OFFICE OF INSPECTOR GENERAL
U.S. Agency for International Development

Audit of USAID's Financial Statements for Fiscal Years 2023 and 2022

Audit Report 0-000-24-001-C
November 14, 2023

Financial Audits Division

MEMORANDUM

DATE: November 14, 2023

TO: USAID, Chief Financial Officer, Reginald W. Mitchell

FROM: Assistant Inspector General, Office of Audits, Inspections, and Evaluations, Toayoa D. Aldridge /s/

SUBJECT: Audit of USAID's Financial Statements for Fiscal Years 2023 and 2022 (0-000-24-001-C)

Enclosed is the final report on the audit of USAID's financial statements for fiscal years 2023 and 2022.[1] The Office of Inspector General (OIG) contracted with the independent certified public accounting firm of GKA P.C. Certified Public Accountants and Consultants (GKA) to conduct the audit. The contract required the audit firm to perform the audit in accordance with generally accepted government auditing standards and Office of Management and Budget Bulletin 24-01, Audit Requirements for Federal Financial Statements.

In carrying out its oversight responsibilities, OIG reviewed the audit firm's report and related audit documentation and inquired of its representatives. Our review, which was different from an audit performed in accordance with generally accepted government auditing standards, was not intended to enable us to express, and we do not express, an opinion on USAID's financial statements. The audit firm is responsible for the enclosed auditor's report and the conclusions expressed in it. We found no instances in which GKA did not comply, in all material respects, with applicable standards.

The audit objectives were to: (1) express an opinion on whether the financial statements as of September 30, 2023 and 2022, were presented fairly, in all material respects; (2) evaluate USAID's internal control over financial reporting; and (3) determine whether USAID complied with applicable laws, regulations, contracts, and grant agreements. To answer the audit objectives, the audit firm assessed risk, considered internal controls, and designed audit

[1] Pursuant to the James M. Inhofe National Defense Authorization Act for Fiscal Year 2023, Pub. L. No. 117-263, § 5274, which amends the Inspector General Act of 1978, when USAID OIG contracts with an audit firm to perform the work, USAID OIG provides non-governmental organizations and/or business entities specifically identified in the accompanying report, if any, 30 days from the date of report publication to review the final report and submit a written response to USAID OIG that clarifies or provides additional context for each instance within the report in which the non-governmental organization and/or business entity is specifically identified. Any comments received to this effect are posted for public viewing on https://usaid.oig.gov with USAID OIG's final transmittal. Please direct related inquiries to oignotice_ndaa5274@usaid.gov.

procedures relevant to USAID's fair presentation of its fiscal years 2023 and 2022 financial statements.

The audit firm concluded that USAID's financial statements for fiscal years ended September 30, 2023 and 2022, are presented fairly, in all material respects, and in accordance with U.S. generally accepted accounting principles. The audit firm found no reportable noncompliance for fiscal year 2023 with provisions of applicable laws, regulations, contracts, and grant agreements. The audit firm also found no material weaknesses but reported one significant deficiency related to USAID's internal control process for calculating and recording accrued expenses. GKA determined that USAID has not completed the final action on the prior year's recommendation[2] to address this repeated significant deficiency and therefore we did not make new recommendations to address it.

In finalizing the report, the audit firm acknowledged the USAID's response to the report. We appreciate the assistance provided to our staff and the audit firm's employees during the engagement.

[2] USAID OIG, "Audit of USAID's Financial Statements for Fiscal Years 2022 and 2021" (0-000-23-001-C), November 12, 2022, Recommendation 1.

gka, p.c.
Certified Public Accountants
& Consultants
Member of the American Institute of Certified Public Accountants

November 6, 2023

Chief Financial Officer and Inspector General
U.S. Agency for International Development
Washington, D.C.

RE: Audit of the U.S. Agency for International Development (USAID) Financial Statements for Fiscal Years 2023 and 2022

This letter transmits the final report on our audit of USAID's financial statements for fiscal years 2023 and 2022. The Government Management Reform Act of 1994, Public Law 103–356, requires USAID to prepare consolidated financial statements for each fiscal year. Office of Management and Budget (OMB) Circular A–136, *Financial Reporting Requirements,* requires USAID to submit a Performance and Accountability Report or an Agency Financial Report, including audited financial statements to OMB, Congress, and the Government Accountability Office. USAID has prepared an Agency Financial Report with an agency head message, management's discussion, and analysis, "other information" and a financial section. GKA is responsible for auditing the Agency's financial statements and preparing the independent auditor's report, which appears in the financial section.

GKA has issued an unmodified opinion on USAID's principal financial statements for fiscal years 2023 and 2022.

With respect to internal control, we identified one deficiency that we consider significant. The significant deficiency pertains to USAID's processes for calculating and recording accrued expenses.

The results of our tests of compliance disclosed no instances of noncompliance with laws and regulations that are required to be reported under *Government Auditing Standards* or OMB Bulletin No. 24-01. We identified no instances of substantial noncompliance with the Federal Financial Management Improvement Act of 1996 (FFMIA), Public Law 104-208.

We made no new recommendations for fiscal year 2023.

We appreciate the assistance you and your staff extended to us during the audit.

GKA, P.C. /s/

Contents

INTRODUCTION
The financial statements of the U.S. Agency for International Development (USAID) reflect and evaluate the Agency's execution of its mission—promoting U.S. foreign policy interests in expanding democracy, growing free markets, and extending a helping hand to those working to improve their lives or to recover from disasters. USAID receives most of its funding from general Government funds administered by the U.S. Department of the Treasury and appropriated by Congress. For the fiscal year ended September 30, 2023, USAID reported total budgetary resources of approximately $51.7 billion.

GKA, P.C. (GKA) performed the audits to determine whether USAID's principal financial statements presented fairly the assets, liabilities, net position, net costs, changes in net position, and budgetary resources for the fiscal years 2023 and 2022.

SUMMARY
USAID's consolidated balance sheets, consolidated statements of net cost, consolidated statements of changes in net position, and combined statements of budgetary resources present fairly, in all material respects, the financial position of USAID as of and for the fiscal years ended September 30, 2023 and 2022, and in conformity with accounting principles generally accepted in the United States of America. We identified one significant deficiency in internal control related to USAID's processes for calculating and recording accrued expenses.

The results of our tests of compliance disclosed no instances of noncompliance with laws and regulations that are required to be reported under *Government Auditing Standards* or Office of Management and Budget (OMB) Bulletin No. 24-01, *Audit Requirements for Federal Financial Statements*.

We identified no instances of substantial noncompliance with the Federal Financial Management Improvement Act of 1996 (FFMIA), Public Law 104-208.

We made no new recommendations for fiscal year 2023.

BACKGROUND
The Government Management Reform Act of 1994, Public Law 103-356, requires USAID to submit audited financial statements to the Office of Management and Budget annually. Accordingly, for fiscal year 2023, USAID has prepared the following:

- Consolidated Balance Sheets
- Consolidated Statements of Net Cost
- Consolidated Statements of Changes in Net Position
- Combined Statements of Budgetary Resources
- Notes to the Principal Financial Statements
- Required Supplementary Information

In accordance with Government Auditing Standards, GKA has also issued reports, dated November 6, 2023, on its consideration of USAID's internal control over financial reporting and on its tests of USAID's compliance with certain provisions of laws, regulations, contracts and grant agreements. These reports are an integral part of an overall audit conducted in accordance with Government Auditing Standards and should be read in conjunction with the independent auditor's report.

In our opinion, USAID's financial statements referred to above present fairly, in all material respects, USAID's financial position as of September 30, 2023, and 2022, and its net cost of operations, changes in net position, and budgetary resources for the fiscal years then ended in accordance with U.S. generally accepted accounting principles.

INDEPENDENT AUDITOR'S REPORT

Chief Financial Officer and Inspector General
U.S. Agency for International Development
Washington, D.C.

In our audits of the fiscal years 2023 and 2022 financial statements of the U.S. Agency for International Development (USAID), we found:

- USAID's financial statements as of and for the fiscal years ended September 30, 2023, and 2022, are presented fairly, in all material respects, in accordance with U.S. generally accepted accounting principles;
- No material weaknesses, but found one significant deficiency in internal control over financial reporting for fiscal year 2023 based on the limited procedures we performed; and
- no reportable noncompliance for fiscal year 2023 with provisions of applicable laws, regulations, contracts, and grant agreements we tested.

The following sections discuss in more detail (1) our report on the financial statements, which includes required supplementary information (RSI)[1] and other information included with the financial statements; (2) our report on internal control over financial reporting; (3) our report on compliance with laws, regulations, contracts, and grant agreements; and (4) agency comments.

Report on the Financial Statements

Opinion

In accordance with Government Auditing Standards, we have audited the accompanying financial statements of USAID which comprise the consolidated balance sheets as of September 30, 2023 and 2022, the related consolidated statements of net cost, consolidated statements of changes in net position, and combined statements of budgetary resources for the years then ended, and the related notes to the financial statements (hereinafter referred to as the "consolidated financial statements").

In our opinion, USAID's financial statements present fairly, in all material respects, USAID's financial position as of September 30, 2023 and 2022, and its net costs of operations, changes in net position, and budgetary resources for the years then ended in accordance with U.S. generally accepted accounting principles.

[1] The RSI, is information that a designated accounting standard-setter requires to accompany the basic financial statements, consists of the Management Discussion and Analysis (MD&A).

Basis of Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and applicable provisions of Office of Management and Budget (OMB) Bulletin No. 24-01, *Audit Requirements for Federal Financial Statements*.

Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of USAID and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibility of Management for the Financial Statements

USAID management is responsible for (1) the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles; (2) preparing, measuring, and presenting the RSI in accordance with U.S. generally accepted accounting principles; (3) preparing and presenting other information included in USAID's financial report, and ensuring the consistency of that information with the audited financial statements and the RSI; and (4) maintaining effective internal control over financial reporting, including the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement or material weakness when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with U.S. generally accepted government auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements in order to obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

- Obtain an understanding of internal control relevant to our audit of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of USAID's internal control over financial reporting. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Perform other procedures we consider necessary in the circumstances.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the financial statement audit.

Required Supplementary Information

U.S. generally accepted accounting principles issued by the Federal Accounting Standards Advisory Board (FASAB) require that the RSI be presented to supplement the financial statements. Such information is the responsibility of management and, although not a part of the financial statements, is required by FASAB, which considers it to be an essential part of financial reporting for placing the financial statements in appropriate operational, economic, or historical context. We have applied certain limited procedures to the RSI in accordance with U.S. generally accepted government auditing standards, which consisted of inquiries of management about the methods of preparing the RSI and comparing the information for consistency with management's responses to the auditor's inquiries, the financial statements, and other knowledge we obtained during the audit of the financial statements, in order to report omissions or material departures from FASAB guidelines, if any, identified by these limited procedures. We did not audit and we do not express an opinion or provide any assurance on the RSI because the limited procedures we applied do not provide sufficient evidence to express an opinion or provide any assurance.

Other Information

USAID's other information contains a wide range of information, some of which is not directly related to the financial statements. This information is presented for purposes of additional analysis and is not a required part of the financial statements or the RSI. Management is responsible for the other information included in USAID's financial report. The other information comprises the historical information but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Report on Internal Control over Financial Reporting

In connection with our audit of USAID's financial statements, we considered USAID's internal control over financial reporting, consistent with our auditor's responsibility discussed below.

Results of Our Consideration of Internal Control over Financial Reporting

Our consideration of internal control was for the limited purpose described below, and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies or to express an opinion on the effectiveness of USAID's internal control over financial reporting. Given these limitations, during our 2023 audit, we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, we identified one deficiency in USAID's internal control, summarized below and described in Appendix A, that we consider to be a significant deficiency related to USAID's controls over calculating and recording of accrued expenses.

A *deficiency* in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of USAID's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control over financial reporting that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

During our 2023 audit, we identified deficiencies in USAID's internal control over financial reporting that we do not consider to be material weaknesses or significant deficiencies. Nonetheless, these deficiencies warrant USAID management's attention. We have communicated these matters to USAID management and, where appropriate, will report on them separately.

Basis for Results of Our Consideration of Internal Control over Financial Reporting
We performed our procedures related to USAID's internal control over financial reporting in accordance with U.S. generally accepted government auditing standards.

Responsibilities of Management for Internal Control over Financial Reporting
USAID management is responsible for designing, implementing, and maintaining effective internal control over financial reporting relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for Internal Control over Financial Reporting
In planning and performing our audit of USAID's financial statements as of and for the year ended September 30, 2023 and 2022, in accordance with U.S. generally accepted government auditing standards, we considered USAID's internal control relevant to the financial statement audit in

order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of USAID's internal control over financial reporting. Accordingly, we do not express an opinion on USAID's internal control over financial reporting. We are required to report all deficiencies that are considered to be significant deficiencies or material weaknesses. We did not consider all internal controls relevant to operating objectives, such as those controls relevant to preparing performance information and ensuring efficient operations.

Definition and Inherent Limitations of Internal Control over Financial Reporting

An entity's internal control over financial reporting is a process effected by those charged with governance, management, and other personnel, the objectives of which are to provide reasonable assurance that (1) transactions are properly recorded, processed, and summarized to permit the preparation of financial statements in accordance with U.S. generally accepted accounting principles, and assets are safeguarded against loss from unauthorized acquisition, use, or disposition, and (2) transactions are executed in accordance with provisions of applicable laws, including those governing the use of budget authority, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements. Because of its inherent limitations, internal control over financial reporting may not prevent, or detect and correct, misstatements due to fraud or error.

Intended Purpose of Report on Internal Control over Financial Reporting

The purpose of this report is solely to describe the scope of our consideration of USAID's internal control over financial reporting and the results of our procedures, and not to provide an opinion on the effectiveness of USAID's internal control over financial reporting. This report is an integral part of an audit performed in accordance with U.S. generally accepted government auditing standards in considering internal control over financial reporting. Accordingly, this report on internal control over financial reporting is not suitable for any other purpose.

Report on Compliance with Laws, Regulations, Contracts, and Grant Agreements

In connection with our audit of USAID's financial statements, we tested compliance with selected provisions of applicable laws, regulations, contracts, and grant agreements consistent with our auditor's responsibility discussed below.

Results of Our Tests for Compliance with Laws, Regulations, Contracts, and Grant Agreements

Our tests for compliance with selected provisions of applicable laws, regulations, contracts, and grant agreements disclosed no instances of noncompliance for fiscal year 2023 that would be reportable under U.S. generally accepted government auditing standards. However, the objective of our tests was not to provide an opinion on compliance with laws, regulations, contracts, and grant agreements applicable to USAID. Accordingly, we do not express such an opinion.

Basis for Results of Our Tests for Compliance with Laws, Regulations, Contracts, and Grant Agreements

We performed our tests of compliance in accordance with U.S. generally accepted government auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for Tests of Compliance section below.

Responsibilities of Management for Compliance with Laws, Regulations, Contracts, and Grant Agreement

USAID's management is responsible for complying with laws, regulations, contracts, and grant agreements applicable to USAID.

Auditor's Responsibilities for Tests of Compliance with Laws, Regulations, Contracts, and Grant Agreements

Our responsibility is to test compliance with selected provisions of applicable laws, regulations, contracts, and grant agreements applicable to USAID that have a direct effect on the determination of material amounts and disclosures in USAID's financial statements, and to perform certain other limited procedures. Accordingly, we did not test compliance with all laws, regulations, contracts, and grant agreements applicable to USAID. We caution that noncompliance may occur and not be detected by these tests.

