
- McGovern-Dole: FAS obligated about \$27.5 million for one of the terminated agreements in FY24. Nine additional agreements that were active in January 2025 completed their performance between January 2025 and March 2026.

As of March 2026, the Sub-Saharan African region had the most allocations for active Food for Progress and McGovern-Dole awards (see fig. 7). In May 2026, USDA officials estimated that Food for Progress and McGovern-Dole programs will serve 1-2 million fewer beneficiaries worldwide in FY26.

¹⁵USDA officials noted agreements are fully obligated in the fiscal year in which they are awarded.

Figure 7: Allocations for Food for Progress and McGovern-Dole Programs, January 2025 and March 2026



Source: GAO analysis of U.S. Department of Agriculture data. | GAO-26-108607

Note: U.S. Department of Agriculture allocations for Food for Progress and McGovern-Dole International Food for Education and Child Nutrition program (McGovern-Dole) are rounded to the nearest million.

USDA**Programming - Food for Progress and McGovern-Dole (Cont.)**

As of March 2026, there were **17** active Food for Progress agreements and **26** active McGovern-Dole agreements. According to USDA data:

- FAS obligated about **\$1.8 billion** for Food for Progress agreements in FY24 and prior years. Eight of the 17 agreements active as of March 2026 started in September or October 2025. FAS obligated about \$230 million for the nine other active agreements prior to FY24.
- FAS obligated about **\$221 million** in FY24 for eight of the McGovern-Dole agreements that remained active as of March 2026 and **\$240 million** for six more of the active agreements in FY25. FAS obligated funds for 12 active McGovern-Dole agreements prior to FY24.

In May 2026, USDA posted Notices of Funding Opportunities for Food for Progress for FY26 and for McGovern-Dole awards totaling **\$226 million** and **\$240 million**, respectively. USDA anticipates signing new agreements and obligating FY26 Food for Progress and McGovern-Dole funding before the end of FY26.

- The Food for Progress announcement listed Bangladesh, Bolivia, Ecuador, Morocco, Philippines, Sri Lanka, and Thailand as priority countries.
- The McGovern-Dole announcement listed Bolivia, Cambodia, Ecuador, Guinea, Honduras, Liberia, and Timor-Leste as priority countries.

USDA**Staffing - Food for Progress and McGovern-Dole**

According to USDA data, FAS's International Food Assistance Division decreased from **34** full-time employees (FTEs) in January 2025 to **30** FTEs in March 2026.¹⁶ USDA officials reported that staff departures have had minimal effects on the administration of the Food for Progress and McGovern-Dole programs. In September 2026, officials said that USDA was in the process of backfilling these positions.

- Five FTEs have departed the International Food Assistance Division since January 2025. Four FTEs left through the deferred resignation program and one left through attrition, according to FAS officials, who said the division hired one FTE in 2025.

¹⁶Four additional personnel were detailed to the temporary Food for Peace branches of the International Food Assistance Division in the second quarter of FY26. Five more personnel were detailed to these branches in the third quarter, according to USDA officials.

**USDA and State
Programming – Food for Peace**

- Historically, the Food for Peace program was jointly carried out by USAID and USDA. Prior to the functional dissolution of USAID's role in Food for Peace, USAID and State signed a memorandum of agreement transferring functions to administer Food for Peace from USAID to State on June 27, 2025. State's Office of Global Food Security assumed administration of all active USAID Food for Peace awards issued prior to December 23, 2025, according to officials.
- According to State and USDA officials, State has been assisting USDA with transferring implementation of the Food for Peace program to USDA since February 3, 2026.
- State transferred responsibility for USAID's existing Food for Peace awards to the Bureau of Disaster and Humanitarian Response (DHR). DHR manages most of USAID's active Food for Peace awards as of June 2026, according to State officials. According to these officials, FAS is responsible for managing new Food for Peace Title II awards.

60 USAID Food for Peace awards remained active as of March 31, 2026. According to USDA officials, State will continue to manage these ongoing awards until they end, and State will not transfer any USAID Food for Peace awards to USDA. These awards reflected a reported **\$3.44 billion** in cumulative obligations from the start date of the award until March 31, 2026.

In February 2026, USDA/FAS announced its intention to enter a \$452 million agreement with the World Food Programme for Food for Peace Title II emergency assistance awards in the Democratic Republic of the Congo, El Salvador, Ethiopia, Guatemala, Haiti, Kenya, and Rwanda.

- According to USDA officials, USDA signed agreements to administer new Food for Peace awards in April 2026. USDA officials told us it operates Food for Peace at the direction of Congress. In FY26, the appropriations act noted the transfer of the program from USAID to USDA and appropriated funds to Food for Peace.¹⁷

In May 2026, FAS released a \$357 million Notice of Funding Opportunity for Food for Peace Title II awards for programs in the Democratic Republic of the Congo, El Salvador, Ethiopia, Guatemala, Haiti, Kenya, and Rwanda.

¹⁷Pub. L. No. 119-37, 139 Stat. at 536.

USDA and State Staffing – Food for Peace

- According to State officials, as of May 2026, 43 staff within the newly established DHR were responsible for managing Food for Peace awards transferred from USAID alongside 16 staff within the Bureau of Administration and seven staff from other bureaus.¹⁸
- In December 2025, USDA estimated it would need 27 dedicated FTEs to administer Food for Peace.
- As of July 2026, 22 staff (including detailees) within USDA’s International Food Assistance Division were responsible for administering new Food for Peace Title II awards, according to USDA officials. According to USDA officials, Food for Peace does not have any dedicated FTEs, but a total of 14 personnel will be embedded within the International Food Assistance Division’s temporary “Food for Peace” and “Administration” branches for 60 to 120-day details throughout FY26.
 - These staff are augmented by support staff within Trade and Foreign Agricultural Affairs, the Agricultural Marketing Service, FAS Foreign Service Officers, and FAS locally employed staff at international posts where food is delivered and distributed.
- According to officials, USDA does not currently have the statutory authority to utilize Food for Peace Title II funding for salaries and expenses for dedicated staff. However, officials were optimistic that USDA could build a permanent staffing structure and backfill vacancies at the International Food Assistance Division.

¹⁸State officials stated that all USAID Title II awards remained on USAID systems and had not been transferred to State as of June 2026.

USDA

Decision - Making

- USDA reviewed Food for Progress and McGovern-Dole programs in accordance with E.O. 14169 and terminated 44 projects that it determined were not aligned with the foreign assistance objectives of the current Administration, according to USDA officials. According to USDA officials, USDA notified Congress about program terminations but did not clarify when this occurred.
- According to USDA officials, all U.S. agricultural producers affected by award terminations received 30-day notifications and payment for commodities for which USDA received invoices. USDA required implementing organizations to deliver any commodity to its final destination as part of closing out projects.

MCC**Background, Scope, and Methodology**

Millennium Challenge Corporation (MCC) provides aid to developing countries that have demonstrated a commitment to ruling justly, encouraging economic freedom, and investing in people. MCC operates two types of assistance programming: long-term, large-scale investments known as **compacts** (5-year grant agreements), a compact may focus on one country or focus on regional economic integration; and short-term, more narrowly defined efforts known as **threshold programs**. A Board of Directors selects countries that are eligible to develop compact or threshold programs. The Board also approves these programs before they are implemented, according to MCC officials.

