



Functional Bureau Strategy

Office of U.S. Foreign Assistance Resources (F)

FOR PUBLIC RELEASE

Table of Contents

1. Executive Statement3

2. Bureau Strategic Framework6

3. Goals, Objectives and Sub-Objectives8

4. Cross-cutting Management Objective15

Approved: May 24, 2019

1. Executive Statement

Vision: Strategic, coordinated, and effective foreign assistance on behalf of the American people.

Mission Statement: On behalf of the Secretary of State, the Office of U.S. Foreign Assistance Resources (F) optimizes the impact of U.S. foreign assistance by aligning resources to foreign policy strategy objectives, measuring effectiveness, and promoting evidence-based policies.

Every taxpayer dollar that the United States provides as assistance overseas has foreign policy implications. As outlined in statute, the Secretary of State is responsible for the continuous supervision and general direction of U.S. foreign assistance and ensuring its alignment with U.S. foreign policy goals, including foreign assistance resources appropriated to the State Department and the United States Agency for International Development (USAID) and other government agencies. In addition, the President has directed the Secretary of State to ensure that U.S. foreign assistance serves American interests. This includes winning the great power competition; supporting our friends and allies to foster greater burden-sharing; and promoting strategic transitions of countries from foreign assistance to self-reliance. These foreign assistance priorities, outlined in the U.S. National Security Strategy (NSS) and State/USAID Joint Strategic Plan (JSP) for FY 2018-2022, guide F's strategic vision, goals, and milestones as outlined in this strategy.

In pursuit of the priorities and goals presented in the NSS and JSP, F is advancing efforts across all four JSP goal areas through the strategic provision and coordination of foreign assistance resources. F **advances U.S. national security** by mobilizing resources to support key U.S. allies; promote a free, open, and secure Indo-Pacific region; counter malign Russian influence; and combat terrorism and proliferation threats. In addition, F supports the Administration's efforts to **renew America's competitive economic advantage** by supporting and aligning resources to work with the new Development Finance Corporation; improving investment opportunities for U.S. businesses overseas; and expanding efforts to assist foreign partners in building their cyber capacity and connectivity. Through these efforts and more, F continues to **promote American leadership through balanced engagement** by mobilizing resources to respond to humanitarian crises, global health challenges, and recurrent food crises – all while asking other donors to step up and contribute more toward shared global objectives. Finally, F **ensures effectiveness and accountability on behalf of the U.S. taxpayer**. To that end, F prioritizes assistance

Approved: May 24, 2019

approaches that promote our assistance partners' self-reliance by strengthening their ability to solve their own development challenges; improving their ability to effectively marshal and manage their own dollars; and reinforcing the importance of global women's economic empowerment to drive sustainable economic growth. F is also committed to the implementation of U.S. government reforms, including a major structural reorganization of USAID to strengthen its core capabilities, increase efficiency, and reduce costs, as well as implementation recommendations from the Government Accountability Office and Office of the Inspector General to improve foreign assistance coordination and aid effectiveness.

To advance these priority national security, foreign policy, and development objectives, F brings strategic coordination, transparency, and coherence to U.S. government-wide foreign assistance efforts by aligning resources and activities across the State Department and USAID. F serves as an honest broker on behalf of the Secretary to evaluate requests for regional and global foreign assistance initiatives and to ensure all aspects of U.S. foreign assistance align with Administration policies and priorities. F also promotes critical principles and practices to increase the overall impact and transparency of assistance through leading a comprehensive program design and performance management policy and increasing transparency and accountability through managing a U.S. government-wide platform on foreign assistance spending (www.foreignassistance.gov).

Capitalizing on F's unique strengths, role, and position, this strategy maps F's approach to advancing Administration national security, foreign policy and development goals over the next four years. To help the U.S. government better navigate increasingly complex national security and development challenges, F has identified four strategic goals and a cross-cutting management objective to support more effective foreign assistance decision making through increased coordination, planning, partnerships, analytics, and use of data and evidence. While distinct, these goals and objective are interrelated and mutually reinforcing.