Intended Purpose of Report on Compliance with Laws, Regulations, Contracts, and Grant Agreements

The purpose of this report is solely to describe the scope of our testing of compliance with selected provisions of applicable laws, regulations, contracts, and grant agreements, and the results of that testing, and not to provide an opinion on compliance. This report is an integral part of an audit performed in accordance with U.S. generally accepted government auditing standards in considering compliance. Accordingly, this report on compliance with laws, regulations, contracts, and grant agreements is not suitable for any other purpose.

USAID's Response to Audit Findings and Recommendations

USAID's response to the findings and recommendations identified in our report is described in Appendix C. USAID's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Status of Prior Year Recommendations

We have reviewed the status of USAID's corrective actions with respect to the findings and recommendations included in the prior year's Independent Auditors' Report, dated November 8, 2022. The status of prior year recommendations is presented in Appendix D.

GKA, P.C. /s/

Washington, DC
November 6, 2023

APPENDIX A. SIGNIFICANT DEFICIENCY

Significant Deficiency in Internal Control Over Calculating and Recording Accrued Expenses (Repeat)

USAID's methodology for estimating and recording accrued expenses begins with a system generated estimated accrual amount. The Contracting Officer Representative (COR) reviews this amount, modifies it if necessary, before approving the "modified accrual amount" for posting to the general ledger.

USAID/WASHINGTON

We selected a judgmental sample of 45 modified accruals as of March 31, 2023, for testing. We noted that:

- For 2 out of 45 sampled items, COR Quarterly Accrual Worksheets supporting the modified accrual amount in Phoenix were not provided by the CORs. The total amount is $1,552,308.
- For 3 out of the 45 sampled items, COR Quarterly Accrual Worksheets had incorrect calculations and did not match the modified accrual amount in Phoenix. Based on the difference noted, the Q2 accruals were overstated by the amount of $818,796.

USAID/MISSIONS

Mission A
During our testing as of March 31, 2023, one (1) of the 45 sampled items did not have supporting documentation to justify the transaction – total amount of $752,804.

Mission B
During our testing as of June 30, 2023, we noted that:

- For six (6) of the 22 sampled items, COR Quarterly Accrual Worksheets had incorrect calculations and did not match the modified accrual amount in Phoenix totaling ($62,994).
- Additionally, the modified accrual amount calculated for one of the sample items (72066922D00001) was more than the unliquidated balance by approximately ($5,717).

Mission C
During our audit as of June 30, 2023, we obtained the Mission's Accruals Item Status Count and Items Not Reviewed report to determine whether the mission posted all their specified quarterly accruals and cleared unprocessed Intragovernmental Payments and Collections (IPAC). We noted that three (3) of the 87 accruals were not reviewed.

Even though the quantitative amount may be considered immaterial, our testing determined that the control issues are pervasive throughout USAID.

ADS 631.3.3.1, Basis for Recognition of Accruals – General, Effective Date: 10/20/2022 states as follows:

Obligation Managers or CORs/AORs/ GATRs must recognize accruals in the accounting period in which the title to goods is accepted, services are rendered, wages are earned, progress is made in contract performance, or revenue is generated. For example, if USAID accepts the title to goods (whether the goods are delivered or USAID has received documented notification that the goods are in transit) then USAID must recognize an accrual and liability for the unpaid amount of the goods. Assuming invoices are not available at the end of the period, Obligation Managers or CORs/AORs/GATRs must estimate the amounts owed using available documentation.

Accruals must be based on the best available information on expenditures for the obligation activity. At the same time, Obligation Managers or CORs/AORs/GATRs must base the accruals for expenditures on an analysis of the projected expenditure rate or actual expenditures to the end of the quarter and use estimates when documentation is not available. Additionally, accruals can be based on completion and delivery of each milestone/stage, or a percentage of completion of the milestone/stage, if the completed part can stand on its own as a deliverable which USAID can sufficiently benefit from.

Obligation Managers or CORs/AORs/GATRs must make every effort to ensure reasonable estimates are documented for support when using estimating techniques. Obligation Managers or CORs/AORs/GATRs must verify the accruals amount in the Phoenix Accruals Query based on an analysis comparing the system-generated accruals to first-hand knowledge of project activities. In Washington B/IOs, Obligation Managers, CORs/AORs/GATRs, or someone with the recording role must accept the system-generated accrual or record a modified accrual in the Phoenix Accruals Query, as necessary. The FM staff in the Missions performs this function.

The COR generates a worksheet detailing the approved modified accrual amount. Someone other than the COR is responsible for posting the amount to the general ledger. However, the controls for checking to ensure that the amount posted to the general ledger is the amount approved by the COR was not consistently implemented. Also, there were instances where the worksheets were not adequately reviewed to identify errors in the calculation before they were posted.

Additionally, some CORs did not respond to multiple requests to provide their COR worksheets that support the modified accrual amount recorded in Phoenix.

Failure to ensure that only the modified accrual amounts approved by the COR are posted to the general ledger could cause the financial statements to be materially misstated due to error - or for other reasons.

We are not making any new recommendation in fiscal year 2023. Below is the restated fiscal year 2022 recommendation also indicated in Appendix D.

Recommendation 1:
Update its methodology for reporting and posting quarterly accruals to eliminate or mitigate the human factor while increasing automation by developing a system generated accrual estimation amount for financial reporting purpose.

APPENDIX B. SCOPE AND METHODOLOGY

USAID's management is responsible for (1) preparing the financial statements in accordance with U.S. generally accepted accounting principles; (2) establishing, maintaining, and assessing internal control to provide reasonable assurance that the broad control objectives of the Federal Managers' Financial Integrity Act (FMFIA) are met; (3) ensuring that USAID's financial management systems substantially comply with the requirements of the Federal Financial Management Improvement Act (FFMIA) section 803(a); and (4) complying with other applicable laws and regulations.

GKA, P.C. (GKA) is responsible for obtaining reasonable assurance about whether the financial statements are presented fairly, in all material respects, in conformity with accounting principles generally accepted in the United States of America. GKA is also responsible for (1) obtaining a sufficient understanding of internal control over financial reporting and compliance to plan the audit; (2) testing and reporting whether USAID's financial management systems substantially comply with FFMIA section 803(a) requirements; (3) testing compliance with selected provisions of laws and regulations that have a direct and material effect on the financial statements, and laws for which OMB audit guidance requires testing; and (4) performing limited procedures with respect to certain other information appearing in the Agency Financial Report.

To fulfill these responsibilities, GKA:

- Obtained an understanding of USAID's design of internal control components related to financial reporting and compliance with laws and regulations (including execution of transactions in accordance with budget authority);
- Tested relevant internal controls over financial reporting and compliance, and evaluated the design and operating effectiveness of these internal controls;
- Selected transactions, including, advances, accrued expenditures, disbursements, payroll, accounts receivable, direct loans and loan guarantees, and obligations;
- Examined, on a test basis, evidence supporting the amounts and disclosures in the financial statements;
- Assessed the accounting principles used and significant estimates made by management;
- Evaluated the overall presentation of the financial statements;
- Considered the process for evaluating and reporting on internal control and financial management systems under FMFIA; and
- Tested USAID's compliance with FFMIA section 803(a) requirements.

We also tested USAID's compliance with selected provisions of the following:

- Anti-Deficiency Act, July 12, 1870 (codified at 31 U.S.C. 1341(a)(1)(A), (B) and (C) and 1517(a)
- Improper Payments Elimination and Recovery Act, Public Law 112-248, sections 5 (a)(1) and (b)(4);

- Payment Integrity Information Act of 2019, Public Law 116-117;
- Prompt Payment Act, Public Law 97-177) (codified at 31 U.S.C. 3901(a)(4)(A) 3903(a)(1)(A) and (B), 3902 (a), (b), and (f); and 3904
- Debt Collection Improvement Act of 1996, Public Law 104-134
- Federal Credit Reform Act of 1990, Public Law 93-344
- OMB Circular A–136
- OMB Circular A–123
- Federal Financial Management Improvement Act of 1996, Public Law 104-208
- Pay and Allowance System for Civilian Employees

We did not evaluate all internal controls relevant to operating objectives as broadly defined by FMFIA, such as those controls relevant to preparing statistical reports and ensuring efficient operations. We limited our internal control testing to controls over financial reporting and compliance. Because of inherent limitations in internal control, misstatements due to error, fraud, losses, or noncompliance may occur and may not be detected. We also caution that projecting our evaluation to future periods is subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with controls may deteriorate. In addition, we caution that our internal control testing may not be sufficient for other purposes.

We did not test compliance with all laws and regulations applicable to USAID. We limited our tests of compliance to those laws and regulations required by OMB audit guidance that we deemed applicable to the financial statements for the fiscal year ended September 30, 2023 and 2022. We caution that noncompliance may occur and may not be detected by these tests, and that such testing may not be sufficient for other purposes.

We conducted our audit from February 2023 through November 2023 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. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

We assessed whether USAID was substantially compliant with section 803(a) of the FFMIA, which requires agencies to implement and maintain financial management systems that substantially comply with (1) Federal financial management system requirements; (2) applicable Federal accounting standards; and (3) USSGL at the transaction level. We evaluated USAID's financial transactions recorded in USAID's financial management system to determine whether they were compatible with Federal accounting standards and USSGL at the transaction level.

APPENDIX C. AGENCY'S RESPONSE TO AUDIT

Chief Financial Officer

October 31, 2023

MEMORANDUM FOR OFFICE OF THE INSPECTOR GENERAL

TO: Toayoa Aldridge, Assistant Inspector General for Audits, Evaluations, and Inspections

FROM: Reginald W. Mitchell /s/

SUBJECT: Management Comment(s) to Respond to the Draft Audit Report Produced by the Office of Inspector General (OIG) titled, Audit of USAID's Financial Statements for Fiscal Years 2023 and 2022 (0-000-24-001-C) (Task No. 00150823)

The U.S. Agency for International Development (USAID) would like to thank the Office of Inspector General (OIG) for the Opportunity to provide comments on the subject draft report. The Report does not indicate any new recommendations.

After review of the Draft Audit Report management has no comments.

APPENDIX D. STATUS OF PRIOR-YEARS FINDINGS AND RECOMMENDATIONS

OMB Circular A–50, "Audit Follow-up," states that a management decision on audit recommendations shall be made within 6 months after a final report is issued. Corrective action should proceed as rapidly as possible.

Status of 2022 Findings and Recommendations

Recommendation 1: Update its methodology for reporting and posting quarterly accruals to eliminate the human factor while increasing automation by developing a system generated accrual estimation amount for financial reporting purpose.

Status: Open as of November 6, 2023. Repeated in FY2023.

Recommendation 2: Issue written guidance for Agreement Officer Representatives/Contracting Officer Representatives to contact Office of the Chief Financial Officer if they need to post an accrual over and above the amount allowed in the current Phoenix accruals system.

Status: Closed as of September 26, 2023

Recommendation 3: Update the Phoenix system security plan to include National Institute of Standards and Technology 800-53 Revision 5 controls.

Status: Closed as of October 19, 2023

Recommendation 4: Perform a Security Control Assessment and use the results to update the Phoenix system security plan and create plans of action and milestones for any planned controls.

Status: Closed as of October 19, 2023

Recommendation 5: Provide the results of the Phoenix Security Control Assessment and the updated system security plan to the Authorizing Official for review and approval.

Status: Closed as of October 19, 2023

Recommendation 6: Review and, if needed, update the Memorandum of Understanding with the Department of State to include changes and obtain approval of the Agency officials.

Status: Closed as of September 26, 2023

Recommendation 7: Review and update the Service Level Agreement with the Department of State. Additionally, USAID should implement a process to ensure that the Service Level Agreement is reviewed annually.

Status: Closed as of October 19, 2023

APPENDIX E: FINANCIAL STATEMENTS

FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEET

As of September 30, 2023 and 2022

(In Thousands)

	2023	2022
ASSETS:		
Intragovernmental:		
Fund Balance with Treasury (Note 2)	$ 41,118,024	$ 44,827,671
Accounts Receivable, Net (Note 3)	22,509	24,900
Advances and Prepayments (Note 4)	164,220	150,742
Total Intragovernmental	41,304,753	45,003,313
Other than Intragovernmental:		
Cash and Other Monetary Assets (Note 5)	226,008	261,565
Accounts Receivable, Net (Note 3)	77,996	78,601
Inventory and Related Property, Net (Note 7)	19,968	15,177
General Property, Plant and Equipment, Net (Note 8)	54,427	59,437
Advances and Prepayments (Note 4)	645,815	493,265
Total Other than Intragovernmental	1,024,214	908,045
Total Assets	**$ 42,328,967**	**$ 45,911,358**
LIABILITIES:		
Intragovernmental:		
Downward Reestimate Payable to the Treasury (Note 6)	$ 295,801	$ 634,755
Accounts Payable	41,397	65,216
Advances from Others and Deferred Revenue (Note 11)	942,722	1,088,674
Other Liabilities (Note 11)	22,034	24,422
Total Intragovernmental	1,301,954	1,813,067
Other than Intragovernmental:		
Accounts Payable	3,105,885	3,116,569
Loan Guarantee Liabilities (Note 6)	734,536	956,759
Federal Employee and Veteran's Benefits (Note 12)	24,531	26,333
Advances from Others and Deferred Revenue (Note 11)	11,719	18,508
Other Liabilities (Note 11)	487,834	494,188
Total Other than Intragovernmental	4,364,505	4,612,357
Total Liabilities	**5,666,459**	**6,425,424**
Commitments and Contingencies (Note 13)		
NET POSITION:		
Unexpended Appropriations	35,175,707	37,844,754
Cumulative Results of Operations	1,486,801	1,641,180
Total Net Position	**36,662,508**	**39,485,934**
Total Liabilities and Net Position	**$ 42,328,967**	**$ 45,911,358**

The accompanying notes are an integral part of these statements.

CONSOLIDATED STATEMENT OF NET COST

For the Years Ended September 30, 2023 and 2022

(In Thousands)

Category	2023	2022
DR–Democracy, Human Rights and Governance		
Gross Costs	$ 1,820,743	$ 1,490,560
Less: Earned Revenue	(12,458)	(13,751)
Net Program Costs	1,808,285	1,476,809
EG–Economic Growth		
Gross Costs	19,726,503	10,954,729
Less: Earned Revenue	(118,456)	(111,619)
Net Program Costs	19,608,047	10,843,110
ES–Education and Social Services		
Gross Costs	1,426,015	1,125,723
Less: Earned Revenue	(9,732)	(9,945)
Net Program Costs	1,416,283	1,115,778
HA–Humanitarian Assistance		
Gross Costs	8,885,506	6,640,039
Less: Earned Revenue	(2,260)	(2,525)
Net Program Costs	8,883,246	6,637,514
HL–Health		
Gross Costs	3,629,951	8,453,362
Less: Earned Revenue	(566,169)	(911,332)
Net Program Costs	3,063,782	7,542,030
PO–Program Development and Oversight		
Gross Costs	1,358,097	1,147,055
Less: Earned Revenue	(7,656)	(7,824)
Net Program Costs	1,350,441	1,139,231
PS–Peace and Security		
Gross Costs	717,907	600,226
Less: Earned Revenue	(4,390)	(5,845)
Net Program Costs	713,517	594,381
Net Cost of Operations (Note 15)	**$ 36,843,601**	**$ 29,348,853**

The accompanying notes are an integral part of these statements.