Methodology

We reviewed MCC data and documentation on staffing and programming covering January 2025 to April 2026. We interviewed relevant MCC officials regarding programming and staffing. We reviewed documentation about strategic processes used to inform agencies' overall approach on programming and staffing decisions. We assessed these processes against criteria such as agency policies and federal internal control standards. We reviewed the extent to which agencies notified Congress regarding changes to their programming and staffing.

MCC Programming

From January 2025 through April 2026, MCC's compacts and thresholds decreased from **29** to **20**. According to MCC officials, the decrease in active programs was to address the priorities of the administration.

- In January 2025, the total value of programs was about **\$5.8 billion**. MCC reported there were 29 programs. This amount was a mix of commitments and obligations, according to MCC officials. MCC formally commits and obligates portions of the program agreements once they are signed.
- Twelve MCC programs – seven compacts and five thresholds which were in implementation or under development – were terminated or suspended by MCC's board. In addition, two programs closed per the normal course of business, according to MCC officials. According to MCC officials, as of April 18, 2026, all 12 terminated programs were fully closed. According to MCC officials, MCC notified Congress on September 5, 2025 of the board's decisions and MCC also briefed congressional staff on the decisions.
- The value of the 12 terminated programs was **\$1.635 billion** in terms of obligations, commitments or planned funding, according to MCC. The total value of terminated programs do not represent cost savings or money returned to the federal government unless Congress rescinds the funds. As part of the FY26 appropriations process, Congress rescinded \$661.25 million from MCC's prior year balances.¹⁹
- MCC's board added five new countries in 2025 – two at its August meeting (the Fiji compact and the Tonga threshold program) and three at its December meeting (the Ecuador compact and threshold programs for Bolivia and Guatemala), according to MCC officials.

According to MCC officials, they are changing some active programs to better align with U.S. priorities. For example, MCC officials told us they signed a memorandum with the Mozambique government in April 2026 to reprioritize road segments in a program to improve port access on roads used to move critical minerals, while also maintaining the original project objective of reducing the cost of transport in the province of Zambezia and Mozambique.

¹⁹Pub. L. No. 119-75, § 7072(e), 140 Stat. at 628.

Table 3: Millennium Challenge Corporation (MCC) Programs Active as of January 2025 and April 2026

MCC Programs-January 2025	MCC Programs- April 2026
Albania	Albania
Belize	Belize
Benin Regional Transport	Benin Regional Transport
<i>Cabo Verde Regional</i>	Bolivia Threshold
Cote d'Ivoire Regional Energy	Cote d'Ivoire Regional Energy
<i>Cote d'Ivoire Transport</i>	Ecuador
Indonesia	Fiji
<i>Kenya II Threshold</i>	Guatemala Threshold
Kiribati Threshold	Indonesia
Kosovo Compact	Kiribati Threshold
<i>Lesotho</i>	Kosovo Compact
Liberia	Liberia
<i>Malawi</i>	Mozambique
<i>Mauritania Threshold</i>	Nepal
<i>Mongolia</i>	Philippines Threshold
Mozambique	Senegal
Nepal	Sierra Leone
Philippines Threshold	Solomon Islands Threshold
Senegal	Tonga Threshold
<i>Senegal Regional</i>	Zambia
Sierra Leone	
Solomon Islands Threshold	
<i>Tanzania Threshold</i>	
<i>The Gambia Compact</i>	
<i>The Gambia Threshold</i>	
<i>Timor Leste</i>	
<i>Togo Compact</i>	
<i>Togo Threshold</i>	
Zambia	

Source: Millennium Challenge Corporation. | GAO-26-108607

Note: MCC programs listed are referred to as “compacts” unless otherwise modified (i.e. Transport, Regional, Threshold, etc.). MCC programs in italics were closed or suspended. The Cote d'Ivoire Transport program and the Mongolia Compact closed per the normal course of business, according to MCC officials. At its December 2025 meeting, the MCC Board directed the agency to deprioritize program development with Albania, according to MCC officials.

MCC Staffing

- MCC reported that its staff decreased by about **one-third** between January 2025 and March 2026.
 - Staffing at MCC, which includes domestic and overseas staff, went from **352 FTEs** – 314 at headquarters and 38 overseas – to **228 FTEs** – 201 at headquarters and 27 overseas. Most of the decreases in staffing were in MCC’s Department of Compact Operations, according to MCC documentation.
- According to MCC officials, MCC followed government-wide efforts to decrease staffing, which included offering staff the deferred resignation program and the voluntary early retirement authority.
 - Most departing staff left under the deferred resignation program. MCC officials reported that the agency has been able to implement its statutory functions with the remaining personnel. We did not independently assess the effects of staff changes on programming in this audit but have related ongoing and future work planned.
 - MCC officials reported they will continue to work with OPM and OMB to fill critical vacancies and ensure its staffing levels and skill sets meet the needs of the agency as the size of its country portfolio changes year-to-year.
- As of January 2026, acting officials have filled MCC’s officer positions except for the CEO, according to MCC officials. MCC’s board consists of public sector and non-government representatives. According to MCC officials, all positions on MCC’s public sector board are filled, and one of four non-government positions is currently filled.

MCC Decision-Making

According to MCC officials, MCC's board decided whether to terminate or add MCC programs based on the board's statutory authority. As part of the decision process, MCC's board considered whether programs sufficiently advanced U.S. priorities in a manner consistent with America First foreign policy.

According to MCC officials, the MCC board used its existing guidance on selection criteria and methodology to consider adding countries eligible to develop compact and threshold programs.²⁰ MCC shared documentation related to its decision process with us, including board meeting minutes, press releases announcing its decisions, and its FY26 country prospectus.

²⁰Millennium Challenge Corporation, *Policy on Program Closure*, July 29, 2025. Millennium Challenge Corporation, *Selection Criteria and Methodology Report for Fiscal Year 2026*, October 3, 2025.

IAF

Background, Scope, and Methodology

- The Inter-American Foundation (IAF) invests in locally-led development across Latin America and the Caribbean and directly engages community leaders, innovators, and entrepreneurs working to make the region and their communities more prosperous, peaceful, and democratic.
- IAF directly funds local organizations and does not use DC-based implementers or subcontractors. According to IAF, this reduces the overhead cost of programming.
- On February 19, 2025, E.O. 14217 *Commencing the Reduction of the Federal Bureaucracy*, directed, among other things, the elimination of the non-statutory components and functions of certain governmental entities including IAF.

IAF

Background, Scope, and Methodology

Congress appropriated IAF **\$47 million** in FY24 and FY25. However, IAF's FY25 funding level was **\$20 million** because of a **\$27 million** rescission.²¹

- IAF was appropriated **\$29 million** for fiscal year 2026²², but OMB added a footnote to IAF's apportionment stating that funds are available for obligation only as needed for federal salary and payroll expenses, basic operating expenses, close-out costs, or to make payments required by law.
- IAF officials told us in June 2026 that the agency is seeking clarity from both Congress and OMB on how to implement the appropriations provided by Congress while complying with the OMB footnote.
- IAF updated its strategic plan for 2026 through 2030. According to IAF officials, IAF submitted a draft of its new strategic plan to OMB as part of its FY27 submission in September 2025 and finalized the new plan in January 2026. However, IAF officials stated the agency faces significant limitations in using fiscal year 2026 funds for programs due to uncertainty regarding OMB's footnote. The agency had not disbursed funds for grants or awarded new ones in FY26 as of May 2026.

