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Report to the Chairman, Subcommittee on National Security, Veterans Affairs, and International Relations, Committee on Government Reform, House of Representatives

April 2002

FOREIGN ASSISTANCE

USAID Relies Heavily on Nongovernmental Organizations, but Better Data Needed to Evaluate Approaches

GAO-02-471

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Highlights

FOREIGN ASSISTANCE
USAID Relies Heavily on Nongovernmental Organizations, but Better Data Needed to Evaluate Approaches

Highlights of GAO-02-471, a report to the Subcommittee on National Security, Veterans Affairs, and International Relations, Committee on Government Reform, House of Representatives

Why GAO Did This Study

Some members of Congress have expressed concern that the U.S. Agency for International Development's (USAID) management of the foreign aid program may not take full advantage of nongovernmental organizations and use the most effective approaches. To help address this issue, GAO (1) prepared a profile of USAID's use of nongovernmental organizations to provide foreign aid, (2) analyzed the funding mechanisms for employing these organizations, and (3) compared USAID's approaches to using nongovernmental organizations with other donors' approaches.

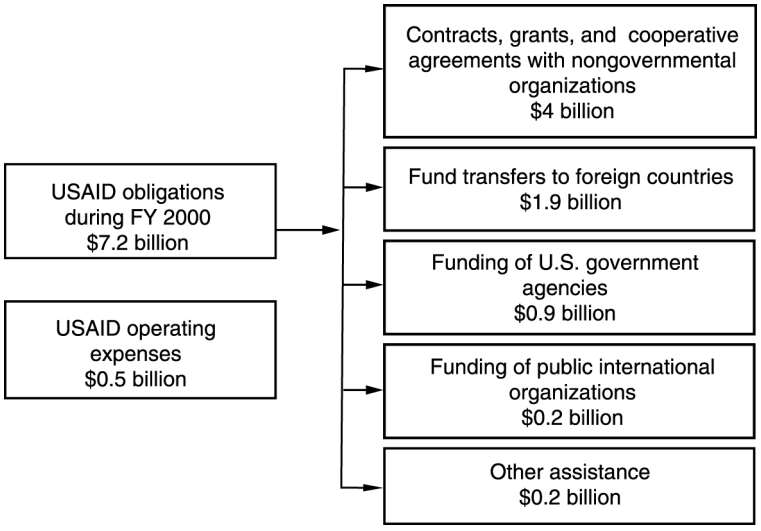
What GAO Found

USAID relies heavily on nongovernmental organizations to deliver foreign assistance. GAO found that in fiscal year 2000, USAID directed about $4 billion of its $7.2 billion assistance funding to nongovernmental organizations, including at least $1 billion to private voluntary organizations (charities) working overseas. However, the amount of funding USAID provides to specific types of organizations for different kinds of assistance activities is unknown because USAID lacks comprehensive and reliable information in this area.

USAID uses a range of funding mechanisms to provide assistance through nongovernmental organizations, such as endowments and global grants and contracts. The mechanisms have both potential advantages and disadvantages in terms of cost, time, selection of implementers, and USAID's authority to oversee assistance activities. USAID generally favors mechanisms that delegate a large amount of control over programs to implementing organizations. However, the agency has not compiled detailed data on its use of specific types of funding mechanisms or evaluated their effectiveness.

USAID employs many of the same approaches to using nongovernmental organizations as other donors do. The agency and other donors may emphasize different funding mechanisms, however, with USAID tending to choose those offering greater programmatic and financial controls and competition. GAO found a few donors who use nongovernmental organizations in ways that are significantly different from USAID's usual approaches.

USAID Assistance Funds Obligated During Fiscal Year 2000



Source: GAO analysis of USAID data.

What GAO Recommends

Due to the limitations GAO identified in USAID data, GAO recommends that USAID compile more reliable data on the extent to which the agency uses specific types of organizations and funding mechanisms to enable further analysis of USAID's assistance approaches and their effectiveness.

USAID agreed with our findings and recommendation and indicated that it has taken the agency's data shortfalls into account in its ongoing efforts to review and replace its business systems.

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Abbreviations

USAID	U.S. Agency for International Development
NGO	Nongovernmental organization
PVO	Private voluntary organization

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United States General Accounting Office
Washington, DC 20548

April 25, 2002

The Honorable Christopher Shays
Chairman, Subcommittee on National Security,
Veterans Affairs, and International Relations
Committee on Government Reform
House of Representatives

Dear Mr. Chairman:

In recent years, U.S. officials have shown increased interest in transferring certain social welfare functions of the U.S. government to nongovernmental organizations, both commercial and not for profit. Such organizations have expressed interest in and, according to U.S. officials, have demonstrated the ability to use federal funds to serve a wider pool of beneficiaries and help meet the U.S. government's objectives in a variety of areas. One of these areas is the delivery of U.S. foreign assistance to developing countries and countries transitioning from communism to market-oriented democracy. Many nongovernmental organizations active in international development have years of experience working overseas and have received millions of dollars in funds from private sources as well as the U.S. government for this work.

Some members of Congress have expressed concern that the U.S. Agency for International Development's (USAID) management of the U.S. foreign aid program may not take full advantage of the potential of nongovernmental organizations and use the most effective approaches for delivering aid. To help address this issue, at your request, we have (1) prepared a profile of USAID's use of private voluntary organizations and other nongovernmental organizations to provide U.S. foreign aid; (2) analyzed the funding mechanisms USAID uses to employ these organizations, including the potential advantages and disadvantages of each mechanism and the degree of control USAID exercises over program implementation; and (3) compared USAID's approaches to using nongovernmental organizations with other private and official donors' approaches. To meet these objectives, we conducted interviews with and collected and analyzed documentation from U.S. government agencies, nongovernmental organizations, and other international donors in the United States and in three developing countries overseas. We also visited a number of aid activities in these countries run by private charities and other nongovernmental organizations and analyzed financial information

in several USAID databases. A detailed description of the scope and methodology for our review is included in appendix I of this report.

Results in Brief

USAID relies heavily on nongovernmental organizations to deliver foreign assistance. Nongovernmental organizations, including private voluntary organizations (charities); consulting firms; and universities, are active throughout all of USAID's program areas. We found that in fiscal year 2000, USAID directed about $4 billion of its $7.2 billion assistance funding to nongovernmental organizations, including at least $1 billion to U.S. private charitable organizations working overseas. However, the amount of funding that USAID provides to specific types of nongovernmental organizations for various types of assistance activities is unknown, because USAID lacks comprehensive and reliable information in this area. Furthermore, according to USAID, definitions of the different types of organizations are not universally accepted and mutually exclusive, making it difficult to categorize them consistently across the agency.

USAID has adopted many different types of contracts, grants, and cooperative agreements to provide assistance through nongovernmental organizations. This range of funding mechanisms allows USAID staff significant flexibility in drawing upon the strengths and expertise of a large community of experienced nongovernmental organizations worldwide. The different mechanisms have both potential advantages and disadvantages in terms of cost, time, selection of potential implementers, and USAID's authority to oversee assistance activities, among other factors. Nearly all mechanisms have minimum financial accountability requirements, and only a few mechanisms entail increased financial risk for USAID funds. USAID collects data on its use of major funding agreements—contracts, grants, and cooperative agreements—which indicate that the agency delegates a significant amount of day-to-day control over aid delivery to the implementing organizations. However, the agency has not compiled detailed data on its use of specific types of funding mechanisms or systematically evaluated their relative effectiveness at an agencywide level. Without better data it would be difficult for USAID managers to begin the process of determining which types of organizations and funding mechanisms are likely to be most effective at achieving a desired development impact.

USAID uses many of the same funding mechanisms that other donor organizations use. We found that, compared with USAID, official donors provide more of their funding directly to foreign governments and private donors and spend more of their funding on unsolicited proposals. USAID

emphasizes the use of funding mechanisms that involve greater programmatic and financial controls and competition for funding among nongovernmental organizations. We also identified two approaches to using nongovernmental organizations that USAID has not adopted on a significant scale, including routine funding by the Canadian International Development Agency of project proposals conceived and submitted independently by nongovernmental organizations.