CONSOLIDATED STATEMENT OF CHANGES IN NET POSITION

For the Years Ended September 30, 2023 and 2022
(In Thousands)

	2023	2022
Unexpended Appropriations:		
Beginning Balance	$ 37,844,754	$ 35,385,955
Appropriations Received	34,116,060	32,857,101
Appropriations Transferred-in/out	167,639	(223,357)
Other Adjustments	(141,524)	(299,397)
Appropriations Used	(36,811,222)	(29,875,548)
Change in Unexpended Appropriations	(2,669,047)	2,458,799
Total Unexpended Appropriations, Ending Balance	**$ 35,175,707**	**$ 37,844,754**
Cumulative Results of Operations:		
Beginning Balance	$ 1,641,180	$ 2,252,426
Appropriations Used	36,811,222	29,875,548
Donations and Forfeitures of Cash and Cash Equivalents	66,478	34,318
Transfers-in/out Without Reimbursement	5,803	1,910
Donations and Forfeitures of Property	5,946	13,749
Imputed Financing	95,581	63,703
Other	(295,808)	(1,251,621)
Net Cost of Operations (Note 15)	(36,843,601)	(29,348,853)
Net Change in Cumulative Results of Operations	(154,379)	(611,246)
Total Cumulative Results of Operations, Ending Balance	**$ 1,486,801**	**$ 1,641,180**
Net Position	**$ 36,662,508**	**$ 39,485,934**

The accompanying notes are an integral part of these statements.

COMBINED STATEMENT OF BUDGETARY RESOURCES

For the Years Ended September 30, 2023 and 2022

(In Thousands)

	2023		2022	
	Budgetary	**Non-Budgetary Credit Reform Financing Accounts**	**Budgetary**	**Non-Budgetary Credit Reform Financing Accounts**
Budgetary Resources:				
Unobligated Balance from Prior Year Budget Authority, Net (Discretionary and Mandatory)	$ 15,257,148	$ 1,591,514	$ 14,393,937	$ 2,375,013
Appropriations (Discretionary and Mandatory)	34,187,235	–	32,041,395	–
Spending Authority from Offsetting Collections (Discretionary and Mandatory)	592,452	51,297	1,320,561	68,577
Total Budgetary Resources	**$ 50,036,835**	**$ 1,642,811**	**$ 47,755,893**	**$ 2,443,590**
Status of Budgetary Resources:				
New Obligations and Upward Adjustments (Total) (Note 16)	$ 38,181,628	$ 634,754	$ 32,822,235	$ 852,076
Unobligated Balance, End of Year:				
Apportioned, Unexpired Accounts (Note 2)	10,967,484	–	13,663,591	–
Unapportioned, Unexpired Accounts (Note 2)	639,099	1,008,057	1,028,599	1,591,514
Unexpired Unobligated Balance, End of Year	**11,606,583**	**1,008,057**	**14,692,190**	**1,591,514**
Expired Unobligated Balance, End of Year	248,624	–	241,468	–
Total Unobligated Balance, End of Year	11,855,207	1,008,057	14,933,658	1,591,514
Total Budgetary Resources	**$ 50,036,835**	**$ 1,642,811**	**$ 47,755,893**	**$ 2,443,590**
Outlays, Net and Disbursements, Net:				
Outlays, Net (Total) (Discretionary and Mandatory)	$ 37,343,280	–	$ 29,707,086	–
Distributed Offsetting Receipts (-)	(729,610)	–	(899,105)	–
Agency Outlays, Net (Discretionary and Mandatory)	**$ 36,613,670**	–	**$ 28,807,981**	**–**
Disbursement, Net (Total) (Mandatory)		$ 583,457		$ 783,499

The accompanying notes are an integral part of these statements.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

USAID is a component of the U.S. government. For this reason, some of the assets and liabilities reported by USAID may be eliminated for government-wide reporting because they are offset by assets and liabilities of another U.S. government entity.

Established in 1961 by President John F. Kennedy, USAID is the independent U.S. government agency that provides economic development and humanitarian assistance to advance United States economic and political interests overseas.

PROGRAM FUNDS

The hierarchy of USAID program funds is reported first at the budget authority funding level followed by responsibility segments that encompass Pillar and Regional Bureaus. These Bureaus in turn carry out the Agency's mission through various funded programs.

The main program funds include Assistance for Europe, Eurasia, and Central Asia (AEECA); Economic Support Fund; Development Assistance; International Disaster Assistance; Global Health/Child Survival and HIV/AIDS; and Guaranteed Loan Programs, which are used throughout all foreign assistance programs categories. This classification is consistent with the budget of the United States.

Assistance for Europe, Eurasia, and Central Asia

These funds are considered to be economic assistance under the Foreign Assistance Act of 1961.

These funds provide assistance to the independent states that emerged from the former Soviet Union and support the U.S. foreign policy goals of consolidating improved U.S. security; building a lasting partnership with the new independent states; and providing mutual access to markets, resources, and expertise.

Economic Support Fund

The Economic Support Fund (ESF) supports U.S. foreign policy objectives by providing economic assistance to allies and countries in transition to democracy. Programs funded through this fund promote stability and U.S. security interests in strategic regions of the world.

Development Assistance

This fund provides economic resources to developing countries with the aim of bringing the benefits of development to the poor. The fund promotes broad-based, self-sustaining economic growth and opportunity, and supports initiatives intended to stabilize population growth, protect the environment, and foster increased democratic participation in developing countries. The fund is concentrated in those areas in which the United States has special expertise, and which promise the greatest opportunity for the poor to better their lives.

International Disaster Assistance

This fund provides relief, rehabilitation, and reconstruction assistance to foreign countries struck by disasters such as famines, floods, hurricanes, and earthquakes. The fund also provides assistance in disaster preparedness, prevention, and mitigation; and provides emergency commodities and services for immediate healthcare and nutrition. Additionally, this fund supports the capability to provide timely emergency response to disasters worldwide.

Global Health/Child Survival and HIV/AIDS

This fund provides economic resources to developing countries in support of programs to improve infant and child nutrition, with the aim of reducing infant and child mortality rates; to reduce HIV transmission and the impact of the HIV/AIDS pandemic in developing countries; to reduce the threat of infectious diseases of major public health importance such as polio, malaria, or tuberculosis; and to expand access to quality basic education for girls and women.

Guaranteed Loans:

- *Israel Loan Guarantee Program*

  Congress authorized the Israel Loan Guarantee Program in Section 226 of the Foreign Assistance Act of 1961 (P.L. 87-195) to support the costs for immigrants resettling to Israel from the former Soviet Union, Ethiopia, and other countries. Under this program, the U.S. government has guaranteed the repayment of up to $9.23 billion in notes issued to date. In addition, the Emergency Wartime Supplemental Appropriations Act of 2003 (P.L. 108-11) authorized supplemental funding for this program to support Israel's economy which was negatively impacted by political strife in the region. As a result of this, $4.1 billion in additional notes were issued.

- *Loan Guarantees to Middle East Northern Africa (MENA) Program*

  The authority for the MENA Program was initially established under the Consolidated Appropriations Act, 2012 (P.L. 112-74), earmarked to provide support for the Republic of Tunisia. Pursuant to section 7034(r) of the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2015 (P.L. 113–235), this program was expanded to include the Hashemite Kingdom of Jordan and renamed the Middle East Northern Africa Loan Guarantee Program. The added guarantee reinforces the firm U.S. commitment to the people of Jordan by strengthening the Government of Jordan's ability to maintain access to international financing, while enabling it to achieve its economic development and reform goals. This program was further expanded to include the Republic of Iraq in 2017. The U.S. government guaranteed a total repayment of $6.24 billion in notes issued for the MENA program, $500 million of which remains outstanding to date. The Tunisia and Iraq guarantees have matured and are no longer active. Refer to the Management's Discussion and Analysis – Sovereign Bond Guarantees (SBGs) section of this AFR for details.

FUND TYPES

For each of the program funds listed, a receipt or expenditure account is established. These receipt and expenditure accounts are further classified into fund types. Agency activities are financed through these funds. The principal statements include all funds under USAID's control. Most of the accounts relate to general fund appropriations. USAID also has special funds, revolving funds, trust funds, deposit funds, a capital investment fund, receipt accounts, and budget clearing accounts.

General fund appropriations and the special funds are used to record financial transactions under Congressional appropriations or other authorization to spend general revenue.

Revolving funds are established by law to finance a continuing cycle of operations, with receipts derived from such operations usually available in their entirety for use by the fund without further action by Congress.

Trust funds are credited with receipts generated by the terms of the underlying trust agreement or statute. At the point of collection, these receipts may be available or unavailable, depending upon statutory spending authority.

Deposit funds are established for (1) amounts received for which USAID is acting as a fiscal agent or custodian, (2) unidentified remittances, (3) monies withheld from payments for goods or services received, and (4) monies held awaiting distribution on the basis of legal determination.

The capital investment fund contains no-year (non-expiring) funds to provide the Agency with greater flexibility to manage investments in technology systems and facility construction which are allowed under the annual appropriation for operating expenses.

B. BASIS OF PRESENTATION

The accompanying principal financial statements report USAID's financial position and results of operations. They have been prepared using USAID's books and records in accordance with Agency accounting policies, the most significant of which are summarized in this note. The statements are presented in accordance with the guidance and requirements of OMB Circular A-136, *Financial Reporting Requirements*.

USAID accounting policies follow generally accepted accounting principles for the Federal Government, as established by the Federal Accounting Standards Advisory Board (FASAB). The FASAB has been recognized by the American Institute of Certified Public Accountants (AICPA) as the official accounting standard setting authority for the Federal Government. These standards have been agreed to by the Director of OMB, the Secretary of the Treasury, and the Comptroller General.

Accounting standards require all reporting entities to disclose that accounting standards allow certain presentations and disclosures to be modified, if needed, to prevent the disclosure of classified information.

C. BASIS OF ACCOUNTING

Transactions are recorded on both an accrual and budgetary basis. Under the accrual basis, revenues are recognized when earned and expenses are recognized when a liability is incurred, without regard to receipt or payment of cash. Budgetary accounting facilitates compliance with legal constraints on, and controls of, the use of federal funds. The accompanying Balance Sheet, Statement of Net Cost, and Statement of Changes in Net Position have been prepared on an accrual basis. The Statement of Budgetary Resources has been prepared in accordance with budgetary accounting rules.

D. BUDGETS AND BUDGETARY ACCOUNTING

The components of USAID's budgetary resources include current budgetary authority (that is, appropriations and borrowing authority) and unobligated balances remaining from multiyear and no-year budget authority received in prior years. Budget authority is the authorization provided by law to enter into financial obligations that result in immediate or future outlays of federal funds. Budgetary resources also include reimbursement and other income (that is, spending authority from offsetting collections credited to an appropriation or fund account) and adjustments (that is, recoveries of prior year obligations).

Unobligated balances associated with appropriations that expire at the end of the fiscal year remain available for obligation adjustments, but not new obligations, for five years until that account is canceled. When accounts are canceled, amounts are not available for obligations or expenditure for any purpose and are returned to Treasury.

The Consolidated Appropriations Act signed into law as P.L. 112-74 provides to USAID extended authority to obligate funds. USAID's appropriations have consistently provided essentially similar authority, commonly known as "7011" authority. Under this authority, funds shall remain available for obligation for an extended period if such funds are initially obligated within their initial period of availability.

E. REVENUES AND OTHER FINANCING SOURCES

USAID receives the majority of its funding through Congressional appropriations—annual, multi-year, and no-year (non-expiring) appropriations—that may be used within statutory limits. Appropriations are recognized as a financing source (i.e., Appropriations used) on the Statement of Changes in Net Position at the time the related program or administrative expenses are incurred. Appropriations expended for capitalized property and equipment are not recognized as expenses. In addition to funds warranted directly to USAID, the Agency also receives allocation transfers from the U.S. Department of Agriculture (USDA) Commodity Credit Corporation, the Executive Office of the President, and the State Department.

Additional financing sources for USAID's various credit programs and trust funds include amounts obtained through collection of guaranty fees, permanent indefinite borrowing authority from the U.S. Treasury, proceeds from the sale of overseas real property acquired by USAID, and advances from foreign governments and international organizations.

Revenues are recognized as financing sources to the extent that they are received by USAID from other agencies, other governments, and the public. Imputed revenues are reported in the financial statements to offset imputed costs. Amounts received from other federal agencies under reimbursable agreements are recognized as revenue as related expenditures are incurred.

F. FUND BALANCE WITH THE U.S. TREASURY

Fund Balance with Treasury (FBWT) is an asset of a reporting entity and a liability of the General Fund of the U.S. Government. Amounts reported for FBWT represent commitments by the Federal Government to provide resources to particular programs; however, they do not represent net assets to the government as a whole. When a reporting entity seeks to use FBWT to liquidate budgetary obligations, Treasury will finance the disbursements with current receipts or borrow from the public if a deficit exists. On USAID's financial statements, FBWT represents the aggregate amount of undisbursed funds in USAID's general funds, deposit fund, and clearing/suspense fund. The general fund cash balance includes a portion that is available to USAID to make expenditures and pay liabilities and a portion that is unavailable. Deposit fund and clearing/suspense fund balances are non-entity funds that are temporarily held by USAID until transferred to another federal agency or distributed to a third party. Fund balances are carried forward into subsequent fiscal years until disbursements are made.

G. FOREIGN CURRENCY

Some USAID host countries contribute funds for the overhead operation of the host Mission and the execution of USAID programs. These funds are held in trust and reported in U.S. dollar equivalents on the Balance Sheet and Statement of Net Costs.

H. ACCOUNTS RECEIVABLE

Accounts receivable consist of amounts due mainly from other federal agencies and private organizations. USAID regards amounts due from other federal agencies as 100 percent collectible. The Agency establishes an allowance for uncollectible accounts receivable from the public for non-loan or revenue generating sources based on a historical analysis of collectability.

I. LOAN GUARANTEES

In the event a guaranteed loan defaults, the loans are accounted for as receivables after funds have been disbursed. To date, no defaults have occurred on the current loan portfolio.

The loans receivable is reduced by an allowance equal to the net present value of the cost to the U.S. government of making the loan. This cost, known as "subsidy", takes into account all cash inflows and outflows associated with the loan, including the interest rate differential between the loans and Treasury borrowing, the estimated delinquencies and defaults net of recoveries, and offsets from fees and other estimated cash flows. This allowance is re-estimated when necessary and changes reflected in the Statement of Net Cost.

J. ADVANCES

Funds disbursed before expenditures are incurred are recorded as advances. Most advances consist of funds disbursed under letters of credit to contractors and grantees. The advances are liquidated and recorded as expenses upon receipt of expenditure reports from the recipients.

K. INVENTORY AND RELATED PROPERTY

USAID's inventory and related property consist of life-essential materials and supplies. The Agency has materials and supplies in reserve for foreign disaster assistance stored at strategic sites around the world. These include tents, disaster kits, field packs, and water purification units.

Agency supplies held in reserve for future use are items not readily available in the market, or for which there is more than a remote chance that the supplies will be needed, but not in the normal course of operations. Their valuation is based on approximate cost except for shipping and transportation costs, and they are not considered "held for sale." At any time during the year, inventory may include excess, obsolete, or unserviceable operating materials and supplies.