Methodology

We reviewed documentation and internal IAF data as well as interviewed officials about active grants from January 1, 2025 to April 30, 2026, and active contracts from February 27, 2025 to March 23, 2026. We reviewed staffing documentation and interviewed officials regarding staffing changes that took place between January 1, 2025 and April 30, 2026. We assessed these processes against criteria such as agency policies and federal internal control standards. We also reviewed the extent to which agencies notified Congress regarding changes to their programming and staffing.

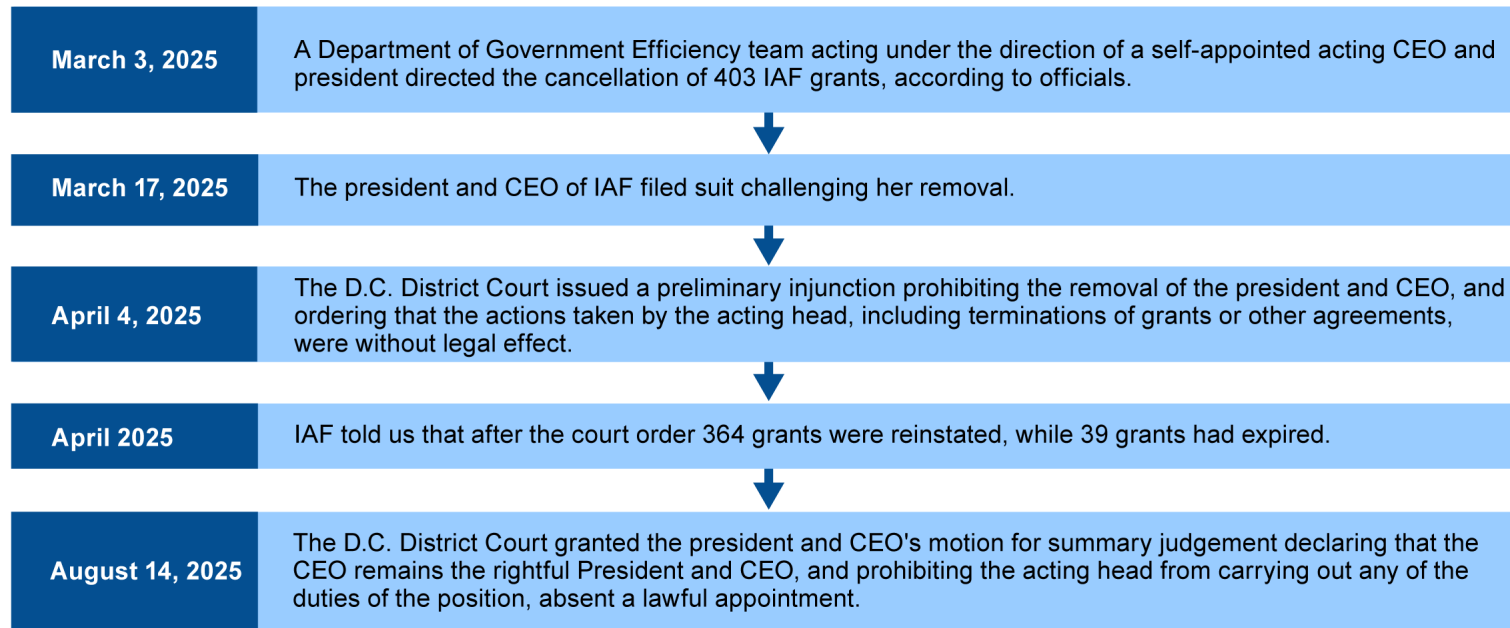
²¹Pub. L. No. 118-47, 138 Stat. at 746; Pub. L. No. 119-4, 139 Stat. at 12; Pub. L. No. 119-28, 139 Stat. at 469.

²²Pub. L. No. 119-75, 140 Stat. at 528.

IAF Programming

- IAF reduced its number of grants from **414** as of January 1, 2025 to **227** active grants as of April 30, 2026, which represents about a **45 percent** decrease. Total cumulative obligations for grants fell from approximately **\$144 million** to **\$80 million** by April 30, 2026.
- The number of IAF grants shifted between March and April 2025 due to litigation regarding grant award decisions, as shown in Figure 8.

Figure 8: Timeline of Key Events Related to the Inter-American Foundation (IAF), May 2025 to May 2026



Source: Testimony from Inter-American Foundation officials and GAO legal analysis of court filings related to Aviel v. Gor, No. 25-778 (LLA) (D.D.C. Aug. 14, 2025). | GAO-26-108607

- According to IAF officials, due to shifting guidance on the use of appropriated funds and continued uncertainty with foreign assistance, as of March 2026 no disbursements were made to grantees at any point during FY25 or FY26.
- Since April 2025, **15** grants were terminated early by mutual agreement between IAF and grantees or by grantee choice, primarily due to the inability of IAF to provide the timely disbursement of funds.
- IAF has not terminated any grants unilaterally nor has it awarded any new grants since April 4, 2025.
- As of April 30, 2026, IAF had active grants in **25** countries, compared to **27** countries as of January 1, 2025.
- In addition to grants, IAF reduced its number of contracts.
 - As of February 27, 2025, IAF had **82** total active contracts and associated task orders (together, “contracts”), **58** of which were overseas.
 - Between February 2025 and March 2025, the acting head terminated nearly all contracts following the issuance of E.O. 14217, which ordered IAF to reduce its operations.
 - Following the April 2025 court order, IAF reinstated **64** of the terminated contracts.
 - As of March 23, 2026, IAF had **59** contracts, of which 44 were overseas and 15 were domestic. The 59 contracts represent a current obligated value of approximately **\$9 million** as of March 23, 2026.

IAF Staffing

IAF's staff decreased from **36** full-time headquarters-based staff and the CEO to **23** full-time headquarters-based staff and the CEO from January 1, 2025, to March 31, 2026, according to officials.

- After E.O.s 14169 and 14217, the acting head sent Reduction-in-Force notices for **33** staff members, one of which the acting head soon rescinded.
 - Following the April 4, 2025 court order, the reinstated CEO immediately ordered the RIF notices rescinded, and **31** staff members returned to work.
- Some staff took the Voluntary Early Retirement Authority or Deferred Resignation Program offer, retired, or resigned.
- IAF officials stated in May 2026 that while there are uncertainties regarding the agency's ability to hire, critical functions are being managed by staff.

IAF
Decision-Making

- Current IAF staff were not involved in a foreign assistance review between early March and early April 2025 and are not aware of any documented IAF review from that period. According to officials, the foreign assistance program review required by E.O. 14169 was due during the period when the acting CEO was in place and only three IAF operations staff remained in work status.
 - The acting CEO's DOGE support staff informed the remaining IAF staff that DOGE would submit any responses and reports required of the agency from March 4, 2025 forward. However, IAF officials are not aware of any documented review or related reports because the DOGE team did not share documentation of its approach for IAF programming and staffing decisions.
 - IAF officials told us that after the court's April 4, 2025 order, the agency has ensured programming reflects its commitment to strategically aligning with the administration's priorities.
- As previously mentioned, following an April 2025 court order, IAF's previous CEO was reinstated and ordered the cancellation of the reduction in force and largely reinstated contracts and grants.