To help ensure that USAID makes effective use of nongovernmental organizations in carrying out its international development activities, we are recommending that USAID compile more reliable data on the extent to which the agency uses specific types of organizations and funding mechanisms, so that further analysis of the effectiveness of USAID's assistance approaches may be conducted. USAID generally agreed with our findings and recommendation and indicated that the agency has taken its data shortfalls into account in its ongoing efforts to review and replace its business systems.

Background

USAID is an independent agency that provides economic, development, and humanitarian assistance around the world in support of U.S. foreign policy goals. USAID's program budget covers four program accounts: (1) Development Assistance, (2) the Child Survival and Diseases Program Fund, (3) International Disaster Assistance, and (4) Transition Initiatives. Additionally, USAID manages program funds under other accounts jointly administered with the State Department: Economic Support Funds, Assistance for Eastern Europe and the Baltic States, and Assistance for the Independent States of the Former Soviet Union. Another assistance program, the P.L. 480 Title II Food for Peace Program, is administered by USAID but falls under the Department of Agriculture's budget. USAID is organized into geographic bureaus responsible for overall activities in countries where USAID has programs and functional bureaus that conduct agency regional or worldwide programs. USAID has field missions in four regions of the world (Sub-Saharan Africa, Asia and the Near East, Latin America and the Caribbean, and Europe and Eurasia).

USAID provides assistance through partnerships with other organizations and individuals. Organizations carrying out USAID-funded programs typically fall into one of three major categories: nongovernmental organizations (NGO); government entities (host country and U.S. government agencies); and public international organizations, such as U.N. agencies. The agency makes direct cash payments to some foreign governments and finances the provision of U.S. commodities, such as

equipment and machinery, intermediate goods, and raw materials, to many foreign countries. In addition, USAID funds other U.S. government agencies through interagency agreements to provide assistance overseas. USAID also obtains goods and services for delivery to beneficiaries overseas. It hires individuals and organizations to implement various development assistance programs, such as providing technical assistance, conducting research, providing policy advice, implementing community-based assistance activities, and constructing infrastructure assistance activities. The term NGO includes for-profit firms, educational institutions, cooperative development organizations, and private voluntary organizations (PVO). PVOs are tax-exempt, nonprofit organizations that receive voluntary contributions of money, staff time, or in-kind support from the general public and are engaged in voluntary, charitable, or development assistance activities. PVOs and NGOs can be U.S. based, international, or locally based in the host country.

USAID provides development-related goods and services from nongovernmental organizations, primarily through three types of legal agreements: grants, cooperative agreements, and contracts. Under a grant agreement, the recipient is free to implement an agreed-upon development program without substantial involvement by USAID. Under a cooperative agreement the implementing organization has a significant amount of independence in carrying out its program, but USAID is involved in selected areas deemed essential to meeting program requirements and ensuring achievement of program objectives.[1] Under a contract, USAID determines the requirements and standards for the assistance activities and frequently provides technical direction during contract implementation. Contracts also provide greater control over costs and allow USAID to terminate the agreement unilaterally if circumstances warrant.

USAID guidance contains criteria for selecting the appropriate assistance or acquisition agreement.[2] This guidance spells out the level of USAID control allowed under each type of legal agreement but places no

[1] These areas include (1) approval of work plans, (2) designation of key positions and approval of key personnel, and (3) approval of monitoring and evaluation plans.

[2] Chapter 304 of USAID's automated directive system, based on the authority provided by the Foreign Assistance Act of 1961, sections 621 and 634(b); the Federal Grant and Cooperative Agreement Act of 1977; and OMB guidance.

restrictions on the type of organizations that are eligible to receive funding under grants, cooperative agreements, and contracts.

In accordance with U.S. law,[3] USAID policy requires full and open competition for grants, cooperative agreements, and contracts in most circumstances. USAID also requires recipients of its funding to demonstrate that they have adequate financial resources; a satisfactory record of performance; and accounting, recordkeeping, and overall management systems that meet applicable standards. Furthermore, they must undergo an independent annual audit by a USAID-approved auditing firm if they receive more than $300,000 in U.S. government funds in a fiscal year.

USAID Relies Heavily on Nongovernmental Organizations to Carry Out Assistance Activities

USAID depends on nongovernmental organizations to provide assistance in all areas of its work, and a steady flow of USAID funds goes directly to private voluntary organizations. The agency provides even more funding indirectly to private voluntary organizations through other organizations, but USAID does not compile specific information on this funding. USAID data are not comprehensive and reliable enough to permit a detailed analysis of the agency's use of different types of nongovernmental organizations.

NGOs Deliver a Large Amount of Foreign Assistance

USAID relies on NGOs to deliver a majority of its foreign assistance funds. USAID funding obligations during fiscal year 2000[4] included about $4 billion to nongovernmental organizations to implement assistance programs. In addition, USAID's fiscal year 2000 program budget for foreign assistance included about $3.2 billion for transfers to host countries,[5] interagency transfers, funding of public international organizations, and

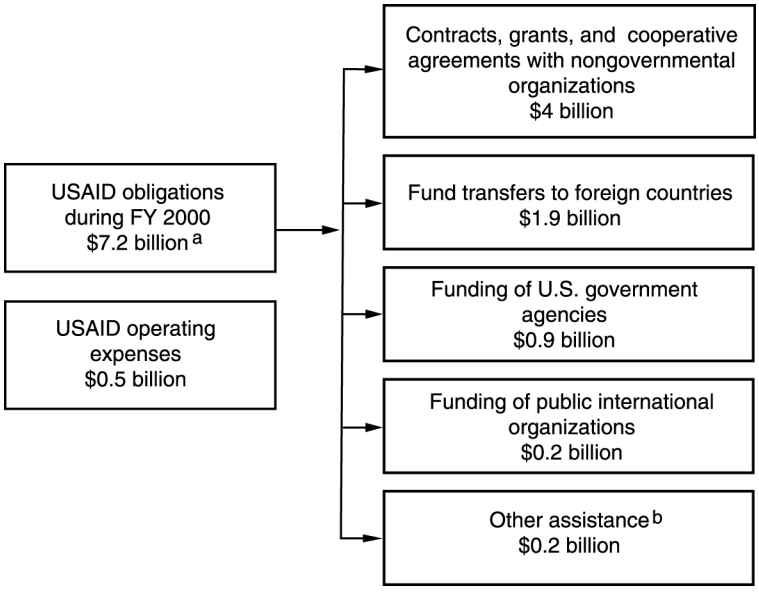
[3] The Competition in Contracting Act of 1984, P.L. 98-369 as amended, and the Federal Agreements and Cooperative Agreements Act of 1977, 31 U.S.C. 6301 *et seq*.

[4] These are funds obligated between October 1, 1999, and September 30, 2000, from fiscal year 2000 and prior years' obligating authority.

[5] In fiscal year 2000, USAID obligated cash transfers to the governments of Albania, Bosnia-Herzegovina, Bulgaria, Egypt, Israel, Jordan, Macedonia, Montenegro, Romania, and West Bank/Gaza.

commodity imports.[6] Figure 1 shows USAID obligations during fiscal year 2000.

Figure 1: USAID Obligations During Fiscal Year 2000



[a]Includes obligations from prior years' obligating authorities made from October 1, 1999, to September 30, 2000.

[b]Includes funding for commodities procurement and shipping.

Source: GAO analysis of USAID budget and procurement data.