L. PROPERTY, PLANT AND EQUIPMENT

USAID capitalizes all property, plant and equipment that have an acquisition cost of $25,000 or greater and a useful life of two years or more. Acquisitions that do not meet these criteria are recorded as operating expenses. Assets are capitalized at historical cost, depending on when the asset was put into production and depreciated using the straight-line method (mid-year and mid-quarter). Real property is depreciated over 20 years, nonexpendable personal property is depreciated over three to five years. The Agency uses land, buildings, and equipment that are provided by the General Services Administration. Internal use software that has development costs of $300,000 or greater is capitalized. Deferred maintenance amounts are immaterial with respect to the financial statements. In addition, certain USAID assets are held by government contractors. Under provisions of the Federal Acquisition Regulation (FAR), the contractors are responsible for the control and accountability of the assets in their possession, which are immaterial to the financial statements.

M. LIABILITIES

Liabilities represent the amount of monies or other resources that are likely to be paid by USAID as the result of transactions or events that have already occurred. However, no liability can be paid by the Agency without an appropriation or borrowing authority. Liabilities for which an appropriation has not been enacted are therefore classified as Liabilities Not Covered by Budgetary Resources (unfunded liabilities), and there is no certainty that the appropriations will be enacted. As a sovereign entity, the Federal Government can abrogate the payment of all liabilities other than for contracts.

N. LIABILITIES FOR LOAN GUARANTEES

The Federal Credit Reform Act of 1990 (FCRA) prescribes an alternative method of budgeting for guarantees obligated on or after October 1, 1991 (post-1991). The FCRA significantly changed the manner in which USAID finances the activities of loan programs. The main purpose of the FCRA was to measure the cost of federal credit programs more accurately and to place the cost of such programs on a budgetary basis equivalent to other federal spending. Consequently, commencing in FY 1992, USAID can only make new loans or guarantees with an appropriation available to fund the cost of making the loan or guarantee. This cost is known as "subsidy."

Subsidy cost associated with guarantees, is required by the FCRA to be recognized as an expense in the year in which the guarantee is disbursed. Subsidy cost is calculated by Agency program offices prior to obligation using a model prescribed by OMB.

For USAID's loan guarantee programs, when guarantee commitments are made, an obligation for subsidy cost is recorded in the program account. This cost is based on the net present value of the estimated net cash outflows to be paid by the program as a result of the loan guarantees, except for administrative costs, less the net present value of all cash inflows to be generated from those guarantees. When the loans are disbursed, the subsidy cost is disbursed from the program account to a financing account.

Subsidy relating to existing loans and guarantees is generally required to be re-estimated on an annual basis to adjust for changes in risk and interest rate assumptions. Reestimates can either be upward reestimates which indicate that insufficient funds are available to cover the financing account liabilities or downward reestimates which indicate that there is too much subsidy.

The excess funding derived through the downward reestimates is anticipated to be disbursed to Treasury after OMB provides the authority in the succeeding fiscal year. This is reported on the *Downward Reestimate Payable to Treasury* line of the Balance Sheet. Budget authority is also requested from OMB for the upward reestimates.

O. ANNUAL, SICK, AND OTHER LEAVE

Annual leave is accrued as it is earned, and the accrual is reduced as leave is taken. Each year, the balance in the accrued annual leave account is adjusted to reflect current pay rates. To the extent that current or prior year appropriations are not available to fund annual leave earned but not taken, funding will be obtained from future financing sources. Sick leave and other types of leave are expensed as taken.

P. RETIREMENT PLANS AND POST EMPLOYMENT BENEFITS

USAID recognizes its share of the cost of providing future pension benefits to eligible employees over the period of time the employees provide the related services. The pension expense recognized in the financial statements equals the current service cost for USAID employees for the accounting period less the amount contributed by the employees. The measurement of the service cost requires the use of an actuarial cost method and assumptions. The Office of Personnel Management (OPM) administers these benefits and provides the factors that USAID applies to calculate the cost. The excess of the pension expense over the amount contributed by USAID and employees represents the amount being financed directly through the Civil Service Retirement System and the Federal Employees Retirement System administered by OPM. This cost is considered an imputed cost to USAID.

USAID recognizes a current period expense for the future cost of post retirement health benefits and life insurance for its employees while they are still working. USAID accounts for and reports this expense in its financial statements in a manner similar to that used for pensions, with the exception that employees and USAID do not make contributions to fund these future benefits.

Q. COMMITMENTS AND CONTINGENCIES

A contingency is an existing condition, situation or set of circumstances involving uncertainty as to possible gain or loss to USAID. The uncertainty will ultimately be resolved when one or more future events occur or fail to occur. For loss contingencies on matters of pending or threatened litigation and unasserted claims, a contingent liability is recognized when a future outflow or other sacrifice of resources is "likely to occur," a past event or exchange transaction has occurred, and the future outflow or sacrifice of resources is measurable.

R. NET POSITION

Net position is the residual difference between assets and liabilities. It is composed of unexpended appropriations and cumulative results of operations.

- Unexpended appropriations are the portion of the appropriations represented by undelivered orders and unobligated balances.
- Cumulative results of operations are also part of net position. This account reflects the net difference between expenses and losses and financing sources, including appropriations, revenues, and gains, since the inception of the activity.

S. NON-ENTITY ASSETS

Non-entity fund balances are amounts in deposit fund accounts. These include such items as: funds received from outside sources where the government acts as fiscal agent, monies the government has withheld awaiting distribution based on legal determination, and unidentified remittances credited as suspense items outside the budget. For USAID, non-entity assets are minimal in amount, and are composed solely of accounts receivable, net of allowances.

T. AGENCY COSTS

USAID costs of operations are program and operating expenses. USAID/Washington program and Mission-related expenses by objectives are obtained directly from Phoenix, the Agency general ledger. A cost allocation model is used to distribute operating expenses, including Management Bureau, Global Development Alliance, Trust Funds and Support Offices costs to specific goals. Expenses related to Credit Reform and Revolving Funds are directly applied to specific Agency goals based on their objectives.

U. PARENT/CHILD REPORTING

USAID is a party to allocation transfers with other federal agencies as both a transferring (parent) entity and receiving (child) entity. Allocation transfers are legal delegations by one department of its ability to obligate budget authority and outlay funds to another department. A separate fund account (allocation account) is created in the U.S. Treasury as a subset of the parent fund account for tracking and reporting purposes. All allocation transfers of balances are credited to this account, and subsequent obligations and outlays incurred by the child entity are also charged to this allocation account as they execute the delegated activity on behalf of the parent entity. Generally, all financial activity related to these allocation transfers (e.g., budget authority, obligations, outlays) is reported in the financial statements of the parent entity, from which the underlying legislative authority, appropriations, and budget apportionments are derived. Per OMB Circular A-136 guidance, parent transfer activities are to be included and child transfer activities are to be excluded in trial balances. Exceptions to this general rule affecting USAID include the Executive Office of the President, for whom USAID is the child in the allocation transfer but, per OMB guidance, will report all activity relative to these allocation transfers in USAID's financial statements. In addition to these funds, USAID allocates funds as the parent to:

- Department of Agriculture, Forest Service
- Department of State
- Department of Health and Human Services

USAID receives allocation transfers as the child from:

- Department of State
- Department of Agriculture, Commodity Credit Corporation

NOTE 2. FUND BALANCE WITH TREASURY

Fund Balance with Treasury as of September 30, 2023 and 2022 consisted of the following *(in thousands)*:

Status of Fund Balance with Treasury	2023	2022
Unobligated Balance		
Available	$ 10,967,484	$ 13,663,591
Unavailable	1,895,780	2,861,581
Obligated and Other Balances Not Yet Disbursed (Net)	28,254,760	28,302,499
Total	$ 41,118,024	$ 44,827,671

Fund Balances with Treasury are the aggregate amounts of USAID's accounts with Treasury for which the Agency is authorized to make payments. Other Funds include credit program and operating funds which are established to record amounts held for the loan guarantee and other operating funds.

Unobligated balances become available when apportioned by OMB for obligation in the current fiscal year. Obligated and other balances not yet disbursed (net) include balances for non-budgetary funds and unfilled customer orders without advances. The unobligated and obligated balances are reflected on the Combined Statement of Budgetary Resources. The total available unobligated balance includes expired funds which are available for upward adjustments, however they are not available to incur new obligations. In the Combined Statement of Budgetary Resources the expired fund balance is included in Unobligated Balance, Unapportioned. The obligated and other balances not yet disbursed include other liabilities without budgetary related obligations.

NOTE 3. ACCOUNTS RECEIVABLE, NET

The primary components of USAID's Accounts Receivable, Net as of September 30, 2023 and 2022 are as follows *(in thousands)*:

	Receivable Gross	Allowance Accounts	Receivable Net 2023	Receivable Net 2022
Intragovernmental				
Accounts Receivable from Federal Agencies	$ 340,592	N/A	$ 340,592	$ 659,655
Less: Intra-Agency Receivables	(318,083)	N/A	(318,083)	(634,755)
Total Intragovernmental Accounts Receivable	22,509	N/A	22,509	24,900
Accounts Receivable from the Public	92,873	(14,877)	77,996	78,601
Total Accounts Receivable, Net	$ 115,382	$ (14,877)	$ 100,505	$ 103,501

Entity intragovernmental accounts receivable consist of amounts due from other U.S. government agencies. No allowance accounts have been established for the intragovernmental accounts receivable, which are considered to be 100 percent collectible.

Accounts receivable from the public consists of amounts managed by Missions or USAID/Washington. These receivables primarily relate to audit findings associated with questioned costs. Other receivables relate to unrecovered advances and overdue advances. Unrecovered advances are advances disbursed to Agency employees that have not been used and have not been returned to the Agency. Overdue advances are advances disbursed to non-federal vendors that have not been used and are associated with obligations that have exceeded the performance end date.

The allowance for uncollectable accounts related to these receivables is calculated based on a historical analysis of collectability.

NOTE 4. ADVANCES AND PREPAYMENTS

Advances and Prepayments as of September 30, 2023 and 2022 consisted of the following *(in thousands)*:

	2023	2022
Intragovernmental		
Advances to Federal Agencies	$164,220	$ 150,742
Total Intragovernmental	164,220	150,742
Other than Intragovernmental		
Advances to Contractors/Grantees	364,084	292,300
Advances to Host Country Governments and Institutions	281,731	200,965
Total Other than Intragovernmental	645,815	493,265
Total Advances and Prepayments	$ 810,035	$ 644,007

Intragovernmental Advances consist of advance payments to other Federal Government entities for Agency expenses not yet incurred and for goods and services not yet received.

Advances to Contractors/Grantees are amounts that USAID pays to cover immediate cash needs related to program implementation until Contractors/Grantees submit expense reports to USAID and USAID records those expenses. Advances to Host Country Governments and Institutions represent amounts advanced by USAID Missions to host-country governments and other in-country organizations, such as educational institutions and volunteer organizations.

NOTE 5. CASH AND OTHER MONETARY ASSETS

Cash and Other Monetary Assets as of September 30, 2023 and 2022 are as follows *(in thousands)*:

	2023	2022
Cash and Other Monetary Assets		
Foreign Currencies	$ 226,008	$ 261,565
Total Cash and Other Monetary Assets	$ 226,008	$ 261,565

Foreign Currencies is the value of the Foreign Currency Trust Funds which totaled $226 million in FY 2023 and $262 million in FY 2022, as disclosed in Note 11. The Agency operates in over 40 different countries, therefore, the Agency exchanges U.S. dollars (USD) for various local currencies. The value of Foreign Currency fluctuates relative to the value of the USD.

USAID does not have any non-entity cash or other monetary assets.

NOTE 6. LOAN GUARANTEE LIABILITIES

USAID operates the following loan guarantee programs:

- Israel Loan Guarantee Program
- Middle East Northern Africa (MENA) Loan Guarantee Program

A description of these credit programs and the accounting for them is detailed in Note 1 of this report.

An analysis of loan guarantees, liability for loan guarantees, and the nature and amounts of the subsidy costs associated with the loan guarantees are provided in the following sections.

GUARANTEED LOANS OUTSTANDING

Guaranteed Loans Outstanding as of September 30, 2023 and 2022 are as follows *(in thousands)*:

Loan Guarantee Programs	Outstanding Principal of Guaranteed Loans, Face Value	Amount of Outstanding Principal Guaranteed
Guaranteed Loans Outstanding (2023):		
Israel	$ 4,132,436	$ 4,132,436
MENA	500,000	500,000
Total	$ 4,632,436	$ 4,632,436
Guaranteed Loans Outstanding (2022):		
Israel	$ 6,175,627	$ 6,175,627
MENA	500,000	500,000
Total	$ 6,675,627	$ 6,675,627

Liability for Loan Guarantees as of September 30, 2023 and 2022 are as follows *(in thousands)*:

Loan Guarantee Programs	Liabilities for Post-1991 Guarantees, Present Value	Loan Guarantee Liabilities
Liability for Loan Guarantees as of September 30, 2023:		
Israel	$ 566,973	$ 566,973
MENA	167,563	167,563
Total	$ 734,536	$ 734,536
Liability for Loan Guarantees as of September 30, 2022:		
Israel	$ 815,544	$ 815,544
MENA	141,215	141,215
Total	$ 956,759	$ 956,759

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SUBSIDY EXPENSE FOR LOAN GUARANTEES BY PROGRAM AND COMPONENT

Subsidy Expense for Loan Guarantees by Program and Component as of September 30, 2023 and 2022 are as follows *(in thousands)*:

Loan Guarantee Programs	Total Modifications	Interest Rate Reestimates	Technical Reestimates	Total Reestimates
Modifications and Reestimates (2023):				
Israel	$ –	$ –	$ (295,801)	$ (295,801)
MENA	–	–	22,281	22,281
Total	$ –	$ –	$ (273,520)	$ (273,520)
Modifications and Reestimates (2022):				
Israel	$ –	$ –	$ (150,502)	$ (150,502)
MENA	–	–	(484,253)	(484,253)
Total	$ –	$ –	$ (634,755)	$ (634,755)

Total Loan Guarantee Subsidy Expense as of September 30, 2023 and 2022 are as follows *(in thousands)*:

Loan Guarantee Programs	2023	2022
Israel	$ (295,801)	$ (150,502)
MENA	22,281	(484,253)
Total	$ (273,520)	$ (634,755)

SUBSIDY RATES FOR LOAN GUARANTEES BY PROGRAM AND COMPONENT

Budget Subsidy Rates for Loan Guarantees for the Current Year's Cohorts are as follows *(percent)*:

Loan Guarantee Programs	Interest Supplements (%)	Defaults (%)	Fees and Other Collections (%)	Other (%)	Total (%)
Israel	–	–	–	–	–
MENA	–	–	–	–	–

(continued on next page)

Schedule for Reconciling Loan Guarantee Liability Balances (Post-1991 Loan Guarantees) as of September 30, 2023 and 2022 are as follows *(in thousands)*:

2023: Post-1991 Loan Guarantees	Israel	MENA	Total
Beginning Balance of the Loan Guarantee Liabilities	**$ 815,544**	**$ 141,215**	**$ 956,759**
Add:			
Fees received	–	–	–
Interest expense on entity borrowings	–	–	–
Subsidy expense	–	–	–
Upward reestimate	–	22,281	22,281
Less:			
Claim payments to lenders	–	–	–
Interest supplements paid	–	–	–
Interest revenue on uninvested funds	47,230	4,067	51,297
Negative subsidy payments	–	–	–
Downward reestimates	(295,801)	–	(295,801)
Loan guarantee modifications	–	–	–
Other	–	–	–
Ending Balance of the Loan Guarantee Liabilities	**$ 566,973**	**$ 167,563**	**$ 734,536**

2022: Post-1991 Loan Guarantees	Israel	MENA	Total
Beginning Balance of the Loan Guarantee Liabilities	**$ 912,239**	**$ 610,698**	**$ 1,522,937**
Add:			
Fees received	–	–	–
Interest expense on entity borrowings	–	–	–
Subsidy expense	–	–	–
Upward reestimate	–	–	–
Less:			
Claim payments to lenders	–	–	–
Interest supplements paid	–	–	–
Interest revenue on uninvested funds	53,807	14,770	68,577
Negative subsidy payments	–	–	–
Downward reestimates	(150,502)	(484,253)	(634,755)
Loan guarantee modifications	–	–	–
Other	–	–	–
Ending Balance of the Loan Guarantee Liabilities	**$ 815,544**	**$ 141,215**	**$ 956,759**

Administrative Expense as of September 30, 2023 and 2022 are as follows *(in thousands)*:

	2023	2022
Loan Guarantee Program*	$ 71	$ 66
Total	$ 71	$ 66

* USAID receives appropriations for administering it's programs in the operating fund. Due to the relative size of the current loan portfolio in relation to other USAID programs, distinction of associated loan administrative costs are based on estimates.