USADF**Background, Scope, and Methodology**

- The U.S. African Development Foundation (USADF), established in 1980 as a nonprofit government corporation, grows community enterprises by providing financial and technical support to African-owned and African-led enterprises.
- On February 19, 2025, the E.O. 14217 *Commencing the Reduction of the Federal Bureaucracy*, directed, among other things, the elimination of the non-statutory components and functions of certain governmental entities including USADF.
- Legislation was also introduced in both the Senate and House of Representatives, in 2025 and 2026 respectively, to dissolve USADF.²³ As of June 2026, neither bill had been brought to the floor for a full vote.
- The former Director of Financial Management of the USADF was charged on January 30, 2026 and pleaded guilty to accepting gratuities from a USADF contractor and then making false statements to federal law enforcement officers about those payments. The USAID Office of Inspector General (OIG) has several investigations related to USADF that are active and ongoing, according to USAID OIG officials.

²³United States African Development Foundation Dissolution Act, S. 1054, 119th Cong. (2025); African Development Foundation Termination Act of 2026, H.R. 7605, 119th Cong. (2026).

USADF

Background, Scope, and Methodology

- Congress appropriated USADF **\$45 million** in FY24 and FY25. However, USADF's FY25 funding level was **\$23 million** because of a **\$22 million** rescission.²⁴
- USADF was appropriated **\$12 million** for FY26²⁵, which is intended to cover USADF salaries and basic operational costs, according to USADF officials.

Methodology

We reviewed internal USADF data on active awards from January 2025 to May 2026. We also interviewed officials regarding staffing changes that took place between January 2025 and May 2026. We assessed these processes against criteria such as agency policies and federal internal control standards.

²⁴Pub. L. No. 118-47, 138 Stat. at 746; Pub. L. No. 119-4, 139 Stat. at 12; Pub. L. No. 119-28, 139 Stat. at 469.

²⁵Pub. L. No. 119-75, 140 Stat. at 528.

USADF Programming (cont.)

- As of January 2025, USADF was active in 23 countries (see fig. 9). At this time, USADF had about **646** active grants with cumulative obligations of approximately **\$72 million**, of which approximately **\$61 million** were obligated by USADF while the rest were co-funded by partners.
- On April 8, 2025, DOGE, led by the acting Chair of the USADF Board and self-appointed USADF President, directed the termination of **about 80 to 90 percent** of grants, according to USADF officials. **90 percent** of employees were also placed on RIF status, all contractors were terminated immediately, and the remaining eight federal employees were placed on administrative leave, according to USADF officials.

Figure 9: U.S. African Development Foundation Had Grant Programs in 23 Countries as of January 2025



Source: GAO analysis of US African Development Foundation documents and data (data); Map Resources (map). | GAO-26-108607

- On May 21, 2025, two employees and an implementing partner based in Zambia filed suit. On March 13, 2026, the U.S. District Court for the District of Columbia granted a motion for summary judgement ordering, among other things, that the defendant take all necessary steps to restore USADF employees' access to USADF's offices, IT systems, and financial systems.²⁶
- A USADF official said that the number of active grants had not changed as of May 2026, but USADF has been unable to disburse funds to grantees since January 2025. OMB added a footnote to USADF's FY26 apportionment stating that funds are available for obligation only as needed for federal salary and payroll expenses, basic operating expenses, close-out costs, or to make payments required by law.

²⁶*Rural Development Innovations Limited, et al. v. Marocco*, No. 25-1631 (D.D.C. Mar. 13, 2026).

USADF Staffing

According to officials, USADF decreased staff from **43** to **29** from January 2025 to May 2026, about a **33 percent** decrease in staff.

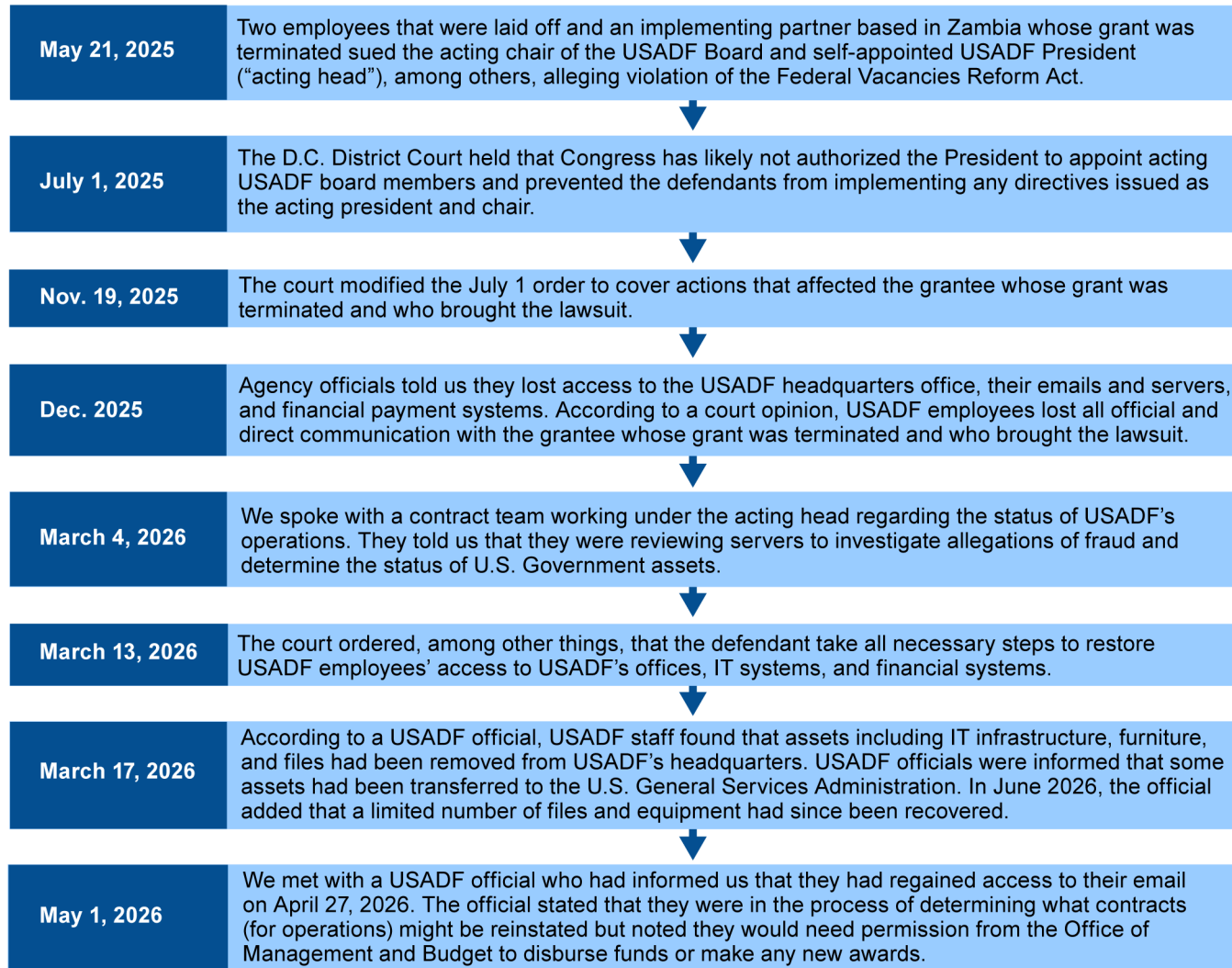
- USADF had **43** headquarters employees consisting of **31** federal employees and **12** contracted employees as of January 2025. In addition, USADF had **15** country program coordinators serving overseas as of January 2025.
- As of May 1, 2026, USADF had **29** full-time equivalents, including **21** federal employees and **eight** contractors, according to officials.²⁷
- According to a USADF official, some of USADF's staff accepted deferred resignation offers and some resigned.
- According to a USADF official, USADF also lost two country program coordinators (leaving a total of **13**) between January 2025 and May 2026.