The first strategic goal – **Lead a more effective, inclusive, and transparent U.S. foreign assistance budget and strategic planning process** – supports F's facilitation of a comprehensive budget process to better meet the needs of State, USAID, and the foreign assistance community while ensuring that Administration priorities are interwoven into the allocation of resources.

Approved: May 24, 2019

The second strategic goal – **Promote sound program design, monitoring and evaluation to ensure effective use of foreign assistance resources and demonstrate accountability to the Administration, Congress, and the American taxpayer** – reflects State’s commitment to using best practices in design, performance monitoring, evaluation, and data analysis to achieve effective U.S. foreign policy outcomes and greater accountability to our primary stakeholders, the American people.

The third strategic goal – **Improve U.S. foreign assistance policies through analysis and research** – prioritizes partnerships and engagement with stakeholders to advance the U.S. Government’s policy goals and initiatives.

The fourth strategic goal – **Increase foreign assistance transparency and data integrity and improve use across the U.S. government to enable integrated decisions and increase public awareness** – reflects State’s and F’s leading roles in promoting foreign assistance transparency and enabling senior leadership to use timely and reliable data to inform decision-making.

Finally, the cross-cutting management objective – **Sustain a dynamic State/USAID joint workforce and improve internal operations** – aims to boost efficiency, promote knowledge sharing, and support the professional development of F staff.

It is critical that F continues to build and maintain relationships with key stakeholders, including State and USAID bureaus, other federal agencies, the National Security Council (NSC), the Office of Management and Budget (OMB), members of Congress, and other public- and private-sector organizations. Without these partnerships, F’s ability to align foreign assistance investments with national security, foreign policy, and development priorities would be at risk.

Implementing this strategy is a long-term endeavor that requires collaboration within and outside of F to identify appropriate activities, create an action plan, and regularly review progress. F will continue to assess the effectiveness of its activities and will update the action plan as needed to ensure the organization is moving in the right direction.

Approved: May 24, 2019

2. Bureau Strategic Framework

Strategy Outline

Goal 1: Lead a more effective, inclusive, and transparent U.S. foreign assistance budget and strategic planning process

Objective 1.1: Optimize U.S. foreign assistance budget formulation, justification and execution processes to effectively align resources to Administration priorities

Objective 1.2: Formulate and improve guidance, policies, and procedures to ensure effective coordination of assistance in Washington, at post, and with other agencies

Objective 1.3: Manage and coordinate the Department's strategic planning processes to ensure consistency across the Department and the effective implementation of Administration priorities

Goal 2: Promote sound performance monitoring and evaluation to ensure effective use of foreign assistance resources and demonstrate accountability to the Administration, Congress, and the American taxpayer

Objective 2.1: Guide and assist bureaus to ensure programs and projects have documented goals, objectives, logic, and a plan for monitoring performance

Objective 2.2: Incentivize and support sector and strategic-level reviews and evaluations throughout the Department

Objective 2.3: Improve F's enterprise risk management approaches and promulgate guidance in support of Department-wide efforts

Goal 3: Improve U.S. foreign assistance policies through analysis and research

Objective 3.1: Develop policy recommendations for Department and U.S. government leadership on the effective and strategic use of U.S. foreign assistance

Objective 3.2: Improve State, USAID, and interagency stakeholder engagement to foster unity of purpose on U.S. foreign assistance policies

Approved: May 24, 2019

Objective 3.3: Cultivate partnerships with key external stakeholder groups to align policies and amplify effectiveness

Goal 4: Increase foreign assistance transparency and data integrity and improve use across the U.S. government to enable integrated decisions and increase public awareness

Objective 4.1: Implement data system improvements that leverage existing systems, increase efficiencies, and meet legal requirements

Objective 4.2: Meet senior leadership expectations for access to data and production of visualization tools and products that will support their diplomatic engagement and policy decision making