(continued on next page)

OTHER INFORMATION

Reestimate amounts calculated during the year are subject to approval by OMB, and any adjustments, if necessary, will be made in FY 2024. In addition, the reestimates reported in the current fiscal year financial statements are not reported in the U.S. government's budget until the following year. Several loan guarantees matured and were fully repaid during the current fiscal year, reducing USAID's risk exposure by approximately $2.5 billion (this is further detailed under the Management's Discussion and Analysis – Sovereign Bond Guarantees (SBGs) section of this AFR).

There are no new loans disbursements, as such, no data was reported under the subsidy rates table on the previous page. The subsidy rates disclosed pertain only to the current year's cohorts. These rates cannot be applied to the guarantees of loans disbursed during the current reporting year to yield the subsidy expense. The subsidy expense for new loan guarantees reported in the current year could result from disbursements of loans from both current year cohorts and prior year(s) cohorts. The subsidy expense reported in the current year also includes modifications and reestimates.

NOTE 7. INVENTORY AND RELATED PROPERTY, NET

USAID's Inventory and Related Property, Net is comprised of Operating Materials and Supplies. Operating Materials and Supplies as of September 30, 2023 and 2022 are as follows *(in thousands)*:

	2023	2022
Items Held for Use		
Office Supplies	$ 3,487	$ 3,290
Items Held in Reserve for Future Use		
Disaster Assistance Materials and Supplies	8,883	4,671
Birth Control Supplies	7,598	7,216
Total Inventory and Related Property (Net)	$ 19,968	$ 15,177

Operating Materials and Supplies are considered tangible properties that are consumed in the normal course of business and not held for sale. The valuation is based on historical acquisition costs except for shipping and transportation costs.

At any time during the year, inventory may include excess, obsolete, or unserviceable operating materials and supplies. Items costing less than $25,000 are expensed as incurred.

NOTE 8. GENERAL PROPERTY, PLANT AND EQUIPMENT, NET

The components of Property, Plant and Equipment (PP&E), Net as of September 30, 2023 and 2022 are as follows *(in thousands)*:

2023	Useful Life	Cost	Accumulated Depreciation/ Amortization	Net Book Value
Classes of Fixed Assets:				
Equipment	3 to 5 years	$ 61,278	$ (49,043)	$ 12,235
Buildings, Improvements, and Renovations	5 to 20 years	84,568	(51,575)	32,993
Land and Land Rights	N/A	7,203	N/A	7,203
Internal Use Software	3 to 5 years	144,322	(142,326)	1,996
Total PP&E		$ 297,371	$ (242,944)	$ 54,427

2022	Useful Life	Cost	Accumulated Depreciation/ Amortization	Net Book Value
Classes of Fixed Assets:				
Equipment	3 to 5 years	$ 57,799	$ (47,450)	$ 10,349
Buildings, Improvements, and Renovations	5 to 20 years	84,935	(48,771)	36,164
Land and Land Rights	N/A	7,203	N/A	7,203
Internal Use Software	3 to 5 years	144,322	(138,601)	5,721
Total PP&E		$ 294,259	$(234,822)	$ 59,437

(continued on next page)

Schedule of General PP&E, Net as of September 30, 2023 is as follows *(in thousands)*:

2023	Net PP&E
Balance Beginning of Year	$ 59,437
Capital Acquisition	9,195
Dispositions	(442)
Depreciation Expense	(13,763)
Balance Ending of Year	$ 54,427

Equipment consists primarily of electric generators, Automatic Data Processing (ADP) hardware, vehicles, and copiers located at the overseas field Missions.

Buildings, Improvements, and Renovations, in addition to Land and Land Rights include USAID-owned office buildings and residences at foreign Missions, including the land on which the building resides.

Land consists of property owned by USAID in foreign countries. Land is generally procured with the intent of constructing buildings.

NOTE 9. LEASES

As of September 30, 2023, Future Lease Payments consisted of the following *(in thousands)*:

Operating Leases:	**2023**		
Future Payments Due:	**Future Costs**		
Fiscal Year	**Federal**	**Non-Federal**	**Future Costs**
2024	$ 58,479	$ 60,107	$ 118,586
2025	58,867	35,513	94,380
2026	57,563	24,440	82,003
2027	57,404	14,728	72,132
2028	57,801	8,434	66,235
2029 and Beyond	333,424	9,012	342,436
Total Future Lease Payments	$ 623,538	$ 152,234	$ 775,772

Future operating lease payments total $775.8 million, of which $623.5 million is for the USAID headquarter buildings in Washington, D.C., with the remaining $152.2 million for leases at Mission locations throughout the world. The current lease agreements are for approximately 893,888 sq. feet for the headquarter building with the longest lease extending out until FY 2040.

The leases at Mission locations are for office, warehouse, and residential spaces with various expiration dates between FY 2023 through FY 2036. All the leases for the headquarter buildings are with the U.S. General Services Administration (GSA), which charge commercial rates for USAID's occupancy and are non-cancellable.

NOTE 10. LIABILITIES NOT COVERED BY BUDGETARY RESOURCES

As of September 30, 2023 and 2022 Liabilities Not Covered by Budgetary Resources were as follows *(in thousands)*:

	2023	2022
Liabilities Not Covered by Budgetary Resources:		
Intragovernmental:		
Unfunded FECA Liability (Note 12)	$ 6,377	$ 6,333
Other Unfunded Employment Related Liability (Note 11)	10	79
Total Intragovernmental	$ 6,387	$ 6,412
Accrued Annual Leave (Note 11)	84,811	79,000
FSN Separation Pay Liability (Note 11)	–	701
Future Workers' Compensation Benefits (Note 12)	24,531	26,333
Total Liabilities Not Covered by Budgetary Resources	115,729	112,446
Total Liabilities Covered by Budgetary Resources	5,550,730	6,312,592
Total Liabilities	$ 5,666,459	$ 6,425,038

USAID records liabilities for amounts that are likely to be paid as the direct result of events that have already occurred. USAID considers the Intragovernmental accounts payable as liabilities covered under budgetary resources. These accounts payable are those payable to other federal agencies and consist mainly of unliquidated obligation balances related to interagency agreements between USAID and other federal agencies. The accounts payable with the public represent liabilities to non-federal entities.

Liabilities not covered by budgetary resources include accrued unfunded annual leave and separation pay. Although future appropriations to fund these liabilities are probable and anticipated, Congressional action is needed before budgetary resources can be provided. Accrued unfunded annual leave, workers' compensation benefits, and separation pay represent future liabilities not currently funded by budgetary resources, but will be funded as it becomes due with future resources.

NOTE 11. OTHER LIABILITIES

As of September 30, 2023 and 2022 Other Current Liabilities consisted of the following *(in thousands)*:

	2023	2022
Intragovernmental		
IPAC Suspense	$ 5,964	$ 6,521
Unfunded FECA Liability (Note 12)	6,377	6,333
Custodial Liability	45	2,701
Employer Contributions & Payroll Taxes Payable	9,638	8,788
Other Unfunded Employment Related Liability	10	79
Total Other Liabilities	22,034	24,422
Advances from Others and Deferred Revenue	942,722	1,088,674
Total Intragovernmental	$ 964,756	$1,113,096
Other than Intragovernmental		
Accrued Funded Payroll and Leave	$ 46,179	$ 7,708
Accrued Unfunded Annual Leave (Note 10)	84,811	79,000
FSN Separation Pay Liability (Note 10)	–	701
Foreign Currency Trust Fund (Note 5)	226,008	261,565
Other Liabilities	130,836	145,214
Total Other Liabilities	487,834	494,188
Future Workers' Compensation Benefits (Note 10)	24,531	26,333
Advances from Others and Deferred Revenue	11,719	18,508
Total Liabilities Other than Intragovernmental	$ 524,084	$ 539,029
Total Other Liabilities	$ 1,488,840	$ 1,652,125

Intragovernmental Liabilities represent amounts due to other federal agencies. All remaining Other Liabilities are liabilities to non-federal entities.

NOTE 12. FEDERAL EMPLOYEES AND VETERAN'S BENEFITS

The provision for workers' compensation benefits payable, as of September 30, 2023 and 2022 are indicated in the table below *(in thousands)*:

Unfunded Workers' Compensation Benefits	2023	2022
Liabilities Not Covered by Budgetary Resources		
Future Workers' Compensation Benefits (Note 10)	$ 24,531	$ 26,333
Accrued Unfunded FECA Liability (Note 10)	6,377	6,333
Total Unfunded Workers' Compensation Benefits	$ 30,908	$ 32,666

The Federal Employees' Compensation Act (FECA) provides income and medical cost protection to covered federal civilian employees injured on the job and to beneficiaries of employees whose deaths are attributable to job-related injury or disease. The FECA program is administered by the U.S. Department of Labor (DOL). DOL initially pays valid FECA claims for all Federal Government agencies and seeks reimbursement two fiscal years later from the federal agencies employing the claimants.

For FY 2023, USAID's total FECA liability was $31 million, comprised of unpaid FECA billings for $6 million and estimated future FECA costs of $25 million.

The actuarial estimate for the FECA unfunded liability is determined by the DOL using a method that utilizes historical benefit payment patterns. The projected annual benefit payments are discounted to present value using economic assumption for 10-year Treasury notes and bonds and the amount is further adjusted for inflation.

NOTE 13. COMMITMENTS AND CONTINGENCIES

USAID is involved in certain claims, suits, and complaints that have been filed or are pending. These matters are in the ordinary course of the Agency's operations and are not expected to have a material adverse effect on the Agency's financial operations. As of September 30, 2022 there were four pending cases. One of these cases was closed and another was dismissed during FY 2023. There was one new case identified in FY 2023. As of September 30, 2023 there were three pending cases.

The schedule below details the accrued liabilities and estimated range of loss for pending legal cases as of September 30, 2023 and 2022 *(in thousands)*:

	2023		2022	
	Estimated Range of Loss		Estimated Range of Loss	
	Lower End	Upper End	Lower End	Upper End
Legal Contingencies:				
Probable	$ –	$ –	$ –	$ –
Reasonably Possible	1,900	4,300	1,100	8,263
Total Accrued Liabilities and Estimated Range of Loss	$ 1,900	$ 4,300	$ 1,100	$ 8,263

USAID's normal course of business involves the execution of project agreements with foreign governments that are a type of treaty. All of these agreements give rise to obligations that are fully reported on USAID's financial statements, and none of which are contingent. It is not USAID's normal business practice to enter into other types of agreements or treaties with foreign governments that create contingent liabilities.

NOTE 14. COVID-19 ACTIVITY

USAID's COVID-19 Activity as of September 30, 2023 and 2022 consisted of the following *(in thousands)*:

Schedule of COVID-19 Activity	2023	2022
Budgetary Resources: Unobligated (and unexpired) Balance Carried Forward from Prior Year	$ 10,103	$ 2,957,499
New Budget Authority (+)	$ –	$ –
Recissions (-)/OtherChanges(+/-) to Budgetary Resources	$ (1,512)	$ (1,305)
Budgetary Resources Obligated (-)	$ 2,610	$ 2,955,567
Budgetary Resources: Ending Unobligated (and unexpired) Balance to be Carried Forward	$ 7,590	$ 94
Outlays, Net	$ 843,444	$ 5,207,045

USAID's COVID-19 Activity by Funded Programs as of September 30, 2023 and 2022 consisted of the following *(in thousands)*:

	2023			
Schedule of COVID-19 Activity by Funded Programs	Economic Support Fund	International Disaster Assistance Fund	Operating Expenses	Totals
Budgetary Resources: Unobligated (and unexpired) Balance Carried Forward from Prior Year	$ 4,268	$ 4,731	$ 1,104	$ 10,103
New Budget Authority (+)	$ –	$ –	$ –	$ –
Recissions (-)/OtherChanges(+/-) to Budgetary Resources	$ –	$ (1,512)	$ –	$ (1,512)
Budgetary Resources Obligated (-)	$ 600	$ 990	$ 1,020	$ 2,610
Budgetary Resources: Ending Unobligated (and unexpired) Balance to be Carried Forward	$ 4,278	$ 2,229	$ 1,083	$ 7,590
Outlays, Net	$ 812,687	$ 2,882	$ 27,875	$ 843,444

	2022			
Schedule of COVID-19 Activity by Funded Programs	Economic Support Fund	International Disaster Assistance Fund	Operating Expenses	Totals
Budgetary Resources: Unobligated (and unexpired) Balance Carried Forward from Prior Year	$ 2,889,436	$ 1,118	$ 66,945	$ 2,957,499
New Budget Authority (+)	$ –	$ –	$ –	$ –
Recissions (-)/OtherChanges(+/-) to Budgetary Resources	$ –	$ –	$ (1,305)	$ (1,305)
Budgetary Resources Obligated (-)	$ 2,889,436	$ –	$ 66,131	$ 2,955,567
Budgetary Resources: Ending Unobligated (and unexpired) Balance to be Carried Forward	$ –	$ 1,118	$ (1,024)	$ 94
Outlays, Net	$ 5,127,514	$ 37,508	$ 42,023	$ 5,207,045

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HIGHLIGHTS OF COVID-19 FUNDING ACCOMPLISHMENTS

COVID-19 knows no borders and no one is safe until everyone is safe. USAID is leading the U.S. government's efforts to vaccinate the world and save lives now. Since the beginning of the pandemic, USAID has supported more than 120 countries to contain and combat the virus. USAID is building on decades of global health leadership combating infectious diseases such as Ebola, HIV/AIDS, tuberculosis, and malaria to now fight COVID-19 among other vaccine preventable diseases. USAID programs are helping deliver vaccines and get shots in arms through the U.S. government's Initiative for Global Vaccine Access (Global VAX), expand access to COVID-19 testing and treatment, protect and train health workers, deliver life-saving health commodities and equipment, share accurate and reliable public health information, and safeguard global health security. USAID is not just fighting the disease—we are also fighting to secure decades of development progress that the pandemic has harmed. USAID programs are keeping kids in school, providing emergency food and hygiene assistance, helping people find work, preventing democratic backsliding, addressing gender-based violence, and tackling other devastating impacts of the pandemic.

