UNITED STATES
DEPARTMENT OF STATE

USAID
FROM THE AMERICAN PEOPLE

FY 2012 JOINT SUMMARY OF PERFORMANCE AND FINANCIAL INFORMATION

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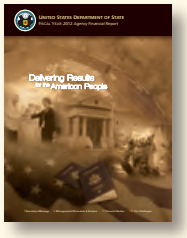
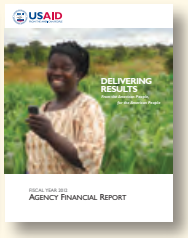
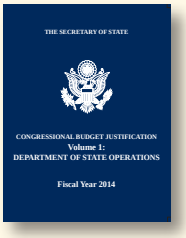
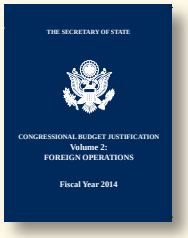
U.S. Secretary of State Hillary Rodham Clinton and U.S. Agency for International Development (USAID) Director Rajiv Shah attend the Child Survival Call to Action on June 14, 2012. USAID

ABOUT THIS REPORT









This report provides a summary of the Department of State and U.S. Agency for International Development's (USAID) performance and financial information for Fiscal Year (FY) 2012. The Joint Summary of Performance and Financial Information is one of three annual financial and performance reports that also include the Agency Financial Report and the Annual Performance Report. The Summary provides information on both agencies' performance in promoting greater accountability and accessibility to Congress, the American public, and other key constituencies. The Department and USAID continue to utilize planning, budgeting, and managing diplomacy and development activities to achieve greater integration and focus to further foreign policy goals and improve people's lives around the world.

ABOUT THE COVER

Clockwise from upper left: Administrator Shah meeting with Tribal Elders in Afghanistan. *USAID*; U.S. Secretary of State Hillary Rodham Clinton, left, is greeted at the Ho Phra Keo Temple Wednesday, July 11, 2012 in Vientiane, Laos. *©AP Image*; USAID Administrator Rajiv Shah speaks with recently arrived women and children at Dadaab camp in Kenya *USAID*; Secretary of State Clinton, accompanied by USAID Administrator Rajiv Shah (left), waves upon their arrival at the USAID Child Survival Forum at Georgetown University in Washington, D.C., June 14, 2012. *©AP Image*; Man with child in Afghanistan, where USAID programs are helping to decrease maternal deaths by encouraging men to become involved in pregnancy and childbirth matters. *Save the Children*

OUR MISSION STATEMENT

Shape and sustain a peaceful, prosperous, just, and democratic world and foster conditions for stability and progress for the benefit of the American people and people everywhere.

OUR VALUES

LOYALTY
Commitment to the United States and the American people.

CHARACTER
Maintenance of high ethical standards and integrity.

SERVICE
Excellence in the formulation of policy and management practices with room for creative dissent. Implementation of policy and management practices, regardless of personal views.

ACCOUNTABILITY
Responsibility for achieving United States foreign policy goals while meeting the highest performance standards.

COMMUNITY
Dedication to teamwork, professionalism, and the customer perspective.

DIVERSITY
Commitment to having a workforce that represents the diversity of America.

President Barack Obama delivers the State of the Union address in the House Chamber at the U.S. Capitol in Washington, D.C., January 24, 2012. White House

Message from the Secretary of State

It is my pleasure to present the U.S. Department of State's *Joint Summary of Performance and Financial Information for Fiscal Year 2012*, created in partnership with the United States Agency for International Development (USAID). In this summary you will find more than just financial and performance information: you will find evidence of the commitment by the State Department and USAID to deliver results for the American people at a time when resources are limited but the stakes are high. We take seriously our duty to practice fiscal responsibility and transparency as we advance U.S. foreign policy objectives.

Today, the United States is faced with a range of complex challenges: a transition in Afghanistan; a new relationship with post-war Iraq; revolutions and transitions in the Middle East and North Africa; a weakened but still dangerous al-Qaeda; climate change and resource scarcity; nuclear proliferation; pandemic disease and global hunger; and continued economic difficulties here at home, to name just a few.

While we face challenges, we also face unprecedented opportunities to build new partnerships and, through our diplomatic engagement, pursue shared interests with our partners in prosperity, security, and advancing democracy and human rights. U.S. diplomats and development experts across the globe must coordinate and execute effective policies. Leaders must make difficult choices, prioritizing some programs over others. We also require strong management, from hiring and developing talent to using our resources wisely.

On the policy front, we are delivering real results. Our troops are home from Iraq and a transition is underway in Afghanistan—but our diplomats and development experts will remain to stand with our partners and keep America safe. We are strengthening our engagement in the Asia-Pacific, ensuring we will continue to play a leading role in the most pivotal region of the 21st Century. We are building new alliances and strengthening our relationships with the world's emerging powers, continuing to engage them on issues such as human rights, open government, and free trade. In the Middle East and North Africa, we are supporting unprecedented democratic transitions in previously authoritarian regimes.

Across the globe, we are harnessing our economic power to ensure that U.S. businesses and industries compete on a level playing field, modernizing our diplomacy to better support our partners' development goals, and finding new ways to elevate the role of women and girls in all that we do. We are achieving all this by making difficult but necessary tradeoffs. We are reducing our assistance to parts of Europe while at the same time expanding the effective development programs that promote our values and interests, from our food security work to the President's Emergency Plan for AIDS Relief (PEPFAR).

We also achieved a great deal in our efforts to effectively manage our resources and improve the way we work together. Since completing the Quadrennial Diplomacy and Development Review (QDDR) two years ago, we have reorganized the Department of State and USAID to better support civilian security, elevate energy issues, and promote economic statecraft. We have given our staff new opportunities to develop their skills and revamped training programs to emphasize interagency coordination. We have reformed our strategic planning processes and program evaluation to make us more forward thinking and accountable. All of these results are just the beginning; we are now implementing a second wave of QDDR reforms.

In short, the men and women of the Department of State and USAID are delivering results for the American people. This work is difficult and sometimes dangerous. Still, they press on, because they know a strong America continues to play an essential role in creating the more peaceful and prosperous world we all want. I am deeply proud to represent them.

Hillary Rodham Clinton

Hillary Rodham Clinton
Secretary of State
February 2013

Message from the USAID Administrator

Several years ago, we set ourselves the ambitious task of transforming USAID into the world's premier development agency—a modern development enterprise that could represent the best of American ideals abroad, while advancing the safety and prosperity of Americans at home. Under the strong leadership of President Obama and Secretary Clinton, USAID has made real progress in harnessing the power of American generosity and ingenuity to improve human welfare worldwide. We call this approach "open-source development," and it reflects our desire to literally open development to problem-solvers everywhere—from universities to faith-based organizations to private sector partners. Working together, we can unlock the expertise of a vast community and solve some of the greatest development challenges of our time.

To meet this mission with renewed capacity, we embarked on a set of fundamental reforms called USAID Forward. Today, these reforms have moved well beyond their initial phase and have become an intrinsic part of the way we do business every day. For example, we're increasingly working with new communities and strengthening existing partnerships to create the conditions where our assistance will no longer be necessary. In Afghanistan, we partnered directly with the Ministry of Health to help expand access to basic services from only nine percent to 64 percent of the country, leading to the largest decreases in maternal and child mortality of any country in the last decade.

Over the past year, we have pursued rigorous, thoughtful, and results-oriented approaches to solve development challenges around the world on a meaningful scale.

In October, we released the first Feed the Future Progress Report, which showcases early results of the President's global food security initiative, including helping 1.8 million people adopt improved technologies or management practices. We have also reached 8.8 million children through nutrition programs that have reduced anemia, support community gardens, and treated acute malnutrition.

Drawing on lessons learned during last year's drought in the Horn of Africa—as well as decades of experience responding to disasters—USAID is pioneering a fundamental new approach to help communities strengthen their resilience in the face of crises. Today, we're utilizing this approach in the Sahel, where thanks to our early warning systems, we began responding as early as last November to the food crisis and have reached more than 3.2 million people with assistance. At the same time, we're investing in the resilience of local communities, helping families plant highly-nutritious, drought-tolerant crops, and farmers improve water management and soil fertility to re-green their lands.

Building on our nation's long legacy of bipartisan leadership in global health, USAID joined the United Nations Children's Fund and the Governments of India and Ethiopia in hosting a Call to Action to end preventable child death. As a result, more than 160 governments—including the United States—have signed a pledge to end preventable child death, and we've forged more than 20 new public-private partnerships, including with mobile telecom companies, like Intel, Vodafon, and Qualcomm, to empower community health workers with cutting-edge mobile technologies.

Across the world, we are strengthening democracy, human rights, and governance, with a special emphasis on marginalized populations, including women, youth, and individuals with disabilities. In February, we launched our new Center of Excellence for Democracy, Human Rights, and Governance, designed to become a core evidenced based resource in the field and strengthen our Agency's culture of data and evaluation.

I am pleased to certify that the performance and financial data in this report are complete and reliable. A more expansive discussion of the FY 2012 performance and data sources is available in the FY 2012 Foreign Assistance Performance Report published in the FY 2014 Foreign Operations Congressional Budget Justification.

Today, our efforts to harness the ingenuity of our young people build on more than fifty years of engaging the American people and serving their interests by improving the lives of people everywhere. The challenge for us moving forward will be to focus the vast potential of the development community on achieving profound results at a greater scale than ever before.

Rajiv Shah
USAID Administrator
February 2013

Our Organizations

DEPARTMENT OF STATE

The Department of State is the lead U.S. foreign affairs agency within the Executive Branch and the lead institution for the conduct of American diplomacy. Established by Congress in 1789, the Department is the oldest and most senior executive agency of the U.S. Government. The head of the Department, the Secretary of State, is the President's principal foreign policy advisor. The Secretary carries out the President's foreign policies through the State Department and its employees. Headquartered in Washington, D.C., the Department of State implements U.S. foreign policy worldwide. The Department of State promotes and protects the interests of American citizens by:

- Promoting peace and stability in regions of vital interest;
- Creating jobs at home by opening markets abroad;
- Helping developing nations establish investment and export opportunities; and
- Bringing nations together and forging partnerships to address global problems, such as climate change and resource scarcity, nuclear proliferation, terrorism, the spread of communicable diseases, cross-border pollution, humanitarian crises, nuclear smuggling, and narcotics trafficking.