²⁷According to one USADF official, the total number of contractors at USADF will be eight once the process of reinstating contracts is complete.

USADF
Decision-Making

According to USADF officials, USADF staff responded to E.O.s 14169 and 14217 by informing OMB that they would work with Congress on a foreign assistance review. However, USADF officials told us they could not proceed with their review at that time because a DOGE team informed USADF staff in February 2025 that the agency would be shut down. According to USADF officials, the DOGE team did not provide formal communication or guidance to remaining USADF staff about how they should manage staff or grant changes. Figure 10 shows the timeline of key events relating to USADF between May 2025 and May 2026.

Figure 10: Timeline of Key Events Related to the U.S. African Development Foundation (USADF), May 2025 to May 2026



Source: Testimony from U.S. African Development Foundation officials and GAO legal analysis of court filings related to Rural Dev. Innovations Ltd. v. Morocco, No. 25-1631 (R.JL) (D.D.C. Mar. 13, 2026). | GAO-26-108607

USAGM

Background, Scope, and Methodology

The U.S. Agency for Global Media (USAGM) is a federal agency comprised of six entities that broadcast news and information about the United States and the world to audiences abroad (see fig. 11). According to officials from USAGM's grantee networks, USAGM historically provided shared services for its affiliated broadcasting networks, including audience research capabilities, wire services, and the use of its global network of transmission infrastructure, such as radio transmitting stations.

Figure 11: U.S. Agency for Global Media and its Federal Networks and Non-Federal Entities, or Grantees



Source: U.S. Agency for Global Media. | GAO-26-108607

USAGM

Background, Scope, and Methodology (cont.)

- On March 14, 2025, E.O. 14238, *Continuing the Reduction of the Federal Bureaucracy*, directed the elimination of the non-statutory components and functions of certain governmental entities, including USAGM, and reduction of performance of their statutory functions and associated personnel to the minimum presence and function required by law.
- USAGM subsequently placed employees on administrative leave, issued a memorandum outlining what USAGM identified as its minimum statutory functions, and terminated the federal grants with its non-federal entities. These and other agency actions have been the subject of several lawsuits involving some of the networks and grantees.

Congress appropriated \$643 million for USAGM for FY26, about \$214 million less than its FY25 appropriation of \$857.2 million.²⁸

Methodology

We interviewed USAGM officials in August 2025. However, USAGM had not formally responded to our August 2025 requests for information or documentation about its programming and staffing changes as of July 2026. We met with USAGM officials again in June 2026; however, USAGM officials did not provide the requested documentation and did not explain their failure to do so. In addition, VOA or OCB had not formally responded to our requests as of June 2026, though we received information on USAGM programming from VOA and USAGM officials informally.

We reviewed documents and data and interviewed officials from USAGM's four grantees. Specifically, to understand programming and staffing changes at USAGM's grantees, we interviewed RFE/RL, MBN, RFA, and OTF officials; reviewed documentation and programming and audience data from September 2024 through May 2026; and reviewed staffing data from January 2025 to March 2026.

We also reviewed selected court filings from cases related to USAGM for information on staffing and programming and assessed decision-making processes against criteria such as agency policies and federal internal control standards. We also reviewed the extent to which USAGM notified Congress regarding changes to their programming and staffing.

²⁸Pub. L. No. 119-75, 140 Stat. at 519; Pub. L. No. 118-47, 138 Stat. at 735 as carried forward in Pub. L. No. 119-4, 139 Stat. at 12. This amount reflects only what was appropriated to the international broadcasting operations account.

USAGM (VOA/OCB) Programming

- At the end of FY24, USAGM federal networks and grantees broadcast in 63 languages across the world to an audience of 427 million people, according to USAGM’s Audience and Impact Overview for 2025. VOA’s 49 language services had a weekly audience of 361 million viewers.
- Following the March 2025 E.O., USAGM ordered VOA to cease all programming. Emails between USAGM and its grantees and court filings indicate that the Senior Advisor to the CEO of USAGM and other USAGM leadership made decisions about programming and staffing, including what level of programming and staffing represented the “statutory minimum” for the agency.
- In December 2025, USAGM indicated in court filings that it was making efforts to satisfy its statutory mandate, and had resumed broadcasting in Farsi, Dari, and Pashto, and was producing digital content in Mandarin.
- As of May 2026, VOA had resumed producing digital content and radio or TV programming in Farsi, Korean, Dari, Pashto, Mandarin, and Kurdish, according to officials, and OCB had resumed digital and radio programming in Spanish.

USAGM (VOA/OCB) Staffing

USAGM and VOA collectively employed 1,147 full-time employees (FTEs) and had 598 contractors, as of March 14, 2025, according to court filings. Most of these staff—more than 1,300—worked for VOA.

- Following E.O. 14238 in March 2025, USAGM terminated nearly all contractors and placed over **90** percent of FTEs on administrative leave, according to court filings.
 - USAGM proposed eliminating hundreds of positions in a March 2025 statutory minimum memorandum and attempted a reduction in force in August 2025, according to court filings.
- A March 2026 district court order set aside USAGM's placement of employees on administrative leave and ordered USAGM to bring employees back from administrative leave, but did not order the reinstatement of contractors. The United States Court of Appeals for the District of Columbia stayed the district court order to the extent that it required the reinstatement of all employees placed on administrative leave pursuant to the March 2025 directive.
- As of March 2026, USAGM, including VOA and OCB, had 319 active employees and 484 on administrative leave, according to court filings.
- Between March and early July 2026, USAGM returned at least **57** employees from administrative leave, according to court filings.