Many types of NGOs implement USAID-funded assistance activities throughout the world, as illustrated by some of the assistance activities we reviewed during our fieldwork. With USAID funding, major U.S. and local charities, such as Save the Children, provided food to victims of Hurricane Mitch in Nicaragua and Honduras. Educational institutions, including Johns Hopkins University and the Pan-American Agricultural School implemented USAID-funded water and sanitation-related activities in the region in response to the disaster. In South Africa, USAID contracted with Deloitte Touche Tohmatsu to help historically disadvantaged groups in South Africa participate in the privatization of government enterprises. USAID has also funded many small nongovernmental organizations, such

[6] The commodity import program is the method by which USAID finances the foreign exchange costs of procuring and shipping eligible commodities to recipient countries.

as an association of mothers in Cape Town, South Africa, to create a babysitting cooperative to care for poor, orphaned, and neglected children. (See app. II for a listing of nongovernmental organizations receiving the most USAID funding in fiscal year 2000.)

USAID Databases Permit Detailed Analysis Only for Direct Funding to PVOs

USAID does not collect financial data that would allow a detailed funding analysis for any specific type of nongovernmental organizations except private voluntary organizations. USAID maintains various databases, primarily from the budget and procurement offices and the Office of Private and Voluntary Cooperation, which provide some information on the types of organizations receiving funding. In two of these databases USAID specifically tracked funding for PVOs. However, USAID's databases did not contain similar information for other types of organizations, such as commercial firms, universities, or other nonprofits. Data for these organizations were maintained only in USAID's procurement database; but, according to USAID procurement officials, this system is plagued by data-entry flaws, and organizations are frequently categorized incorrectly. According to USAID, definitions of the different types of organizations are not universally accepted and mutually exclusive, making it difficult to categorize them consistently across the agency. In May 2001, the USAID Administrator acknowledged that the agency's data on its use of PVOs and NGOs were not complete due to the disparate accounting systems and limitations in its data-coding procedures, which the agency intended to correct with the adoption of a new accounting system in a few years.

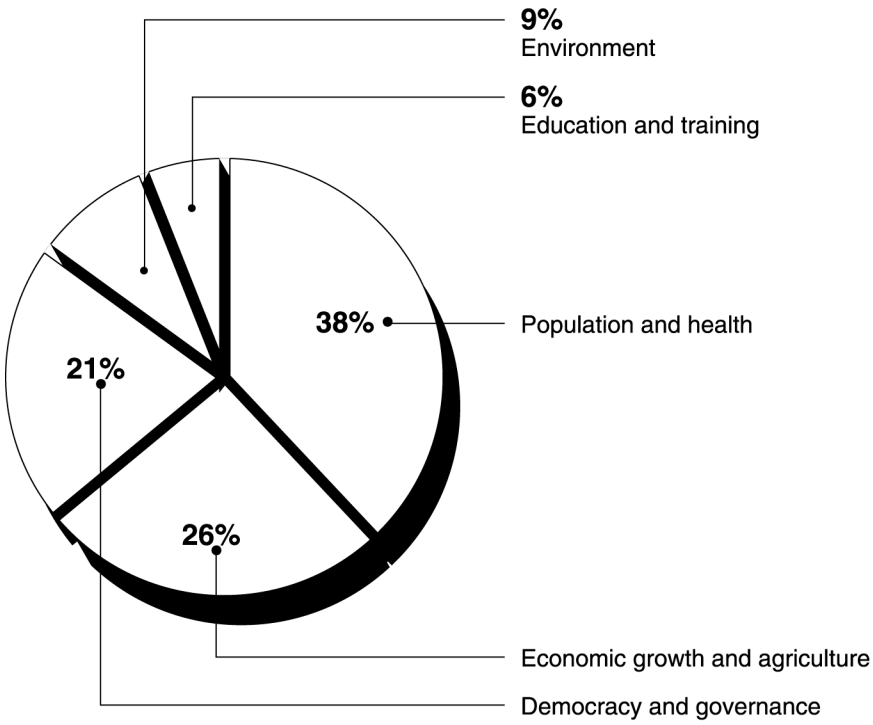
According to USAID data, the portion of USAID funding devoted to PVO-implemented programs totaled about $1 billion in fiscal year 2000.[7] Historically, the percentage of the program budget obligated for PVOs between 1995 and 2000 has ranged from 14.2 percent in 1997 to 19.1 percent in 1998. According to data from USAID's budget office, about two-thirds of the funding USAID obligated for PVO programs in fiscal year 2000 was for U.S.-based, voluntary organizations involved in international development—while the remaining one-third was for international, third-party, and local organizations as well as cooperative development organizations. (See app. IV for information on religious affiliation of U.S. PVOs.)

[7] Beginning in October 2000, legislation has required that funding to PVOs be at least equivalent to the level of funding provided in fiscal year 1995, which was about 15 percent of USAID's program budget.

However, these figures likely understate the total amount of all USAID funds provided to PVOs because they do not capture funds provided indirectly through other organizations. Other U.S. government agencies and foreign governments may use USAID funds for PVO-implemented programs, but USAID does not track this information. Furthermore, according to USAID officials and records we reviewed, PVOs get additional funding under separate subcontract or subgrant arrangements with other implementers of USAID programs. We were unable to calculate the amount of this indirect funding because USAID does not compile comprehensive information on the use of subgrants and subcontracts. For example, for one grants-management contract we reviewed in South Africa, subgrants to other nongovernmental organizations accounted for a large majority of contract expenditures; but the mission was not required to report information on these subgrants to USAID headquarters.

PVO-implemented programs extended throughout all of USAID's five major program areas in fiscal year 2000, as shown in figure 2. For example, as we observed during our fieldwork, U.S. PVOs worked to rebuild the infrastructure and economy of Nicaragua and Honduras after Hurricane Mitch by constructing roads and bridges and training farmers in more efficient agricultural methods. In South Africa, local PVOs helped establish health clinics and trained community health workers to provide counseling and medical care for persons with HIV/AIDS, tuberculosis, and other diseases.

Figure 2: Distribution of Fiscal Year 2000 Funding Devoted to PVO-Implemented Programs by Major Program Area



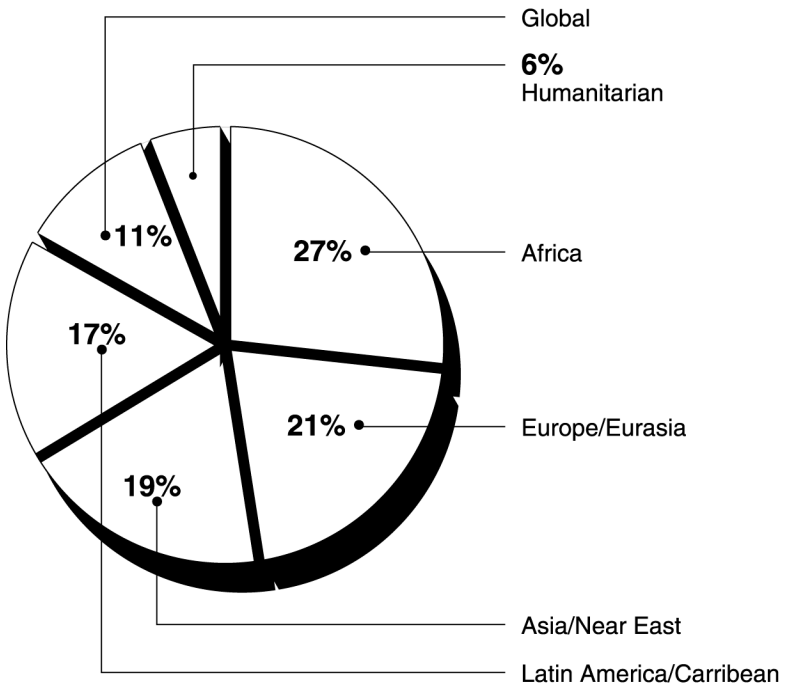
Total: $1 billion

Source: GAO analysis of USAID budget data.

Figure 3 further shows that USAID used PVOs throughout all four of its geographic regions, in its Global Bureau, and in its Bureau of Humanitarian Response.[8]

[8] As of November 2001, the Global Bureau and the Bureau of Humanitarian Response have been reorganized into the Bureau for Democracy, Conflict and Humanitarian Assistance, the Bureau for Economic Growth, Agriculture and Trade, and the Bureau for Global Health.