The Foreign Service Officers and Civil Service staff in the Department of State and U.S. missions abroad represent the American people. They work together to achieve the goals and implement the initiatives of American foreign policy. The Department operates more than 270 embassies, consulates, and other posts worldwide staffed by Locally Employed (LE) Staff and more than 13,700 Foreign Service Officers. In each Embassy, the Chief of Mission (usually an Ambassador) is responsible for executing U.S. foreign policy goals and for coordinating and managing all U.S. Government functions in the host country. A Civil Service corps of over 10,700 employees provides continuity and expertise in performing all aspects of the Department's mission. The Department's mission is supported through its regional, functional, and management bureaus and offices. The regional bureaus, each of which is responsible for a specific geographic region of the world, work in conjunction with subject matter experts for other bureaus and offices to develop policies and implement programs that achieve the Department's goals and foreign policy priorities. These bureaus and offices provide policy guidance, program management, administrative support, and in-depth expertise.

In carrying out these responsibilities, the Department of State consults with Congress about foreign policy initiatives and programs, and works in close coordination with other Federal agencies, including the Department of Defense, the U.S. Agency for International Development (USAID), the Department of the Treasury, the Department of Commerce, and the Department of Agriculture.

USAID

In 1961, the United States Congress passed the Foreign Assistance Act to administer long-range economic and humanitarian assistance to developing countries. Two months after passage of the act, President John F. Kennedy established the U.S. Agency for International Development. USAID unified pre-existing U.S. Government assistance programs and served as the U.S. Government's lead international development and humanitarian assistance agency. USAID's mission is to advance broad-based economic growth, democracy, and human progress in developing countries. USAID is an independent federal agency that receives overall foreign policy guidance from the Secretary of State. With an official presence in 87 countries and programs in several other non-presence countries, the Agency accelerates human progress in developing countries by reducing poverty, advancing democracy, empowering women, building market economies, promoting security, responding to crises, and improving the quality of life through investments in health and education. USAID is headed by an Administrator and Deputy Administrator, both appointed by the President and confirmed by the Senate. USAID plans its development and assistance programs in close coordination with the Department of State, and collaborates with a variety of other

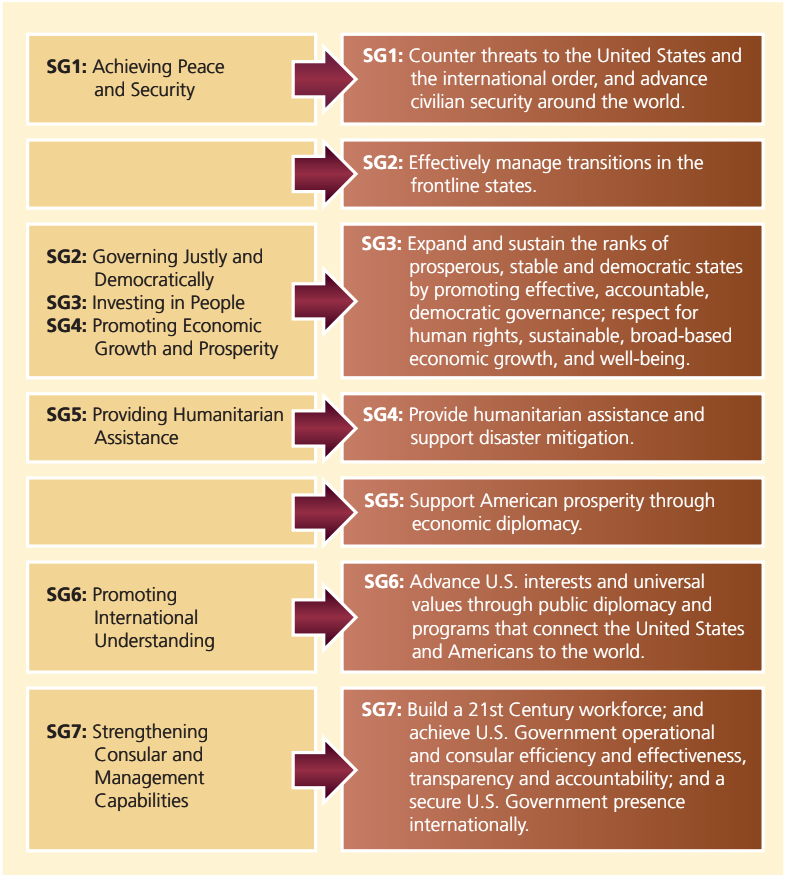
U.S. Government agencies, multilateral and bilateral organizations, private companies, academic institutions, and non-governmental organizations (NGO).

To transform USAID into a modern development enterprise, the Agency continues to implement USAID Forward reforms initiated in 2010. This includes a strengthening of the Agency's overseas workforce in key technical areas. In 2012, the Agency's mission was supported by 3,658 permanent and non-permanent direct hire employees including 2,136 in the Foreign Service and 1,522 in the Civil Service. Additional support came from 4,390 Foreign Service Nationals, and approximately 1,231 other non-direct hire employees (not counting institutional support contractors). Of these employees, 2,682 are based in Washington and 6,597 are deployed overseas. More information on the organizational structure of the Department of State and USAID can be found at *http://www.state.gov/r/pa/ei/rls/dos/99494.htm* and *http://www.usaid.gov/who-we-are/organization*, respectively.

Department of State-USAID Joint Strategic Goal Framework

The Joint Mission of the Department of State and USAID is to shape and sustain a peaceful, prosperous, just, and democratic world and foster conditions for stability and progress for the benefit of the American people and people everywhere. To achieve this overall mission, President Obama and Secretary Clinton have emphasized a number of strategic goals that respond to key U.S. foreign policy and national security priorities. Strategic planning and performance management, including evaluation, are guided in the Department and USAID by the Quadrennial Diplomacy and Development Review (QDDR) and the Government Performance and Results Act Modernization Act of 2010 (GPRAMA). In addition, the Department and USAID share a Joint Strategic Goal Framework organized around seven strategic goals. The QDDR serves as the Department of State-USAID Joint Strategic Plan, which is anchored in the National Security Strategy's objectives for U.S. foreign policy and development assistance. The figure above, entitled *"Old to New" Department of State-USAID Joint Strategic Goal Framework*, is a graphic that depicts the State Department and USAID's new Strategic Goals in comparison to the previous Strategic Goal Framework. Effective FY 2013, the Department of State and USAID began measuring progress, results, and report performance against the new Joint Strategic Goal Framework. In accordance with GPRAMA, both State and USAID are updating the agencies' Joint Strategic Plan.

"Old to New" Department of State-USAID Joint Strategic Goal Framework



Management Highlights

Attaining the conditions abroad that ensure American security and prosperity at home demands responsible management of U.S. diplomacy and development efforts. This section presents selected accomplishments and key management challenges of the Department of State and USAID for FY 2012. The achievements highlighted here reflect significant efforts to improve the way both agencies administer resources, deliver services, and manage for results. Challenges identified by the Inspector General of each agency and the U.S. Government Accountability Office (GAO) denote management and performance issues that the Department and USAID take seriously and are actively committed to resolving. In the years ahead, the Department and USAID will continue to strengthen their accountability and capacity to deliver results consistent with the recommendations of the Quadrennial Diplomacy and Development Review.

Management Accomplishments and Challenges – State

Management Accomplishments

The Department won the 2012 Archivist's Achievement Award for innovative and cost-effective use of technology for a records management tool that will be adopted as a best practice in the U.S. Government. The Department leveraged the technology with a dynamic website that received over 3,000 online Freedom of Information Act (FOIA) requests, posted nearly 3,500 declassified documents, and hosted over 1,000 visitors daily (over 350,000 annually). The Department declassified nearly three million pages of permanent historical records covering U.S. foreign policy, and declassified and released over 100,000 pages in response to FOIA requests. Other management achievements this year include:

- As part of the Department's effort to build a 21st Century workforce and strengthen diplomacy, the Foreign Service and Civil Service position baselines increased by 21 and about nine percent, respectively, since 2008. In FY 2012, the Department also worked with Consular Affairs to fill a consular staffing gap in China and Brazil with 44 Limited Non-Career Appointments.
- In FY 2012, the Department filled over 95 percent of its top-priority posts positions for the 2013 assignments cycle. The Department met or exceeded OPM's goals for hiring of veterans and individuals with disabilities since the President signed the November 2009 and July 2010 Executive Orders mandating increased recruitment of qualified individuals among these groups, and the Department is on track to meet OPM's goals this year.
- The White House issued an Executive Order establishing visa and foreign visitor processing goals, which stated that more than 80 percent of all applicants worldwide should have their visa interview within three weeks of receiving their application. Currently, the Department is exceeding this goal.
- Passport Services issued over 13.1 million passports in FY 2012, a four percent increase from FY 2011; further demand increases are projected for FY 2013. Processing times for issuing a passport averaged 8.3 days for routine service and 3.3 days for expedited requests. During the busy season (February through June), Passport Service's processing times remained responsive at 8.9 days for routine and 3.4 days for expedited requests.
- The Department of State is leading interagency efforts on the Foreign Assistance Dashboard (*www.ForeignAssistance.gov*)—a website dedicated to improving the transparency of U.S. Government foreign assistance investments around the world. To support this effort, in 2012 OMB released Bulletin 12-01, which provides federal agencies guidance on the collection of standardized foreign assistance data. The Bulletin and Dashboard will facilitate the USG's many domestic and international foreign assistance-related reporting requirements.

Management Challenges

In FY 2012, the Department's Office of the Inspector General (OIG) identified challenges in the areas of: protection of people and facilities; contract and procurement management; information security and information management; financial management; military to civilian-

led presence in Iraq and Afghanistan; foreign assistance coordination and oversight; diplomacy with fewer resources; public diplomacy; effective embassy leadership; and consular operations. The Department promptly takes corrective actions in response to OIG findings and recommendations. Information on corrective actions taken and remaining can be found on pages 156-168 of the Department of State's FY 2012 Agency Financial Report at the following website *http://www.state.gov/documents/organization/200506.pdf*.

