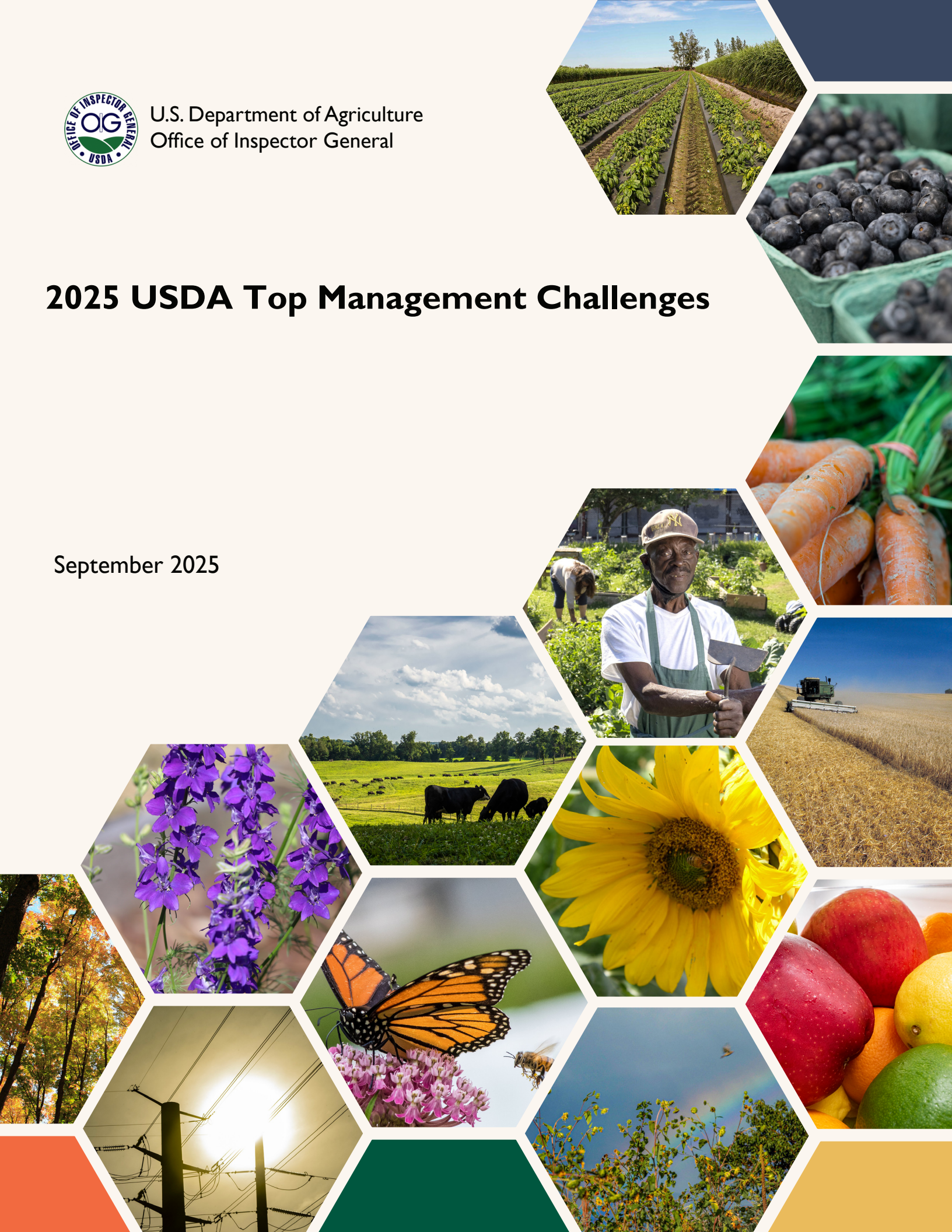




U.S. Department of Agriculture
Office of Inspector General

2025 USDA Top Management Challenges

September 2025





UNITED STATES DEPARTMENT OF AGRICULTURE
OFFICE OF INSPECTOR GENERAL
Washington D.C. 20250



DATE: September 29, 2025

TO: The Honorable Brooke Rollins
Secretary

FROM: Janet Sorensen 
Acting Inspector General

SUBJECT: 2025 USDA Management Challenges

In accordance with the Reports Consolidation Act of 2000, the U.S. Department of Agriculture (USDA) Office of Inspector General (OIG) is issuing the 2025 USDA Top Management Challenges report. This annual publication summarizes what we consider the most significant management and performance challenges facing the Department. The report is organized into three major management challenge areas—Ensuring Safety and Security, Providing Benefits, and Delivering Efficient Programs. Each of these management challenge areas have key challenge indicators that are intended to aid the Department with improving program performance and operations.

We would like to express our appreciation to you and the Deputy Secretary for your support of our work and your commitment to excellence at USDA. We look forward to working with the Department to address these management challenges.

If you have any questions or would like to discuss these management challenges and related key challenge indicators, please contact me at 202-720-8001. You or your staff may also contact Craig Goscha, Acting Assistant Inspector General for Analytics and Innovation at 816-926-7644.

Attachment

cc:
Subcabinet Officials
Agency Administrators



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Bees and other pollinators documented at a park. The movement of pollen must occur for the plant to become fertilized and produce fruits, seeds, and young plants. USDA photo by Christophe Paul. This photo and all subsequent photos are from USDA's Flickr account and do not depict any specific audit or investigation.

Introduction and Approach

The Office of Inspector General (OIG)'s mission is to promote the economy, efficiency, and integrity of and to prevent and detect waste, fraud, and abuse regarding USDA's programs and operations. USDA OIG's work is accomplished through independent and objective audits, investigations, inspections, and reviews.

USDA's agencies and offices provide services to the American people related to food, agriculture, natural resources, rural development, nutrition, and other programs based on public policy, the best available science, and effective management. In accordance with the [Reports Consolidation Act of 2000](#), we are reporting what we consider to be the most significant management and performance challenges facing the Department.

Our report is organized into three major challenge areas. Each major challenge area contains "key challenge indicators," or areas of focus derived from our findings, that can assist USDA when addressing those challenges (see Figure 1). Our approach is intended to aid Departmental leadership by providing specific areas to

address and resolve both broad and unique challenges that may affect multiple agencies. It also provides the Secretary and other policymakers with a streamlined report that improves clarity and gives significant information greater prominence.

This report is primarily based on our audits, inspections, final action verification reviews, investigations, and general knowledge in providing oversight of USDA's programs



Figure 1. The top management challenges and key challenge indicators for USDA in 2025. OIG graphic.

and operations from June 1, 2022, through July 31, 2025.¹ To determine what qualified as a key challenge indicator, we assessed our audit and inspection report findings, open audit and inspection report recommendations, and the number of audit and inspection report recommendations closed within this timeframe.²

We also included criteria such as the Government Accountability Office's (GAO) high-risk list; GAO reports, recommendations, and priority recommendations; and closed OIG investigations. Audit products from the [2024 Management Challenges](#) report that still have open recommendations relevant

to the key challenge indicators are also included in this year's report.

Our 2024 Management Challenges report identified eight key challenge indicators and one emerging challenge indicator. This year, one key challenge indicator and one emerging challenge indicator that were included in the 2024 Management Challenges report (Outreach and Climate Impact, respectively) were removed because they no longer met the criteria articulated in the preceding paragraph. However, one new key challenge indicator, Supplemental Funding, was added to this 2025 Management Challenges report.

We also added Food Safety and National Security as emerging challenge indicators, as they are potential areas of concern that may develop into key challenge indicators in upcoming years. We also amended the title of two key challenge indicators to better reflect their content. The Grants Oversight key challenge indicator was changed to Grants and Agreements Oversight, and the Financial Reporting key challenge indicator was changed to Financial Management and Reporting.

Audit products from the 2024 Management Challenges report that still have open recommendations relevant to this report are also included in this year's report. See Figure 2 for a graph of the open and closed recommendations for the 2025 key challenge indicators.

Open and Closed Recommendations for 2025 Management Challenges Indicators

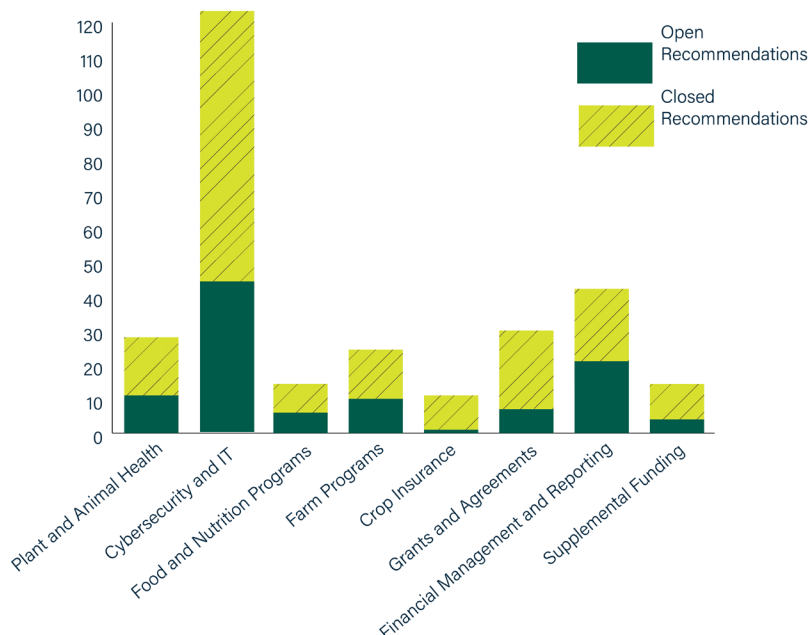


Figure 2. The number of open and closed recommendations for the 2025 key challenge indicators. OIG graphic.