USAGM (Grantees) Programming

Following E.O. 14238, USAGM terminated the grants for each of the non-federal entities and began terminating support for various shared services. USAGM later rescinded RFE/RL's and OTF's grant terminations but remained in court with each of the grantees over USAGM's withholding of grant funds. In light of USAGM withholding funds and cancelling shared services without notice, grantees cut programming and staffing to various extents. From March 2025 to March 2026, based on our review of grantee documents and written responses:

- At the direction of USAGM, RFE/RL discontinued language services in Hungarian, Bulgarian, Romanian, Macedonian, and Pashto (to Pakistan), and terminated related positions.²⁹ In addition, USAGM terminated RFE/RL satellite contracts to Russia, radio transmissions to Iran, Afghanistan, and Turkmenistan, and other content delivery services that RFE/RL was forced to self-fund or discontinue, according to RFE/RL officials.
- MBN ceased television programming across the Middle East and North Africa and transitioned to digital media production following unstable funding, according to MBN officials. MBN officials estimated that MBN's reach fell from about 33 million monthly viewers over television and five websites to five to seven million viewers through one website as of March 2026.

²⁹RFE/RL's Moldovan and Afghan Services continued programming in Romanian and Pashto, respectively, as of September 2026.

**USAGM (Grantees)
Programming (cont.)**

- RFA paused new editorial content in fall 2025, during the government shutdown, before receiving disbursements and resuming limited production of new online content and shortwave radio programming in Burmese, English, Khmer, Korean, Lao, Mandarin, Tibetan, Uyghur, and Vietnamese.
 - In January 2025, RFA brands provided coverage in 15 languages across Asia and the Pacific region, including to audiences in China, Indonesia, and North Korea.
- OTF did not terminate any projects but has been unable to fund new projects to keep up with Chinese censorship tactics due to irregular disbursements from USAGM, according to OTF officials. These officials said that about 90 percent of the USAGM's Iranian audience relies on OTF technology to access VOA and RFE/RL content. Additionally, over 50 percent of USAGM's audience in China relies on OTF technology to access content.

USAGM (Grantees) Staffing

From January 2025 to March 2026, based on our review of documents and written responses from USAGM grantees, three of four grantees decreased staff in response to irregular disbursements from USAGM and the loss of shared services:

- RFE/RL decreased staff from **1428 to 1153** FTEs and from **635 to 151** contractors, according to RFE/RL staffing data.
- MBN decreased staff by **over 90 percent**, from **558 to 52** FTEs, according to MBN staffing data. MBN officials told us in July 2026 that MBN was hiring to replace some of the staff that had been terminated. MBN officials noted they would hire a significant number of staff, but fewer than were terminated.
- RFA decreased staff from **385 to 29**, according to RFA staffing data and officials. In July 2026, RFA was planning to increase operations and hiring following recent regular disbursements from USAGM, according to RFA officials.
- OTF maintained about the same number of staff, with 32 FTEs in March 2025 and 31 in March 2026, according to OTF officials.

USAGM Decision-Making

All four grantees told us they had limited communication with USAGM officials from March 2025 to the end of 2025. Each of the grantees reported that, prior to E.O. 14238, they had frequent communications to help inform operations and programming. However, beginning in March 2025, they did not receive notice or formal guidance on how to implement programming after USAGM cancelled shared services, according to these grantees. For example:

- USAGM cancelled certain wire services used by VOA and USAGM grantees without notice on March 13, 2025, leaving MBN and RFE/RL without key sources for video, photo, or news content. At the time, MBN and RFE/RL operated 24/7 television services in Arabic and Russian, respectively.
- USAGM unexpectedly ceased providing transmission services used by RFE/RL and RFA starting in March 2025. As a result, RFE/RL had to secure commercial transmission into Iran during a time of critical events, according to RFE/RL officials.
- RFE/RL officials explained that the unplanned loss of data and resources used to track and understand platform audiences impeded their ability to strategize and develop content. Officials added that the lack of support from USAGM stifled innovation, eroded morale, and disrupted RFE/RL's ability to focus on long-term opportunities.

USAGM Decision-Making

- According to officials from USAGM's grantees and USAGM's Annual Financial Report, USAGM stopped communicating with grantees due to ongoing litigation between USAGM and its grantees.
- In June 2026, representatives from the four grantees told us that communications with USAGM had improved since January 2026 and that they had begun holding regular standing meetings with USAGM again. In June 2026, USAGM officials told us that USAGM leadership, legislative affairs, and policy and research officials were working to improve USAGM's communication with the grantees.

DFC

Background, Scope, and Methodology

Congress established the Development Finance Corporation (DFC) in the BUILD Act of 2018. The Act combined certain functions from the Overseas Private Investment Corporation and USAID into DFC.

DFC is the international investment arm of the U.S. government that promotes U.S. overseas investment and U.S. foreign policy goals through partnership with the private sector. To achieve its mission, DFC employs tools such as direct loans and loan guaranties, equity investments, and political risk insurance.

Congress appropriated \$983.25 million to DFC for FY26.³⁰

Methodology

We reviewed project data for DFC projects initiated between fiscal year 2023 and April 2026 and interviewed DFC officials. We also reviewed written responses and data on staffing from DFC covering January 2025 through March 2026. We assessed DFC decision-making processes against criteria such as agency policies and federal internal control standards. We reviewed the extent to which DFC notified Congress regarding changes to programming and staffing.

Our analysis omitted data on projects initiated between October 2022 and March 2026 that had been fully cancelled as of April 2026, with one exception. In September 2026, DFC informed us that it cancelled a \$99 million project in Mozambique on April 9, 2026 that it previously reported was active as of April 30, 2026.

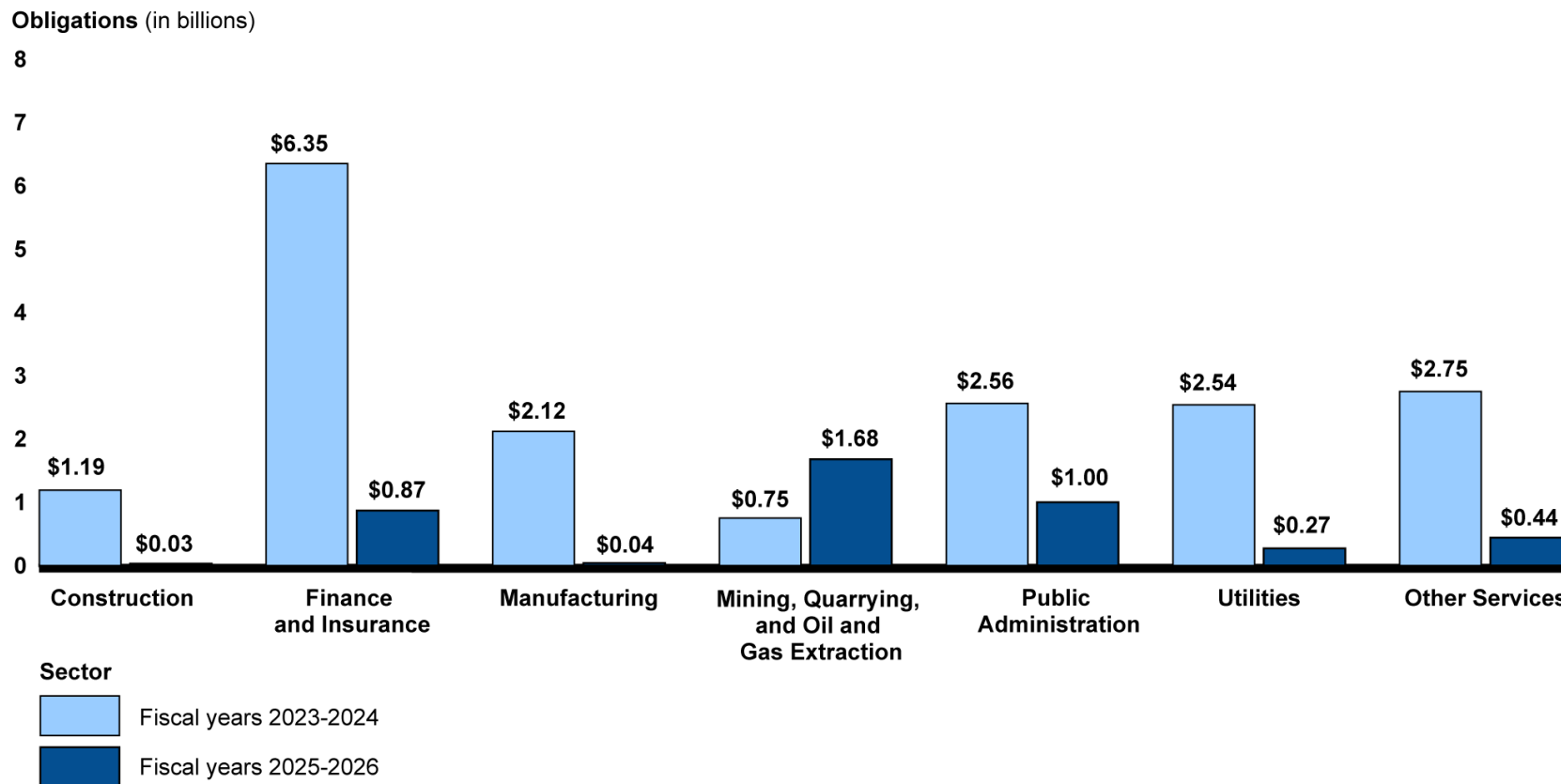
³⁰Pub. L. No. 119-75, 140 Stat. at 535. This amount reflects only what was appropriated to the corporate capital account.