NOTE 15. SCHEDULE OF COST BY STANDARDIZED PROGRAM STRUCTURE AND DEFINITION (SPSD)

The Schedule of Costs by Responsibility Segment categorizes costs and revenues by Program Categories and Program Areas, which is consistent with the State-USAID SPSD and Responsibility Segment.

A responsibility segment is the component that carries out a mission or major line of activity, and whose managers report directly to top management. The Pillar and Regional Bureaus of USAID meet the criteria for responsibility segments. These bureaus directly support the Agency's goals while the remaining bureaus and offices support the operations of these bureaus. To report the full cost of program outputs, the cost of support bureaus and offices are allocated to the outputs of the Pillar and Regional Bureaus. Intra-agency eliminations are allocated to Program Areas to reflect total costs.

In the FY 2023 Consolidated Statement of Net Cost, major responsibility segments are (i) the Regional Bureaus and (ii) the Pillar Bureaus. The five Regional Bureaus are: Africa; Asia; Europe and Eurasia; Latin America and the Caribbean; and the Middle East. The five Pillar Bureaus are Bureau for Humanitarian Assistance; Conflict Prevention and Stabilization; Development, Democracy, and Innovation; Global Health; and Resilience and Food Security.

Schedule of Costs by SPSD for the years ended September 30, 2023 and 2022 are indicated in the table on the following pages *(in thousands)*:

Categories	Africa	Asia	BHA	CPS	DDI	Europe & Eurasia	Global Health	Latin America & Caribbean	Middle East	RFS	2023 Consolidated Total	2022 Consolidated Total
DR–Democracy, Human Rights and Governance												
DR.1–Rule of Law (ROL)												
Gross Costs	21,721	37,092	–	–	9,766	30,940	–	55,887	12,955	–	$ 168,361	$ 118,288
Less: Earned Revenue	(177)	(243)	–	–	(82)	(13)	–	(493)	(103)	–	(1,111)	(996)
Net Program Costs	**21,544**	**36,849**	**–**	**–**	**9,684**	**30,927**	**–**	**55,394**	**12,852**	**–**	**167,250**	**117,292**
DR.2–Good Governance												
Gross Costs	89,567	127,214	–	682	19,728	139,934	–	233,170	93,904	–	704,199	578,912
Less: Earned Revenue	(649)	(832)	–	(4)	(144)	(51)	–	(2,303)	(844)	–	(4,827)	(5,288)
Net Program Costs	**88,918**	**126,382**	**–**	**678**	**19,584**	**139,883**	**–**	**230,867**	**93,060**	**–**	**699,372**	**573,624**
DR.3–Political Competition and Consensus-Building												
Gross Costs	54,106	26,800	2,752	634	9,414	25,472	–	16,748	23,353	–	159,279	162,981
Less: Earned Revenue	(402)	(173)	(1)	(3)	(231)	(11)	–	(140)	(209)	–	(1,170)	(1,717)
Net Program Costs	**53,704**	**26,627**	**2,751**	**631**	**9,183**	**25,461**	**–**	**16,608**	**23,144**	**–**	**158,109**	**161,264**
DR.4–Civil Society												
Gross Costs	117,215	112,202	914	2,970	9,177	70,278	–	73,214	90,950	–	476,920	425,128
Less: Earned Revenue	(823)	(764)	–	(15)	(121)	(26)	–	(697)	(741)	–	(3,187)	(3,961)
Net Program Costs	**116,392**	**111,438**	**914**	**2,955**	**9,056**	**70,252**	**–**	**72,517**	**90,209**	**–**	**473,733**	**421,167**
DR.5–Independent Media and Free Flow of Information												
Gross Costs	13,044	22,681	–	–	5,575	56,155	–	18,288	244	–	115,987	83,382
Less: Earned Revenue	(90)	(157)	–	–	(69)	(19)	–	(205)	(2)	–	(542)	(656)
Net Program Costs	**12,954**	**22,524**	**–**	**–**	**5,506**	**56,136**	**–**	**18,083**	**242**	**–**	**115,445**	**82,726**
DR.6–Human Rights												
Gross Costs	24,525	39,970	1,059	1,471	53,779	4,303	–	58,874	12,016	–	195,997	121,869
Less: Earned Revenue	(152)	(265)	–	(11)	(476)	(2)	–	(614)	(101)	–	(1,621)	(1,133)
Net Program Costs	**24,373**	**39,705**	**1,059**	**1,460**	**53,303**	**4,301**	**–**	**58,260**	**11,915**	**–**	**194,376**	**120,736**
Total Democracy, Human Rights and Governance	**317,885**	**363,525**	**4,724**	**5,724**	**106,316**	**326,960**	**–**	**451,729**	**231,422**	**–**	**1,808,285**	**1,476,809**
EG–Economic Growth												
EG.1–Macroeconomic Foundation for Growth												
Gross Costs	5,397	1,527	–	–	35,756	14,769,699	–	16,320	1,133,915	–	15,962,614	8,311,948
Less: Earned Revenue	(50)	–	–	–	(4,155)	(7,258)	–	(223)	(84,713)	–	(96,399)	(39,292)
Net Program Costs	**5,347**	**1,527**	**–**	**–**	**31,601**	**14,762,441**	**–**	**16,097**	**1,049,202**	**–**	**15,866,215**	**8,272,656**
EG.2–Trade and Investment												
Gross Costs	51,796	76,301	–	–	22,504	21,070	–	13,970	22,717	–	208,358	130,944
Less: Earned Revenue	(370)	(535)	–	–	(179)	(9)	–	(146)	(169)	–	(1,408)	(995)
Net Program Costs	**51,426**	**75,766**	**–**	**–**	**22,325**	**21,061**	**–**	**13,824**	**22,548**	**–**	**206,950**	**129,949**
EG.3–Agriculture												
Gross Costs	711,142	307,651	–	–	18,570	62,827	–	73,532	38,366	461,889	1,673,977	1,036,576
Less: Earned Revenue	(5,441)	(2,602)	–	–	(108)	(25)	–	(722)	(309)	–	(9,207)	(6,244)
Net Program Costs	**705,701**	**305,049**	**–**	**–**	**18,462**	**62,802**	**–**	**72,810**	**38,057**	**461,889**	**1,664,770**	**1,030,332**
EG.4–Financial Sector												
Gross Costs	–	3,070	–	–	–	6,880	–	277	6,287	–	16,514	95,113
Less: Earned Revenue	–	(47)	–	–	–	(2)	–	–	(42)	–	(91)	(54,298)
Net Program Costs	**–**	**3,023**	**–**	**–**	**–**	**6,878**	**–**	**277**	**6,245**	**–**	**16,423**	**40,815**

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Categories	Africa	Asia	BHA	CPS	DDI	Europe & Eurasia	Global Health	Latin America & Caribbean	Middle East	RFS	2023 Consolidated Total	2022 Consolidated Total
EG.5–Private Sector Productivity												
Gross Costs	13,030	102,021	252	639	103,177	111,117	–	37,959	165,633	–	533,828	540,549
Less: Earned Revenue	(95)	(772)	–	–	(651)	(41)	–	(419)	(1,489)	–	(3,467)	(4,411)
Net Program Costs	**12,935**	**101,249**	**252**	**639**	**102,526**	**111,076**	**–**	**37,540**	**164,144**	**–**	**530,361**	**536,138**
EG.6–Workforce Development												
Gross Costs	3,558	14,686	–	–	38,792	11,010	–	11,588	26,718	–	106,352	107,114
Less: Earned Revenue	(25)	(116)	–	–	(307)	(3)	–	(112)	(228)	–	(791)	(853)
Net Program Costs	**3,533**	**14,570**	**–**	**–**	**38,485**	**11,007**	**–**	**11,476**	**26,490**	**–**	**105,561**	**106,261**
EG.7–Modern Energy Services												
Gross Costs	19,478	158,790	–	–	987	166,832	–	11,278	12,591	–	369,956	169,542
Less: Earned Revenue	(95)	(966)	–	–	(6)	(62)	–	(103)	(115)	–	(1,347)	(952)
Net Program Costs	**19,383**	**157,824**	**–**	**–**	**981**	**166,770**	**–**	**11,175**	**12,476**	**–**	**368,609**	**168,590**
EG.8–Information and Communications Technology Services												
Gross Costs	443	7,152	–	–	7,392	9	–	385	–	–	15,381	13,459
Less: Earned Revenue	(2)	(44)	–	–	(28)	–	–	–	–	–	(74)	(58)
Net Program Costs	**441**	**7,108**	**–**	**–**	**7,364**	**9**	**–**	**385**	**–**	**–**	**15,307**	**13,401**
EG.9–Transport Services												
Gross Costs	3,355	50,681	–	–	429	257	–	249	128	–	55,099	11,242
Less: Earned Revenue	(24)	(250)	–	–	(4)	–	–	(1)	(2)	–	(281)	(115)
Net Program Costs	**3,331**	**50,431**	**–**	**–**	**425**	**257**	**–**	**248**	**126**	**–**	**54,818**	**11,127**
EG.10–Environment												
Gross Costs	124,395	153,281	35	–	52,314	1,705	–	100,875	8,164	–	440,769	340,458
Less: Earned Revenue	(853)	(1,019)	–	–	(310)	–	–	(992)	(66)	–	(3,240)	(2,764)
Net Program Costs	**123,542**	**152,262**	**35**	**–**	**52,004**	**1,705**	**–**	**99,883**	**8,098**	**–**	**437,529**	**337,694**
EG.11-Climate Change – Adaptation												
Gross Costs	7,931	28,743	–	–	2,579	–	–	8,457	1,271	1,761	50,742	21,162
Less: Earned Revenue	(58)	(171)	–	–	(5)	–	–	(67)	(13)	–	(314)	(154)
Net Program Costs	**7,873**	**28,572**	**–**	**–**	**2,574**	**–**	**–**	**8,390**	**1,258**	**1,761**	**50,428**	**21,008**
EG.12-Climate Change – Clean Energy												
Gross Costs	52,497	51,177	–	–	4,936	18,434	–	11,945	2,403	68	141,460	45,515
Less: Earned Revenue	(275)	(231)	–	–	(19)	(3)	–	(107)	(19)	–	(654)	(261)
Net Program Costs	**52,222**	**50,946**	**–**	**–**	**4,917**	**18,431**	**–**	**11,838**	**2,384**	**68**	**140,806**	**45,254**
EG.13-Climate Change – Sustainable Landscapes												
Gross Costs	21,836	52,309	–	–	10,706	–	–	63,670	–	2,932	151,453	131,107
Less: Earned Revenue	(176)	(349)	–	–	(72)	–	–	(586)	–	–	(1,183)	(1,222)
Net Program Costs	**21,660**	**51,960**	**–**	**–**	**10,634**	**–**	**–**	**63,084**	**–**	**2,932**	**150,270**	**129,885**
Total Economic Growth	**1,007,394**	**1,000,287**	**287**	**639**	**292,298**	**15,162,437**	**–**	**347,027**	**1,331,028**	**466,650**	**19,608,047**	**10,843,110**
ES–Education and Social Services												
ES.1–Basic Education												
Gross Costs	316,728	149,781	1,273	–	160,942	4,073	–	85,459	308,561	–	1,026,817	858,864
Less: Earned Revenue	(2,257)	(873)	–	–	(95)	(2)	–	(795)	(2,763)	–	(6,785)	(7,589)
Net Program Costs	**314,471**	**148,908**	**1,273**	**–**	**160,847**	**4,071**	**–**	**84,664**	**305,798**	**–**	**1,020,032**	**851,275**

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Categories	Africa	Asia	BHA	CPS	DDI	Europe & Eurasia	Global Health	Latin America & Caribbean	Middle East	RFS	2023 Consolidated Total	2022 Consolidated Total
ES.2–Higher Education												
Gross Costs	22,441	34,322	2,616	–	45,265	397	–	7,872	40,084	–	152,997	132,049
Less: Earned Revenue	(147)	(222)	(1)	–	(348)	–	–	(84)	(272)	–	(1,074)	(1,125)
Net Program Costs	**22,294**	**34,100**	**2,615**	**–**	**44,917**	**397**	**–**	**7,788**	**39,812**	**–**	**151,923**	**130,924**
ES.3–Social Policies, Regulations, and Systems												
Gross Costs	–	2,276	–	–	214	154	–	18,611	–	–	21,255	18,874
Less: Earned Revenue	–	(19)	–	–	(3)	–	–	(171)	–	–	(193)	(218)
Net Program Costs	**–**	**2,257**	**–**	**–**	**211**	**154**	**–**	**18,440**	**–**	**–**	**21,062**	**18,656**
ES.4–Social Services												
Gross Costs	–	37,134	–	21,280	55,213	3,706	727	34,387	7,145	–	159,592	103,037
Less: Earned Revenue	–	(261)	–	(153)	(355)	(1)	(21)	(315)	(53)	–	(1,159)	(849)
Net Program Costs	**–**	**36,873**	**–**	**21,127**	**54,858**	**3,705**	**706**	**34,072**	**7,092**	**–**	**158,433**	**102,188**
ES.5–Social Assistance												
Gross Costs	–	2,854	–	–	1,323	951	–	–	60,226	–	65,354	12,899
Less: Earned Revenue	–	(16)	–	–	(16)	–	–	–	(489)	–	(521)	(164)
Net Program Costs	**–**	**2,838**	**–**	**–**	**1,307**	**951**	**–**	**–**	**59,737**	**–**	**64,833**	**12,735**
Total Education and Social Service	**336,765**	**224,976**	**3,888**	**21,127**	**262,140**	**9,278**	**706**	**144,964**	**412,439**	**–**	**1,416,283**	**1,115,778**
HA–Humanitarian Assistance												
HA.1–Protection, Assistance and Solutions												
Gross Costs	–	2,181	8,488,723	–	–	43	17	196	15,299	–	8,506,459	6,274,483
Less: Earned Revenue	–	(12)	(1,323)	–	–	–	–	(2)	(140)	–	(1,477)	(1,581)
Net Program Costs	**–**	**2,169**	**8,487,400**	**–**	**–**	**43**	**17**	**194**	**15,159**	**–**	**8,504,982**	**6,272,902**
HA.2–Disaster Readiness												
Gross Costs	5,291	3,755	299,430	–	–	–	–	10,992	517	–	319,985	310,104
Less: Earned Revenue	(30)	(37)	(34)	–	–	–	–	(98)	(6)	–	(205)	(318)
Net Program Costs	**5,261**	**3,718**	**299,396**	**–**	**–**	**–**	**–**	**10,894**	**511**	**–**	**319,780**	**309,786**
HA.3–Migration Management												
Gross Costs	–	–	–	–	–	–	–	59,062	–	–	59,062	55,452
Less: Earned Revenue	–	–	–	–	–	–	–	(578)	–	–	(578)	(626)
Net Program Costs	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**58,484**	**–**	**–**	**58,484**	**54,826**
Total Humanitarian Assistance	**5,261**	**5,887**	**8,786,796**	**–**	**–**	**43**	**17**	**69,572**	**15,670**	**–**	**8,883,246**	**6,637,514**
HL–Health												
HL.1–HIV/AIDS												
Gross Costs	441,137	45,371	–	–	121	639	794,792	33,139	14,251	183	1,329,633	3,290,672
Less: Earned Revenue	(11,931)	(852)	–	–	(1)	(6)	(520,227)	(890)	(130)	–	(534,037)	(881,778)
Net Program Costs	**429,206**	**44,519**	**–**	**–**	**120**	**633**	**274,565**	**32,249**	**14,121**	**183**	**795,596**	**2,408,894**
HL.2–Tuberculosis												
Gross Costs	34,967	33,101	–	–	1	164	10,622	3	107	1	78,966	42,925
Less: Earned Revenue	(1,013)	(947)	–	–	–	(5)	(308)	–	(1)	–	(2,274)	(1,806)
Net Program Costs	**33,954**	**32,154**	**–**	**–**	**1**	**159**	**10,314**	**3**	**106**	**1**	**76,692**	**41,119**

