



HIGHLIGHTS

Office of Inspector General
United States Department of State

AUD-FA-26-17

What OIG Evaluated

In July 2025, the Department of State (Department) assumed responsibility for select U.S. Agency for International Development (USAID) functions, including the administration of foreign assistance programs and associated awards referred to as the Green List.

The Office of Inspector General (OIG) conducted this evaluation to describe the Department's administration of USAID foreign assistance programs and associated awards transferred to the Department.

What OIG Recommends

OIG did not offer new recommendations based on the results of this evaluation. However, OIG encouraged the Department to fully implement the recommendations offered in May 2025 related to resource and workforce capacity, establishing an implementation plan to guide the realignment, and developing a strategic workforce plan to support reform efforts. OIG considers the prior recommendations resolved, pending further action, as of July 2026. Implementing these recommendations may improve challenges related to updating award terms and conditions and addressing staffing needs, personnel training needs, and access to IT systems and complete and accessible data issues identified in this report.

The Office of the Under Secretary for Management provided an informal response to a draft of this report, noting that implementation of the May 2025 recommendations is in progress. In addition, the Bureau of Budget and Planning, the Bureau of the Comptroller and Global Financial Services, the Bureau of Global Acquisition, and the Office of Foreign Assistance Oversight provided technical comments on a draft of this report, which OIG incorporated, as appropriate.

July 2026

OFFICE OF AUDITS

FOREIGN ASSISTANCE DIVISION

Evaluation of Department of State Administration of Foreign Assistance Programs Transferred from the U.S. Agency for International Development

What OIG Found

In September 2025, 17 Department bureaus and offices were responsible for administering 1,504 foreign assistance programs and associated awards transferred from USAID. The total obligated value of these Green List awards was \$51.5 billion, and their total expected cost surpassed \$86 billion. This represents a significant increase in the Department's foreign assistance portfolio. Additionally, the Green List awards used award mechanisms unfamiliar to Department officials. Moreover, the place of performance for these awards spanned 100 countries, including conflict zones such as Israel and the Palestinian Territories and Ukraine. During this evaluation, Department officials reported issues related to staffing, training, and IT systems access, as well as a lack of comprehensive guidance related to updating the terms and conditions for Green List awards.

Prior OIG work identified potential risks that the Department faced with respect to the realignment of select USAID functions to the Department. OIG offered recommendations intended to advance the long-term success of the Department's realignment efforts. Specifically, OIG recommendations intended to ensure that entities with realignment responsibilities have the appropriate resources and capacity to manage implementation processes, evaluate the Department's workforce capacity, and develop a strategic workforce plan for its reform efforts. However, as of July 2026, the Department had not fully implemented OIG's recommendations. The Department's ability to administer foreign assistance programs and associated awards could be improved if these recommendations are fully implemented.