¹ The Investigations data falls between October 1, 2022, through February 19, 2025.

² Some reports contained multiple findings. In some cases, each report's findings were categorized into different indicators. As such, a report may appear more than once under different indicators.

Challenge 1: Ensuring Safety and Security



In the food and agriculture sector, USDA plays a critical role in ensuring public health and safety. USDA activities focus on promoting the health and care of animals and plants; efficient cybersecurity and information technology (IT) in USDA agencies; ensuring the food and agriculture sector is secure and resilient in response to evolving threats; and enhancing public health and well-being by protecting the public from foodborne illness

and ensuring that the Nation's meat, poultry, and egg products are safe, wholesome, and correctly packaged.

The next section summarizes USDA's key challenge indicators in the areas of plant and animal health, cybersecurity and IT, and the emerging challenges in national security and food safety.

Plant and Animal Health

The Animal and Plant Health Inspection Service (APHIS) protects the health of U.S. agriculture and natural resources against invasive pests and diseases, regulates genetically engineered crops, administers the Animal Welfare Act (AWA), and helps people and wildlife coexist. APHIS also certifies the health of U.S. agricultural exports and resolves sanitary (animal) and phytosanitary (plant) issues to open, expand, and maintain markets for U.S. plant and animal products. Animal and Plant Health Regulatory Enforcement (APHRE) provides investigative, enforcement, and regulatory support services to APHIS.

OIG's work found that APHIS faces challenges with regulatory compliance and internal controls. We also continue to receive allegations related to AWA violations, including dogfighting, cockfighting, and other criminal violations related to the treatment of research and exhibition animals.

To continue protecting animal and plant health efficiently, APHIS must ensure it is compliant with regulations and strengthen its internal controls. Sustained compliance and robust internal controls protect American agriculture and agriculturally important resources. OIG also continues to work vigorously with our Federal, State, and local partners to resolve AWA allegations and ensure the individuals participating in this form of animal cruelty are brought to justice.

Issued Report Summary

Our 2025 report, [Animal Care Program Oversight of Dog Breeder Inspections](#), assessed whether dog breeders corrected previous noncompliances and whether APHIS carried out enforcement actions for substantiated AWA violations. We found that 80 percent of the dog breeders we visited had not fully corrected AWA noncompliances. Additionally, we found that APHIS did not timely address complaints received.

While we acknowledge that licensed dog breeders have the responsibility to comply with AWA and correct identified noncompliances, we determined that APHIS' inconsistent and untimely inspections may have also contributed to the dog breeders' continued violation of AWA requirements. As a result, continued noncompliance with AWA requirements poses a threat to the safety and well-being of the animals.

Finally, we determined that APHIS followed its process for carrying out enforcement action for breeders with substantiated AWA violations. APHIS agreed with our findings and recommendations, and we accepted management decision on all recommendations.



Pugs at a kennel, licensed by USDA, that includes pet boarding and grooming services. USDA Photo by Preston Keres.

Plant and Animal Health: USDA OIG Highlighted Audit and Inspection Work



[Animal and Plant Health Inspection Service's Controls Over Hawaii Pre-Departure Agriculture Inspections](#) (Report 33601-0004-41, issued 7/22/2025)

[Animal and Plant Health Inspection Service's Horse Protection Act Inspection and Disqualification Processes at Horse Show Events](#) (Report 33801-0001-22, issued 6/17/2025)

[Animal Care Program Oversight of Dog Breeder Inspections](#) (Report 33601-0001-22, issued 2/3/2025)

[Animal and Plant Health Inspection Service Wildlife Services' Role in Administering the Mexican Wolf Recovery Program](#) (Report 33801-0001-31, issued 10/19/2023)

[Plant Pest and Disease Management and Disaster Prevention Program](#) (Report 33601-0001-21, issued 1/3/2023)

[Cattle Health Program Disease Incident Response](#) (Report 33601-0003-41, issued 11/28/2022)

Recommendation Progress
OIG issued 28 recommendations under this challenge indicator. As of July 31, 2025, 11 recommendations remain open.

Plant and Animal Health: USDA OIG Highlighted Closed Investigations

OIG closed approximately 73 investigations involving animal and plant health during this time, obtaining approximately 907 criminal, 5 civil, and 13 administrative outcomes, with more than \$66.5 million in monetary results. Examples of these investigations include:

[Florida Man Sentenced for Dogfighting](#)

[Maryland Man Sentenced to Federal Prison in Connection with Multi-State Dogfighting Conspiracy](#)

[Former Department of Defense Deputy Chief Sentenced to Federal Prison for Dogfighting Charges](#)

[Animal Breeder Sentenced in Animal Welfare and Water Pollution Crimes, Will Pay More than \\$35 Million, Including Record Fine in Animal Welfare Case](#)

[Fifth Member of California Drug Ring Sentenced, Including Animal Welfare Charges](#)

[Five Georgia Men Sentenced to Federal Prison for Participating in a Dog Fighting Operation](#)

[Ohio Man Sentenced to 11 Years in Prison for Dogfighting and Drug Distribution](#)

[Louisiana Man Sentenced to More Than 3 Years in Prison for Dogfighting](#)

[California Dealer of Guns and Gamecocks Sentenced to over 7 Years in Prison](#)

[15+ Year Prison Sentence for Georgia Man in Dogfighting, Drug Conspiracy Case](#)

[Missouri Man Sentenced to 32 Years for Cattle Fraud Scheme That Led to Murders](#)

[Ohio Man Sentenced to More Than 10 Years in Prison for Dog Fighting, Drug Trafficking, and Illegal Possession of Firearms](#)

[Seven Alabama Residents Sentenced for Felony Violations of the Animal Welfare Act, Ending One of the Largest Cockfighting Operations in the Country](#)



Cybersecurity and Information Technology

USDA relies extensively on IT to accomplish its mission and manage the Department's procurement, property, and finances. IT enables and enhances USDA's ability to share information instantaneously through computers and networks, and these systems strengthen USDA's oversight and help ensure resources are used as effectively and efficiently as possible.

However, the Department's IT is also vulnerable to malicious activity and exploitation by internal and external sources. Insiders with malicious intent, recreational and institutional hackers, and attacks by foreign intelligence organizations are

significant threats to USDA's critical systems.

Within USDA, the Office of the Chief Information Officer (OCIO) is responsible for developing, delivering, and defending the business information technologies that empower every aspect of the Department's mission. OCIO supports USDA's agencies by offering agile, world-class technology solutions and applying innovative approaches. It also provides policy guidance, leadership and coordination for information management, technology investment, and cybersecurity activities. In FY 2026, USDA's budget estimates \$91 million to fund OCIO activities and operations.



Inspector General Assessed Maturity Levels for FISMA

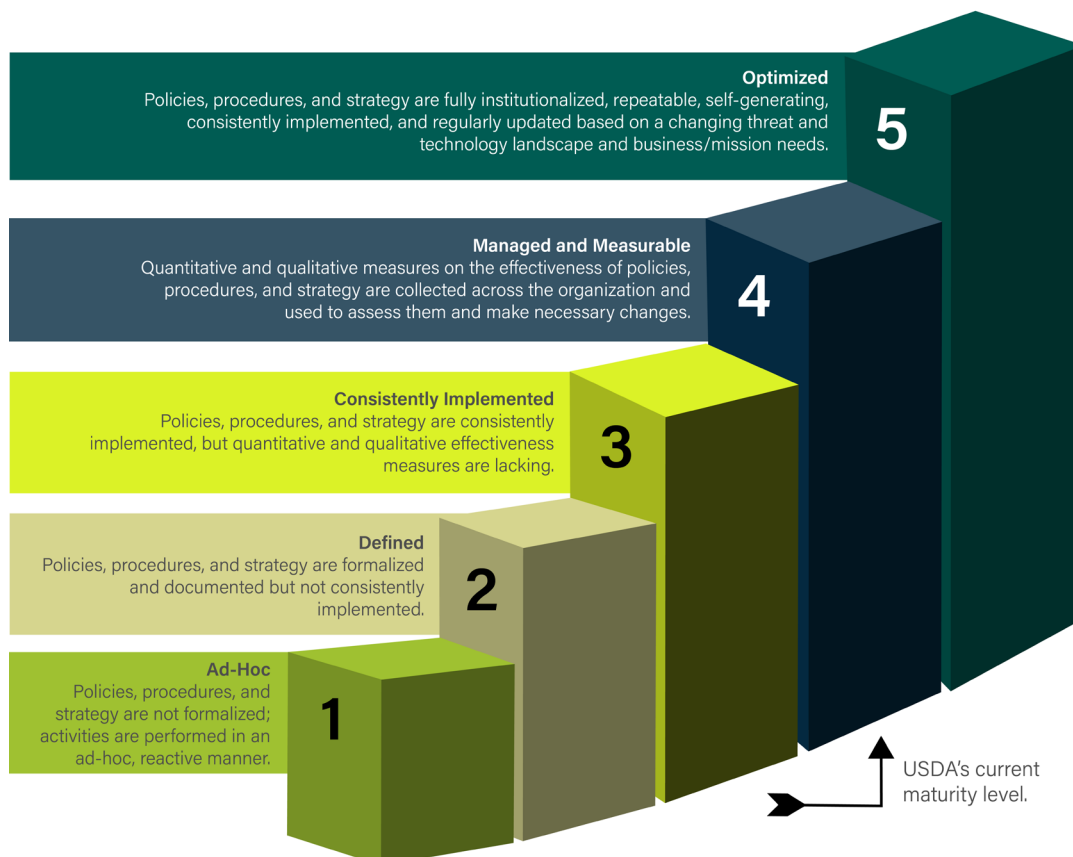


Figure 3. USDA reached the "Managed and Measurable" level for 2025. OIG graphic.