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Categories	Africa	Asia	BHA	CPS	DDI	Europe & Eurasia	Global Health	Latin America & Caribbean	Middle East	RFS	2023 Consolidated Total	2022 Consolidated Total
HL.3–Malaria												
Gross Costs	191,740	7,233	–	–	4	16	9,031	2,048	514	7	210,593	124,508
Less: Earned Revenue	(5,556)	(204)	–	–	–	–	(261)	(59)	(5)	–	(6,085)	(5,228)
Net Program Costs	**186,184**	**7,029**	**–**	**–**	**4**	**16**	**8,770**	**1,989**	**509**	**7**	**204,508**	**119,280**
HL.4–Pandemic Influenza and Other Emerging Threats (PIOET)												
Gross Costs	462,377	99,954	–	–	6	22,334	270,871	97,980	50,062	10	1,003,594	4,233,824
Less: Earned Revenue	(3,320)	(732)	–	–	–	(10)	(2,043)	(1,056)	(447)	–	(7,608)	(7,869)
Net Program Costs	**459,057**	**99,222**	**–**	**–**	**6**	**22,324**	**268,828**	**96,924**	**49,615**	**10**	**995,986**	**4,225,955**
HL.5–Other Public Health Threats												
Gross Costs	289	2,616	–	–	16,713	10,245	14,888	30	2,259	14	47,054	63,323
Less: Earned Revenue	(5)	(14)	–	–	(153)	(2)	(399)	–	(24)	–	(597)	(785)
Net Program Costs	**284**	**2,602**	**–**	**–**	**16,560**	**10,243**	**14,489**	**30**	**2,235**	**14**	**46,457**	**62,538**
HL.6–Maternal and Child Health												
Gross Costs	100,651	48,773	–	–	33	516	94,365	11,832	23,039	50	279,259	173,718
Less: Earned Revenue	(2,905)	(869)	–	–	–	–	(2,733)	(341)	(269)	–	(7,117)	(5,361)
Net Program Costs	**97,746**	**47,904**	**–**	**–**	**33**	**516**	**91,632**	**11,491**	**22,770**	**50**	**272,142**	**168,357**
HL.7–Family Planning and Reproductive Health												
Gross Costs	83,903	28,681	–	–	15	56	22,615	5,595	51,379	22	192,266	142,360
Less: Earned Revenue	(2,426)	(576)	–	–	–	–	(654)	(161)	(531)	–	(4,348)	(4,119)
Net Program Costs	**81,477**	**28,105**	**–**	**–**	**15**	**56**	**21,961**	**5,434**	**50,848**	**22**	**187,918**	**138,241**
HL.8–Water Supply and Sanitation												
Gross Costs	205,631	54,015	–	–	1,513	199	157	11,709	133,973	15,422	422,619	353,364
Less: Earned Revenue	(1,468)	(258)	–	–	(15)	–	(1)	(127)	(1,115)	–	(2,984)	(3,439)
Net Program Costs	**204,163**	**53,757**	**–**	**–**	**1,498**	**199**	**156**	**11,582**	**132,858**	**15,422**	**419,635**	**349,925**
HL.9–Nutrition												
Gross Costs	39,099	18,979	–	–	2	8	2,359	1,710	3,807	3	65,967	28,668
Less: Earned Revenue	(763)	(200)	–	–	–	–	(68)	(49)	(39)	–	(1,119)	(947)
Net Program Costs	**38,336**	**18,779**	**–**	**–**	**2**	**8**	**2,291**	**1,661**	**3,768**	**3**	**64,848**	**27,721**
Total Health	**1,530,407**	**334,071**	**–**	**–**	**18,239**	**34,154**	**693,006**	**161,363**	**276,830**	**15,712**	**3,063,782**	**7,542,030**
PO–Program Development and Oversight												
PO.1–Program Design and Learning												
Gross Costs	89,587	37,625	100,947	2,415	45,678	10,146	–	43,201	38,526	6,561	374,686	302,956
Less: Earned Revenue	(781)	(270)	(13)	(10)	(304)	(4)	–	(439)	(327)	–	(2,148)	(2,232)
Net Program Costs	**88,806**	**37,355**	**100,934**	**2,405**	**45,374**	**10,142**	**–**	**42,762**	**38,199**	**6,561**	**372,538**	**300,724**
PO.2–Administration and Oversight											**–**	
Gross Costs	198,860	87,323	253,221	64,881	101,615	30,334	–	97,884	59,308	30,594	924,020	802,141
Less: Earned Revenue	(2,249)	(684)	(30)	(244)	(253)	(12)	–	(995)	(507)	–	(4,974)	(5,150)
Net Program Costs	**196,611**	**86,639**	**253,191**	**64,637**	**101,362**	**30,322**	**–**	**96,889**	**58,801**	**30,594**	**919,046**	**796,991**
PO.3–Evaluation											**–**	
Gross Costs	17,522	6,614	–	1,745	3,093	1,324	–	20,133	8,960	–	59,391	41,958
Less: Earned Revenue	(165)	(48)	–	(6)	(25)	(1)	–	(207)	(82)	–	(534)	(442)
Net Program Costs	**17,357**	**6,566**	**–**	**1,739**	**3,068**	**1,323**	**–**	**19,926**	**8,878**	**–**	**58,857**	**41,516**
Total Program Development and Oversight	**302,774**	**130,560**	**354,125**	**68,781**	**149,804**	**41,787**	**–**	**159,577**	**105,878**	**37,155**	**1,350,441**	**1,139,231**

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Categories	Africa	Asia	BHA	CPS	DDI	Europe & Eurasia	Global Health	Latin America & Caribbean	Middle East	RFS	2023 Consolidated Total	2022 Consolidated Total
PS–Peace and Security												
PS.1–Counterterrorism												
Gross Costs	9,961	1,894	–	–	3,537	–	–	–	–	–	15,392	19,336
Less: Earned Revenue	(70)	(12)	–	–	(52)	–	–	–	–	–	(134)	(179)
Net Program Costs	**9,891**	**1,882**	**–**	**–**	**3,485**	**–**	**–**	**–**	**–**	**–**	**15,258**	**19,157**
PS.2–Combating Weapons of Mass Destruction (WMD)												
Gross Costs	–	–	–	123	–	2,445	–	–	–	–	2,568	148
Less: Earned Revenue	–	–	–	–	–	(1)	–	–	–	–	(1)	(1)
Net Program Costs	**–**	**–**	**–**	**123**	**–**	**2,444**	**–**	**–**	**–**	**–**	**2,567**	**147**
PS.3–Counternarcotics												
Gross Costs	–	–	–	–	–	–	–	110,674	–	–	110,674	117,593
Less: Earned Revenue	–	–	–	–	–	–	–	(1,147)	–	–	(1,147)	(1,359)
Net Program Costs	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**109,527**	**–**	**–**	**109,527**	**116,234**
PS.4-Transnational Threats and Crime												
Gross Costs	–	–	–	–	–	31,351	–	–	–	–	31,351	13,814
Less: Earned Revenue	–	–	–	–	–	(12)	–	–	–	–	(12)	(20)
Net Program Costs	**–**	**–**	**–**	**–**	**–**	**31,339**	**–**	**–**	**–**	**–**	**31,339**	**13,794**
PS.5–Trafficking in Persons												
Gross Costs	2,301	20,714	–	–	–	2,934	–	726	334	–	27,009	28,760
Less: Earned Revenue	(14)	(135)	–	–	–	(1)	–	(5)	–	–	(155)	(235)
Net Program Costs	**2,287**	**20,579**	**–**	**–**	**–**	**2,933**	**–**	**721**	**334**	**–**	**26,854**	**28,525**
PS.6–Conflict Mitigation and Stabilization												
Gross Costs	31,115	50,354	3,316	283,803	372	11,432	–	29,234	121,287	–	530,913	420,532
Less: Earned Revenue	(243)	(349)	(1)	(1,085)	(1)	(6)	–	(259)	(997)	–	(2,941)	(4,050)
Net Program Costs	**30,872**	**50,005**	**3,315**	**282,718**	**371**	**11,426**	**–**	**28,975**	**120,290**	**–**	**527,972**	**416,482**
PS.7–Conventional Weapons Security and Explosive Remnants of War (ERW)												
Gross Costs	–	–	–	–	–	–	–	–	–	–	–	–
Less: Earned Revenue	–	–	–	–	–	–	–	–	–	–	–	–
Net Program Costs	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
PS.8–Strengthening Military Partnerships and Capabilities												
Gross Costs	–	–	–	–	–	–	–	–	–	–	–	–
Less: Earned Revenue	–	–	–	–	–	–	–	–	–	–	–	–
Net Program Costs	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
PS.9–Citizen Security and Law Enforcement												
Gross Costs	–	–	–	–	–	–	–	–	–	–	–	43
Less: Earned Revenue	–	–	–	–	–	–	–	–	–	–	–	(1)
Net Program Costs	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**42**
Total Peace and Security	**43,050**	**72,466**	**3,315**	**282,841**	**3,856**	**48,142**	**–**	**139,223**	**120,624**	**–**	**713,517**	**594,381**
Net Cost of Operations	**3,543,536**	**2,131,772**	**9,153,135**	**379,112**	**832,653**	**15,622,801**	**693,729**	**1,473,455**	**2,493,891**	**519,517**	**$36,843,601**	**$ 29,348,853**

NOTE 16. COMBINED STATEMENT OF BUDGETARY RESOURCES

The Combined Statement of Budgetary Resources presents information about total budgetary resources available to USAID and the status of those resources, as of September 30, 2023 and 2022. USAID's total budgetary resources were $51.7 billion and $50.2 billion as of September 30, 2023 and 2022, respectively.

The following schedule details the amount of the direct and reimbursable new obligations and upward adjustments against the apportionment categories.

A. APPORTIONMENT CATEGORIES OF OBLIGATIONS INCURRED *(in thousands)*:

	2023	2022
Category A, Direct	$ 1,847,938	$ 1,808,046
Category B, Direct	36,366,403	30,520,233
Category A, Reimbursable	105,219	90,794
Category B, Reimbursable	496,822	1,255,238
Total	$ 38,816,382	$ 33,674,311

B. BORROWING AUTHORITY, END OF PERIOD AND TERMS OF BORROWING AUTHORITY USED:

The Agency had no reported borrowing authority as of the end of both FY 2023 and FY 2022. Borrowing authority is indefinite and authorized under the Federal Credit Reform Act of 1990 and is used to finance obligations during the current year, as needed.

C. PERMANENT INDEFINITE APPROPRIATIONS:

Pursuant to Section 504(f) of the Federal Credit Reform Act of 1990, the Agency is authorized the use of permanent indefinite authority to fund increases in the projected subsidy costs of the loan guarantee programs, as determined by the annual reestimate process. When such an appropriation is received, it is obligated and disbursed from the program to the financing fund to make sure it has sufficient assets to cover its liabilities.

D. LEGAL ARRANGEMENTS AFFECTING THE USE OF UNOBLIGATED BALANCES:

The "Consolidated Appropriations Act" signed into law as P.L. 112-74 provides to USAID extended authority to obligate funds. USAID's appropriations have consistently provided essentially similar authority, known as "7011" authority. Under this authority funds shall remain available for obligation for an extended period if such funds are obligated within their initial period of availability. Any subsequent recoveries (deobligations) of these funds become unobligated balances that are available for reprogramming by USAID (subject to OMB approval through the apportionment process).

(continued on next page)

E. UNDELIVERED ORDERS AT THE END OF THE YEAR:

Budgetary Resources obligated for Undelivered Orders as of September 30, 2023 and 2022, were $26.3 billion and $26.1 billion, respectively.

	2023	2022
Federal		
Obligations Paid	$ 61,932	$ 55,925
Obligations Unpaid	690,953	710,934
Total Federal	$ 752,885	$ 766,859
Non-Federal		
Obligations Paid	$ 720,206	$ 580,577
Obligations Unpaid	24,788,209	24,797,152
Total Non-Federal	$ 25,508,415	$ 25,377,729
Total Undelivered Orders at End of Year	$ 26,261,300	$ 26,144,588

F. DIFFERENCE BETWEEN THE COMBINED STATEMENT OF BUDGETARY RESOURCES AND THE BUDGET OF THE U.S. GOVERNMENT *(in thousands)*:

The reconciliation between the Statement of Budgetary Resources (SBR) and the Budget of the U.S. Government (President's Budget) is presented below. This reconciliation is as of September 30, 2022 because submission of the Budget for FY 2025, which presents the execution of the FY 2023 Budget, occurs after publication of these financial statements. The USAID Budget Appendix can be found on the OMB website (*https://www.whitehouse.gov/omb/budget*) and will be available in early February 2024.

Differences between the SBR and Budget of the U.S. Government are caused mainly by the fact that certain funds are reported in the SBR but not included in the USAID section of the "Department of State and Other International Programs" Appendix of the Budget of the U.S. Government. This is largely reflected in the Economic Support Fund, which is approximately $20.9 billion. This fact is corroborated by the State Budget Office, which confirms the aforementioned funds being warranted/allocated to State, and included in State's section of the President's Budget as a transfer of funds to USAID.

The amounts in the line "Other Differences" in the table below cannot be further defined because appropriation level detail is not provided in the Budget of the U.S. Government.

2022	Budgetary Resources	New Obligations & Upward Adjustments (Total)	Distributed Offsetting Receipts	Net Outlays
Combined Statement of Budgetary Resources	$ 50,199,483	$ 33,674,311	$ (899,105)	$ 29,707,086
Funds Reported in SBR, Not Attributed to USAID in the President's Budget	(20,905,000)	(15,869,000)	–	(18,773,000)
Other Differences	1,095,646	4,691,382	–	7,113,737
Budget of the U.S. Government	$ 30,390,129	$ 22,496,693	$ (899,105)	$ 18,047,823

NOTE 17. RECONCILIATION OF NET COST TO BUDGETARY OUTLAYS

Budgetary and financial accounting information differ. Budgetary accounting is used for planning and control purposes and relates to both the receipt and use of cash, as well as reporting the federal deficit. Financial accounting is intended to provide a picture of the government's financial operations and financial position so it presents information on an accrual basis. The accrual basis includes information about costs arising from the consumption of assets and the incurrence of liabilities. The reconciliation of net outlays, presented on a budgetary basis, and the net cost, presented on an accrual basis, provides an explanation of the relationship between the budgetary and financial accounting information. The reconciliation serves not only to identify costs paid for in the past and those that will be paid in the future, but also to assure integrity between budgetary and financial accounting.

The first section of the reconciliation below presents components of net cost that are not part of net outlays and should be excluded from net cost. The second and third sections present increases and decreases in assets and liabilities, respectively. Some sections are used for assets that are reported on the Balance Sheet, not as net cost. The final section adds or subtracts from total resources those items reported in net cost that do not require or generate resources. As an example, the Agency collects regular passport fees that are reported as revenue on the Statement of Net Cost. However, these fees are not shown as a resource because they are returned to Treasury and cannot be obligated or spent by the Agency.