Figure 3: Distribution of Fiscal Year 2000 Funding Devoted to PVO-Implemented Programs by USAID Bureaus



Total: $1 billion

Source: GAO analysis of USAID budget data.

Since USAID does not routinely collect comprehensive and reliable data on its use of other specific types of nongovernmental implementing organizations, such as for-profit firms and universities, it would have difficulty evaluating the relative effectiveness of the different types of organizations. For example, without basic information about where and when USAID has used universities to strengthen educational institutions in Africa, it cannot compare that overall experience with its experience using private voluntary organizations or other type of organization in similar circumstances. Hence it would be difficult for USAID managers to begin the process of determining which approach would be more likely to achieve the desired development impact.

USAID Has a Flexible Array of NGO Funding Mechanisms, Each with Potential Advantages and Disadvantages

Within the broad categories of contracts, grants, and cooperative agreements, USAID has developed a highly flexible system of working with nongovernmental organizations to provide foreign assistance, using a wide variety of funding mechanisms. These mechanisms give USAID missions and bureaus many options for meeting their objectives, depending on the specific circumstances. All have potential advantages and disadvantages, and a few entail more financial risk than the others. While USAID data indicate that, overall, the agency generally favors agreements that delegate a significant amount of control over program implementation to nongovernmental organizations, we could not determine the extent to which USAID uses each of the specific types of funding mechanisms. Nor could we determine the comparative effectiveness of these mechanisms because USAID has not compiled relevant evaluative data for this.

Choice of Funding Mechanism Entails Trade-Offs

In addition to standard contracts, grants, and cooperative agreements, USAID uses several different variations of these funding mechanisms to deliver foreign assistance using nongovernmental organizations, including grants management contracts, umbrella grants, and endowments. Potential advantages of these funding mechanisms include increasing the number and diversity of organizations involved in USAID programs, while limiting the procurement and management burdens on the missions; drawing more on nongovernmental organizations to design programs; fostering a community of sustainable nongovernmental organizations; and involving other private sector partners in the development process. Potential disadvantages associated with some of these mechanisms include increased risk that programs will not meet USAID's objectives since several mechanisms reduce USAID missions' involvement in program design, selection of implementers, and management of program activities; and some limit or preclude competition among implementing organizations. Also, a few mechanisms involve increased financial risks. Table 1 shows potential trade-offs associated with various funding mechanisms. Determining the appropriate funding mechanism depends heavily on the specific circumstances in the country and sector involved.

Table 1: Selected NGO Funding Mechanisms Used by USAID

Funding mechanism	Description	Potential advantages	Potential disadvantages
Contracts			
Standard contract	Agreement with a contractor, usually awarded competitively, to provide goods and services meeting USAID specifications, with substantial USAID involvement and technical direction. USAID uses several types of contracts with different pricing arrangements (cost plus fixed fee, cost-plus-incentive fee, cost contract, cost-sharing, cost-plus-award fee).	• Wide selection of potential contractors • High level of accountability – substantial USAID involvement permitted in design and implementation	• Time-consuming award process • Resource intensive to manage and monitor contract implementation
Funding of unsolicited proposal	Contract issued noncompetitively, based on proposal designed and submitted independently by applying organization.	• Abbreviated award process • Identifies needs USAID may be unaware of • Encourages NGO creativity in designing solutions	• Limited selection of implementing organizations • Increased cost due to lack of competition • Other advantages of competition lost • Limited input into design of program • Difficulty ensuring that no informal solicitation has occurred
Mission use of global indefinite quantities contract	Contract issued to an organization to implement an assistance program on a global or regional basis; missions issue task orders to contractor to implement associated, country-specific assistance activities. Main contract awarded competitively and associated awards with limited competition only among other relevant global/regional contract holders.	• Quicker[a] access to expert resources by missions after headquarters has awarded contract • Lower level of administrative burden for missions	• Missions have more limited selection of contractors • May not precisely meet missions' needs • More expensive than using local contractor • Tension between mission and headquarters over control of program
Grants management contract	Contract with an organization to award and manage grants to other nongovernmental organizations.	• Easier award process for missions • Additional administrative capacity • Additional technical expertise • Multiple implementing organizations with single contract to award and administer	• Additional layer of program administration • Additional program costs

Funding mechanism	Description	Potential advantages	Potential disadvantages
Grants and cooperative agreements			
Standard cooperative agreement	Award usually issued competitively to an organization or individual to implement an assistance program with limited USAID involvement.	• Wide selection of potential awardees	• Time-consuming award process • Less accountability than with contract— lower level of involvement in implementation permitted
Standard grant	Award usually issued competitively to an organization or individual to implement an assistance program independently of USAID involvement.	• Wide selection of potential awardees	• Time-consuming award process • Less accountability than with contract and cooperative agreement—no substantial involvement in implementation permitted
Funding of unsolicited proposal	Award issued noncompetitively, based on proposal designed and submitted independently by applying organization.	• Abbreviated award process • Identifies needs USAID may be unaware of • Encourages NGO creativity in designing solutions	• Limited selection of implementing organizations • Increased cost due to lack of competition • Other advantages of competition lost • Limited input into design of program • Difficulty ensuring that no informal solicitation has occurred
Funding of proposals solicited through annual program statement	Award issued semicompetitively based on general solicitation for bids, with very few specifications, for new assistance activities compatible with the mission's overall program.	• Abbreviated award process • Identifies needs USAID may be unaware of • Encourages NGO creativity in designing solutions	• Increased cost due to limited competition. • Other advantages of competition lost • Limited input into design of program
Leader with associates	Award issued competitively to an organization to implement a program on a global or regional basis; mission can award grants or cooperative agreements to the organization to implement associated country-specific assistance activities.	• Quick and easy award process for missions	• Missions have more limited selection of implementing organizations
Umbrella grant/cooperative agreement	Award to a lead organization to award and manage subgrants to other organizations.	• Additional administrative capacity • Additional technical expertise • Multiple implementing organizations with single contract to award and administer	• Additional layer of program administration • Additional overhead costs • Limited control over grantee selection

Funding mechanism	Description	Potential advantages	Potential disadvantages
Endowment/Trust	Award to an organization for it to invest to generate a stream of income to fund its operations and/or programs over the long term.	• Enhanced long-term sustainability of organization • Leverages other donor funding • Limited long-term administrative burden • Encourages NGO creativity in designing solutions	• Risk of financial loss from lower than anticipated investment yield • Very limited input into program design and implementation • Limited direct programmatic impact • Expensive • Significant initial administrative burden
Matching grant	Grant intended to build the capacity of U.S. PVOs and strengthen their partnerships with foreign NGOs.	• Enhances NGO capacity and sustainability • Matching requirement helps ensure NGO commitment • Encourages NGO creativity in designing solutions	• Limited direct programmatic impact • Match requirement limits number of eligible organizations
Support for network/consortium	Award to support development and operation of a network or consortium of NGOs, sometimes cofinanced by other donors.	• Leverages resources of other donors • Synergy of multiple organizations • Multiple implementing organizations with single contract to award and administer • Enhances NGO capacity and sustainability	• More limits on input into program • Compromise with other donors
Support for intersectoral partnerships	Various programs to foster cooperation and collaboration among NGOs, government, and private sector organizations, including foundations and businesses.	• Leverages private resources • Helps focus private sector philanthropy	• Objectives may not be compatible
Other mechanisms			
Credit programs	Loans and loan guaranties for private financing of microenterprises, housing and urban infrastructure, and other development-related assistance activities.	• Leverages investment capital from private sources	• Time consuming to arrange credit deals • Risk of financial loss from higher than anticipated loan default rate

[a]Unless otherwise noted, relational terms such as "additional" or "less" in this table refer to the mechanism's relationship to the standard type of each mechanism under which it is listed here.

Source: GAO analysis of USAID information.