The Office of Management and Budget (OMB) establishes standards for an effective level of security and considers “Managed and Measurable” to be a sufficient level. Our work has found consistent weaknesses with IT-related initiatives since the Federal Information Security Modernization Act of 2014 (FISMA) was enacted. Until this year, the Department’s maturity level remained at the “Consistently Implemented” level for this timeframe, which indicates an ineffective level of security based on OMB’s criteria. However, USDA reached the “Managed and Measurable” level for FISMA in the 2025 report, as shown in Figure 3.

Overall, we found that USDA continues to face cybersecurity challenges. During the period, we identified a variety of issues, including insufficient security controls, security incidents not remediated in a timely manner, and outdated technologies. As a result, there is an increased risk these vulnerabilities could compromise the confidentiality, integrity, and availability of USDA’s IT data.

Managing USDA’s IT security is a considerable responsibility. Cybersecurity is vital to help protect USDA agencies from cyber threats and attacks. Cyberattacks can severely disrupt agricultural operations and affect the integrity of food supply chains or cause severe economic losses. The nature and abundance of agricultural data contribute to the heightened risk of these attacks. Improving the overall management and security of USDA’s IT resources and stakeholder information must be a top priority for the Department.

Issued Report Summary



Our 2025 report, [U.S. Department of Agriculture, Office of the Chief Information Officer, Fiscal Year 2025 Federal Information Security Modernization Act](#), assessed the effectiveness of USDA’s information security program as Managed and Measurable (Level 4), which was effective according to the FY 2025 Inspector General (IG) FISMA Reporting Metric guidance. We made this determination based on assessing a majority of the IG Metrics as “Consistently Implemented” and “Managed and Measurable.” Specifically, Govern and Recover cybersecurity functions were assessed as “Consistently Implemented;” the Identify, Protect, and Detect cybersecurity functions were assessed as “Managed and Measurable;” and the Respond cybersecurity function was assessed as “Optimized.”

In total, we reported 6 new findings and made 11 recommendations related to these findings that, when implemented, should strengthen USDA’s information security program if effectively addressed by management. We also evaluated the implementation of recommendations identified in the FY 2022, FY 2023, and FY 2024 FISMA performance audits. We determined that 14 of 28 recommendations remained open, and 14 recommendations were closed by management. We validated the 14 closed recommendations as “effectively remediated.”

We caution that projecting the results of our performance audit to future periods is subject to the risk that controls may become inadequate because of changes in conditions or because compliance with controls may deteriorate.

Cybersecurity and Information Technology: USDA OIG Highlighted Audit and Inspection Work

[U.S. Department of Agriculture, Office of the Chief Information Officer, Fiscal Year 2025 Federal Information Security Modernization Act](#) (Report 50503-0014-12, issued 7/29/2025)

[Fiscal Year 2024 Quarter 2 Security Evaluation](#) (Report 50801-0014-12, issued 6/10/2025)

[USDA's Management of Password Security](#) (Report 50801-0015-12, issued 5/22/2025)

[Review of Inventory and Information Security Controls for Excessing IT Equipment](#) (Report 50801-0013-12, issued 2/24/2025)

[USDA's Security Controls Over Industrial Control System](#) (Report 50801-0010-12, issued 11/21/2024)

[USDA's Compliance With the Geospatial Data Act for Fiscal Year 2024](#) (Report 50501-0027-12, issued 9/25/2024)

[Fiscal Year 2023 Quarter 4 Security Evaluation](#) (Report 50801-0011-12, issued 7/26/2024)

[U.S. Department of Agriculture, Office of the Chief Information Officer, Fiscal Year 2024 Federal Information Security Modernization Act](#) (Report 50503-0013-12, issued 7/25/2024)

[USDA's Management of Default Credentials](#) (Report 50801-0012-12, issued 6/3/2024)

[Fiscal Year 2023 Quarter 3 Security Evaluation](#)
(Report 50801-0009-12, issued 4/1/2024)



[Fiscal Year 2023 Quarter 3 Security Evaluation—Interim Report](#)
(Report 50801-0009-12(1), issued 1/17/2024)

[Security Over USDA Mobile Applications](#)
(Report 50801-0006-12, issued 9/26/2023)

[Independent Service Auditor's Report on the Office of the Chief Information Officer's Description of Its Data Center Hosting and Security Systems and the Suitability of the Design and Operating Effectiveness of Its Controls for the Period October 1, 2022 to June 20, 2023](#) (Report 88303-0002-12, issued 9/25/2023)

[Security Testing of a Selected USDA Network \(Fiscal Year 2023\)](#) (Report 50801-0005-12, issued 9/15/2023)

[USDA's Compliance with Binding Operational Directives 19-02 and 22-01](#) (Report 50801-0007-12, issued 8/17/2023)

[U.S. Department of Agriculture, Office of the Chief Information Officer, Fiscal Year 2023 Federal Information Security Modernization Act](#) (Report 50503-0011-12, issued 7/27/2023)

[Security Testing of a Selected USDA Network](#) (Report 50801-0004-12, issued 12/15/2022)

o Cybersecurity and Information Technology: USDA OIG Highlighted Audit and Inspection Work (Continued)

[U.S. Department of Agriculture, Office of Chief Information Officer, Fiscal Year 2022 Federal Information Security Modernization Act](#) (Report 50503-0009-12, issued 9/27/2022)

[Secure Configuration of USDA's Virtualization Platforms](#) (Report 50801-0003-12, issued 8/18/2022)

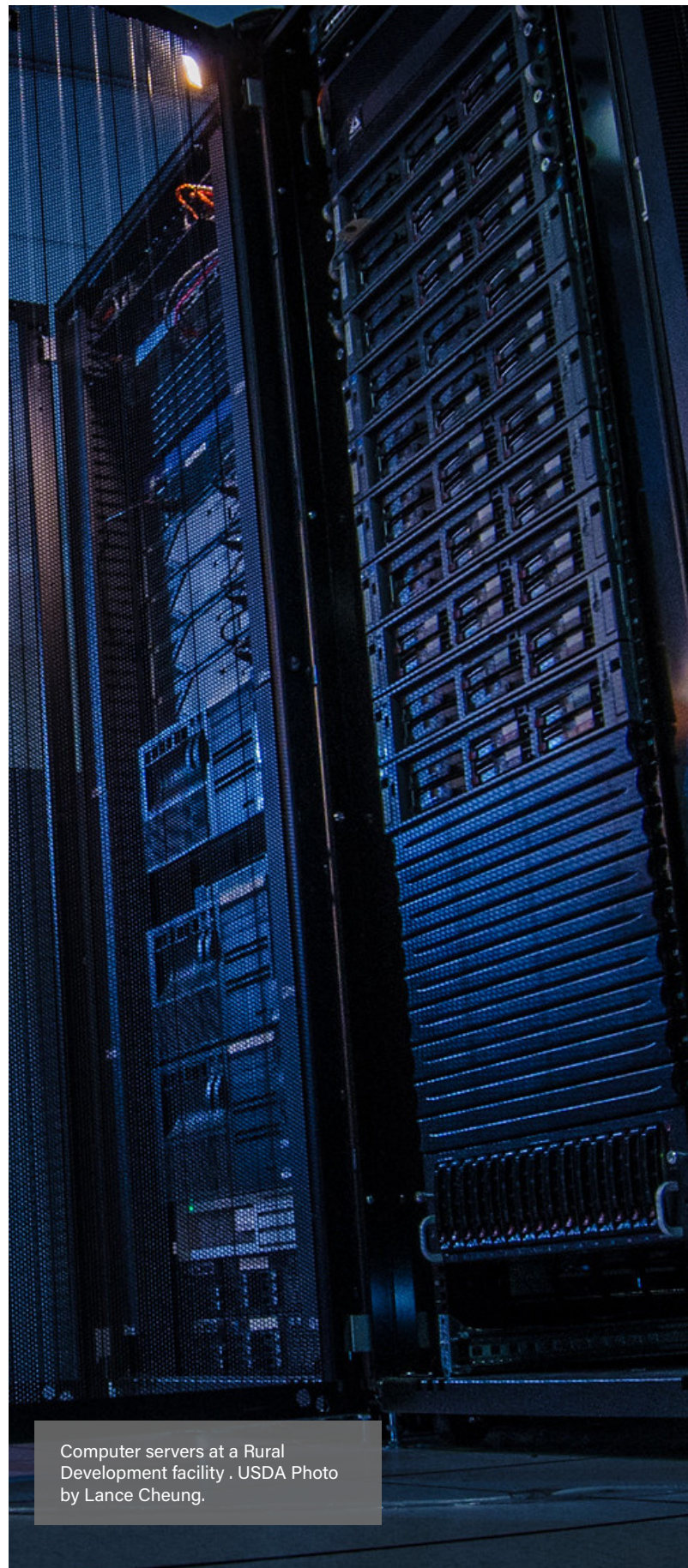
[Security Over USDA Web Applications*](#) (Report 50801-0002-12, issued 10/27/2021)

Recommendation Progress
OIG issued 124 recommendations under this challenge indicator. As of July 31, 2025, 44 recommendations remain open.

