Pursuant to Section 7019(e) of Division K of Public Law 115-141, the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2018, which incorporates by reference the requirements of Senate Report 115-152, USAID submits this report on actions the Agency has taken, or will take, to comply with the two outstanding recommendations identified in the GAO report entitled, “STATE and USAID: Status of GAO Recommendations Made in 2015 and 2016” (GAO-18-532R).

**GAO 15-479: INTERNATIONAL EDUCATION ASSISTANCE: USAID Has Implemented Primary Grade Reading Programs but Has Not Yet Measured Progress toward Its Strategic Goal.** Recommendation 3: To improve USAID’s ability to measure progress in achieving a quantitative reading goal in any future education strategy, the Acting USAID Administrator should ensure that the future strategy includes targets that will allow USAID to monitor interim progress toward its goal in comparison with planned performance.

USAID concurred with the recommendation. In December 2017, USAID extended the USAID Education Strategy 2011-2015 to December 31, 2018, or until the approval of a new Strategy by the Administrator. USAID made this decision to allow additional time to align our next Agency-wide vision for education programming with new requirements established by Congress in the Reinforcing Education Accountability in Development (READ) Act, which became law on September 8, 2017. The READ Act requires submission to Congress by September 8, 2018, of a Comprehensive Integrated U.S. Strategy to Promote Basic Education for implementation over the following five Fiscal Years.

To complement the Comprehensive Integrated U.S. Strategy to Promote Basic Education, USAID will develop a USAID-specific Education Policy, rather than a separate Strategy. Based on our experience in implementing the Education Strategy since 2011, we believe a policy document will align better with a country-driven, context-specific approach to supporting educational institutions in countries on their journey to self-reliance. The policy document will establish priority outcome areas and principles for the sector, including a new emphasis on education delivered through non-governmental channels and to vulnerable and displaced children, but not set global, top-down targets as recommended in the GAO audit. Nevertheless, the Policy will emphasize the need to establish metrics for our education programs, and to measure the performance of our implementing partners against them.

According to Automated Directive System (ADS) Chapter 200 – Development Policy: “USAID development policies articulate the Agency’s corporate position and set a specific priority direction for a sectoral or cross-cutting goal or issue consistent with USG and Administrator directives. These policies can seek to change the way the Agency programs in key areas, but do not set specific time-bound targets.” This calls into question whether the GAO recommendation is still applicable, given that USAID does not intend to issue a new Education Strategy with global targets.
USAID is grateful that the GAO has agreed to extend the deadline for this recommendation to December 31, 2018, to allow for the completion of the Comprehensive Integrated U.S. Strategy to Promote Basic Education required by the READ Act and USAID’s policy document on education programming, and to consider the recommendation closed when the two documents are approved.

**GAO-15-732: INTERNATIONAL FOOD ASSISTANCE: USAID Should Systematically Assess the Effectiveness of Key Conditional Food Aid Activities.** Recommendation 2: To Strengthen USAID's ability to monitor Title II conditional food aid and evaluate food-for-assets activities impact on reducing food insecurity, the USAID Administrator should systematically assess the effectiveness of food-for-assets, activities, in development projects in achieving project goals and objectives.

USAID concurred with the recommendation. USAID has built out its strategy and tools to assess the effectiveness of food-for-assets (FFA) activities in development projects according to the GAO's recommendation. In June 2016, USAID submitted its closure request, which details some of the key processes undertaken to monitor and assess FFA programs. Following the closure request, USAID released additional Guidance for Monitoring, Evaluation, and Reporting for food and programs, as well as Technical References. To enhance its monitoring-and-evaluation capacity, USAID also established a new mechanism to conduct independent baseline studies and program evaluations. USAID shared these updates, among others, with the GAO in March 2018. In June 2018, the GAO followed up with USAID with a few remaining questions. USAID has responded to these questions, and expects the GAO to close the recommendation.