Potential Advantages

Some of these funding mechanisms enable USAID to draw on a large number of diverse nongovernmental organizations while limiting the procurement and management workload for the missions. Use of USAID global contracts and leader-with-associate grants allow missions with limited staff resources to use a pool of nongovernmental organizations preselected at USAID headquarters to respond quickly to countries' developmental needs. For instance, the USAID mission in South Africa used several global agreements preawarded by USAID's Bureau of

Population, Nutrition, and Health to acquire NGO resources to establish several local health assistance activities. Also, umbrella grants and grants management contracts enable USAID to "outsource" the grants award and management process, thus maximizing the number of partner organizations involved in a program without creating an undue management burden for the missions. Intermediary organizations can fulfill the necessary competition and financial accountability requirements on USAID's behalf. Agreements with consortia or networks of development-related organizations also give USAID access to the resources of a number of affiliated organizations using a single funding mechanism. For example, in the NGO Networks for Health program, USAID entered into a single 5-year cooperative agreement with a coalition of four U.S. PVOs and one technical agency working to improve family planning, reproductive health, child survival, and HIV/AIDS services worldwide.

Some mechanisms allow NGOs more discretion in designing assistance activities to respond to countries' development needs than a standard grant, cooperative agreement, or contract. By funding unsolicited proposals as well as proposals submitted to USAID missions in response to their Annual Program Statements,[9] USAID allows organizations to design assistance programs relatively independently within wide parameters. According to USAID officials in Nicaragua, after Hurricane Mitch, the USAID mission issued an Annual Program Statement and relied heavily on the proposals it received from NGOs to establish a portfolio of assistance activities it could implement quickly; NGOs operating in Nicaragua were considered the most knowledgeable about the hurricane victims' needs, and USAID funded many of the proposals they submitted.

Several of these mechanisms are aimed at fostering a community of nongovernmental organizations that can function effectively and cooperatively over the long term. USAID's matching grants program helps U.S.-based PVOs build their operational and technical capacity while encouraging them to raise funds from other sources for the same purpose. Endowments provide funding for an extended period of time, often 10 years or more, during which the recipient organizations may be expected

[9] USAID units issue Annual Program Statements to disseminate information to prospective program implementers about the agency's strategy in a particular field and geographic area so that they may develop and submit applications for USAID funding. An Annual Program Statement describes the types of activities for which applications will be considered and the process and criteria for evaluating applications.

to become sustainable without USAID funds. For example, a USAID endowment for a charitable foundation in South Africa to assist and educate disadvantaged youths covers long-term administrative costs, which foundation representatives expect to replace with funding from other sources, such as other donations and small commercial enterprises, within a few years. USAID also awards grants and cooperative agreements to NGO networks to strengthen the long-term working relationships among organizations with similar or complementary expertise and objectives. For example, USAID has helped fund the International HIV/AIDS Alliance, which USAID conceived as a mechanism to link and support nongovernmental and community-based organizations throughout the developing world that are fighting the HIV/AIDS pandemic.

Finally, some mechanisms involve private-sector entities, including foundations and corporations, in the development process. According to USAID, many of these organizations can bring significant resources to bear, but they could benefit from the expertise and field presence of USAID and its traditional nongovernmental partners. Through intersectoral partnerships—joint assistance activities among organizations in the governmental, NGO, and private sectors—USAID has worked at leveraging the contribution of private sector entities for greater development impact. For example, according to USAID officials, under the Millennium Alliance for Social Investment, USAID funds a cooperative agreement with a U.S. private voluntary organization to match businesses and nonprofits for strategic community investments and to provide training and technical assistance to make the partnerships work. Such efforts serve as models for USAID's new Global Development Alliance, a major element of its current development strategy.[10]

Potential Disadvantages

Some of these funding mechanisms require USAID missions to delegate more authority over program design and implementation to others than under a standard grant, contract, or cooperative agreement. This may increase the risk that the programs implemented will not meet the missions' objectives.

[10] USAID describes the Global Development Alliance as it's "new business model," and the "First Pillar of USAID's reorganization and reform strategy." Through the formation of strategic partnerships with private sector actors involved in international development, including NGOs, PVOs, cooperatives, foundations, corporations, the higher education community, and individuals, USAID seeks to leverage significant resources, expertise, creative approaches, and new technologies to address development issues.

Using some mechanisms limits USAID's authority to influence the design of programs. For example, in funding unsolicited proposals, USAID procurement rules do not permit USAID officials' involvement in the conception phase of a program. Also, in endowments, USAID might fund an organization's administrative function and overall program instead of particular program activities; in such cases, USAID would not directly influence these activities as they are being designed and implemented. Lack of involvement in program design can limit USAID's ability to ensure that its programs are responsive to the needs of host countries and are designed with their collaboration.

With some mechanisms, USAID missions may have more limited involvement in the choice of assistance activity implementers. In the case of global contracts, preapproved implementers are selected by headquarters bureaus and may not be as qualified or able to perform as cost effectively as other organizations available locally; thus, they may not be the best resource for achieving program objectives in a particular country. In South Africa, according to USAID mission officials, USAID has not used global agreements with U.S. PVOs to implement programs in some cases, because providing grants to capable local organizations is more compatible with the mission's development strategy. Furthermore, with umbrella grants and cooperative agreements, USAID officials are generally not permitted, under USAID policy, to be directly involved in selecting subgrantees. This limits USAID's ability to ensure that all recipients of USAID funds are the most qualified to meet program objectives.

Management of some funding mechanisms may be potentially more cumbersome and expensive than awarding standard grants, cooperative agreements, and contracts. Several of these mechanisms entail multiple layers of program administration, which can increase program costs and have programmatic implications. For example, programs implemented through headquarters-awarded indefinite quantity contracts may be administered by officials both in headquarters and the missions. According to a senior official in USAID's Bureau for Global Health, this can introduce tension and inefficiency in the management of some programs. Also, umbrella mechanisms and grants management contracts may increase the overhead costs for a program, since the program implementer may charge USAID a fee for administering subgrants and subcontracts. For example, the grants management contractor we visited in South Africa charged USAID a 3 percent management fee for all the funds it awarded through subgrants or subcontracts. If fees charged by intermediaries are greater than USAID's potential costs of implementing the assistance activities

more directly, the cost of the program would increase with use of these funding mechanisms; and less USAID funds would reach their intended beneficiaries.

Finally, while it is USAID's policy to award funding competitively in most cases, use of some of these mechanisms may limit or eliminate competition. According to USAID policy, competition helps ensure that assistance activities will (1) have predefined objectives to maximize impact, (2) be consistent and mutually reinforcing, and (3) draw support from the best available sources. Furthermore, limiting the number of potential implementers bidding on a program may cause USAID's cost to be higher than with full competition.

Elevated Financial Risk Associated with Two Funding Mechanisms

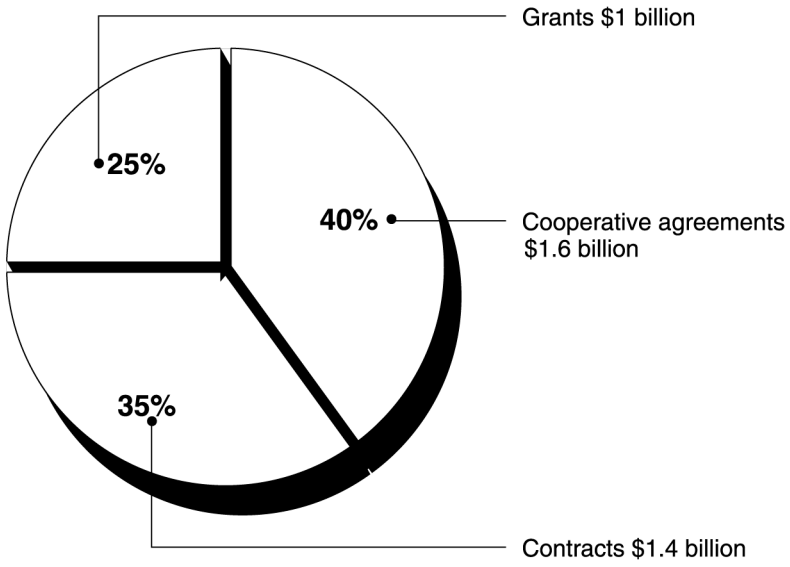
Only two of USAID's funding mechanisms listed in this report, endowments and credit programs, involve significantly more financial risk for USAID than standard grants, contracts, and cooperative agreements. Endowments are subject to a possible loss of value due to market fluctuations, depending on how they are invested. With credit programs, loan default rates may be higher than anticipated. Use of these mechanisms can be particularly complex, and they require special approval at USAID headquarters.