*A report from a previous Management Challenges report with open recommendations relevant to the key challenge indicator.

o Cybersecurity and Information Technology: USDA OIG Highlighted Closed Investigations

OIG closed approximately 11 investigations involving cybersecurity and IT during this time, obtaining approximately 4 criminal, 1 civil, 29 administrative outcomes, and \$157,700 in monetary results. No press releases are available for these cases.



Computer servers at a Rural Development facility . USDA Photo by Lance Cheung.

Emerging Challenge Indicator: National Security

The food and agriculture sector is designated as one of the United States' critical infrastructures and is considered so vital that its incapacitation or destruction would have a debilitating effect on the nation's security, economic security, and public health or safety. This sector employs more than 1 in 10 American workers and contributes more than \$1.5 trillion to the U.S. annual gross domestic product. It is an extensive, interconnected, diverse, and complex system that is vulnerable to disruption and damage from domestic and global threats.

Potential threats to the food and agriculture sector include chemical, biological, radiological, nuclear, and cybersecurity. These potential threats may result in high-consequence and catastrophic incidents. For example, in a June 2025 case investigated by the Federal Bureau of Investigation and U.S. Customs and Border Protection, Federal prosecutors charged two Chinese nationals of allegedly smuggling a dangerous biological pathogen into the U.S. for research. This pathogen had the potential to be used as an agricultural terrorism weapon, which causes a disease in some crops responsible for billions of dollars in global economic losses each year. Recent OIG audits and inspections also included findings and recommendations related to U.S. food and agriculture sector threats. For example, we issued three reports between November 2024 and April 2025 that identified physical security weaknesses at USDA research facilities.

Additionally, [GAO issued a 2024 report](#) that found USDA did not share timely data on foreign investments in agricultural land collected under the Agricultural Foreign Investment Disclosure Act (AFIDA). These investments may have consequences for U.S. national security (e.g., there may be foreign ownership of U.S. agricultural land close to sensitive military installations).³ While USDA implemented AFIDA across field offices and headquarters, its processes to collect, track, and report key information were flawed. Without improving its internal processes, USDA could not report reliable information to Congress or the public about where and how much U.S. agricultural land was held by foreign persons.



The U.S. must ensure the food and agriculture sector is secure and resilient in response to evolving threats and better prepare for and respond to incidents with broad impacts on our national security. In recognition of threats to the U.S. food and agricultural sector, USDA announced its [National Farm Security Action Plan](#) on July 8, 2025. This Action Plan serves as the launching point for USDA to work with governors, state legislators, and other partners to fully integrate agriculture into the broader national security enterprise. It emphasized that farm security is national security and the need to protect and expand the resilience and durability of the U.S. food supply.

³ See GAO-24-106337, [FOREIGN INVESTMENTS IN U.S. AGRICULTURAL LAND: Enhancing Efforts to Collect, Track, and Share Key Information Could Better Identify National Security Risks](#).

Emerging Challenge Indicator: Food Safety

The Food Safety and Inspection Service (FSIS) is responsible for protecting the public's health by ensuring that meat, poultry, and egg products are safe, wholesome, and properly labeled. FSIS employees ensure food safety through the authorities of the Federal Meat Inspection Act, the Poultry Products Inspection Act, and the Egg Products Inspection Act, as well as humane animal handling through the Humane Methods of Slaughter Act. FSIS works with Federal, State, and local food safety partners to address emerging pathogens, detect foodborne hazards, and prevent foodborne illness. In 2024, FSIS inspection personnel conducted 7.7 million food safety and food defense procedures across 7,100 USDA-regulated establishments.

Our 2023 Management Challenges noted Food Safety as a key challenge indicator, but it was removed in 2024 due to USDA's progress in implementing prior OIG recommendations. However, from 2022 to the end of May of 2025, FSIS issued 239 food safety recalls and public health alerts. Of the 239 recalls and public health alerts, over 60 percent were Class I High or Medium Risk recalls, which FSIS defines as a "health hazard situation where there is a reasonable probability that the use of the product will cause serious, adverse health consequences or death."

In addition, Federal Oversight of Food Safety was added to the GAO high-risk list in 2007 and has remained on the list since then. Specifically, GAO notes the fragmentation of the Federal food safety

oversight system and stresses the need for a Governmentwide approach to reduce inconsistent oversight, ineffective

coordination, and inefficient use of resources. In 2025, GAO made high-priority recommendations related to Federal food safety oversight, including developing a prioritization plan to fully document which products to address and the additional policies needed to effectively address pathogen reduction for *Salmonella* in meat and standards for *Campylobacter* in turkey parts.⁴

USDA's challenge is to remain vigilant and proactive in ensuring that American consumers receive safe, wholesome, and accurately labeled foods. To maintain the confidence of consumers, USDA's food safety agencies should continue to improve their food inspection strategies and technology systems and provide consistent, documented applications of statutes and regulations.



⁴ See GAO-25-107613, [FOOD SAFETY: USDA Should Take Additional Actions to Strengthen Oversight of Meat and Poultry](#); GAO-25-107606, [Food Safety: Status of Foodborne Illness in the U.S.](#); and GAO-25-108088, [Priority Open Recommendations: U.S. Department of Agriculture](#).

Challenge 2: Providing Benefits



USDA manages more than 300 programs that provide a variety of services to the American public, such as food and nutrition assistance programs, farm programs, crop insurance, grants and agreements, and more.

Effective oversight and monitoring of USDA's programs and operations are vital. This oversight ensures that funds reach those for whom they are intended and that programs operate efficiently, produce reliable results, and comply with applicable laws and regulations. Program integrity and proper stewardship of resources are significant responsibilities of the Department; ineffective oversight and accountability can lead to the

benefits and assistance not reaching the intended beneficiaries and negatively impact consumer confidence in USDA programs.

Due to the impact of these programs and the large amount of funding they require, the Department must employ efficient processes within its programs and provide effective oversight to ensure program integrity. These actions help mitigate instances of fraud, waste, and abuse. The following sections summarize USDA's challenges and progress with integrity of benefits related to food and nutrition assistance programs, farm programs, crop insurance, and grants and agreements oversight.

Food and Nutrition Assistance Programs

USDA agencies administer a variety of food and nutrition assistance programs that promote agriculture production and reduce food insecurity. For example, the Food and Nutrition Service (FNS) administers 16 Federal domestic nutrition assistance programs that include the Supplemental Nutrition Assistance Program (SNAP), the Special Supplemental Nutrition Assistance Program for Women, Infants, and Children (WIC), child and adult nutrition assistance programs, and commodity assistance programs, as well as other food and nutrition assistance programs in response to the coronavirus disease 2019 (COVID-19)

pandemic. FNS' 2026 budget requests a total of \$161.9 billion in mandatory and discretionary funding to support the Agency's mission in administering the 16 food and nutrition assistance programs.

To administer some of USDA's food and nutrition assistance programs, FNS partners with State and local organizations that interact directly with program participants. The State and local organizations are responsible for delivering benefits in accordance with Federal requirements, and FNS is responsible for setting national program standards and overseeing cooperating organizations to ensure they properly and effectively implement program requirements. According to FNS, ensuring integrity and minimizing improper payments



Winter heart cabbage for sale at a farmers market. USDA Photo by Lance Cheung.

of these programs is a key priority of the agency.

However, we found USDA has continued challenges with its administration and oversight of food and nutrition assistance programs. Specifically, FNS lacked controls to consistently document program waivers and adequately assess SNAP fraud risks. Our Office of Investigations continues to receive fraud complaints within food and nutrition assistance programs. They have noted emerging fraud schemes that include organized international crime rings that are focused on stealing assistance money from needy populations across the

country. OIG will continue to dedicate investigative resources and work with our law enforcement and prosecutorial partners to protect the integrity of these programs.



According to FNS, its food and nutrition assistance programs are essential and help the most vulnerable populations meet their food needs. These programs touch the lives of one in four Americans annually. Consequently, USDA should continue to strengthen its administration and oversight of these essential programs to prevent fraud, waste, and abuse.