Management Accomplishments and Challenges – USAID

Management Accomplishments

The Agency is undertaking a number of initiatives to maximize the development impact of its assistance programs per dollar spent. The recently implemented Phoenix financial system provides USAID with detailed cost information that allows it to track accurately the relative cost of its programs. The Phoenix system is also providing the data to help the Agency comply with the President's Open Government Initiative. The Department of State, USAID, and the Millennium Challenge Corporation (MCC) recently began publishing foreign assistance budget and spending data on the public Foreign Assistance Dashboard, which is driving the United State Government to become a leader in aid transparency. USAID plans to build on this success and continue to improve the way that the Agency's financial information is managed, shared and reported.

Other management achievements this year include:

- **Real Property Initiative** that is improving USAID's management of facilities with cost efficient processes and innovative methods such as implementing new workplace designs and technologies to accommodate staff growth without a corresponding increase in required floor space. Since 2010 this initiative has resulted in nearly $130 million in cost savings and cost avoidances.
- **Workforce Initiative** that is attracting and motivating top talent through a number of actions. These include a streamlined Civil Service hiring process, intensified outreach to recruit underrepresented populations to its workforce, including a new portal to increase veteran hiring, new employee assistance and wellness programs, and improvements to performance feedback and appraisal processes.
- **Open Government Flagship Initiative** which in addition to spearheading the Foreign Assistance Dashboard, also led to the launch of the newly-updated USAID external Website (*http://www.usaid.gov*) in June 2012. The site offers cutting edge tools to provide accessible, real-time information to the public about USAID's global efforts to help improve the lives of the world's underprivileged.
- **Improved Operating Efficiencies** resulted in cost savings and avoidances of more than $50 million in FY 2012, accomplished through employee initiated actions to reduce administrative costs, in-source services, and dispose of unneeded real estate.
- **Implementation of Environmental Sustainability Plan** that reduced the Agency's carbon emissions from air travel by more than seven percent from a 2008 baseline, tripled the collection capacity of recyclable products at its Washington based facilities, enhanced teleworking opportunities, and requires the purchase of environmentally friendly products that contain recycled, bio-based, non-toxic, energy efficient, and water efficient materials.

Management Challenges

Every year, USAID's Office of Inspector General (OIG) identifies management challenges that affect the ability of the Agency to deliver foreign assistance. The FY 2012 challenges relate to working in high threat environments, performance management and reporting, sustainability, implementation and procurement reform, management of information technology, and audits of U.S. based for-profit entities. The Agency takes immediate remedial actions in response to OIG recommendations. See pages 131-145 of the FY 2012 USAID Agency Financial Report at *http://www.usaid.gov/results-and-data/progress-data/agency-financial-report* for a full description of the OIG's identified challenges and the Agency's responses to them.

Performance Highlights

The Department of State and USAID partner together with other federal agencies to plan and execute programs that address the global challenges of the 21st century. The performance management practices put in place at the Department and USAID facilitate the achievement of program success and promote greater accountability to the American people. A multi-phase process of learning and adapting, as reflected in the ***Managing for Results Framework*** (figure on right), involves setting strategic goals and priorities, designing programs to achieve the goals, systematically monitoring and evaluating program activities, using performance data to inform program and resource decisions, and sharing results with stakeholders.

To demonstrate the progress achieved by State and USAID toward meeting their joint diplomacy and development goals in FY 2012, 121 representative performance indicators were published in the FY 2012 Annual Performance Reports (APR) of the Department of State and USAID. The figure on page 10 shows FY 2012 performance results across the seven Joint Strategic Goals. The results for each indicator were reviewed against previously determined targets to determine its performance rating (i.e., On Target, Above Target, Below Target). The following section highlights 16 of these representative indicators, organized by Strategic Goal and accompanied by an explanation of each goal and analyses of results achieved in FY 2012. Complete FY 2012 performance results for indicators for programs managed by the Department and/or shared with USAID will be published in the FY 2014 Congressional Budget Justification.

Performance Management at State and USAID

As noted above, day-to-day performance management at the Department and USAID is guided by the new ***Managing for Results Framework***. The Framework puts planning first, making it easier to align subsequent budget requests with department-level goals and objectives, and allowing Washington-based bureaus and posts overseas to identify what success looks like, measure progress, and use performance data to influence decision making The Framework responds to recommendations from the Quadrennial Diplomacy and Development Review (QDDR) to better align planning, budgeting, program management, and monitoring and evaluation to ensure that both agencies' highest strategic priorities are funded, and to produce the performance information and evidence needed to make smart investments.

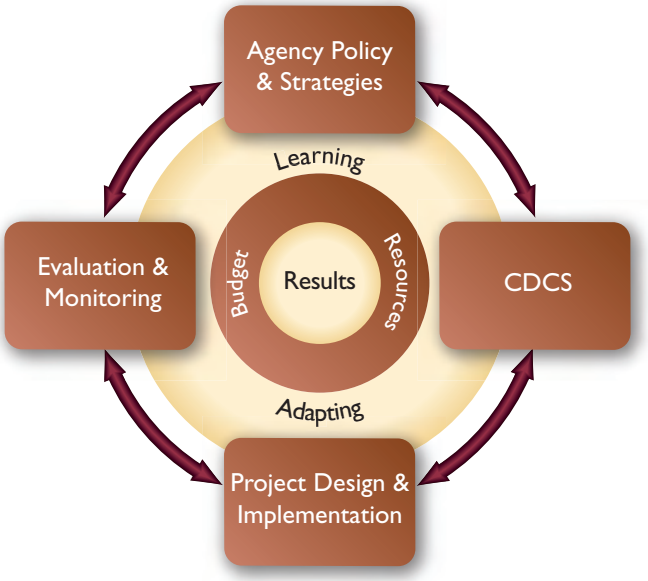
Following are examples of achievements in FY 2012 under the new integrated planning, budgeting and performance management framework. These examples reflect efforts to continually improve results and increase accountability to our stakeholders:

Indicator Reengineering Process. In the spring of 2012, as part of the ongoing process to maintain a suite of indicators that can be used to represent performance for foreign assistance programs, the Department and USAID established the

Master Indicator List (MIL) Change Request process as a systematic way to regularly update standard Foreign Assistance indicators from both agencies' bureaus, and to continually improve the suite of indicators and the overall quality and relevance of performance reporting. Indicators associated with the Department's State Operations also underwent analysis using the rigorous application of SMART criteria (specific, measureable, attainable, relevant, time-bound). Both processes resulted in a suite of State Operations and Foreign Assistance performance indicators that more accurately measure program performance across the Department and USAID's diplomatic and development efforts.

Multi-Year Strategic Planning. The Department and USAID launched new strategic planning processes for Washington-based bureaus and posts overseas. Known as Joint Regional Strategies (JRS) and Functional Bureau Strategies (FBS) for bureaus, the JRS and FBS are used to inform budget decisions and shape performance reviews. The JRS and FBS advise the post-level Integrated Country Strategies (ICS), which encapsulate U.S. Government foreign policy priorities for a geographic region. In addition, USAID introduced the Program Cycle (figure on right) as the foundational framework for evidence-based development. The Program Cycle applies components of the ***Managing for Results Framework*** to the USAID context to reinforce the linkage between Agency policies and strategies, country-level strategic planning, project design and implementation, and performance monitoring and evaluation. The Program Cycle will enable USAID to provide a more strategic and evidence-based approach to decision-making.

Monitoring and Evaluation. The Department and USAID made strides in FY 2012 in the collection and use of performance information, including evaluations, to build evidence for programmatic and budgetary decisions. In February 2012, the Department approved a new Evaluation Policy that applies to all Department of State-funded programs, projects, and activities. The policy was developed in close coordination with USAID and other partner organizations to ensure uniform definitions and practices, and emphasizes the use of evaluation information to inform decision-making. Both the Department's Evaluation Policy and USAID's Evaluation policy, issued in 2011, recognize that evaluation is the means through which agencies can obtain systematic, meaningful feedback about the successes



(and shortcomings) of their efforts. The Department and USAID developed an Evaluation Registry to track evaluations completed in a given fiscal year and to reduce duplication in the collection of evaluative information. The Department is currently building a document sharing site, similar to USAID's Development Experience Clearing House, where evaluation reports of Department-funded programs and activities will be made available to the general public.

Data-Driven Reviews. In accordance with new requirements of the Government Performance and Results Act Modernization Act (GPRAMA), the Department and USAID initiated regular, data-driven reviews for both agencies' highest foreign policy goals, known as Agency Priority Goals (APGs). These reviews engaged senior leadership at all levels in discussing progress on key efforts and recommended actions going forward. The data-driven reviews will serve as the basis for ongoing analysis by senior level officials of both agencies' key program and budgetary priorities.

AVERAGE PERFORMANCE RATING AND NUMBER OF REPORTED RESULTS

Strategic Goal	Above Target	On Target	Below Target	Not Available
SG1: Achieving Peace and Security	6	6	0	6
SG2: Governing Justly and Democratically	2	0	3	5
SG3: Investing in People	4	2	2	20
SG4: Promoting Economic Growth and Prosperity	4	1	5	4
SG5: Providing Humanitarian Assistance	5	3	3	2
SG6: Promoting International Understanding	1	4	0	2
SG7: Strengthening Consular and Management Capabilities	6	10	8	7

The above chart displays the ratings of indicators for each Strategic Goal.

Strategic Goals and Results

To assess FY 2012 results, program managers examined quantitative and qualitative indicators to determine whether indicators met previously established annual targets. Managers also considered how the results impact the achievement of the Department and USAID's strategic goals. A rating was then assigned to each indicator based on the analysis. In the Strategic Goals and Results sections that follows, 16 illustrative indicators are highlighted to provide the reader with timely data and analysis of key achievements reported during FY 2012.

Strategic Goal 1: Achieving Peace and Security

Preserve international peace by preventing regional conflicts and transnational crime, combating terrorism and weapons of mass destruction, and supporting homeland security and security cooperation.