DFC Programming

DFC is financing larger and fewer new projects than in previous years. DFC is prioritizing projects related to critical minerals, supply chains, ports, and areas related to competition with China, according to DFC officials.

- DFC obligated about **\$4.33 billion** for 37 new projects in FY25 and FY26 that remained active as of April 2026, compared to **\$18.27 billion** for 272 new projects in FY23 and FY24.
- According to our analysis of DFC data, 39 percent (about \$1.68 billion) of these obligations were for projects for mining, quarrying, and oil and gas extraction in FY25 and FY26 (see fig. 12). Mining, quarrying, and oil and gas extraction projects represented 4 percent of obligations for active projects that began in FY23 and FY24 (about \$750 million).

Figure 12: DFC New Obligations by Sector, Fiscal Years (FY) 2023-2024 and 2025-2026, for Awards Active as of April 2026



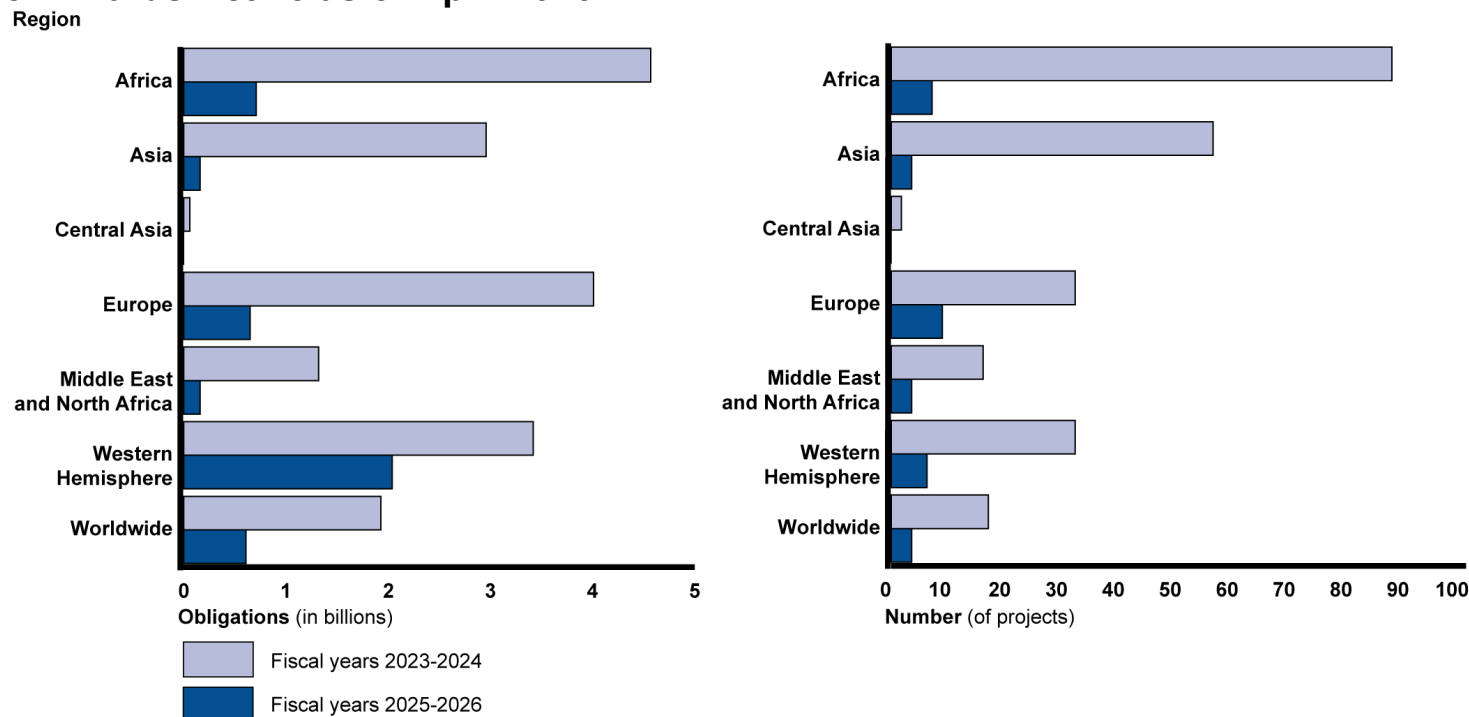
Source: GAO analysis of Development Finance Corporation data. | GAO-26-108607

Note: Obligations reflect DFC projects initiated from FY23 through April 2026. Data does not reflect DFC obligations toward new projects that were subsequently cancelled and inactive as of April 2026.

DFC Programming (cont.)

The value of new DFC investments that remained active as of March 2026 declined in each region in FY25 and FY26 compared to investments from FY23 and FY24. The Western Hemisphere received the largest proportion of DFC obligations for new awards in FY25 and FY26 that remained active as of April 2026 (**47 percent**, about **\$2.04 billion**). Africa received the largest proportion of DFC obligations in fiscal years 2023 and 2024 (**25 percent**, about **\$4.57 billion**). Investments in Asia decreased to **4 percent** (about **\$165 million**) in FY25 and FY26, down from **16 percent** (about **\$2.96 billion**) in FY23 and FY24.