Issued Report Summary

Our 2025 report, [Food and Nutrition Service's Supplemental Nutrition Assistance Program Fraud Risk Assessments](#), found that FNS has taken steps to respond to identified fraud risks in SNAP and is conducting ongoing efforts that could inform a fraud risk assessment and anti-fraud strategy. However, the agency has not comprehensively assessed SNAP fraud risks in adherence with GAO's leading practices, nor has it documented a prioritized approach to managing fraud risks. Specifically, FNS has not assigned clear responsibilities to a dedicated entity for designing and overseeing the fraud risk assessment process, developed a fraud risk profile, or established an anti-fraud strategy. As a result, FNS is not meeting the objective of fraud risk management, which is to ensure program integrity by continuously and strategically mitigating both the likelihood and effects of fraud, while also facilitating the program's mission. We accepted management decision for the four audit recommendations in the report.

Food and Nutrition Assistance Programs: USDA OIG Highlighted Audit and Inspection Work

[Food and Nutrition Service's Supplemental Nutrition Assistance Program Fraud Risk Assessments](#)
(Report 27601-0001-24, issued 5/29/2025)

[FNS SNAP: Disbursement of SNAP Benefits Using the EBT System](#)**
(Report 27801-0002-23, issued 4/14/2025)

[COVID-19—Food and Nutrition Service's Pandemic Electronic Benefits Transfer—Final Report](#)** (27801-0001-23, issued 2/15/2024)

[COVID-19—Farmers to Families Food Box Program Administration](#)
(01801-0001-22, issued 8/15/2023)

[Supplemental Nutrition Assistance Program Waiver Process](#)
(27601-0006-41, issued 1/3/2023)

[COVID-19—Oversight of the Emergency Food Assistance Program—Final Report](#)
(27801-0001-21, issued 8/18/2022)

[COVID-19—Farmers to Families Food Box Program Administration—Interim Report](#) (01801-0001-22(1), issued 6/24/2022)

[COVID-19—Supplemental Nutrition Assistance Program Online Purchasing in Response to the Coronavirus Disease 2019*](#) (Report 27801-0003-22, issued 8/25/21)

Recommendation Progress
OIG issued 16 recommendations under this challenge indicator. As of July 31, 2025, six recommendations remain open.

*A report from a previous Management Challenges report with open recommendations relevant to the key challenge indicator.

**These reports were included because they provide important information about the program despite not having any recommendations.



A basket of farm-fresh tomatoes.
USDA photo by Preston Keres.

Food and Nutrition Programs: USDA OIG Highlighted Closed Investigations

OIG closed approximately 337 investigations related to food and nutrition programs during this time, obtaining approximately 1,787 criminal, 6 civil, and 386 administrative outcomes, with more than \$313.1 million in monetary results. Examples of these investigations include:

[New York Man Sentenced for Distributing Drugs in Exchange for Food Stamps](#)

[Pennsylvania Store Owner Sentenced to 18 Months in Prison for Defrauding Supplemental Nutrition Assistance Program](#)

[Owner of Illinois Child Care Centers Sentenced to 4 Years in Prison for Fraudulently Obtaining More Than \\$3.3 Million in State Subsidies](#)

[Man Sentenced to 20 Years for Stealing \\$2.6 Million in SNAP Benefits from Needy](#)

[Georgia Meat Market Owner Sentenced to Federal Prison in \\$10 Million Food Stamp Fraud Scheme](#)

[Illinois Man Sentenced to 5 Years' Imprisonment for Taking \\$1.2 Million in SNAP Benefits](#)

[Man Sentenced for Conning Summer Food Service Program Out of \\$2.3 Million](#)

[Texas Man Sentenced for Fraud And Money Laundering Conspiracies Targeting Federally Funded Meal Programs For Underprivileged Youth](#)

[Pennsylvania Man Sentenced to 24 Months' Imprisonment for Unlawfully Exchanging \\$1.8 Million in Federal Nutrition Assistance Benefits for Cash](#)



Farm Programs

The Farm Service Agency's (FSA) mission is to serve all farmers, ranchers, and agricultural partners through the delivery of effective, efficient farm programs for all Americans. To fulfill this mission, the agency administers farm loans, commodity conservation, and disaster assistance programs.

FSA is also responsible for overseeing and implementing policies and procedures that regulate the delivery of Federal farm programs. FSA farm programs help agricultural producers manage market risks, recover from disasters, and conserve and protect America's natural resources. FSA makes direct and guaranteed farm ownership and operating loans to family-size farmers and ranchers who cannot obtain commercial credit from a bank, Farm Credit System institution, or other lenders. These loans can be used to purchase land, livestock, equipment, feed, seed, and supplies; they can also be used to construct buildings or make farm improvements.

In addition, FSA administered the Coronavirus Food Assistance Program (CFAP), with assistance from the Agricultural Marketing Service (AMS).

Under CFAP, FSA provided payments to producers of a wide variety of agricultural commodities, including crops, dairy, and livestock. AMS also assists U.S. producers of food, fiber, and specialty crops by creating domestic and international marketing opportunities. Much of the agency's support for agriculture is provided through commodity-specific efforts, such as its Dairy, Specialty Crops, Livestock and Poultry, and Cotton and Tobacco Programs.

OIG's work found that FSA faces challenges with farm program administration. Specifically, OIG audits and inspections found issues with record-keeping, guidance, and performance tracking. GAO also emphasized a [priority recommendation in 2024](#) that stated FSA should conduct additional spot checks of CFAP payments and use a more risk-based approach to selecting producers for review. As



Hay bales in a field on a farm. USDA photo by Jennifer Strickland.

of April 2024, FSA county offices had completed additional spot checks, but national-level reporting and analysis was ongoing. Investigations include, but are not limited to, theft, bank fraud, false claims, and conversion of collateral.

FSA plays a crucial role in supporting America's rural prosperity. It should continue to improve its program delivery so it can continue serving all farmers, ranchers, and agricultural partners and remain alert for instances of fraud.

*A report from a previous Management Challenges report with open recommendations relevant to the key challenge indicator.



Farm Programs: USDA OIG Highlighted Closed Investigations

OIG closed approximately 80 investigations related to farm programs during this time, obtaining approximately 104 criminal, 18 civil, and 19 administrative outcomes, with more than \$259.7 million in monetary results. Examples of these cases include:

[Mississippi Delta Grain Elevator Owner Sentenced for Fraud](#)

[New York Man Sentenced to Prison for Stealing Nearly \\$1 Million in Federal Funds](#)

[Former Grass Seed Company Employee Sentenced to Federal Prison for Role in Schemes to Defraud Simplot](#)

[Nebraska Man Sentenced for Bank Fraud](#)

[Ohio Man Sentenced for His Part in \\$7 Million COVID-19 Relief Fraud Scheme](#)

[Livestock Dealer and Four of Its Managers Sentenced in Widespread Pig Fraud Scheme](#)

Farm Programs: USDA OIG Highlighted Audit and Inspection Work

[COVID-19 - Coronavirus Food Assistance Program—Direct Support](#) (03801-0001-31, issued 9/25/2023)

[Food Purchase and Distribution Program](#) (01601-0003-41, issued 8/15/2023)

[Wildfires and Hurricanes Indemnity Program—Puerto Rico](#) (03702-0003-31, issued 3/24/2023)

[Beginning Farmers](#) (50601-0010-31, issued 9/26/2022)

[Market Facilitation Program*](#) (03601-0003-31, issued 3/9/2022)

[2017 Hurricane Relief Emergency Conservation Program*](#) (Report 03702-0002-23, issued 6/9/2021)

Recommendation Progress
OIG issued 27 recommendations under this challenge indicator. As of July 31, 2025, 10 recommendations remain open.

Crop Insurance

Agriculture is a fundamentally risky enterprise, and farmers and ranchers must be prepared for many uncertainties, including natural disasters, low production, and financial fluctuations. Federal crop insurance assists farmers and ranchers in managing these risks. USDA's Risk Management Agency's (RMA) mission is to secure the future of agriculture by providing world-class risk management tools to rural America. To fulfill this mission, RMA works with private insurance companies, or Approved Insurance Providers (AIP), that sell and service the insurance policies in every State through a public-private partnership.

RMA has several program areas: Insurance Services, Product Management, and Compliance. Insurance Services is responsible for program delivery and local program administration and support. Product Management is responsible for overseeing product development and program operations. Lastly, Compliance monitors program integrity and both producer and private insurance companies' adherence to program requirements.

We found that the Department faces challenges with crop insurance oversight and program administration. These challenges can affect payment accuracy, program eligibility, and program compliance. In addition, [GAO's priority recommendations for USDA](#) include one for RMA to reduce year-to-year fluctuations in the administrative and operating expense subsidies that companies receive at the crop, State, and county levels by adjusting the administrative and operating expense subsidy calculation method in a way that reduces the effects of changes in premiums caused by changes in crop prices or other factors when it

renegotiates the standard reinsurance agreement. As of 2024, USDA had not taken action to implement the recommendation.

Furthermore, our investigative results indicate that USDA loses millions of dollars to crop insurance fraud each year. Investigations include, but are not limited to, submitting false documentation on crop ownership and production and tampering with weather equipment.

RMA must strengthen its oversight and administration of the Federal Crop Insurance Program and remain vigilant against fraud so it can continue providing a fundamental safety net for American farmers and ranchers.