Public Benefit

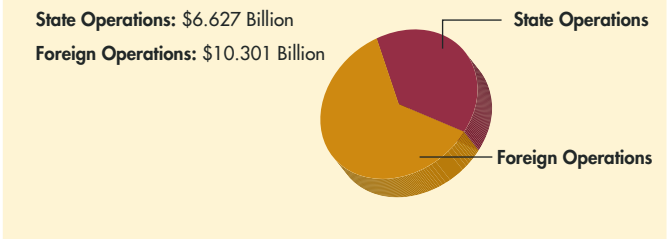
U.S. policy states that the security of U.S. citizens at home and abroad is best guaranteed when countries and societies are secure, free, prosperous, and at peace. The Department, USAID, and their partners seek to strengthen their diplomatic and development capabilities, as well as those of international partners and allies, to prevent or mitigate conflict, stabilize countries in crisis, promote regional stability, and protect civilians. In 2012, a profound and dramatic wave of change continued to sweep across the Middle East as people courageously stood up to their governments to express their legitimate aspirations for greater political participation and economic opportunity. Our close relationship with our interagency partners has enabled the United States to strengthen our national security and provide leadership in conflict areas, such as the Middle East, to promote democratic and political reforms and ensure a voice for all peoples, including women, in building stable and peaceful societies.

Secretary of State Clinton delivers remarks at the Global Counterterrorism Forum in Istanbul, Turkey, June 7, 2012.
Department of State

Summary of Performance and Resources

The Department and USAID allocated $16.928 billion toward this Strategic Goal in FY 2012, which is 32 percent of the total State-USAID budget supporting all strategic goals. The performance of the illustrative indicator is provided in the following section.

FY 2012 Resource Invested: $16.928 Billion



Key Selected Achievements

- The United States has provided equipment, training, logistics, and advisory support to the African Union Mission in Somalia (AMISOM) and the Somalia National Security Forces, which have in turn engaged in successful operations against the violent extremist organization al-Shabaab in Somalia; these efforts have greatly enlarged the area of territory held by legitimate Somali authorities and given the country its best chance in 20 years to achieve stability and self-governance.

- Addressing transition in the Middle East, the Department has used its technical expertise to develop closer relationships with many key partners to mitigate regional and global threats. In the aftermath of the "Arab Awakening," the Department led the effort to secure loose weapons in Libya, including securing or accounting for nearly 5,000 Man Portable Air Defense Systems (MANPADS) and components.

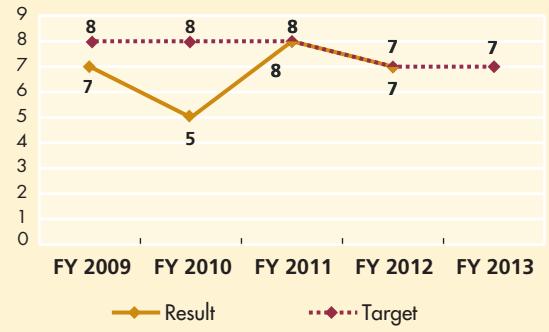
- The bilateral relationship between the United States and Iraq continues to deepen. Under the Strategic Framework Agreement, the Governments of Iraq and the United States continue to work together at the most senior levels on a wide range of issues through eight Joint Coordination Committees (JCC), including defense and security, education and cultural affairs, energy, law enforcement and judicial cooperation, politics and diplomacy, services, and trade and finance.

Selected Strategic Priorities and Analyses

CONFLICT PREVENTION, MITIGATION, AND RESPONSE: *Support the prevention, containment or mitigation, and resolution of existing or emergent regional conflicts, as well as post-conflict peace, reconciliation, and justice processes.*

Analysis: This section details a key performance indicator to illustrate the Department of State's performance in an area that links to key budget and policy priorities under Strategic Goal 1. The indicator—the number of key milestones achieved annually that improve the capabilities of nuclear scientists and foreign governments to combat nuclear smuggling and prevent terrorist acquisition of a nuclear weapon—represents the Department's priority to improve the capabilities of foreign governments to prevent terrorist acquisition of nuclear materials or the expertise that could be used to develop and use a nuclear device. Overall, there have been some outstanding successes, including the maturation of the Global Initiative to Combat Nuclear Terrorism, development and expansion of the Preventing Nuclear Smuggling Program, and development of the nuclear component of the Global Threat Reduction program. Success has also been registered as the Department assists the International Atomic Energy Agency (IAEA) in developing and implementing norms, regulations, and guidelines regarding nuclear security. The diplomatic impetus provided by the 2010 Nuclear Security Summit in Washington and the 2012 Nuclear Security Summit in South Korea greatly assisted in this effort. Success often depends on foreign government actions and decision-making, so performance targets are not met all the time. This indicator tracks work in multiple initiatives and programs, including, but not limited to: the Global Initiative to Combat Nuclear Terrorism (GICNT), a voluntary partnership of 85 states that collaborate through multilateral activities to strengthen the global capacity to combat the nuclear terrorism threat; the Preventing Nuclear Smuggling Program (PNSP), which helps the most vulnerable states identify and address gaps in their capabilities to prevent, detect, and respond to nuclear and radiological smuggling; and the Global Threat Reduction nuclear security program, which helps to build a self-sufficient nuclear security culture in priority countries, particularly in the Middle East, through training and integration into the international technical community.

The Number of Key Milestones Achieved Annually that Improve the Capabilities of Nuclear Scientists and Foreign Governments to Combat Nuclear Smuggling and Prevent Terrorist Acquisition of a Nuclear Weapon[1]



Source: U.S. Department of State, Bureau of International Security and Nonproliferation.

[1] Performance data is developed from information from GICNT partners; consultations with foreign governments; IAEA documents and consultations; intelligence reporting; embassy reporting; and from ISN Non-proliferation, Anti-terrorism, Demining, and Related programs.

Strategic Goal 2:
Governing Justly and Democratically

Advance the growth of democracy and good governance, including civil society, the rule of law, respect for human rights, political competition, and religious freedom.

Public Benefit

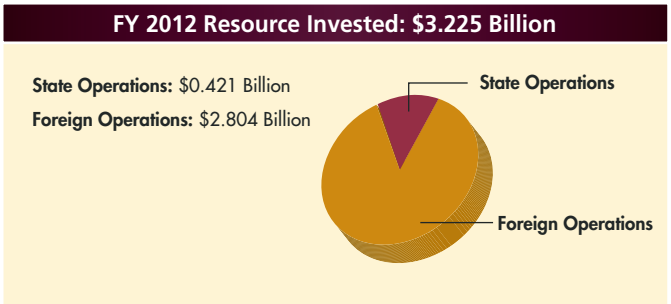
The U.S. government views democratic governance and human rights as critical for sustainable development and lasting peace in a society. Countries cannot advance from conflict to peace, fragility to strength, and poverty to prosperity without inclusive, effective democratic institutions. The issues of authoritarianism, poor governance, disasters, conflict and poverty are inextricably linked. The 2011 World Development Report concluded that countries weak in government effectiveness, rule of law, and control of corruption have a 30 to 45 percent higher risk of civil war and significantly higher risk of extreme criminal violence than other developing countries.

The Department of State and USAID work with political and civil society leaders to support the emergence of civic norms and leadership that uphold the rule of law, reject corruption, and advance human rights. These programs assist in building key domestic institutions of democratic accountability such as vibrant civil societies, free and independent media, free and fair electoral processes, strong legislatures, and independent judiciaries. Recognizing that broad-based inclusive development is crucial for the achievement of lasting democracy and peace, the Department and USAID ensure that human rights and gender equality are integrated throughout their work, and are bolstering efforts to address the needs of marginalized populations such as survivors of torture and war and people with disabilities. At the same time, the Department and USAID continue to combat human trafficking and promote labor and LGBT (lesbian, gay, bisexual, and transgender) rights, and increase support for human-rights defenders and human-rights commissions.

Summary of Performance and Resources

The Department and USAID allocated $3.225 billion toward this Strategic Goal in FY 2012, which is six percent of the total State-USAID budget supporting all strategic goals. The performance of the illustrative indicators is provided in the following section.

In Kasai, Oriental Province, Democratic Republic of the Congo, women lead a civic and voter education session with USAID support in preparation for historic national elections. USAID



Key Selected Achievements

- The United States Government assisted in improving the case management system of 702 courts leading to reductions in case backlog and case disposition time, reducing administrative burdens on judges, increasing transparency of judicial procedures, and improving compliance with procedural law.

- Legislatures receiving USG assistance increasingly exercised their oversight responsibilities of the Executive Branch of government, resulting in 279 oversight actions in FY 2012. Legislative monitoring is a key function of democratically elected legislatures and a key component of a system of checks and balances.

- The Department of State and USAID continued to provide critical assistance to the "Arab Spring" countries of the Middle East and North Africa to help them navigate through challenging democratic transitions.

- More than 2,790 non-state news outlets were strengthened with assistance by the USG in order to provide a voice to civil society, business, government, and all other actors at the local, national, and international levels. A professional and independent press helps underpin democracy by disseminating accurate information, facilitating democratic discourse, and providing critical and independent checks on government authorities.

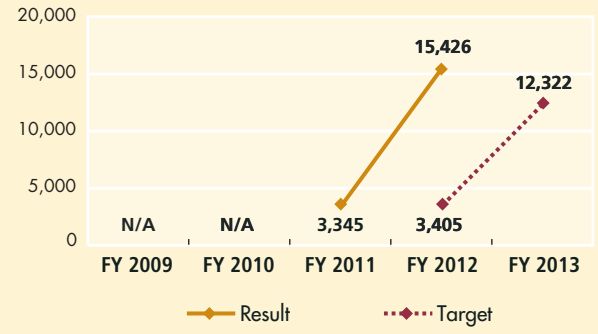
Selected Strategic Priorities and Analyses

RULE OF LAW AND HUMAN RIGHTS: *Advance and protect human and individual rights, and promote societies where the state and its citizens are accountable to laws that are publicly promulgated, equally enforced, and independently adjudicated, consistent with international norms and standards.*

Analysis: The United States supports programs that help countries build the necessary rule of law infrastructure, particularly in the justice sector, to uphold and protect their citizens' basic human rights. The rule of law is a principle of governance under which all persons, institutions, and entities, public and private, including the state itself, are accountable to laws that are publicly promulgated, equally enforced, independently adjudicated, and consistent with international laws, norms, and standards. Activities in this Program Area also advance and protect individual rights as embodied in the Universal Declaration of Human Rights and international conventions to which states are signatories. This includes defending and promoting the human rights of marginalized populations such as women, religious minorities, disabled individuals, indigenous groups, and lesbian, gay, bisexual, and transgendered people.