Approved: May 24, 2019

3. Goals, Objectives and Sub-Objectives

Bureau Goal 1: Lead a more effective, inclusive, and transparent U.S. foreign assistance budget and strategic planning process

a. Description and Linkages

A comprehensive budget process that effectively meets the needs of State, USAID, and the foreign assistance community inherently supports the Administration's foreign policy objectives. F works together with BP and Bureau of Resource Management (BRM) in the annual budget formulation process to produce the budget request with input from missions and bureaus. F manages dialogues at a functional and regional level within the fiscal guidance to make funding recommendations to the Secretary. F works with State and USAID to justify the approved request to OMB. F and BP are the lead negotiators to finalize the budget for presentation to the Congress. Following an appropriation, budget execution allocates funding resources with input from BRM. Achievement of this goal requires feedback from internal stakeholders and ensuring foreign policy priorities are interwoven into the allocation of resources. While this goal undergirds the success of objectives across all three JSP policy-related goals, it primarily supports JSP Objective 4.1.

Bureau Objective 1.1: Optimize U.S. foreign assistance budget formulation, justification and execution processes to effectively align resources to administration priorities

a. Justification

The federal government can and should operate more effectively, efficiently, and securely. This objective directly supports JSP objective 4.1. To effectively allocate budget resources to meet this objective, consideration must be given to efficiently match appropriated resources with strategic goals. This objective is conscious of the need to continuously refine our process while capitalizing on the expertise of stakeholders. Maintaining transparency is key to helping our partners understand the constraints we operate under to grant mission and bureau budget requests, align funding to policy priorities, and meet congressional requirements.

Approved: May 24, 2019

Bureau Objective 1.2: Formulate and improve guidance, policies, and procedures to ensure effective coordination of assistance in Washington, at post, and with other agencies

a. Justification

Strong coordination of assistance among relevant stakeholders is critical to ensuring that programming is used to maximum effect in meeting multiple objectives and de-conflicted. This objective acknowledges the need to continue to refine our guidance, policies, and procedures in order to ensure that appropriate stakeholders are aware of, and are able to influence in a timely fashion, assistance activities where they have equities. Clarity in these areas will lead to improved awareness and outcomes.

Bureau Objective 1.3: Manage and coordinate the Department's strategic planning processes to ensure consistency across the Department and the effective implementation of Administration priorities

a. Justification

This objective supports multiple elements of the Department's JSP that emphasize the importance of coordinated strategic planning as a key element of several Department Strategic Objectives. JSP Objective 3.1, for example, says that "strong interagency field missions will develop country specific strategies that focus available resources" and Objective 4.1 says that "the Department and USAID will ensure sound strategic planning" and underscores that "disciplined planning and design processes help ensure the Department and USAID understand the local country context, assess what we need to do, and set meaningful performance milestones and targets." Foreign Aid Transparency and Accountability Act of 2016 (FATAA) requires the development, coordination and publication of regional, country and sector strategies and the July 2018 Government Accountability Office (GAO) report 18-499, while acknowledging significant progress and coordination, has highlighted the need for additional efforts to improve coordination and strategy development. F's Planning and Performance Management (F/PPM) division will partner with BP to review existing processes and work with key stakeholders to recommend process improvements. F directorates will coordinate with one another to ensure strategic objectives and performance data are used to inform budget decisions. F/PPM will identify and review all foreign assistance-related strategies across the Department and make recommendations to improve consistency and coordination. Absent this, we risk seeing

Approved: May 24, 2019

increasingly divergent and uncoordinated efforts both within the Department and across the interagency.

Bureau Goal 2: Promote sound performance monitoring and evaluation to ensure effective use of foreign assistance resources and demonstrate accountability to the Administration, Congress, and the American taxpayer