Crop Insurance: USDA OIG Highlighted Audit and Inspection Work

[Whole-Farm Revenue Protection Pilot Program](#) (05601-0005-22, issued 5/6/2024)

[Prevented Planting Followup](#) (05601-0008-31, issued 2/9/2024)

[RMA Apiculture Pilot Insurance Program](#) (05601-0002-41, issued 5/9/2023)

Recommendation Progress
OIG issued 11 recommendations under this challenge indicator. As of July 31, 2025, one recommendation remains open.

◉ Crop Insurance: USDA OIG Highlighted Closed Investigations

OIG closed approximately 22 investigations related to crop insurance during this time, obtaining approximately 88 criminal, 3 civil, and 21 administrative outcomes, with more than \$82 million in monetary results. Examples of these cases include:

[Tennessee Man Sentenced to Over 3 Years in Federal Prison for Crop Insurance Fraud](#)

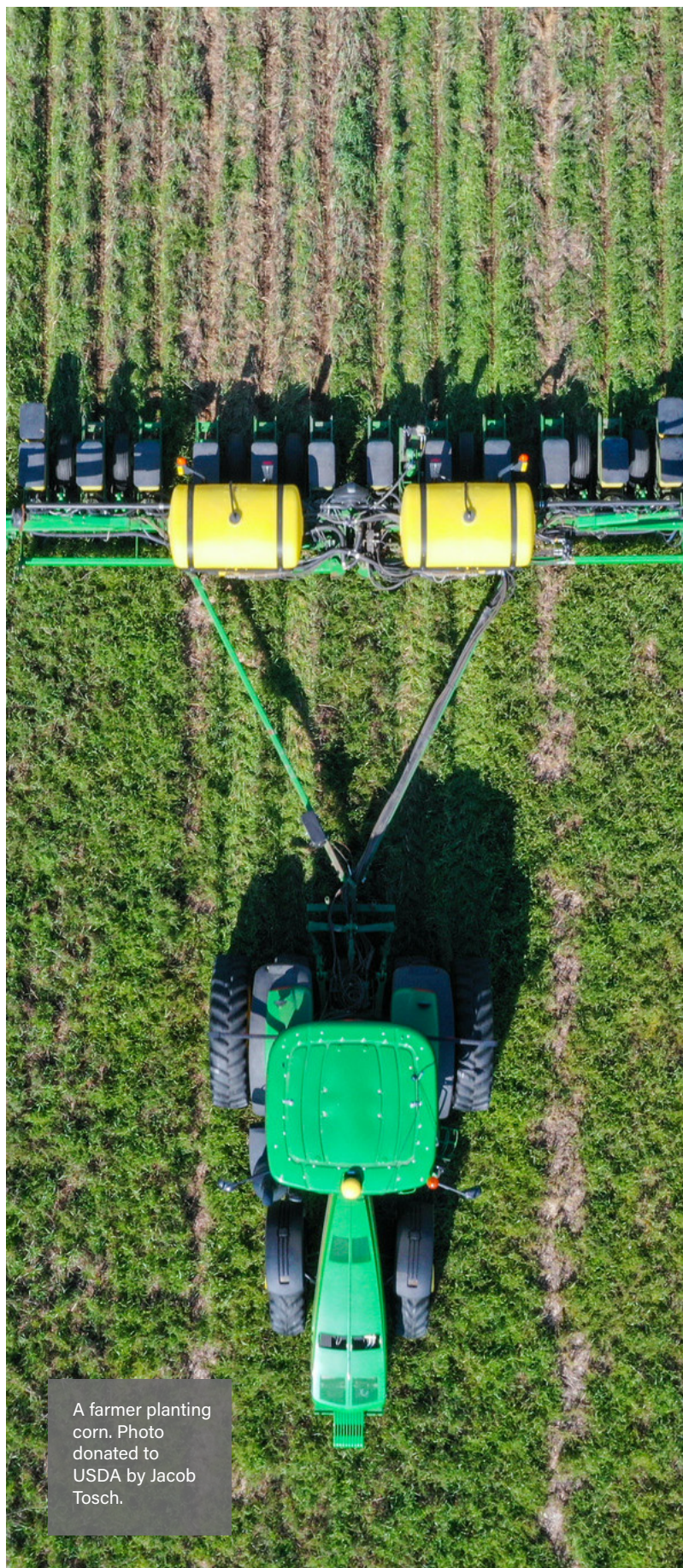
[Two Colorado Farmers Sentenced to Federal Prison and Will Pay Over \\$6.5 Million for Defrauding Federal Crop Insurance Programs](#)

[Michigan Farmer Agrees to \\$1.2 Million Settlement to Resolve Allegations of Federal Crop Insurance And Farm Benefit Program Fraud](#)

[Kentucky Man Sentenced to 56 Months for Extensive Crop Fraud Scheme](#)

[Iowa Man Sentenced to Prison for Crop Insurance Fraud](#)

[Former Kentucky Warehouse Owner, Former Crop Insurance Agent Sentenced for Charges Related to Crop Insurance Fraud](#)



A farmer planting corn. Photo donated to USDA by Jacob Tosch.

Grants and Agreements Oversight

USDA agencies administer a variety of programs that award grants and cooperative agreements to eligible recipients such as State agencies, non-profit organizations, and qualified individuals. Agencies award this assistance to carry out public purposes that promote the general welfare, security, public health, safety, education, prosperity, or public convenience as authorized by Federal law. The agencies use grants to award funds when the agencies are not substantially involved in carrying out the awarded activities, and cooperative agreements when the agencies are substantially involved.

Agencies must administer grants and cooperative agreements in accordance with Federal regulations, which include pre-award and post-award requirements (e.g., agency public notice of funding opportunities, application reviews and approvals, and recipient financial management system capabilities, performance and financial monitoring, etc.). In carrying out awarded activities, recipients must comply with regulatory requirements as well as the terms and conditions of the awards, and agencies must manage and administer Federal awards to ensure program funding is properly expended. According to USASpending.gov, USDA awarded more than \$54.6 billion of grants alone in FY 2025, which represented more than 33 percent of the Department's \$161.9 billion in financial assistance obligations.⁵

Although we found that USDA has made progress with its administration and oversight of grants and cooperative agreements by

closing 8 of the 14 open recommendations identified last year, it continues to face challenges. Specifically, we identified agencies that did not timely or consistently review applications and ensure applicants were properly evaluated. We also identified agencies that did not adequately oversee or monitor recipients to ensure they properly expended funds for authorized purposes. Further, since grant and agreement funds are awarded to carry out a public purpose, grantees must use those funds as agreed and within certain parameters to include the awarding agency guidelines. Our Office of Investigations examines grant fraud and has noted some of the following fraud schemes: misappropriation and/or misuse of funds, theft of Government funds, misrepresentation to obtain the funds, and unreported conflicts of interest to guarantee receipt of the funds.

Given USDA awards a significant amount of funding to recipients each fiscal year, it is vital that agencies establish sufficient pre- and post-award internal controls to protect this funding from fraud, waste, and abuse.

Issued Report Summary

We evaluated the [Foreign Agriculture Service's \(FAS\) controls over the McGovern-Dole Program](#), which provides assistance to improve food security and literacy and primary education for low-income, food-deficit countries. Specifically, we evaluated the program's agreement funding and found that FAS did not conduct compliance reviews for 22 of the 30 eligible agreements from FYs 2017–2022. As a result, FAS lacked assurance that program recipients properly expended agreement funds for authorized



⁵ This information was obtained from USASpending.gov on September 23, 2025, and reflects FY 2025 data through July 30, 2025.

purposes; these funds totaled more than \$99.2 million for the eligible agreements awarded in FY 2019.

We also found that FAS did not demonstrate how it met statutory provisions and ensured recipients properly expended earmarked funds for authorized purposes. Specifically, FAS did not account for earmarked funds or properly communicate earmarked funding expectations to recipients. As a result, it lacked reasonable assurance that the earmarked funds it initially awarded for local and regional commodity procurements, which totaled more than \$67.7 million between FYs 2020–22, met statutory requirements.

Additionally, FAS did not assess recipients' rollover funds. Program regulations require recipients to expend advance payments within 90 days though, with FAS' approval, they may retain and roll over a reasonable or minimal amount of funds that have not been expended within this timeframe. However, we found that FAS did not review and approve recipients' advance payment requests to assess "rollover" funds, and it unknowingly allowed recipients to retain rollover amounts. For example, for the two agreements we reviewed, FAS approved 11 advance payment requests and unknowingly allowed these recipients to retain and rollover more than \$4.7 million of program funds from FYs 2017–22. As a result, FAS lacked added assurance that recipients had adequate control over program funds, and timely implemented project activities.

Lastly, we found that as of FY 2022, FAS did not close out 32 McGovern-Dole Program agreements that ended 1 to more than 11 years earlier. As a result, FAS had not de-obligated potentially more than \$19.9 million that could be used for other new or ongoing McGovern-Dole Program

projects or pay and collect potential funds due to or owed from the recipients. Further, FAS may continue to increase its backlog of agreements that need to be closed.