The U.S. Government has a two-fold strategy to promote and defend human rights by supporting non-governmental organizations (NGOs) that advocate and monitor human rights and by training defenders of human rights in the legal profession and other watchdog groups. In FY 2012, more than 15,000 human rights defenders were trained and supported, exceeding the target of 3,405 by 450 percent.

Number of Human Rights Defenders Trained and Supported



Source: FY 2012 Performance Reports as collected in the Foreign Assistance and Coordination System (FACTS).

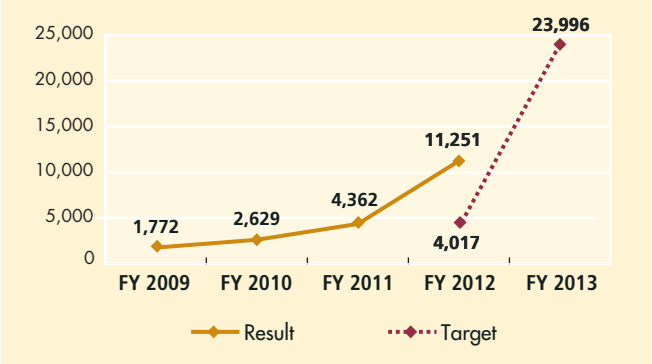
FY 2011 was the first year in which data was reported for this indicator.

CIVIL SOCIETY: *Strengthen democratic political culture and citizen engagement by supporting the means through which citizens can freely organize, advocate, and communicate with members of their own and other governments, international bodies, and other elements of civil society.*

Analysis: Civil society participation in democratic policymaking improves the transparency and accountability of one's government and of the legislative process. The indicator measures Civil Society Organizations active participation in, or engagement with the legislature; for example, attend and contribute to committee meetings, send policy briefs, send comments on proposed legislation, and provide research. In FY 2012, more than 11,000 Civil Society Organizations receiving USG assistance engaged in one or more advocacy interventions, nearly triple the target.

Presentation of the ACTA Civil Society analysis of the FY 2013 Afghan national budget. USAID

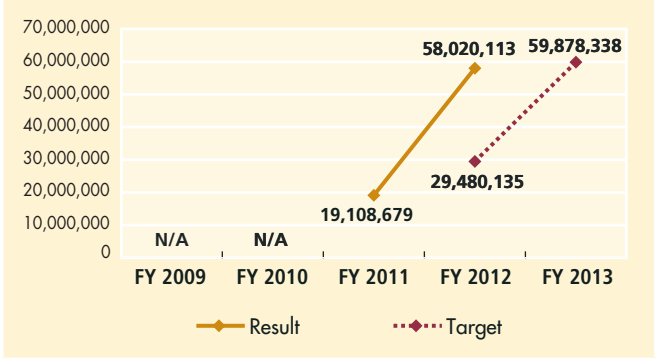
Number of Civil Society Organizations Receiving U.S. Government Assistance Engaged in Advocacy Interventions



Source: FY 2012 Performance Reports as collected in the Foreign Assistance and Coordination System (FACTS).

Analysis: The provision of voter and civic education in developing democracies helps ensure that voters have the information they need to be effective participants in the democratic process. This unit of measure is defined as any eligible voter that receives voter or civic education messages through print, broadcast, or new media, as well as via in-person contact. Voter and civic education also includes community-based trainings in underserved areas, public service announcements on electronic media, written materials, internet-based information and messages using the new media. Voter education efforts are concentrated prior to major national elections in order to increase voter participation. Nearly 60 million eligible voters were reached through USG assisted voter and civic education programs, well in excess of the nearly 30 million voters targeted.

Number of Individuals Receiving Voter and Civic Education through U.S. Government-Assisted Programs



Source: FY 2012 Performance Reports as collected in the Foreign Assistance and Coordination System (FACTS).

FY 2011 was the first year in which data was reported for this indicator.

STRATEGIC GOAL 3:
INVESTING IN PEOPLE

Ensure good health, improve access to education, and protect vulnerable populations to help nations create improvements in the well-being and productivity of their citizens.

PUBLIC BENEFIT

Investments in global health demonstrate our compassion and serve our interests. When we help fight global killers, such as malaria and HIV/AIDS, we strengthen social and regional stability, advancing our own security. When we immunize millions of children against deadly diseases, we help support productive, healthy populations and energize the economy. And when we help a mother give birth to a healthy child, we are advancing values that unite us as Americans: compassion, equality, and a belief in the potential of every individual. While recent decades have witnessed dramatic progress in global health, preventable disease and premature death continue to plague much of the developing world, particularly affecting women and children and other vulnerable populations.

Through the President's Global Health Initiative (GHI), the Department of State and USAID are leading the effort to build on country-owned health platforms as well as the President's Emergency Plan for AIDS Relief, the President's Malaria Initiative (PMI) and earlier investments in fighting tuberculosis and promoting maternal and child health, including family planning, to foster sustainable, effective, efficient and country-led public health systems that deliver essential health care and improve health outcomes. To maximize the impact of GHI, the Department and USAID target their efforts to improve the health of women, newborns, and children by focusing on safe births and family planning, child health, infectious disease, clean water, nutrition, and neglected tropical diseases.

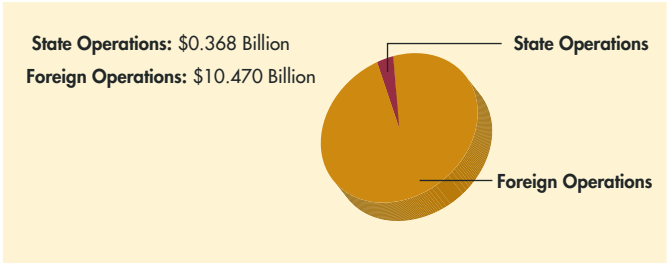
The Department of State and USAID also recognize that investments in education are foundational to human development and critical to broad-based economic growth and poverty reduction. Together, our education programs are working to reduce illiteracy, provide safe spaces and learning opportunities for the most vulnerable children and strengthen higher education institutions and workforce development programs to support country development goals.

Staff members at the Buge Health Center, SNNPR, Ethiopia. USAID works with the Ministry of Health to strengthen services at health centers around the country to prevent maternal and infant deaths. USAID

SUMMARY OF PERFORMANCE AND RESOURCES

The Department and USAID allocated $10.838 billion toward this Strategic Goal in FY 2012, which is 20 percent of the total State-USAID budget supporting all strategic goals. The performance of the illustrative indicators is provided in the following section.

FY 2012 Resource Invested: $10.838 Billion



Key Selected Achievements

- Through the U.S. President's Emergency Plan for AIDS Relief (PEPFAR), the U.S. Government continues to make unparalleled investments to combat HIV/AIDs, treating more than 50 million adults and children in 34 targeted countries with Antiretroviral Therapy, HIV/AIDs testing, counseling, and other services.

- The President's Malaria Initiative (PMI) has dramatically increased the coverage of malaria control measures and reduced related child mortality levels. During the past six years, 11 PMI countries—Angola, Madagascar, Ghana, Kenya, Malawi, Mali, Rwanda, Senegal, Tanzania, Uganda, and Zambia—have reported an increase in household ownership of one or more Insecticide Treated Nets (ITNs) from an average of 31 to 60 percent.

- Through training of health care workers, USAID's Global Health Initiative has helped to increase the percentage of births attended by skilled doctors, nurses or midwives from 41 percent in FY 2008 to 45 percent in FY 2012, in 23 targeted countries in sub-Saharan Africa, and Asia.

- U.S. assistance efforts helped to increase the percentage of households using an improved sanitation facility to 26 percent in eight priority countries, nearly double the 14 percent target. Use of an improved sanitation facility by households is strongly linked to decreases in the incidence of waterborne disease among household members, especially among children under age five. Diarrhea remains the second leading cause of child deaths worldwide.

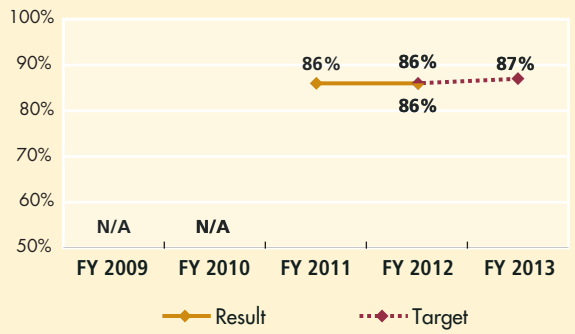
Selected Strategic Priorities and Analyses

HEALTH: *Improve global health, including child, maternal, and reproductive health; prevent and treat infectious diseases; and increase access to better drinking water and sanitation services.*

Analysis – Tuberculosis: Twenty-two developing countries account for 80 percent of the world's tuberculosis (TB) cases, and in FY 2010, the disease killed approximately 1.4 million people. The focus of USAID's TB program is to improve the quality of basic TB services as well as to prevent and combat multi-drug-resistant TB (MDR-TB) and extremely drug-resistant TB in 20 Tier 1 priority countries.

In USAID supported countries, the death and prevalence rates from TB have decreased 29 percent and 13 percent, respectively since 1990. In 2012, U.S. efforts helped ensure that 86 percent of registered new smear positive pulmonary TB cases were cured and completed treatment under a directly observed treatment short course strategy in health facilities and communities.

