



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

September 26, 2025

The Honorable Richard Blumenthal
Ranking Member Permanent Subcommittee on Investigations
Senate Committee on Homeland Security and Governmental Affairs

Dear Ranking Member Blumenthal:

Thank you for your letter dated July 31, 2025 regarding USAID Office of Inspector General (USAID OIG) oversight activities. USAID OIG's dedicated workforce is devoted to ensuring rigorous independent oversight and accountability over U.S.-funded assistance spent and administered abroad. Recent changes in the aid and development sector have made our independent oversight role, outlined in our [USAID OIG FY 2026 Oversight Plan](#), all the more essential.

In maintaining our ongoing independent oversight work and investigations, we remain committed to working with Congress to ensure that risks, challenges, and vulnerabilities are brought to the forefront to preserve the integrity of hard-earned American taxpayer dollars. Our ongoing and planned oversight work includes the following:

Ongoing

Product Spoilage and Destruction

- **Inspections of BHA Warehouses Storing Food Aid in Djibouti, South Africa, and Texas.** OIG has initiated a series of [inspections](#) of USAID Bureau for Humanitarian Assistance (BHA) warehouses that preposition food aid. As of May 2025, BHA warehouses in Djibouti; Durban, South Africa; and Houston, Texas stored nearly \$100 million in prepositioned food aid for use in humanitarian responses worldwide. Ensuring that these goods do not spoil or are otherwise damaged and that plans are in place for their storage and disposition are critical to preventing waste and enabling the U.S. government to continue to be ready to respond to emergency situations. The objectives of the inspections are to (1) determine the status of food stored in BHA's warehouses and (2) identify plans for the continued storage, transfer, and disposal of these goods. We expect to issue the first of these inspections in fall 2025 and will be available to brief you and your staff upon release.

Canceling of Grants, Contracts, and Other Projects

- **Audits of the Disposition of Assets for Terminated USAID Awards in Egypt, El Salvador, Haiti, Pakistan, the Philippines, South Africa, Thailand, and**

Ukraine. OIG has initiated a series of audits examining the disposition of assets for recently terminated USAID awards. The audit objective is to determine the status of USAID-funded physical assets procured under selected awards. As part of this effort, we intend to produce a listing of assets that require attention for proper accounting, transfer, and disposition. Assets included in this audit may include real property, vehicles, and equipment as well as warehoused inventory like food and medicine. Additionally, we will identify the extent to which assets still in country are at risk of loss, theft, damage, or other misuse. We expect to issue the first of the inspections in fall 2025 and will be available to brief you and your staff upon release.

Planned

Reorganization of USAID Programs Into Department of State

- **Realignment and Reorganization of U.S. Foreign Assistance.** We will review the actions USAID took to transfer its foreign assistance programs and operations to State, consistent with Executive Order 14169, “Reevaluating and Realigning United States Foreign Aid,” and subsequent directives from the Secretary of State.

Layoffs and Terminations

- **Use of Administrative Leave.** USAID’s, MCC’s, IAF’s, and USADF’s use of administrative leave expanded greatly in FY 2025. We will analyze timecard and financial data and other information to determine the cost and operational impact of the use of administrative leave in FY 2025.
- **Payments of Travel Vouchers, Benefits, and Severance to USAID Staff.** A compressed separation timeline, evolving guidance, and fluctuating staffing levels pose a risk for accurate payments to USAID staff departing the Agency. We will test the accuracy of payments issued, which could facilitate recovery of overpayments and correction of underpayments.
- **Reduction in Force Process.** We will review the process USAID used to perform reductions in force of U.S. direct hires and Foreign Service Nationals and evaluate whether it was done in accordance with applicable policies and procedures.
- **Offboarding Employee Process.** USAID employees that depart the Agency typically complete exit forms to ensure that, for example, outstanding debts are paid; equipment, credit cards, and passports are returned; and physical and logistical access to facilities and systems is terminated. We will describe the process and review the accuracy and completeness of USAID’s offboarding process.

Pause and Cancellation of Grants, Contracts, and Other Projects

- **Prompt Payment and Anti-Deficiency Act Violations.** We estimate that USAID exposure to potential Prompt Payment Act liabilities increased from less than \$56,000 in interest payments in FY 2024 to over \$5 million between January and May 2025. We will assess the extent of prompt payment and potential Anti-Deficiency Act liability, and actions USAID has taken to address them and prevent additional violations.

- **Stop Work Orders.** We will determine how many awards were paused, the amount of funding affected, and how many awards resumed or were terminated.
- **Closeout Procedures for Terminated USAID Awards.** We will examine USAID's efforts to close out terminated awards in accordance with Federal regulations and Agency policies and procedures, including reviewing final billings from contractors to reduce the risk that the government is overcharged and preparing reports for the Contractor Performance Assessment Reporting System.
- **U.S. Government-Owned Vehicles, Property, Plant, and Equipment.** Agencies' fixed assets, such as vehicles, generators, and IT equipment, may be subject to theft or abuse if not properly disposed of or repurposed. We will assess USAID's, MCC's, IAF's, and/or USADF's disposition plans for selected U.S. government-owned assets.
- **Unfinished Construction Projects.** Many USAID construction projects have been terminated prior to completion, such as a port in Haiti that was demolished but is not yet rebuilt. We will describe and evaluate the costs spent prior to project termination, potential completion costs, and risks associated with noncompletion.

For a complete review of our substantial ongoing and planned work, please see our [Fiscal Year 2026 Oversight Plan](#). This plan may be revised based on our funding level, availability of staff and other resources, and access to information and personnel—all of which impact our ability to execute our Oversight Plan.

As always, we welcome the input of Congress in identifying issues of interest where our work can offer insight and transparency. If you or your staff would like additional information, please contact OIG's Senior Advisor Adam Kaplan, adamkaplan@oig.usaid.gov.

Sincerely,



Toayoa D. Aldridge, Acting Deputy Inspector General,
Performing the duties of the Inspector General

cc: The Honorable Ron Johnson, Chairman
Permanent Subcommittee on Investigations
Senate Committee on Homeland Security and Governmental Affairs