

GAO Highlights

Highlights of [GAO-18-219](#), a report to congressional requesters

Why GAO Did This Study

The United States is a member of the OAS, PAHO, IICA, and PAIGH, which promote democracy, health care, agricultural development, and scientific exchange.

GAO was asked to review U.S. assistance to these four organizations. In this report, GAO (1) assesses the extent to which the organizations' strategic goals align with those of U.S. agencies; (2) examines how the organizations oversee the use of their funds and the extent to which U.S. agencies have supported those efforts; (3) assesses the extent to which U.S. agencies included key monitoring provisions as part of assistance agreements; and (4) assesses the extent to which U.S. agencies had documentation of monitoring activities, including those called for by these provisions. GAO analyzed documents and interviewed officials from State, USAID, HHS, USDA, and the organizations. GAO also analyzed a nongeneralizable sample of 12 of the 60 assistance agreements that were awarded by State, USAID, HHS, and USDA to OAS, PAHO, and IICA and were active during calendar years 2014 through 2016. For each agency, GAO selected three agreements with the lowest, median, and highest dollar value.

What GAO Recommends

GAO recommends that (1) USDA ensure inclusion of all monitoring provisions as part of agreements and (2) USAID and USDA ensure full documentation of monitoring activities. USDA and USAID concurred with GAO's recommendations.

View [GAO-18-219](#). For more information, contact Thomas Melito at (202) 512-9601 or melitot@gao.gov

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INTER-AMERICAN ORGANIZATIONS

U.S. Agencies Support Oversight Mechanisms but Could Enhance Their Monitoring of U.S. Assistance Agreements

What GAO Found

GAO found that strategic goals of the Organization of American States (OAS), the Pan American Health Organization (PAHO), the Inter-American Institute for Cooperation on Agriculture (IICA), and the Pan-American Institute of Geography and History (PAIGH) are predominantly aligned with the strategic goals of the Department of State (State), the U.S. Agency for International Development (USAID), the Department of Health and Human Services (HHS), and the U.S. Department of Agriculture (USDA). For example, IICA's strategic goals of a productive agricultural sector, enhancing agricultural development, and food security are aligned with USDA's foreign assistance goals. State, USAID, HHS, and USDA fund activities in the form of assistance agreements (e.g., grants and cooperative agreements) with OAS, PAHO, and IICA, which in 2016 totaled \$32 million. According to agency officials, the agencies employ mechanisms to ensure that these agreements align with U.S. strategic goals.

OAS, PAHO, IICA, and PAIGH have established mechanisms for overseeing their use of funds, such as external auditors, internal audit boards, and anti-fraud and ethics policies. State and USDA have directly supported these mechanisms. For example, State engaged in the selection process for OAS's Inspector General.

GAO's review of 12 selected assistance agreements found that USDA included no financial or performance monitoring provisions in one of its agreements and that State did not include two key monitoring provisions in one of its agreements, called for by applicable guidance. GAO found that the remaining 10 agreements it reviewed contained all key monitoring provisions and that State has since taken corrective action.

GAO found that U.S. agencies did not have full documentation of 18 of the 42 monitoring activities required by the 12 assistance agreements GAO reviewed (see table). For example, USDA did not have full documentation, such as for financial reports, of any of its 10 required monitoring activities and USDA officials did not explain their lack of documentation. USAID officials explained that their lack of full documentation was due, in part, to grant officers not always following their document management policies. State and HHS have since taken corrective action. If an agency does not have full documentation of monitoring activities, it may lack information needed to make appropriate budgetary and programmatic decisions.

Extent to Which U.S. Agencies Had Documentation of Monitoring Activities for Selected Assistance Agreements with the Organization of American States, Pan American Health Organization, and Inter-American Institute for Cooperation on Agriculture

	Not documented	Partially documented	Fully documented	Total
USDA	8	2	0	10
USAID	0	2	9	11
State	1	4	11	16
HHS	0	1	4	5
Total	9	9	24	42

Sources: GAO analysis of documentation from the U.S. Department of Agriculture (USDA), the U.S. Agency for International Development (USAID), the Department of State (State), and the Department of Health and Human Services (HHS). | GAO-18-219