Percent of Registered New Smear Positive Pulmonary TB Cases That Were Cured and Completed Treatment Under DOTS Nationally (Treatment Success Rate)

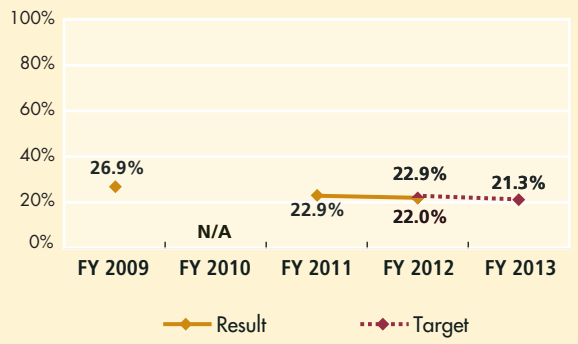


Source: World Health Organization (WHO) Report, Global Tuberculosis Control. This indicator tracks data that are two years old due to the duration of TB treatment. For example, FY 2011 data is actually 2009 data reported by WHO.

FY 2011 was the first year in which data was reported for this indicator.

Analysis – Nutrition: Over 130 million children worldwide, or one in every four children, are underweight. Under nutrition contributes to 3.5 million child deaths every year, making it the leading contributor to under-five mortality. The damage caused by insufficient nutrition to physical growth and brain development in pregnancy and early childhood is irreversible. It leads to permanently reduced cognitive function and physical capacity through adulthood. However, this cycle is preventable. Improving nutrition can reduce child and maternal mortality and morbidity as well as chronic diseases later in life, lift families out of poverty, and contribute to long-term economic growth. As part of the GHI, USAID's nutrition programs are becoming integrated with activities under the maternal and child health and family planning/reproductive programs. Nutrition is the lynchpin between the United States' Feed the Future (FtF) Initiative and the GHI. These initiatives helped reduce the percentage of underweight children under five years of age in 17 targeted countries from 27 percent in FY 2009 to 25 percent in FY 2012.

Prevalence of Underweight Children under Five Years of Age

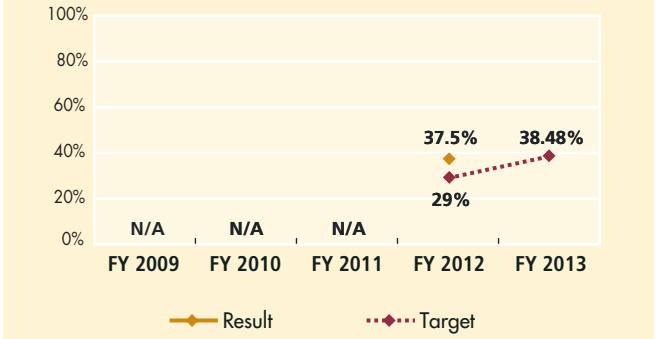


Source: Demographic Health Surveys, Multiple Indicator Cluster Surveys (MICS), Reproductive Health Surveys (RHS) and Census Bureau data for nutrition priority countries for GHI and FtF.

Analysis – Water Supply and Sanitation: The U.S. Government is committed to using its foreign assistance resources to help achieve a water-secure world where people and countries have reliable and sustainable access to an acceptable quantity and quality of water to meet human, livelihood, production, and ecosystem needs. The centrality of water for individuals, societies, and the environment also means that water issues intersect with all other aspects of development. The U.S. Government uses a diverse number of approaches to increase access to water, including direct support for small- and large-scale infrastructure development and indirect support through community-based systems, facilitation of private supply of products and services, and financing to ensure long-term sustainability and expansion of access. Through these efforts, the percentage of households using an improved drinking water source increased to 37.5 percent in seven priority countries in FY 2012, well above the 29 percent target.

School programs have become particularly useful for students to bring home sanitary practices and health information that end up helping the whole family—messages on HIV/AIDS, reproductive health, personal safety for girls, nutrition, civic education, environment, and hygiene are just some of the topics of education. USAID

Percent of Households Using an Improved Drinking Water Source



Source: FY 2012 Performance Reports as collected in the Foreign Assistance and Coordination System (FACTS).

FY 2012 was the first year in which data was reported for this indicator.

Strategic Goal 4:
Promoting Economic Growth and Prosperity

Support world economic growth and protect the environment, while expanding opportunities for U.S. businesses and ensuring economic and energy security.

Public Benefit

Economic growth is key to transforming the developing world. It is the only way for poor countries to reduce and eventually do away with extreme poverty. Economic growth is the surest way for countries to generate the resources they need to weather global crises—from unstable markets for finance to energy and food crises—and to address their own illiteracy, poor health and other long-term development challenges. Economic growth in developing countries is also important to the security of the United States. Poor countries are more susceptible to conflict, can harbor terrorist activity, and are often sources of illegal immigration, epidemic disease, and international crimes such as the trafficking of narcotics and persons.

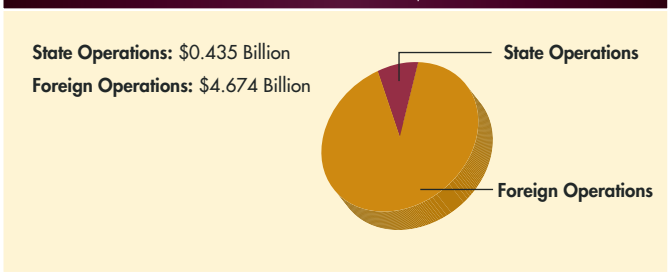
Through complementary diplomatic and development efforts, the Department of State and USAID work to help developing countries achieve rapid, sustained and broad-based economic growth. The State Department is leading the effort to develop and implement economic growth, energy, agricultural, oceans, environmental, and science and technology policies to promote economic prosperity and address global challenges in a transparent rule-based system. At the same time, USAID economic growth programs are working in countries to improve the environment for enterprise growth and competitiveness, strengthen economic policy and governance, create sound, well-governed financial systems, support business enabling environments, microfinance programs and business services for micro and small enterprises, and build trade capacity. Through Feed the Future, the U.S. Government's global hunger and food security initiative, the Department of State and USAID, along with the Department of Agriculture, are helping partner countries develop their agricultural exports to spur economic growth, protect the natural resource base upon which agriculture depends, and invest in nutrition for women and young children. Assisting countries to effectively protect and manage their natural resource base and mitigate the adverse impact of climate change is also fundamental to generating sustainable economic growth.

The 12 members of the Wanawake Kwanza (Women First) growers association in Maza village, Morogoro, Tanzania, have received Feed the Future support through USAID to boost their incomes and improve nutrition in the village. USAID

Summary of Performance and Resources

The Department and USAID allocated $5.109 billion toward this Strategic Goal in FY 2012, which is 10 percent of the total State-USAID budget for all strategic goals. The performance of illustrative indicators is provided in the following section.

FY 2012 Resource Invested: $5.109 Billion



Key Selected Achievements

- The ability of developing country economies to compete globally is steadily improving. Through technical assistance and training to support host government led macroeconomic and regulatory reforms that encourage private sector investment, fiscal discipline, and more liberal trade and investment systems, 90 percent of USG assisted countries saw their global competitiveness index score rise.

- Through the President's Global Hunger and Food Security Initiative, Feed the Future, more than seven million farmers in 48 USG assisted countries applied new technologies or management practices, leading to increases in agricultural productivity and household income.

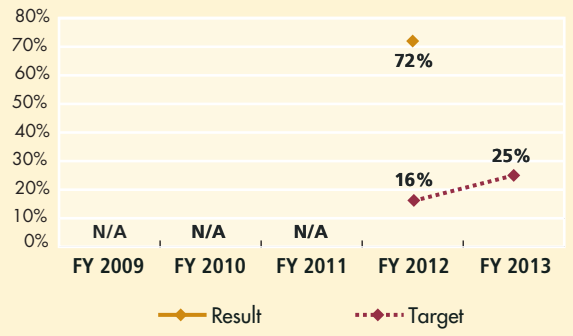
- In order to bolster USAID's efforts to mitigate the impact of global climate change, the Agency issued a new climate change and development strategy for the period 2012-2016. The strategy requires field missions to consider climate change in their programming, policy dialogues and operations in order to accelerate the transition to low emission development through investments in clean energy and sustainable landscapes, and build resilience of people, places and livelihoods through investments in adaptation.

Selected Strategic Priorities and Analyses

ECONOMIC GOVERNANCE: *A solid macroeconomic foundation for broad-based growth consists of sound fiscal and monetary policies, capable institutions, and governments' abilities to use these tools to manage the economy. U.S. assistance works to strengthen these foundations by establishing a stable and predictable macroeconomic environment that encourages the private sector to make productivity-enhancing investments. Countries with open, competitive economies tend to experience more rapid growth without sacrificing goals relating to poverty reduction or income distribution. The U.S. provides technical assistance and training to support the design and implementation of key macroeconomic reforms in money and banking policy, fiscal policy, trade and exchange rate policy, and national income accounting, measurement, and analysis.*

Analysis – Tax Administration and Compliance: Improved tax administration and compliance is linked to economic growth. When governments have more internally generated funds, they can invest in infrastructure, public services and social services that promote economic activity and productivity. Improved tax administration is most effective when it includes more complete audit and investigation coverage, modern customs enforcement and increased efficiency in tax submission and collection procedures. In those countries where USAID is working with governments to improve their tax systems, tax collections improved by 72 percent in FY 2012, far exceeding the 16 percent target.

Tax Administration and Compliance Improved (% Increase in Tax Collections) as a Result of U.S. Government Assistance



Source: FY 2012 Performance Plans and Reports from the U.S. Government Foreign Assistance Coordination and Tracking System.

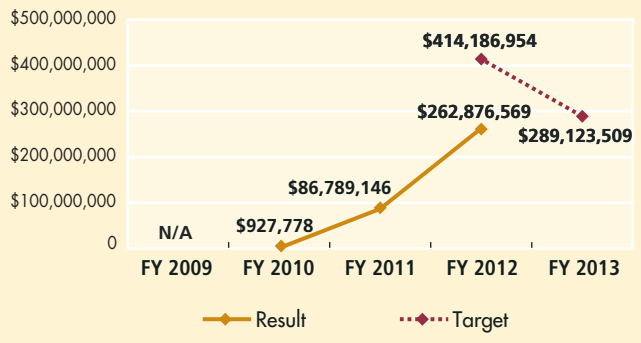
FY 2012 was the first year in which data was reported for this indicator.