Grants and Agreements Oversight: USDA OIG Audit and Inspection Highlighted Work

[Partnerships for Climate-Smart Commodities—Performance Measures and Monitoring](#) (Report 10801-0001-22, issued 6/12/2025)

[Meat and Poultry Processing Expansion Program—Oversight of Grant Recipients' Use of Funds](#) (Report 34801-0001-21, issued 12/23/2024)

[IJJA—Community Wildfire Defense Grant Program for At-Risk Communities](#) Report 08801-0002-24, issued 8/29/2024)

[Foreign Agricultural Service's Controls Over McGovern-Dole International Food for Education Program Funding](#) (Report 07601-0002-41, issued 7/10/2024)

[Controls Over the Meat and Poultry Processing Expansion Program Award Process \(Phase 1\)](#) (34601-0001-21, issued 3/5/2024)

[Controls Over the Market Access Program](#) (07601-0001-21, issued 7/5/2023)

[Agriculture and Food Research Initiative](#) (13601-0002-22, issued 6/26/2023)

Grants and Agreements Oversight: USDA OIG Audit and Inspection Highlighted Work (Continued)



[Oversight of the Agricultural Trade
Promotion Program](#) (07601-0001-24,
issued 8/29/2022)

Recommendation Progress
OIG issued 30 recommendations
under this challenge indicator. As of
July 31, 2025, seven recommendations
remain open.

Grants And Agreements Oversight: USDA OIG Highlighted Closed Investigations

OIG closed approximately 9 investigations
involving grant fraud during this time,
obtaining approximately 27 criminal, 1 civil,
and 10 administrative outcomes, with more
than \$108.9 million in monetary results. An
example of these investigations includes:

[West Virginia Business Owner Sentenced for
Federal Broadband Funding Fraud](#)

Challenge 3: Delivering Efficient Programs



USDA must manage its programs and operations with effectiveness and efficiency. For such a diverse portfolio of programs, the Department must design them well to be a diligent steward of Federal funds. However, designing, developing, and implementing programs that reliably achieve their intended results has been a recurring challenge

for the Department. Monitoring program performance is also essential to ensure that USDA programs and benefits are delivered effectively and are accessible to all the communities USDA serves. The following section summarizes USDA's challenges and progress in financial management and reporting and supplemental funding.

Financial Management and Reporting

Federal managers must have ready access to reliable and complete financial and performance information to operate as effectively and efficiently as possible. Accordingly, the law requires agencies to establish and maintain systems of accounting and internal controls that provide reliable accounting results and financial results of agency activities. At the Department level, the Office of the Chief Financial Officer (OCFO) provides overall direction and leadership in the development of financial management policies and systems.

To review USDA's financial management, OIG conducted both mandatory and discretionary engagements. For example, OIG conducted annual mandatory financial statement audits to determine whether the Department and component agencies' financial statements were presented fairly,

in all material respects, in accordance with U.S. generally accepted accounting principles. These audits also reviewed internal controls over financial reporting and tested compliance with applicable laws and regulations. Additionally, OIG conducted a variety of discretionary engagements that included a review of USDA agencies' financial management of specific programs.

During the period, we found USDA continues to face challenges with its financial management and reporting. These challenges included properly administering and accounting for program funding to ensure the appropriated and earmarked funds were expended for authorized purposes, material weaknesses and significant deficiencies in internal control over financial reporting, and instances of noncompliance with applicable laws, including improper payment requirements. Figure 4 shows the percent of improper payments by program for FY 2024.

Percent of Improper Payments by Program

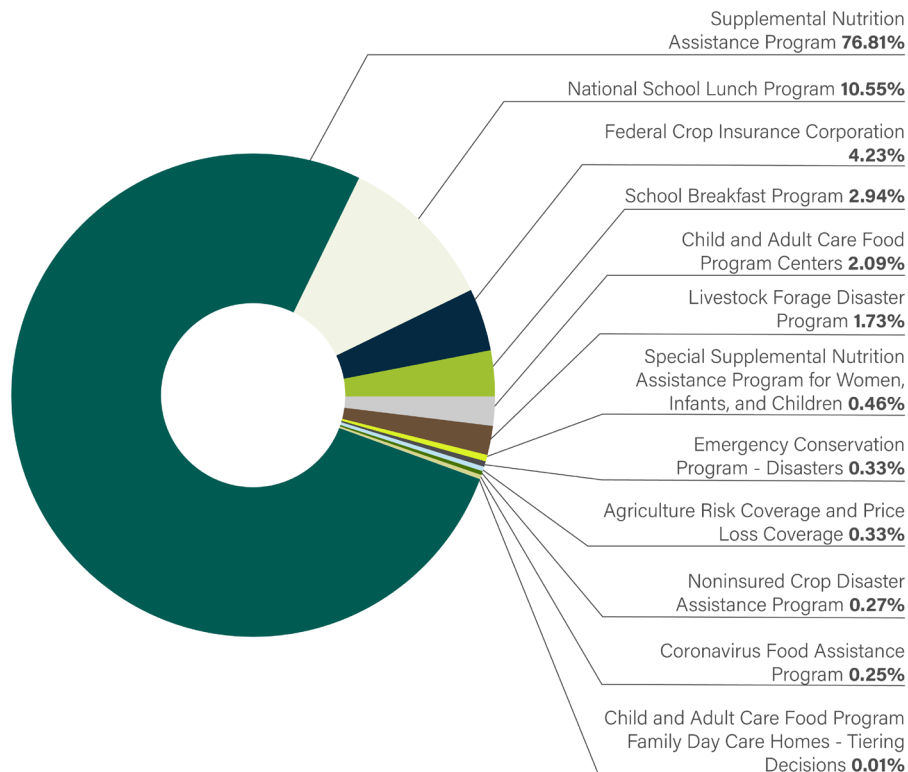


Figure 4. Percentage of improper payments by program. OIG graphic made with information from *USDA's Compliance with Improper Payment Requirements for Fiscal Year 2024* report. OIG graphic.

USDA's FY 25 budget estimated \$231 billion for its total outlays during the year under current law. Given the magnitude of USDA's funding and assets, adequate financial reporting and management is imperative to ensure funds are properly accounted for and expended. Improved financial management and reporting provides valuable financial information needed for management and decision-making purposes, and provides effective control over USDA assets.

payments. We also assessed whether USDA fulfilled its high-dollar overpayment reporting requirements, as required by OMB. We found USDA did not comply with four of the six improper payment requirements. These programs either did not meet annual reduction targets, report gross improper payment rates of less than 10 percent, or both. Similarly, we found these programs' corrective actions were not effective in reducing improper payments, and these programs were not demonstrating improvements from the prior year. As a result, USDA was not compliant with PIIA requirements, reducing program integrity.

Issued Report Summary

Our 2025 report, [USDA's Compliance with Improper Payment Requirements for Fiscal Year 2024](#), assessed whether USDA complied with the Payment Integrity Information Act of 2019 (PIIA) that requires agencies to identify and review all programs and activities they administer that may be susceptible to significant improper

Financial Reporting: USDA OIG Highlighted Audit and Inspection Work

[Food Safety and Inspection Service's Cooperative Interstate Shipment Program](#) (Report 24601-0004-22, issued 7/3/2025)

[USDA's Compliance with Improper Payment Requirements for Fiscal Year 2024](#) (Report 50024-0016-11, issued 5/27/2025)

[IJJA—Forest Service Implementation of Federal Wildland Firefighter Salary Requirements and the Conversion of Employees](#) (Report 08801-0002-23, issued 3/18/2025)

[USDA's Consolidated Financial Statements for Fiscal Years 2024 and 2023](#) (Report 50401-0023-11, issued 11/14/2024)

[Commodity Credit Corporation's Financial Statements for Fiscal Years 2024 and 2023](#) (Report 06403-0007-11, issued 11/12/2024)

[Federal Crop Insurance Corporation/ Risk Management Agency's Financial Statements for Fiscal Year 2024](#) (Report 05403-0001-11, issued 11/12/2024)

[Natural Resources Conservation Service's Financial Statements for Fiscal Years 2024 and 2023](#) (Report 10403-0007-11, issued 11/12/2024)

[IJJA—Community Wildfire Defense Grant Program for At-Risk Communities](#) (Report 08801-0002-24, issued 8/29/2024)

[USDA's Compliance with Improper Payment Requirements for FY 2023](#) (Report 50024-0004-24, issued 7/12/2024)



[Foreign Agricultural Service's Controls Over McGovern-Dole International Food for Education Program Funding](#) (Report 07601-0002-41, issued 7/10/2024)

[USDA's Controls Over Departmental Shared Cost Programs and Working Capital Fund](#) (50601-0004-23, issued 3/14/2024)

[USDA's Consolidated Financial Statements for Fiscal Years 2023 and 2022](#) (50401-0022-11, issued 1/16/2024)

[Commodity Credit Corporation's Financial Statements for Fiscal Years 2023 and 2022*](#) (06403-0006-11, issued 11/8/2023)

[Rural Development's Financial Statements for Fiscal Years 2023 and 2022](#) (85401-0014-11, issued 11/8/2023)

[Agreed-Upon Procedures—Employee Benefits, Withholdings, Contributions, and Supplemental Semiannual Headcount Reporting Submitted to the Office of Personnel Management for Fiscal Year 2023](#) (11301-0001-23, issued 9/29/2023)

[Independent Service Auditor's Report on Financial Management Services' Description of Its Financial Systems and the Suitability of the Design and Operating Effectiveness of Controls for the Period October 1, 2022, through June 30, 2023](#) (11303-0004-12, issued 9/19/2023)

Financial Management and Reporting: USDA OIG Highlighted Audit and Inspection Work (Continued)



[Independent Service Auditor's Report on National Finance Center's Description and Operating Effectiveness of Its Payroll and Personnel Systems for October 2022 Through June 2023](#)
(11303-0003-12, issued 9/15/2023)

[USDA's Compliance with Improper Payment Requirements for Fiscal Year 2022](#) (50024-0003-24, issued 5/22/2023)

[USDA's Consolidated Financial Statements for Fiscal Years 2022 and 2021](#) (50401-0021-11, issued 11/14/2022)

[Commodity Credit Corporation's Financial Statements for Fiscal Years 2022 and 2021](#) (06403-0005-11, issued 11/9/2022)

[Natural Resources Conservation Service's Financial Statements for Fiscal Years 2022 and 2021](#) (10403-0005-11, issued 11/9/2022)

[USDA's Compliance with Improper Payment Requirements for Fiscal Year 2021](#) (50024-0002-24, issued 6/28/2022)

Recommendation Progress
OIG issued 49 recommendations under this challenge indicator. As of July 31, 2025, 21 recommendations remain open.