a. Description and Linkages

JSP Objective 4.1 states, “To be good stewards of American taxpayer dollars, achieve lasting results, and advance U.S. foreign policy objectives, the Department and USAID will ensure sound strategic planning and program management are in place and invest our resources based on evidence...Disciplined planning and design processes help ensure the Department and USAID understand the local country context, assess what we need to do, and set meaningful performance milestones and targets to achieve diplomatic and development objectives.” The Department of State is committed to using design, monitoring, evaluation, and data analysis best practices to achieve the most effective U.S. foreign policy outcomes and greater accountability to our primary stakeholders, the American people. F works closely with BP to improve program and project design and performance management throughout the Department, and with the interagency to coordinate sector-specific policies. F also works with OMB and over 20 U.S. government agencies providing foreign assistance in order to improve the quality and accuracy of publicly available foreign assistance data. The Department’s Program and Project Design, Monitoring, and Evaluation Policy (18 FAM 300) identifies best practices and establishes requirements to enable the Department to more fully characterize and account for the various ways bureaus and independent offices utilize their resources to achieve bureau, office, and Department-level goals and objectives. The purpose of the policy is to establish a clear line of sight from *what* the Department wants to achieve as documented in its strategic plans, to *how* the Department intends to achieve it through key programs and projects, to data on whether these efforts *are working as intended* based on monitoring, evaluation, and learning activities. In accordance with FATAA, the Department is committed to providing publicly available planning, performance, and financial transaction data on foreign assistance spending and activities, as well as strategies and evaluations, for itself, USAID, and all foreign assistance implementing agencies on ForeignAssistance.gov.

Approved: May 24, 2019

Bureau Objective 2.1: Guide and assist bureaus to ensure programs and projects have documented goals, objectives, logic, and a plan for monitoring performance

a. Justification

Dollars and strategies do not achieve results unless they are translated into well-designed programs and projects. Further, monitoring of progress and results is necessary to understand the extent to which program and project level objectives are being met and if these results in turn advance broader strategic objectives. A 2015 evaluation of the MfR framework highlighted a need for policy, tools, and training for program design and performance monitoring. Since then, F and BP have expanded the Department's evaluation policy in 18 FAM 300 to also include program design, monitoring, and learning; created the Program Design and Performance Management Toolkit to aid in implementing each step of the expanded policy; and started conducting training on strategic planning and performance management. As 18 FAM 300 implementation proceeds, F and BP will continue to provide technical assistance to help bureaus establish sound program design and performance management practices and meet the milestones set forth in the policy's guidance in a way that is meaningful for each bureau's performance management practices.

Bureau Objective 2.2: Incentivize and support sector and strategic-level reviews and evaluations throughout the Department

a. Justification

Robust monitoring and evaluation processes enable the Department to learn what is working and how best to adapt programs to achieve results. This directly supports JSP Objective 4.1. Department and F leadership as well as external stakeholders have expressed a need for more evaluations at the sector and/or strategic level in order to improve our ability to provide evidence to Congress and the public of the utility and effectiveness of overall foreign assistance programming. While evaluations of individual interventions or projects will remain important, sector and strategic-level evaluations will allow the Department to assess effectiveness on a larger scale, showcase positive outcomes, and build a body of data and evidence to support learning, decision-making, and advocacy.

Approved: May 24, 2019

Goal 3: Improve U.S. foreign assistance policies through analysis and research

a. Description and Linkages

This goal supports the President’s directive to review and realign U.S. foreign assistance to advance U.S. strategic interests, as outlined in the NSS, and to demonstrate concrete results for the American taxpayer. Through data-driven analysis, research, and partnerships, F is able to provide recommendations to the President and the Secretary for how best to target U.S. assistance. This goal will enable F to optimize U.S. foreign assistance to advance all three goals of the State-USAID JSP, especially efforts under Strategic Goal 3 to transition nations from foreign assistance to enduring partners, promote more equitable burden-sharing, increase partnerships with civil society and the private sector, and project American values and leadership.

Bureau Objective 3.1: Develop policy recommendations for Department and U.S. government leadership on the effective and strategic use of U.S. foreign assistance

a. Justification

F is uniquely positioned to provide objective assessments and recommendations to Department and U.S. government leadership on how to maximize U.S. foreign assistance – alongside other national security and foreign policy tools – to achieve specific policy imperatives. F will actively participate in and contribute to ongoing policy discussions in the Department and NSC to ensure a strong nexus between policy and assistance planning. In addition, on an annual basis, F will continue to undertake dedicated policy research initiatives on how to enhance U.S. foreign assistance in response to specific priorities outlined by Department leadership and the NSC. F will continue to partner with the Secretary’s Policy Planning staff and USAID’s Bureau of Policy, Planning, and Learning in this regard.