Figure 13: DFC Obligations by Region, Fiscal Years (FY) 2023-2024 and 2025-2026, for Awards Active as of April 2026



Source: GAO analysis of Development Finance Corporation data. | GAO-26-108607

Note: Obligations reflect DFC projects initiated from FY23 through April 2026. Data does not reflect DFC obligations toward new projects that were subsequently cancelled and inactive as of April 2026.

DFC Staffing

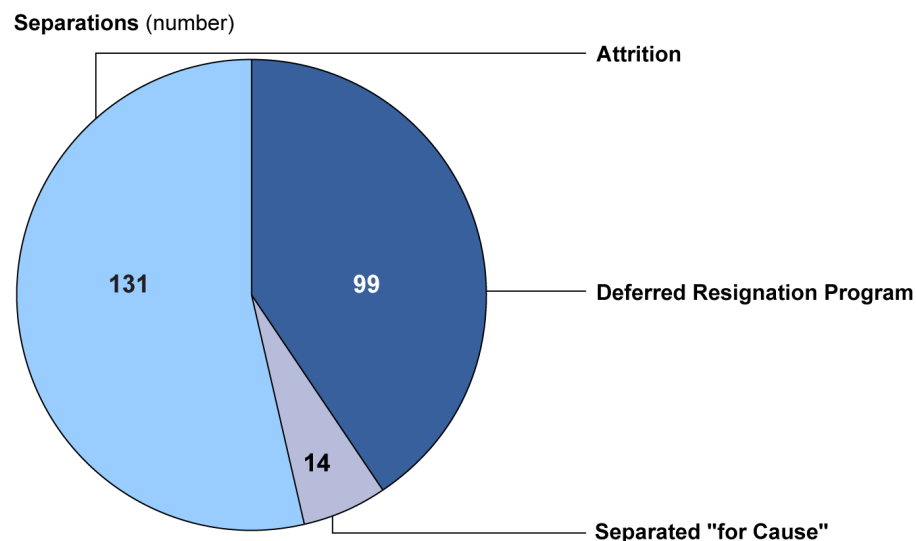
DFC decreased its workforce by about **29 percent**, from **717 FTEs** in January 2025 to **510 FTEs** in March 2026, according to DFC officials. Specifically:

- From January 2025 to March 2026, DFC separated **244 FTEs** (see fig. 14) and hired **37**.
- DFC did not engage in a reduction in force.

DFC said that its current workforce is sufficient for its budget and operations, though the number of employees in some units may require rebalancing to address DFC's needs. We did not independently assess the effect of workforce changes on DFC's programming and operations in this review. We have ongoing and planned reviews of foreign assistance workforce changes.

DFC was completing a strategic workforce assessment as of July 2026 to determine its hiring needs, according to officials.

Figure 14: DFC Separations since January 2025



Source: GAO analysis of Development Finance Corporation information. | GAO-26-108607

DFC
Decision-Making

Decisions on programming and staffing changes from January to October 2025 were made by the DFC board of directors, Acting CEO, and Head of Investments, and advised by DOGE, OMB, the National Security Council, and State officials, according to DFC officials. According to DFC officials, DFC communicated with Congress in 2025 and early 2026 about investments that were no longer being pursued.

- DFC officials told us that they did not develop, document, or communicate written policies or guidance on changes to DFC's strategic approach for aligning program decisions with foreign policy priorities in 2025. According to the officials, they did not have time to document guidance and processes related to evaluating which pending projects DFC would continue or terminate because of the speed at which changes were occurring in 2025.
- DFC officials added that since DFC's current CEO was confirmed by the U.S. Senate in October 2025, and DFC's reauthorization passed in December 2025, DFC has published updates on its website with DFC's priorities as well as the regions and sectors where it works. The website also includes an 'eligibility checklist' that lists the basic criteria for DFC projects. In April 2026, DFC compiled a strategic plan for fiscal years 2026-2030, which outlines its planned approach for aligning new investments with foreign policy priorities.

Enclosure II: Comments from the Department of State



United States Department of State

Washington, DC 20520

SEPT 16 2026

Kimberly Gianopoulos
Managing Director
International Affairs and Trade
Government Accountability Office
441 G Street, N.W.
Washington, D.C. 20548-0001

Dear Ms. Gianopoulos:

We appreciate the opportunity to review your draft report, "FOREIGN ASSISTANCE: Agencies Made Broad Changes, but State Lacked Guidance for Decisions." GAO Job Code 108607.

The enclosed Department of State comments are provided for incorporation with this letter as an appendix to the final report.

Sincerely,

A handwritten signature in blue ink, appearing to read "Mark Erickson", with a long horizontal flourish extending to the right.

Mark Erickson
Deputy Executive Director
Office of the Under Secretary for Management

Enclosure:
As stated

cc: GAO – Latesha Love-Grayer
OIG - Norman Brown

Department of State Comments to GAO Draft Report

**FOREIGN ASSISTANCE: Agencies Made Broad Changes, but State Lacked
Guidance for Decisions**
(GAO-26-108607, GAO Code 108607)

The Department of State appreciates the opportunity to comment on GAO's draft report "*Foreign Assistance: Agencies Made Broad Changes, but State Lacked Guidance for Decisions.*"

Recommendation 1: The Secretary of State should direct the Bureau of Global Acquisitions (GA) to ensure that the status of foreign assistance grants and agreements recorded in the MyGrants database is technically consistent and accurate.

Note that GA is not responsible for data validation; this function is performed by the programming bureaus that use the MyGrants database (GA requested the italicized language as an update).

Response: The Department of State concurs with this recommendation. The Bureau of Global Acquisitions (GA) will work with the managers of the MyGrants system as well as programming bureaus to validate that the status of foreign assistance grants and cooperative agreements are recorded in MyGrants accurately and consistently and that all the information is up to date.

Recommendation 2: The Secretary of State should direct the Chief Human Capital Officer, or other appropriate official, to take steps to ensure that State is able to obtain or generate comprehensive data on the composition of its workforce, including Foreign Service, Civil Service, locally employed staff, and contractors, by location.

Response: The Bureau of Human Resources (HR), led by the Chief Human Capital Officer, and the Bureau of the Comptroller and Global Financial Services (CGFS) manage systems that allow the Department to generate detailed staffing reports on the composition of Foreign Service, Civil Service, locally employed staff, and personal service contractors categories by location. Regarding the Department's other contractors, absent legislative change or approval from OMB for collecting this data (i.e., Paperwork Reduction Act clearance process), federal and Departmental regulations do not permit the collection of individual contractor

staffing data at this level. As a result, the Department requests Recommendation 2 be restated to reflect the following:

The Secretary of State should direct the Chief Human Capital Officer and the Comptroller to take steps to ensure that State is able to obtain or generate comprehensive data on the composition of its workforce, including Foreign Service, Civil Service, Locally Employed staff, and personal service contractors, by location.

Recommendation 3: The Secretary of State should ensure that the Director, Office of Policy Planning or other appropriate office develops, documents, and communicates agency-wide guidance with standards for aligning foreign assistance program and project decisions with foreign policy priorities.

Response: As part of the ongoing reorganization implementation process, the Department continues to review and update agency guidance where appropriate, including updates to the Foreign Affairs Manual (FAM) and the Foreign Affairs Handbook (FAH) and will take GAO's recommendation into account for future planning and budgeting cycles.

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