*A report from a previous Management Challenges report with open recommendations relevant to the key challenge indicator.

Supplemental Funding

In FY 2025, USDA received more than \$26 billion in appropriated funds. In addition to those appropriated funds, USDA has received supplemental funds from multiple sources in prior years:

- The 2021 [American Rescue Plan Act](#): provided USDA with more than \$4 billion in additional funding to address the continued impact of COVID-19 on the economy, public health, State and local governments, individuals, and businesses.
- The 2021 [Infrastructure Investment and Jobs Act](#) (IIJA): provided USDA with more than \$8.3 billion in funding to improve the Nation's energy, broadband access, transportation, and other infrastructure projects.
- The [Inflation Reduction Act of 2022](#) (IRA): provided USDA with more than \$19 billion for conservation programs administered by the Natural Resources Conservation Service.
- The 2025 [American Relief Act](#) provided USDA with approximately \$39.8 billion to carry out projects and activities related to agricultural disaster assistance.

While some of these funds have been expended, others remain accessible for use. To accomplish its mission, USDA must manage this spending and maintain strong, effective internal controls.

IIJA was signed into law in November 2021. The law provided USDA with more than \$8.3 billion in funding. More than \$2.9 billion was directed toward broadband loans and grants, watershed and flood prevention operations, and a biproduct pilot program using agricultural commodities. The bill also provided more than \$5.4 billion for forestry programs designed to reduce wildland fire risks and restore ecosystems. OIG's IIJA funding dashboard reports that USDA has distributed more than 6,000 awards to over 2,500 unique recipients, with obligations totaling approximately \$4.2 billion. See Figure 5 for a breakdown of USDA's IIJA funding.

Our work has found that USDA faces challenges with financial management and reporting of IIJA funds, internal controls, and documentation. Additionally, our Office of Investigations continues to examine allegations related to IIJA funding.



IIJA Funding Breakdown

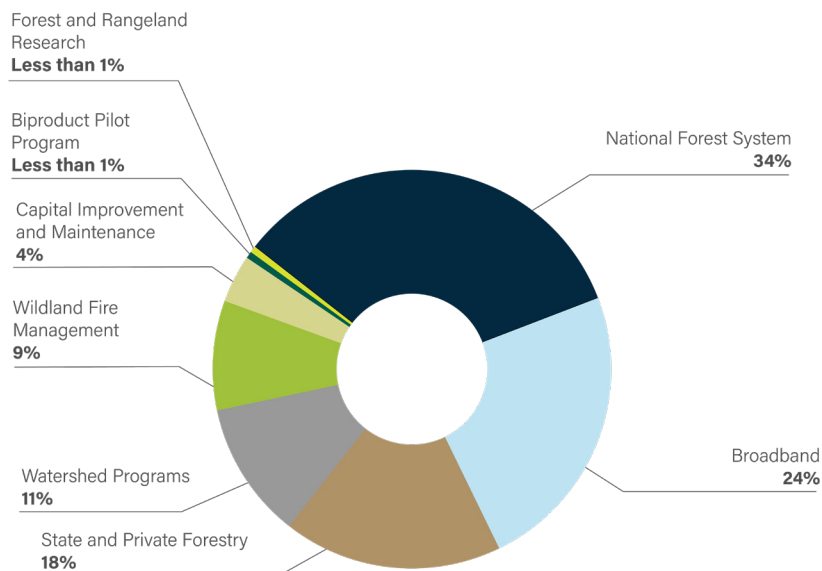


Figure 5. Breakdown of USDA's Infrastructure and Jobs Act funding. OIG graphic.

USDA should take steps to improve its financial management and reporting, establish effective internal controls, and improve its documentation practices. These supplemental funds provide significant support to rural families, strengthen the resilience of watershed systems, and improve our Nation's forests and fire response.

Issued Report Summary

Our 2025 report, [IIJA—Legacy Road and Trail Remediation Program Capping Report on Implementation by Regions 3 and 6](#), notes that in November 2021, IIJA provided the Forest Service approximately \$250 million to establish the IIJA Legacy Road and Trail Remediation Program (LRT). While we recognize that Regions 3 and 6 had limited time to implement LRT, based on our prior work, we were unable to validate the scoring and eligibility of these projects. We also found that both regions we reviewed did not consistently solicit and consider public input regionally in the ranking of projects for funding under the program. This occurred because the Washington Office did not issue sufficient guidance or establish

a plan to oversee this process to ensure that regions consistently and effectively solicited and considered input from stakeholders in the ranking of LRT projects for funding. As a result, the Forest Service has reduced assurance that the two regions selected the most meritorious and eligible projects for the more than \$19.4 million in LRT funding—this may have prevented the projects from fully serving the best interests of affected stakeholders. Additionally, we found that 1 of the regions also approved and allocated LRT funds to 11 ineligible tasks within 2 approved projects. This occurred because the Forest Service lacked sufficient internal controls to ensure that LRT funding was only allocated to eligible tasks. As a result, although the Forest Service did not expend LRT funding on the ineligible tasks, the agency held more than \$630,000 in LRT funds for ineligible tasks within approved projects, thus making these funds unavailable for other eligible LRT projects or tasks. Forest Service officials generally agreed with our findings and recommendations and initiated corrective actions during the audit. We accepted management decision for the three audit recommendations in the report.



A forest trail in a rural town.
USDA photo by Lance Cheung.

Supplemental Funding: USDA OIG Highlighted Audit and Inspection Work

[IIJA—Legacy Road and Trail Remediation Program Capping Report on Implementation by Regions 3 and 6](#) (Report 08601-0007-31, issued 5/5/2025)

[IIJA—Legacy Road and Trail Remediation Program – Region 6](#) (Report 08601-0006-31, issued 12/17/2024)

[IIJA—Legacy Road and Trail Remediation Program - Region 3](#) (Report 08601-0005-31, issued 12/16/2024)

[IIJA—Collaborative Aquatic Landscape Restoration Program](#) (Report 08801-0002-22, issued 12/12/2024)

[IIJA—Hazardous Fuels Management](#) (Report 08801-0001-21, issued 9/9/2024)

[IIJA—Community Wildfire Defense Grant Program for At-Risk Communities](#) (Report 08801-0002-24, issued 8/29/2024)

[IIJA—Watershed and Flood Prevention Operations](#) (Report 10801-0001-24, issued 6/25/2024)

Recommendation Progress
OIG issued 15 recommendations under this challenge indicator. As of July 31, 2025, four recommendations remain open.



Communications equipment that provides wireless service to a rural area. USDA photo by Lance Cheung.

Acronyms and Abbreviations

AFIDA.....	Agricultural Foreign Investment Disclosure Act	OIG	Office of Inspector General
AFR	Agency Financial Report	OMB	Office of Management and Budget
AIP	approved insurance provider	PIIA.....	Payment Integrity Information Act of 2019
APHIS.....	Animal and Plant Health Inspection Service	RMA.....	Risk Management Agency
APHRE	Animal and Plant Health Regulatory Enforcement	SNAP	Supplemental Nutrition Assistance Program
AWA.....	Animal Welfare Act	USDA.....	U.S. Department of Agriculture
CFAP	Coronavirus Food Assistance Program	WIC.....	Special Supplemental Nutrition Assistance Program for Women, Infants, and Children
COVID-19	coronavirus disease 2019		
FAS.....	Foreign Agricultural Service		
FISMA.....	Federal Information Security Modernization Act of 2014		
FNS	Food and Nutrition Service		
FS	Forest Service		
FSA.....	Farm Service Agency		
FY	fiscal year		
GAO.....	Government Accountability Office		
IG	Inspector General		
IT	information technology		
IIJA.....	Infrastructure Investment and Jobs Act of 2021		
IRA.....	Inflation Reduction Act of 2022		
LRT	Legacy Road and Trail Remediation Program		
NRCS	Natural Resources Conservation Service		
OCFO	Office of the Chief Financial Officer		
OCIO	Office of the Chief Information Officer		

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