Schedule of Reconciliation of Net Cost of Operations to Net Costs of Budgetary Outlays for the years ended September 30, 2023 and 2022 is indicated in the table below *(in thousands)*:

	2023	2022
NET COST	**$ 36,843,601**	**$ 29,348,853**
Components of Net Cost That Are Not Part of Net Outlays:		
Property, Plant and Equipment Depreciation	(13,875)	(16,456)
Property, Plant, and Equipment Disposal and Revaluation	(442)	(1,259)
Other	295,803	635,413
Increase/(Decrease) in Assets:		
Accounts Receivable	(341,950)	(222,217)
Other Assets	130,857	86,588
(Increase)/Decrease in Liabilities:		
Accounts Payable	34,507	(455,256)
Salaries and Benefits	(825)	(1,787)
Other Liabilities (Unfunded Leave, Unfunded FECA, Actuarial FECA)	161,067	151,750
Other Financing Sources:		
Federal Employee Retirement Benefit Costs Paid by OPM and Imputed to the Agency	(95,581)	(63,703)
Transfers Out/In Without Reimbursement	(301,631)	(1,253,532)
Donated Revenue	(66,478)	(34,318)
Total Components of Net Operating Cost That Are Not Part of Net Outlays	**(198,550)**	**(1,174,777)**
Components of Net Outlays That Are Not Part of Net Cost:		
Other	716,650	1,509,861
Unreconciled Difference	(18,421)	23,149
Total Components of Net Outlays That Are Not Part of Net Cost	**698,229**	**1,533,010**
NET OUTLAYS	**$ 37,343,280**	**$ 29,707,086**
Distributed Offsetting Receipts	(729,610)	(899,105)
AGENCY OUTLAYS, NET	**$ 36,613,670**	**$ 28,807,981**

NOTE 18. RECLASSIFICATION OF FINANCIAL STATEMENT LINE ITEMS FOR FINANCIAL REPORT COMPILATION PROCESS

To prepare the Financial Report of the U.S. Government (FR), the Department of the Treasury requires agencies to submit an adjusted trial balance, which is a listing of amounts by U.S. Standard General Ledger account that appear in the financial statements. Treasury uses the trial balance information reported in the Governmentwide Treasury Account Symbol Adjusted Trial Balance System (GTAS) to develop a Reclassified Statement of Net Cost and a Reclassified Statement of Changes in Net Position. Treasury eliminates intragovernmental balances from the reclassified statements and aggregates lines with the same title to develop the FR statements. This note shows the USAID's financial statements and the USAID's reclassified statements prior to elimination of intragovernmental balances and prior to aggregation of repeated FR line items. A copy of the 2022 FR can be found here: Bureau of the Fiscal Service – Reports, Statements & Publications (*https://fiscal.treasury.gov/reports-statements/*) and a copy of the 2023 FR will be posted to this site as soon as it is released.

The term "intragovernmental" is used in this note to refer to amounts that result from other components of Federal Government. The term "non-federal" is used in this note to refer to Federal Government amounts that result from transactions with non-federal entities. These include transactions with individuals, businesses, non-profit entities, and state, local, and foreign governments.

The Reclassification of the Statement of Net Cost and the Statement of Changes in Net Position for the year ended September 30, 2023 are presented in the tables on the following pages *(in thousands)*:

Reclassification of Statement of Net Cost to Line Items Used for the Government-wide Statement of Net Cost For the Year Ending September 30, 2023

FY 2023 USAID Statement of Net Cost			Line Items Used to Prepare FY 2023 Government-wide Statement of Net Cost	
Financial Statement Line	**Amounts**	**Other than Dedicated Collections (with Elimination)**	**Amounts**	**Reclassified Financial Statement Line**
Gross Cost	$ 37,564,722	$ –	$ 36,380,921	Non-Federal Gross Cost
				Intragovernmental Costs
			170,104	Benefit Program Costs
			95,581	Imputed Costs
			918,076	Buy/Sell Cost
			40	Other Expenses (Without Reciprocals)
			1,183,801	***Total Intragovernmental Cost***
Total Gross Cost	37,564,722	–	37,564,722	**Total Reclassified Gross Cost**
Earned Revenue	(721,121)		(39,597)	Non-Federal Earned Revenue
				Intragovernmental Revenue
			(630,227)	Buy/Sell Revenue
			(51,297)	Borrowing and Other Interest Revenue
			(681,524)	***Total Intragovernmental Earned Revenue***
Total Earned Revenue	(721,121)	–	(721,121)	*Total Reclassified Earned Revenue*
Net Cost of Operations	**$ 36,843,601**	$ –	**$ 36,843,601**	**Net Cost of Operations**

Reclassification of Statement of Changes in Net Position to Line Items Used for Government-wide Statement of Operations and Changes in Net Position For the Year Ending September 30, 2023

FY 2023 USAID Statement of Changes in Net Position			Line Items Used to Prepare FY 2023 Government-wide Statement of Changes in Net Position	
Financial Statement Line	**Amounts**	**Other than Dedicated Collections (with Elimination)**	**Amounts**	**Reclassified Financial Statement Line**
UNEXPENDED APPROPRIATIONS:				**UNEXPENDED APPROPRIATIONS:**
Unexpended Appropriations, Beginning Balance	$ 37,844,754	$ –	$ 37,844,754	Unexpended Appropriations, Beginning Balance
Appropriations Received	34,116,060		33,974,536	Appropriations Received, as adjusted
Other Adjustments	(141,524)			Other Adjustments
Appropriations Transferred In/Out	167,639	(9,385,437)	9,630,420	Non-Expenditure Transfers-In of Unexpended Appropriations and Financing Sources
		9,385,411	(9,462,755)	Non-Expenditure Transfers-Out of Unexpended Appropriations and Financing Sources
Appropriations Used	(36,811,222)		(36,811,222)	Appropriations Used (Federal)
Total Unexpended Appropriations	**$ 35,175,707**	**$ (26)**	**$ 35,175,733**	**Total Unexpended Appropriations**
CUMULATIVE RESULTS OF OPERATIONS:				**CUMULATIVE RESULTS OF OPERATIONS:**
Cumulative Results, Beginning Balance	$ 1,641,180	$ –	$ 1,641,180	Cumulative Results, Beginning Balance, as adjusted
Appropriations Used	36,811,222		36,811,222	Appropriations Used
Non-Exchange Revenues				Non-Federal Non-Exchange Revenues
			72,424	Other Taxes and Receipts
			338,953	Accrual for Non-Entity Amounts to be Collected and Transferred to the General Fund of the U.S. Government
			(634,761)	Non-Entity Collections Transferred to the General Fund of the U.S. Government
Donations and Forfeitures of Property	5,946		–	Donations and Forfeitures of Property
		(716)	6,512	Expenditure Transfers-In of Financing Sources
		716	(716)	Expenditure Transfers-Out of Financing Sources
		(6)	6	Non-Expenditure Transfer-In of Financing Sources – Capital Transfers (RC 11)
		6	(6)	Non-Expenditure Transfers-Out of Financing Sources – Capital Transfers (RC 11)
		(295,802)	295,802	Transfers-In Without Reimbursement
Transfers in/out Without Reimbursement	5,803	295,828	(295,821)	Transfers-Out Without Reimbursement
Other	(295,808)		–	Other
Donations and Forfeitures of Cash and Cash Equivalents	66,478		–	Donations and Forfeitures of Cash and Cash Equivalents
Imputed Financing	95,581		95,581	Imputed Financing Sources
Total Financing Sources	**36,689,222**	**26**	**36,689,196**	**Total Financing Sources**
Net Cost of Operations	(36,843,601)		(36,843,601)	**Net Cost of Operations**
Ending Balance – Cumulative Results of Operations	**$ 1,486,801**	**$ 26**	**$ 1,486,775**	**Ending Balance – Cumulative Results of Operations**
Total Net Position	**$ 36,662,508**	**$ –**	**$ 36,662,508**	**Net Position**

FINANCIAL SECTION

REQUIRED SUPPLEMENTARY INFORMATION

(Preceding page) **In Georgia, Darejan Berdzenishvili employs her neighbors Naira Tokhadze and Rusudan Kalandadze, both native to Guria, to wash, cut, and peel the fruits in her home. "People in my village, and in general, people of Guria are my family," she says about her efforts to hire locally and spur economic growth in the community.** PHOTO: THOMAS CRISTOFOLETTI FOR USAID

(Below) View of the landscape that surrounds the town of Khidistavi, Georgia. USAID experts supported the Georgian Government in efforts to strengthen its tax system, so that the government could increase spending on programs and services to benefit its people. PHOTO: THOMAS CRISTOFOLETTI FOR USAID

STATEMENT OF BUDGETARY RESOURCES

REQUIRED SUPPLEMENTARY INFORMATION: COMBINING STATEMENT OF BUDGETARY RESOURCES

For the Year Ended September 30, 2023

(in thousands)

	Operating	Civilian Stabilization Initiative	Assistance for Europe, Eurasia and Central Asia	Assistance for Eastern Europe	Development Assistance	International Disaster Assistance	Economic Support Fund	Assistance for New Independent States	Child Survival and Disease Programs Funds	Credit Financing	Other	Parent Fund	Combined Total
	1000	**0305**	**0306**	**1010**	**1021**	**1035**	**1037**	**1093**	**1095**				
Budgetary Resources:													
Unobligated Balance from Prior Year Budget Authority, Net (Discretionary and Mandatory)	$ 270,203	$ 1,151	$ 505,510	$ 511	$ 4,317,424	$ 3,793,525	$ 3,573,265	$ 3,812	$ 38,360	$ 1,591,514	$ 857,250	$ 1,896,137	$ 16,848,662
Appropriations (Discretionary and Mandatory)	1,748,350	–	850,334	–	4,368,613	4,841,850	21,767,795	–	–	–	610,293	–	34,187,235
Spending Authority from Offsetting Collections (Discretionary and Mandatory)	97,654	–	(47,225)	–	2,000	26	(549,214)	–	–	51,297	400,339	688,872	643,749
Total Budgetary Resources	**$2,116,207**	**$1,151**	**$1,308,619**	**$ 511**	**$8,688,037**	**$8,635,401**	**$24,791,846**	**$ 3,812**	**$ 38,360**	**$ 1,642,811**	**$ 1,867,882**	**$2,585,009**	**$ 51,679,646**
Status of Budgetary Resources:													
New Obligations and Upward Adjustments (Total) (Note 16)	1,861,025	–	616,841	–	4,076,950	7,871,334	20,277,984	232	4,958	634,754	1,166,246	2,306,058	38,816,382
Unobligated Balance, End of Year:													
Apportioned, Unexpired Accounts	18,143	–	688,401	511	4,585,445	763,567	4,451,833	3,580	33,133	–	215,159	207,712	10,967,484
Unapportioned, Unexpired Accounts	143,818	1,151	2,491	–	6,821	500	8,496	–	269	1,008,057	473,225	2,328	1,647,156
Unexpired Unobligated Balance, End of Year	**161,961**	**1,151**	**690,892**	**511**	**4,592,266**	**764,067**	**4,460,329**	**3,580**	**33,402**	**1,008,057**	**688,384**	**210,040**	**12,614,640**
Expired Unobligated Balance, End of Year	93,221	–	886	–	18,821	–	53,533	–	–	–	13,252	68,911	248,624
Total Unobligated Balance, End of Year	**255,182**	**1,151**	**691,778**	**511**	**4,611,087**	**764,067**	**4,513,862**	**3,580**	**33,402**	**1,008,057**	**701,636**	**278,951**	**12,863,264**
Total Budgetary Resources	**$2,116,207**	**$1,151**	**$1,308,619**	**$ 511**	**$8,688,037**	**$8,635,401**	**$24,791,846**	**$ 3,812**	**$ 38,360**	**$ 1,642,811**	**$ 1,867,882**	**$2,585,009**	**$ 51,679,646**
Outlays, Net and Disbursements, Net:													
Outlays, Net (Total) (Discretionary and Mandatory)	1,666,710	–	820,118	–	3,361,132	9,259,494	19,019,748	383	1	–	889,989	2,325,705	37,343,280
Distributed Offsetting Receipts (-)	–	–	–	–	–	–	–	–	–	–	(729,610)	–	(729,610)
Agency Outlays, Net (Discretionary and Mandatory)	**$ 1,666,710**	**$ –**	**$ 820,118**	**$ –**	**$3,361,132**	**$9,259,494**	**$19,019,748**	**$ 383**	**$ 1**	**$ –**	**$ 160,379**	**$ 2,325,705**	**$ 36,613,670**
Disbursement, Net (Total) (Mandatory)										**$ 583,457**			**$ 583,457**

MAJOR FUNDS

Operating Funds

1000 Operating Expenses of USAID

Program Funds

0305 Civilian Stabilization Initiative
0306 Assistance for Europe, Eurasia, and Central Asia (AEECA)
1010 Assistance for Eastern Europe
1021 Development Assistance (DA)
1035 International Disaster Assistance
1037 Economic Support Fund (ESF)
1093 Assistance for the Newly Independent States of the Former Soviet Union
1095 Child Survival and Disease Programs Funds

CREDIT FINANCING FUNDS

4119 Israel Guarantee Financing Account
4493 Loan Guarantees to Middle East Northern Africa (MENA) – Financing Account

CREDIT PROGRAM FUNDS

0301 Israel Program Fund
0402 Ukraine Program Fund
0409 Loan Guarantees to Middle East Northern Africa (MENA) – Program Account
5318 Israel Program Fund – Administrative Expense

ALLOCATIONS TO OTHER AGENCIES

0306 Assistance for Europe, Eurasia, and Central Asia (AEECA)
1010 Assistance for Eastern Europe
1021 Development Assistance
1035 International Disaster Assistance
1037 Economic Support Fund (ESF)
1093 Assistance for the Newly Independent States of the Former Soviet Union
1095 Child Survival and Disease Program Funds

ALLOCATIONS FROM OTHER AGENCIES

0113 Diplomatic and Consular Programs, State
0535 Embassy Security, Construction and Maintenance, State
1030 Global HIV/AIDS Initiative
1031 Global Health/Child Survival and HIV/AIDS
1121 Democracy Fund
1154 Andean Counterdrug Initiative (ACI)
2278 Commodity Credit Corporation
4336 Commodity Credit Corporation

OTHER FUNDS

Operating Funds

0300 Capital Investment Fund (CIF)
1007 Operating Expenses of USAID Inspector General
1099 Fines, Penalties and Forfeitures – Not Otherwise Classified

Program Funds

1012 Sahel Development Program
1014 Development Fund for Africa (DFA)
1015 Complex Crisis Fund
1023 Food and Nutrition Development Assistance
1024 Population Planning and Health, Development Assistance
1025 Education and Human Resources, Development Assistance
1027 Transition Initiatives
1028 Global Fund to Fight HIV/AIDS
1033 HIV/AIDS Working Capital
1038 Central American Reconciliation Assistance
1040 Sub-Saharan Africa Disaster Assistance
1096 Iraq Relief Fund
1500 Demobilization and Transition Fund

Trust Funds

8342 Foreign National Employees Separation Liability Fund
8502 Technical Assistance – U.S. Dollars Advance from Foreign Governments
8824 Gifts and Donations

Revolving Funds

4175 Property Management Fund
4513 Working Capital Fund
4590 Acquisition of Property Revolving Fund