Bureau Objective 3.2: Improve State, USAID, and interagency stakeholder engagement to foster unity of purpose on U.S. foreign assistance policies

a. Justification

Effective foreign assistance requires common vision and unity of purpose across stakeholders. F serves as an “honest broker” in convening experts across State, USAID, and the wider U.S. government interagency to assess how the United States can maximize our

Approved: May 24, 2019

foreign assistance resources. Through roundtables and standing working groups, we will continue to convene stakeholders on a regular basis to define priorities and policies to guide foreign assistance resource decision-making. With direction from Department leadership and the NSC, F will also continue to serve as a lead for interagency coordination on priority sectoral assistance issues, such as Security Sector Assistance (SSA) and Development Finance.

Bureau Objective 3.3: Cultivate partnerships with key external stakeholder groups to align policies and amplify effectiveness

a. Justification

F cultivates partnerships and establishes lines of two-way dialogue with a range of stakeholders inside and outside the U.S. government to enable informed foreign assistance decision-making and highlight the importance of the State Department's role. Specifically, F maintains dedicated engagement with Congress and public audiences to help explain how the Department is using foreign assistance. F also cultivates partnerships with key think tank and non-governmental organizations that contribute expertise and shape public discussion on effective use of foreign assistance. Finally, F will work to increase engagement in the future with bilateral and multilateral donor partners to identify opportunities for more purposeful burden-sharing, mobilize development resources, and capitalize on new technologies in development programs.

Goal 4: Increase foreign assistance transparency and data integrity and improve use across the U.S. government to enable integrated decisions and increase public awareness

a. Description and Linkages

In order to align with the President's Management Agenda, which includes the cross-agency priority of "Leveraging Data as a Strategic Asset" for transparency and accountability, F plays a vital role in securing quality foreign assistance data for the interagency. It is imperative that F staff understand and can speak to F's role in this space, and F should be able to communicate that role to State, USAID, and interagency interlocutors.

Approved: May 24, 2019

Bureau Objective 4.1: Implement data system improvements that leverage existing systems, increase efficiencies, and meet legal requirements

a. Justification

F leads multiple data collection processes and works within State/USAID and across the interagency on integrating data from multiple systems into singular databases. In order to minimize the manual data transformation involved in these processes, F must work within State/USAID and the interagency to modernize and create better linkages between existing systems in order to automate data transfer, limit staff data transformation time, and continue to meet legal requirements under FATAA and other laws and regulations.

Bureau Objective 4.2: Meet senior leadership expectations for access to data and production of visualization tools and products that will support diplomatic engagement and policy decision-making

a. Justification

Continued focus across the Department on data use and presentation will allow F to improve the access to and understanding of the vast amounts of data it collects. F will work collaboratively with senior staff to define requirements and with the Center for Analytics on visual display templates. If existing data are not properly leveraged and provided to decision makers, the Department risks leaving evidence and results on the table that could be used to inform policy and programmatic choices, or using resources to repeat data calls that have already been conducted.

4. Cross-cutting Management Objective

Management Objective: Sustain a dynamic State/USAID joint workforce and improve internal operations

a. Justification

F's internal administrative support functions are managed by a small cadre of F personnel who coordinate with the S/ES-EX and parallel components at USAID to provide the organization's administrative requirements. Given the unique nature of F's hybrid organization, which is made up of State and USAID employees and contractors, coordinating administrative support functions is challenging and not entirely under F's control. This objective focuses on professional development of F staff, with special emphasis on broadening our analytic and communication abilities so we can better advise our bureau counterparts on the use of data in foreign assistance decision making. Formal and informal details to other agencies such as USAID will be explored to broaden staff perspectives and deepen their expertise. Furthermore, F staff corporately possesses a wide range of experience and knowledge, which needs to be more widely and systematically shared throughout F's workforce. Drawing in other resources at State, USAID, another interagency, think tanks, and non-governmental organization partners will also be pursued.

Approved: May 24, 2019