We found that all of the other mechanisms entail the same financial accountability requirements and therefore none poses an increased financial risk for USAID. Since USAID's financial management prequalification and auditing requirements apply to all fund recipients, regardless of whether they receive funds directly from USAID or through an intermediary organization, USAID's lower direct involvement in the implementation of assistance activities does not necessarily imply looser financial controls. Data available from USAID in two countries we visited indicated that the risk of USAID contractors and grantees misusing funds was relatively low. For example, audits of about $18 million in funds received by 13 nongovernmental organizations in Nicaragua for Hurricane Mitch disaster relief revealed only about $23,000 (about 0.1 percent) in "questioned" or potentially unallowable expenditures. In Southern Africa (Botswana, Uganda, South Africa, Zimbabwe, Uganda, Malawi, Kenya, Tanzania, and Rwanda), audits found that $235,232 of about $43 million (0.5 percent) provided to nongovernmental organizations in fiscal year 2000 was ineligible for USAID funding or unsupported by documentation.

Limited Data Available on USAID's Use of Various Funding Mechanisms

While USAID maintains data on the use of the three general categories of funding agreements—grants, cooperative agreements, and contracts—no data were available on the extent to which USAID used specific types of funding mechanisms within each of these categories, such as grants management contracts, umbrella grants, and funding of unsolicited proposals. However, data on USAID's use of funding agreements indicate that the agency favors mechanisms that delegate day-to-day management control to the nongovernmental organizations implementing them. As shown in figure 4, in fiscal year 2000 USAID obligated $2.6 billion to fund grants and cooperative agreements—which inherently limit the agency's decision-making authority. This is about two-thirds of USAID's $4 billion in total obligations to nongovernmental organizations for that year and nearly twice as much as the $1.4 billion obligated for contracts, which USAID may have more substantial involvement in implementing.

Figure 4: Obligations to Nongovernmental Organizations During Fiscal Year 2000, by Type of Agreement



Note: Includes obligations from prior years' obligating authorities made during the period October 1, 1999, to September 30, 2000.

Source: GAO analysis of USAID procurement data.

Furthermore, we could find little evaluative information at USAID to judge the effectiveness of the different NGO funding mechanisms. We were unable to identify any USAID studies of the effectiveness of various categories of funding mechanisms. USAID recently completed a study of lessons learned from its experience establishing and managing endowments. However, this study did not analyze the developmental objectives of USAID's endowments or evaluate their impact. USAID confirmed that it does not systematically evaluate the relative effectiveness of their programs and approaches at the agency-wide level. However, USAID indicated that it conducts evaluations at the country level.

Since USAID does not routinely collect data on the specific types of funding mechanisms it uses, it would have difficulty evaluating the relative effectiveness of the different mechanisms. For example, without basic information about where and when it has funded unsolicited grant proposals to strengthen democratic institutions in Eastern Europe, it would be difficult to compare that overall experience with its experience using standard contracts, or other types of funding mechanisms, in similar circumstances. Hence, it would be difficult for USAID managers to begin the process of determining which approach would be more likely to achieve the desired development impact.

Similarities and Differences in Approaches of USAID and Some Other Donors

USAID routinely uses many of the same approaches to providing international development assistance as the official and private donor organizations we visited. Like USAID, these donors use various types of grants and contracts with governmental and nongovernmental organizations, but they may emphasize certain funding mechanisms more than USAID does. Compared with most other donors, USAID's choice of funding mechanisms tends to be guided by a desire for programmatic and financial controls and competition. We identified a few donors that use NGOs in ways USAID has not yet tried on a significant scale.

Official Donors

Official donors we visited generally followed a standard grant and contract approach, similar to USAID's, providing assistance to both governmental and nongovernmental organizations. For example, the Canadian International Development Agency had an overall approach quite similar to USAID's, providing funding both for assistance activities that the agency identified and/or designed itself as well as for activities generated by nongovernmental organizations or foreign governments. In addition, like USAID's Office of Private and Voluntary Organizations, the Canadian

International Development Agency has taken a special interest in developing the capacity of nongovernmental organizations and has created a specific unit to oversee programs run by NGOs. In South Africa, the United Kingdom used grants almost exclusively to fund programs implemented by nongovernmental organizations.

Although USAID, like other official donors, provides grants to governments, some official donors we visited tended to favor this approach more than funding nongovernmental organizations directly. For example, two major official donors we visited in Nicaragua—Japan and Sweden—provided nearly all of their assistance for Hurricane Mitch relief to the government of Nicaragua, while USAID's assistance was channeled overwhelmingly through nongovernmental organizations. In this situation, where USAID had concerns about the integrity of the government's financial controls and competitive contracting systems, it preferred to provide goods and services directly through nongovernmental organizations. USAID also preferred to retain more substantial control over the types of programs that would be funded with its assistance.

Private Donors

Private foundations we visited used a range of approaches for providing assistance, most of which were similar in nature to USAID's. Most foundations awarded grants to governmental and nongovernmental organizations that submitted proposals aligned with the foundations' strategic priorities. Some foundations also offered subsidized loans for development-related projects, "umbrella grant" funding to be subgranted to other organizations, and contributions to endowments and global funds. Like USAID, these organizations funded grants both for programs that they conceived themselves and for programs that were submitted independently by organizations seeking assistance funding.

USAID, abiding by federal procurement regulations and its policy on competition, does not rely as heavily on unsolicited proposals as many of the private donors we visited. None of the private donor organizations we visited followed as formal a competitive process in grant making as USAID employs. In general, they relied on the professional judgment of their staff and preexisting relationships with other organizations to guide their choice of programs and aid recipients. In some cases, such practices would not be allowed under federal guidelines. Some donors sponsored competitions for grants among preselected applicants, but this was relatively rare. Furthermore, these organizations did not have as strict financial management oversight over their recipients as USAID does. Though most of the private foundations we visited performed some basic

review of the managerial capacity of the organizations they funded and retained the right to audit them, the process was more informal than USAID's. Also, USAID makes frequent use of contracts and cooperative agreements, which these donors did not usually use, so as to maintain some degree of formal programmatic control even after funds have been awarded to implementing organizations.

Alternative Donor Approaches Aim to Maximize NGO Involvement

Although USAID's operations encompassed most funding mechanisms used by other donors we visited, we identified a few approaches aimed at maximizing NGO involvement that were different from those generally taken by USAID.

- The Open Society Institute, a charitable foundation based in New York and Budapest, Hungary, provides nearly all of its assistance to indigenous national foundations that it has chartered throughout the world. These foundations, whose staff and board of directors usually consist of local professionals, develop country assistance priorities and select programs and recipient organizations independently from the Open Society Institute. The Open Society Institute selects the board of directors for the foundations, approves the annual budget, and provides technical support.
- The Canadian International Development Agency operates a special program with funding set aside each year solely for proposals conceived and submitted independently by nongovernmental organizations. This supplements funding the organizations may be awarded for other specific assistance activities conceived by geographic offices within the agency. Funds are allocated to Canadian commercial enterprises seeking to work on local infrastructure projects, faith-based organizations, volunteer groups, and other nongovernmental organizations.