AGRICULTURE: *There are more than a billion people suffering from hunger. Agriculture is a key driver to foster economic growth, reduce poverty and global hunger, and improve health. By the World Bank's estimates, agriculture is twice as effective in reducing poverty as investments in other sectors like manufacturing or mining. To become competitive in today's global marketplace, farmers need to integrate into the production chain—from farm to the grocery's shelf. To bring about this integration, U.S. Government activities, including support provided through the President's Feed the Future Initiative, promote the adoption of productivity enhancing technologies, improvement in product and quality control standards, and access to market information and infrastructure.*

Analysis – Farm Sales: In addition to working with rural households, farmers, and farm groups, U.S. agricultural assistance focuses on expanding access to markets by reducing trade barriers within and between countries. In FY 2012, USG investments increased the value of incremental farm sales from approximately $900,000 in FY 2010 to nearly $263 million in FY 2012. Activities such as the Staples Value Chain Program (NAFAKA) in Tanzania and the Family

Farming Program (FFP) in Tajikistan worked with farmers and agribusinesses to improve sales through credit, technology transfer, and marketing.

Value of Incremental Sales (Collected at Farm-Level) Attributed to FTF Implementation

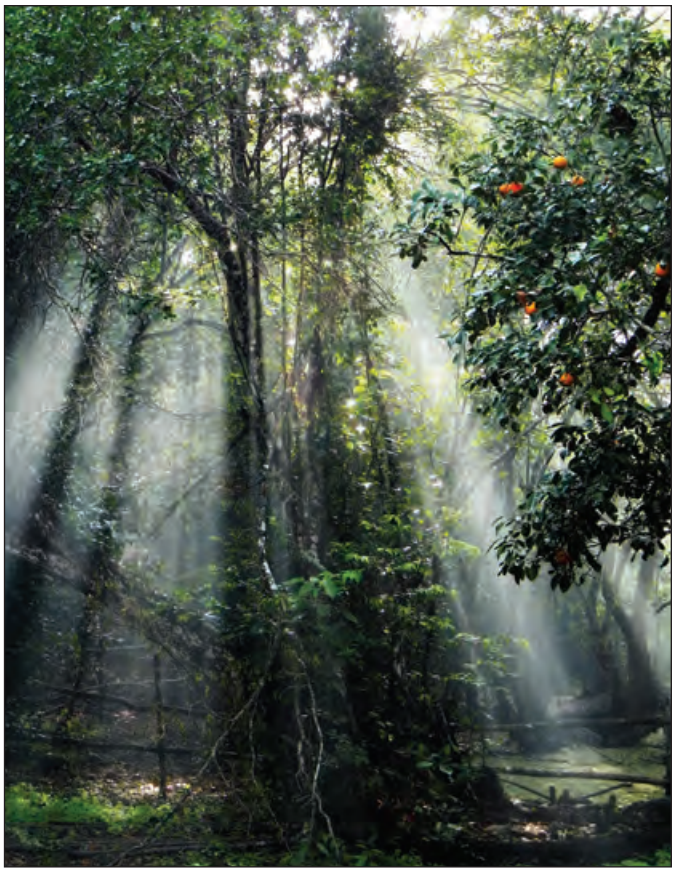


Source: FY 2012 Performance Reports from the Foreign Assistance Coordination and Tracking System.

FY 2010 was the first year in which data was reported for this indicator.

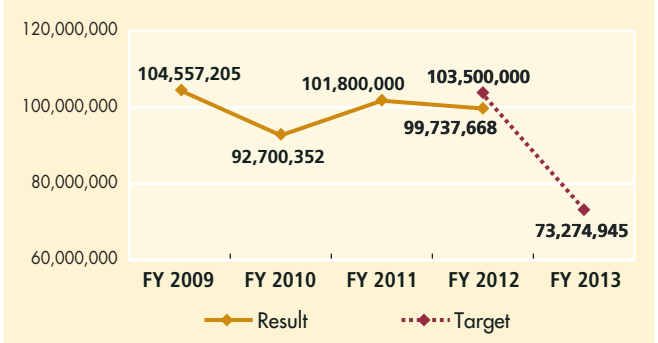
ENVIRONMENT: *Promote an integrated approach to natural resources management so that land and water can continue to sustain a growing world population. USG assistance helps support local efforts to protect land tenure rights, fight deforestation and plant trees, protect biodiversity, and mitigate and adapt to the effects of climate change.*

Analysis – Natural Resource Management: Worldwide impoverishment of ecosystems is occurring at an alarming rate, threatening development by reducing soil productivity and water, diminishing resilience to climate change, and driving species to extinction. This decline in ecosystems annually contributes about 20 percent of global greenhouse gas emissions. Through implementation of best practice approaches, increased technical or material capacity of resource managers, and a wide range of other context specific interventions, the USG helped put nearly 100 million hectares of biological significance under improved natural resource management in 15 targeted, high-priority countries.



USAID projects in the Maya Biosphere Reserve in Peten, Guatemala, focus on sustainable forestry management, ecotourism and the reduction of greenhouse gas emissions through reduced deforestation. USAID

Number of Hectares of Biological Significance and/or Natural Resources under Improved Natural Resource Management as a Result of U.S. Government Assistance



Source: FY 2012 Performance Reports from the Foreign Assistance Coordination and Tracking System.

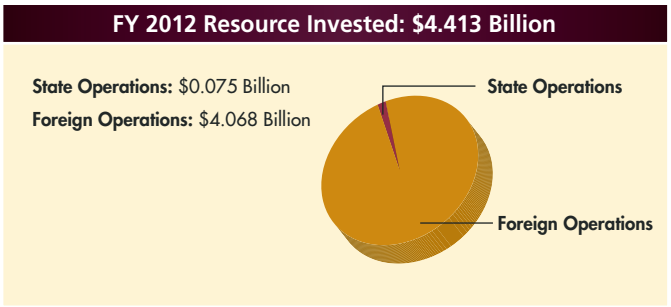
Strategic Goal 5: Providing Humanitarian Assistance

Save lives, alleviate suffering, and minimize the economic costs of conflict, disasters, and displacement.

Public Benefit

The Department of State and USAID are the lead U.S. Government Agencies that respond to complex humanitarian emergencies and natural disasters overseas. The United States gives more to those in crises than any other country in the world. Humanitarian assistance is provided on the basis of need, according to principles of universality, impartiality and human dignity. In addition to providing emergency relief in response to natural and man-made disasters, the State Department and USAID also focus on building host nation capacity to prepare for, respond to, and mitigate the consequences of disasters on their own. In tandem with non-profit partners and international organizations such as the World Food Program and UNICEF, the Department and USAID help those affected by disaster to cope and then begin again by converting crisis situations into opportunities to promote peace, democracy, and economic growth. Where appropriate, humanitarian assistance and longer-term development planning and programming are linked to effectively reduce the long-term cost of conflict and natural disaster and cyclical need for humanitarian assistance and facilitate a country's ability to transition away from relief assistance to developmental solutions.

The Philippine government estimates that Typhoon Bopha damaged or destroyed nearly 70,000 houses. Emergency shelter supplies flown into the region by USAID/OFDA are helping communities get back on their feet. USAID



Summary of Performance and Resources

The Department and USAID allocated $4.143 billion toward this Strategic Goal in FY 2012, which is eight percent of the total State-USAID budget for all strategic goals. The performance of the illustrative indicators is provided in the following section.

Key Selected Achievements

- The Department of State and USAID have provided more than $200 million in humanitarian assistance to conflict affected people in Syria and neighboring countries in the form of critical medical supplies, emergency health care, food, and relief supplies.
- The U.S. Government provided more than $1.5 billion in emergency food assistance in 36 countries in FY 2012, reaching 97 percent of its planned beneficiaries.
- In an effort to build disaster risk reduction capacity to mitigate the impact of natural disasters, the USG trained more than 6,872 representatives of local disaster preparedness and response organizations in FY 2012.

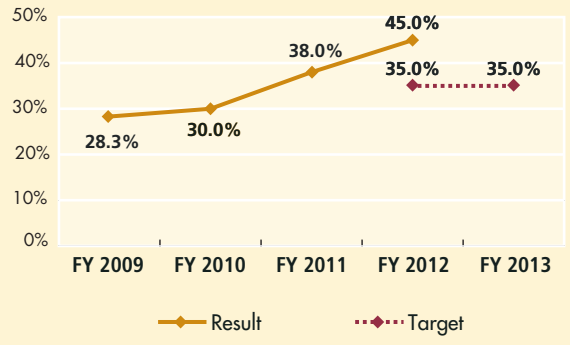
Selected Strategic Priorities and Analyses

PROTECTION, ASSISTANCE, AND SOLUTIONS: *Protect vulnerable populations (e.g. refugees, internally displaced persons, and others affected by natural disasters and human-made crises) from physical harm, persecution, exploitation, abuse, malnutrition, disease, and other threats by providing disaster relief, food aid, and humanitarian assistance.*

Analysis – Gender Protection: Combating gender-based violence (GBV) remains a United States priority. Available evidence suggests that the stress and disruption of daily life during complex humanitarian emergencies may lead to a rise in GBV. Efforts to prevent and combat GBV are integrated into multi-sectoral programs in order to maximize their effectiveness and increase protection generally. Combating GBV increases protection for women, children, and others at risk during complex humanitarian emergencies by preventing or responding to incidents of rape, domestic violence, forced marriage, sexual exploitation and abuse, and other forms of GBV. To support these efforts, community awareness, psychosocial counseling, health services and legal aid for survivors are mainstreamed into humanitarian programs.

Since 2000, the State Department's Bureau for Population, Refugees and Migration (PRM) has taken a leading role in raising and addressing the special protection needs of women and children in any humanitarian response by engaging with international and non-governmental organization partners to develop policies that better address the unique needs of women and children in conflict situations. In FY 2012, 45 percent of State funded NGO or other International Organization funded projects included activities to prevent and respond to GBV. Since 2000, PRM has provided over $60 million in targeted GBV programming.