Conclusions

USAID marshals and coordinates the activities of a wide variety of organizations, mostly nongovernmental, to deliver foreign assistance throughout the world. In response to the diverse conditions in the countries and geographic regions where USAID provides assistance, the agency has a flexible array of funding mechanisms available, which allows it to participate as a development activity implementer to varying degrees, as it deems appropriate, while maintaining an emphasis on accountability and competition.

Although we identified some of the potential advantages and disadvantages of USAID's different funding mechanisms, there is little information on the relative effectiveness of USAID's many approaches to

providing assistance. USAID has conducted little evaluation of its experience using the various funding mechanisms and types of organizations to achieve its objectives around the world. Indeed some of the essential information USAID would need to conduct such evaluations—data on the types of implementing organizations, funding mechanisms used, and objectives in its various program areas and bureaus—are not complete and sufficiently detailed. With better data on these aspects of USAID's operations, USAID managers and congressional overseers would be better equipped to analyze whether USAID's mix of approaches takes full advantage of nongovernmental organizations to achieve the agency's objectives. As USAID takes steps to modernize its accounting system in the next few years, it has an opportunity to include the collection of this data into the design of this system.

Recommendations for Executive Action

To help ensure that USAID makes effective use of nongovernmental organizations and funding mechanisms in carrying out its international development activities, we are recommending that USAID compile more reliable data on the extent to which the agency uses specific types of organizations and funding mechanisms so that further analysis of the effectiveness of USAID's assistance approaches may be conducted.

Agency Comments

We received written comments from USAID. These comments are reprinted in appendix IV. In addition to their overall comments, USAID provided technical and editorial comments, which we have incorporated in the report as appropriate.

USAID agreed with the findings and recommendation of our report and indicated that it has taken the agency's data shortfalls into account in its ongoing efforts to review and replace its business systems, so that funding and assistance approaches can be transparently tracked and reported in the future. According to USAID, the new systems will allow for the collection of data globally that will be more complete with a greater degree of accuracy, will give a clearer picture into the its various programs, and will allow managers to better measure program effectiveness.

As arranged with your office, we plan no further distribution of this report for 30 days from the date of the report unless you publicly announce its contents earlier. At that time, we will send copies to appropriate

congressional committees and to the administrator of USAID. We will also make copies available to other interested parties upon request.

If you or your staff have any questions concerning this report, please call me at (202) 512-4128. Other GAO contacts and staff acknowledgments are listed in appendix V.

Sincerely yours,

Jess T. Ford
Director, International Affairs and Trade

Appendix I: Scope and Methodology

To prepare a profile of USAID's use of nongovernmental organizations to provide U.S. foreign aid, we conducted an extensive review of USAID financial databases and interviewed officials throughout USAID. We obtained and analyzed financial data from USAID's offices of procurement, budget, and private and voluntary organizations, as well as the office of the USAID inspector general and three overseas missions—Honduras, Nicaragua, and South Africa. We interviewed USAID officials responsible for compiling and maintaining these data in order to assess their reliability and limitations. We also interviewed USAID headquarters officials in all geographic bureaus, two functional bureaus, and the Management Bureau, and USAID officials in the three missions that we visited to obtain additional data, details, and examples pertaining to their particular experiences using nongovernmental organizations and other program implementers.

To analyze the funding mechanisms USAID uses to employ nongovernmental organizations, we reviewed USAID program and procurement guidance and other relevant documents and interviewed USAID officials who were routinely involved in choosing funding mechanisms at headquarters and the three field missions we visited. In the course of our overseas fieldwork, we visited a variety of assistance activities and spoke to numerous program implementers, including representatives of nongovernmental organizations, private voluntary organizations, foreign governments, and for-profit organizations, about their relationship with USAID and their experiences with the various funding mechanisms. In Honduras and Nicaragua we focused our review on the Hurricane Mitch Reconstruction Program. We interviewed representatives of several nongovernmental organizations in Washington, D.C., as well, including an association of international development-related nongovernmental voluntary organizations. Due to the large number, variety, and dispersion of nongovernmental organizations, we did not visit an adequate number of organizations to generalize observations we made during these visits. However, these organizations provided useful detail, examples, and illustrations of information we obtained from USAID and other sources. To determine the extent to which USAID has evaluative information on its use of various funding mechanisms to assess the trade-offs among them, we obtained and analyzed documents and data and interviewed relevant officials from USAID offices in headquarters and overseas missions we visited. We also conducted several literature searches using USAID's databases to identify studies and evaluations conducted by USAID or its contractors or partners relating to various funding mechanisms or types of partners. We met with officials from USAID's Center for Development Information and Evaluation to identify

any other reports that we may not have found in our USAID literature searches.

To compare USAID funding mechanisms with the approaches of other donor organization, we visited a sample of donors selected subjectively, primarily based on the size of the donors as well as geographic location and other criteria. We selected four of the largest private foundations involved in international development located in New York City, which included the Ford Foundation, the Rockefeller Foundation, the Carnegie Corporation, and the Open Society Institute. To obtain the perspective of other donor organizations operating with U.S. government funds, we visited the Asia Foundation and the National Science Foundation. Due to logistical constraints, we limited our review of official donors to bilateral donors that were operating in the countries that we visited. They included Canada, the United Kingdom, Japan, and Sweden. We were unable to schedule meetings with representatives of the European Union during our field visits, but we reviewed relevant information available through its Web sites and interviewed third-party sources regarding its foreign assistance operations. Our selection of donors was not intended to be exhaustive, but rather illustrative of the main trends in international donor operations as we were able to discern them based on our interviews with knowledgeable international development officials and other sources of information. We excluded multilateral donors in the scope of our review due to significant differences in the way they are organized and operate.

We conducted our work between April 2001 and February 2002 in accordance with generally accepted government auditing standards.

Appendix II: Major NGO Recipients of USAID Fiscal Year 2000 Procurement Funds

Table 2: Top 10 NGO Recipients of USAID Procurement Funding Obligations in Fiscal Year 2000

Name	Organization type	Total amount obligated (in millions of dollars)
Development Alternatives, Inc.	For-profit	**160**
Catholic Relief Services	Private voluntary organization	**138**
CARE	Private voluntary organization	**137**
Barents Group, LLC	For-profit	**133**
Chemonics International, Inc.	For-profit	**105**
Save the Children	Private voluntary organization	**63**
World Vision	Private voluntary organization	**57**
Hagler Bailly Services, Inc.	For-profit	**51**
Johns Hopkins University	University	**47**
Mercy Corps International	Private voluntary organization	**43**

Source: USAID procurement data.

Table 3: Top 10 For-Profit Recipients of USAID Procurement Funding Obligations in Fiscal Year 2000

Name	Total obligations (in millions of dollars)
Development Alternatives, Inc.	**160**
Barents Group, LLC	**133**
Chemonics International, Inc.	**105**
Hagler, Bailey Services, Inc.	**51**
Deloitte Touche Tohmatsu	**38**
John Snow, Inc.	**37**
ABT Associates, Inc.	**36**
International Resource Group	**28**
Louis Berger International	**22**
PriceWaterhouseCoopers	**22**

Source: USAID procurement data.

Table 4: Top 10 PVO Recipients of USAID Procurement Funding Obligations in Fiscal Year 2000

Name	Total obligations (in millions of dollars)
Catholic Relief Services	138
CARE	137
Save the Children	63
World Vision	57
Mercy Corps International	43
Cooperative Housing Foundation	35
Population Council	29
Winrock International	25
Population Services International	25
AVSC International	22

Source: USAID procurement data.

Table 5: Top 10 University Recipients of USAID Procurement Funding Obligations in Fiscal Year 2000

Organization	Total obligations (in millions of dollars)
Johns Hopkins University	47
University of North Carolina, Chapel Hill	25
Georgetown University	16
University of Delaware	6
State University of New York	6
Harvard University	5
Georgia State University	5
American University in Beirut	5
Michigan State University	5
University of Wisconsin, Madison	5

Source: USAID procurement data.

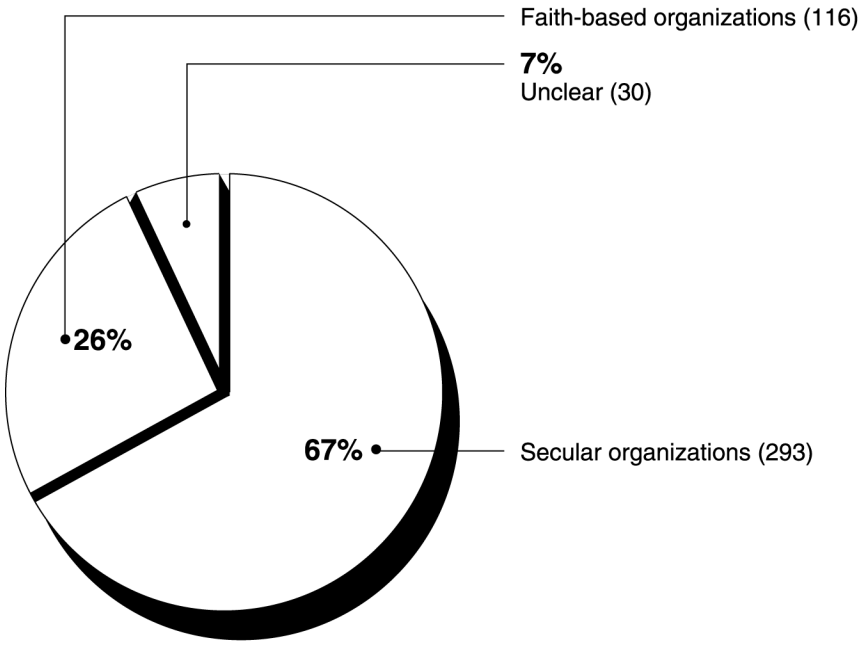
Appendix III: Faith-Based Private Voluntary Organizations

As shown in figure 5, a significant number of faith-based organizations are eligible to implement USAID's development programs. Based on our review of self-reported information from 439 U.S. private voluntary organizations registered with USAID[1] in fiscal year 2001, 26 percent, appeared to be faith-based.[2]

[1] It is USAID's policy that none of the funds appropriated under the U.S. Foreign Assistance Act may be made available to any PVO that is not registered with USAID. Disaster assistance funding and funding through subgrants or contracts are not subject to this requirement.

[2] We defined a PVO as "faith-based" if its websites, mission statements, objectives, or priorities directly mentioned an affiliation with a religious organization or referenced God, Allah, another deity, prayer, faith, or other overtly religious terms. We concluded that having been founded by a religious person (priest, rabbi, nun, etc.) did not necessarily determine whether an organization was currently faith based. Where possible, the religious denomination was identified from the same information. Where it was unclear whether an organization was secular or faith-based and to which denomination it belonged, we contacted the organization for clarification, if possible. If no clarification was received, the organized was classified as "unclear."

Figure 5: Faith-Based Versus Secular PVOs



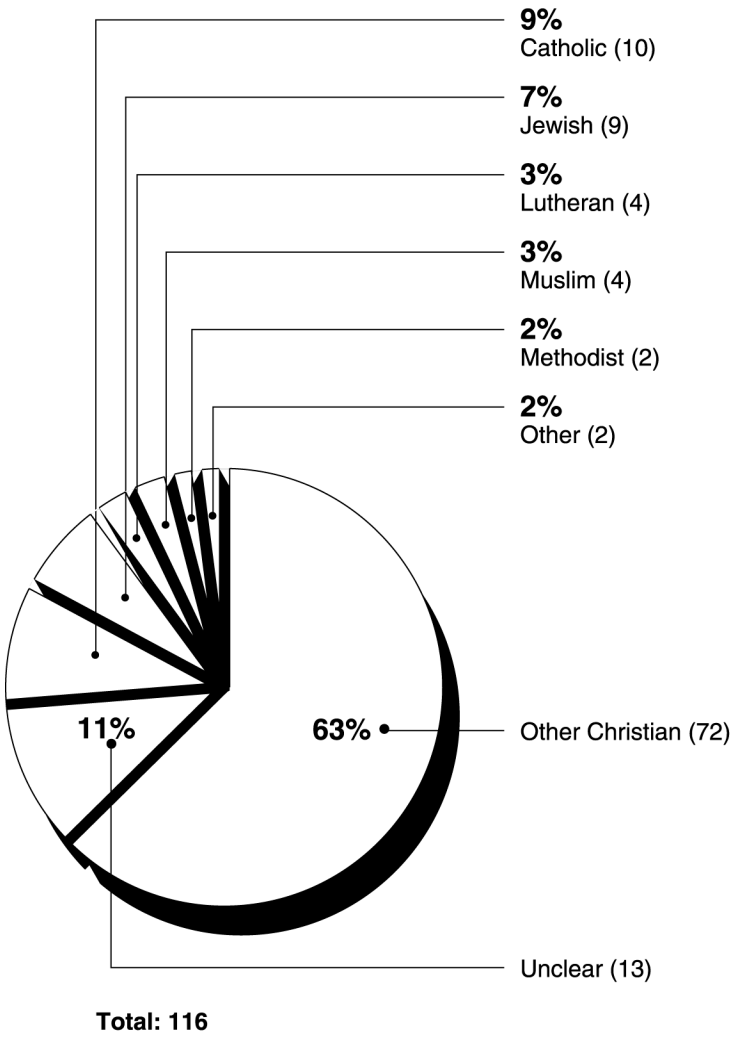
Total: 439

Note: Includes only those registered with USAID.

Source: Our analysis of USAID and PVO data.

As shown in figure 6, these PVOs span a range of denominations, but are comprised primarily of Christian organizations.

Figure 6: Breakdown of Faith-Based PVO's by Denomination



Note: Includes only those registered with USAID.

Source: Our analysis of USAID and PVO data.

Appendix IV: Comments from the U.S. Agency for International Development

United States Agency For International Development

APR _ 5 2002

Mr. Jess T. Ford
Director
International Affairs and Trade
U.S. General Accounting Office
441 G Street, N.W.
Washington, D.C. 20548

Dear Mr. Ford:

I am pleased to provide the U.S. Agency for International Development's (USAID) formal response on the draft GAO report entitled "FOREIGN ASSISTANCE: USAID Relies on Nongovernmental Organizations, But Better Data Needed to Evaluate Approaches." Please note that technical edits to the report are enclosed separately.

While we are in general agreement with the results of the GAO report, please note that in May of 2001, the new USAID Administrator acknowledged that the Agency's data was incomplete due to aging Agency business systems. The Administrator's agenda to turn USAID into a first rate 21st century development agency has taken these shortfalls into account. He has launched an aggressive effort to review and replace the Agency's business systems in five management areas: Procurement, Financial Management, Human Resources, Information Resources Management and Administrative Services. A new automated financial management system has been implemented in Washington and should be rolled out to the field soon. A new automated procurement system is next on the horizon. The implementation of these new systems and the streamlining of Agency business processes will allow for the collection of more complete data globally, with a greater degree of accuracy.

We realize that detailed and accurate data will give a clearer view into the various USAID programs and allow managers to better measure program effectiveness. The stage is set and the Agency is moving in that direction.

1300 Pennsylvania Avenue, NW
Washington, D.C. 20523

Thank you for the opportunity to respond to the GAO draft report and for the courtesies extended by your staff in the conduct of this review.

Sincerely,

John Marshall
Assistant Administrator
Bureau for Management

Enclosure: A/S

Appendix V: GAO Contacts and Staff Acknowledgments

GAO Contacts

Thomas Melito (202) 512-9601
James Michels (202) 512-5756

Acknowledgments

In addition to those named above, Katherine Brentzel, Janey Cohen, Martin De Alteriis, Kathryn Hartsburg, Lawrence Suda, and La Verne Tharpes made key contributions to this report.

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