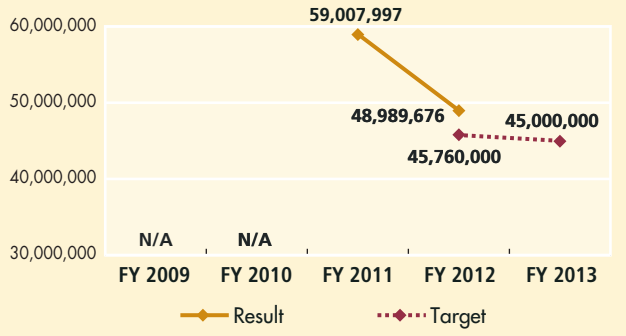
Percentage of NGO or Other International Organization Projects that include Dedicated Activities to Prevent and/or Respond to Gender-Based Violence



Source: Department of State, Bureau of Population, Refugees and Migration (PRM).

Analysis – Disaster Relief: USAID provides rapid response to meet the basic needs of populations affected by life-threatening disasters, both natural and complex. In FY 2012, USAID obligated $1.6 billion for humanitarian assistance worldwide. USAID's Office of U.S. Foreign Disaster Assistance (OFDA), as the U.S. Government's lead in international disaster response, reached nearly 50 million beneficiaries affected by 60 disasters in 53 countries during FY 2012 and provided targeted assistance to almost 30 million internally displaced persons (IDPs) in North, West, Central, and Southern Africa and the Horn of Africa, Central, South, and Southeast Asia, Central and South America, and the Caribbean. Major components of OFDA's humanitarian assistance activities include food, shelter, water, sanitation and hygiene (WASH), and public health.

Number of Internally Displaced and Host Population Beneficiaries Provided with Basic Inputs for Survival, Recovery or Restoration of Productive Capacity as a Result of U.S. Government Assistance



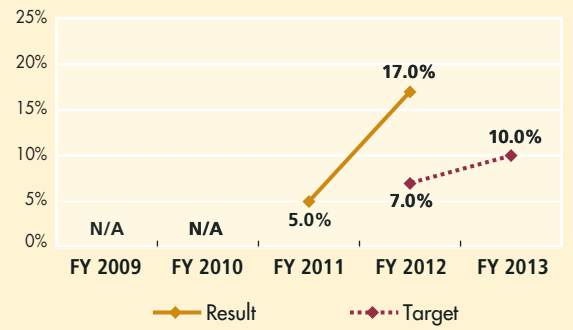
Source: USAID Internal award tracking system (abacus), third-party reporting, IO reporting, NGO reports, individual contacts, etc.

FY 2011 was the first year in which data was reported for this indicator.

Analysis – Disaster Readiness: Each year, USAID provides humanitarian assistance in the wake of natural disasters such as earthquakes, floods, and volcanoes. To minimize the risks of these and future disasters, USAID funds numerous disaster preparedness and mitigation programs. By making these strategic investments, USAID is saving lives, alleviating suffering, and reducing the economic impact of disasters by organizing and preparing communities before they are in jeopardy. By empowering individuals at the host government, community, and local levels to identify, prevent, mitigate, and

respond to future crises, USAID continues to work toward advancing self-sufficiency in disaster management. OFDA works closely with vulnerable communities, national and local governments, international and regional organizations, universities, and non-governmental organizations to build Disaster Risk Reduction (DRR) capacity, and has been making significant progress in building local resilience to disasters. Within the past five years, 17 percent of local Bureau for Democracy, Conflict, and Humanitarian Assistance partners implemented risk reducing practices to improve their country's preparedness and response to natural disasters, a mark well above the seven percent target and more than triple the FY 2011 result.

Percentage of Host Country and Regional Teams and/or Other Stakeholder Groups Implementing Risk-Reducing Practices/Actions to Improve Resilience to Natural Disasters as a Result of U.S. Government Assistance within the Previous 5 Years



Source: USAID Internal award tracking system (abacus), third-party reporting, IO reporting, NGO reports, individual contacts, etc.

FY 2011 was the first year in which data was reported for this indicator.

STRATEGIC GOAL 6:
PROMOTING INTERNATIONAL UNDERSTANDING

Achieve foreign policy goals and objectives and enhance national security by fostering broad, mutually-respectful engagement and mutual understanding between American citizens and institutions and their counterparts abroad.

PUBLIC BENEFIT

The Department recognizes the central role of public diplomacy as a tool and an essential element of 21st century statecraft, and has committed to renewing America's engagement with the people of the world by enhancing mutual respect and understanding, and creating partnerships aimed at solving common problems. To address the challenges of today, the Department has developed the first detailed global strategy for public diplomacy in more than a decade, ensuring its alignment with foreign policy objectives. Public diplomacy programs explain American society and culture and policy making to a broader international public. By improving their understanding of American society and values, the United States can establish a positive narrative and framework for policy discussions.

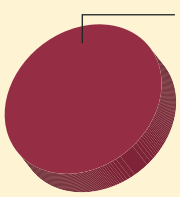
Secretary of State Clinton, accompanied by U.S. Ambassador to Timor-Leste Judith R. Fergin, is greeted by traditional dancers at the Cooperativa Café Timor in Dili, Timor-Leste, September 6, 2012. Established in 1994 with the support of USAID, the self-supporting cooperative has now expanded to vanilla, clove, cacao, and cassava production for export. UNMIT photo by Bernardino Soares. Department of State

SUMMARY OF PERFORMANCE AND RESOURCES

The Department and USAID allocated $0.741 billion toward this Strategic Goal in FY 2012, which is one percent of the total State-USAID budget for all strategic goals. The performance of the illustrative indicator is provided in the following section.

FY 2012 Resource Invested: $0.741 Billion

State Operations: $0.741 Billion
Foreign Operations: $0.0 Billion



Key Selected Achievements

- The Department's *Fund for Innovation in Public Diplomacy* enables embassies to quickly capitalize on public diplomacy opportunities that advance Department policy priorities. In 2012, the Under Secretary for Public Diplomacy conducted a special Innovation Fund competition to advance Economic Statecraft; 33 projects were funded, for a total of $1.5 million, on topics including entrepreneurship, skills training for women and youth, travel, and tourism.
- ***International Media Engagement:*** The Department continued to expand its capacity to reach international audiences by engaging foreign broadcast, print and digital media through Regional Media Hubs, foreign language spokespeople and innovative uses of technology. The Department's six Regional Media Hubs are positioned strategically around the globe in major media markets to reach the most influential global and regional outlets. As virtual extensions of the Department of State's Spokesperson's podium, the Hubs respond to the rapidly moving international media environment to amplify the U.S. Government's highest priority policy messages. Hub video teams traveled to support major policy events, capturing footage of U.S. officials in action for distribution

to broadcast and digital media via satellite and the State Department's newly launched online video distribution platform—StateOnDemand. Spokespeople amplified the President and Secretary's messages in Arabic, Farsi, Spanish, Urdu, Dari, and other languages to ensure accurate coverage of U.S. policy in foreign media. In addition, media all over the world accessed senior policymakers in Washington via LiveAtState virtual press conferences, which use state-of-the-art technology to link foreign journalists and bloggers with U.S officials for meaningful discussions.

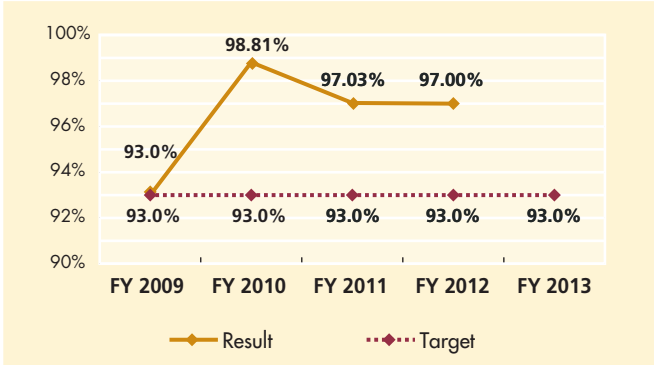
- ***Crisis Communications Surge Capacity:*** To ensure that the Department can disseminate accurate and timely information to both domestic and foreign audiences during a crisis, the Department's Bureau of Public Affairs established the *Public Affairs Fly Away Communications Team (PA FACT)*. These rapid response teams deploy on a short-term basis to provide expertise and equipment for posts in time of crisis. PA FACT members also train and deploy with larger inter-agency teams to provide strategic messaging support for complicated operations during international crises.
- ***Social Media:*** The Department continued to expand its social media outreach by routinely scheduling global online engagements in up to nine languages on a variety of social media platforms, from Facebook to Twitter to Google+. The Spokesperson responded to questions received from Twitter at the podium for the first time, and the Department conducted its first-ever Google+ Hangout in Farsi for Persian-language journalists. The State Department's flagship social media sites saw exponential growth across platforms, and online audiences interacted with content tailored to their interests with the launch of "My State Department" on state.gov.

Selected Strategic Priorities and Analyses

NURTURE COMMON INTERESTS: *Expand international understanding of common interests and values through messages and programs built on areas in which U.S. Government expertise corresponds to the interests and needs of its partners and counterparts.*

Analysis: The Department assesses educational and cultural exchange program performance by collecting data directly from program participants. The illustrative indicator below measures the percentage of exchange participants who reported an increase or positive change in their understanding of the United States (political and economic institutions, norms, and values) immediately following the conclusion of their programs. In FY 2012, the Department again exceeded its target, with more than 97 percent of foreign publics reporting an increased or positive change in understanding. Statistics are compiled from surveys of actual participants ("alumni") of exchange programs. While there are many factors that could account for variations from year to year, what is most important is the trend: each year, overwhelmingly, the participants' perceptions of the United States are positively impacted by their experiences. Other indicators measured changes in exchange participant favorability toward the U.S. Government (71 percent reported a more favorable view in FY 2012), and toward the American people (85 percent reported a more favorable view in FY 2012), as a result of their participation in an exchange program. These results show the effectiveness of educational and cultural exchange programs in positively and substantively reshaping understanding of, and attitudes toward, the United States.

Percentage of Participants Who Increased or Changed Their Understanding of the United States Immediately Following Their Program



Source: U.S. Department of State, Bureau of Educational and Cultural Affairs.

Strategic Goal 7:
Strengthening Consular and Management Capabilities

Assist American citizens to travel, conduct business, and live abroad securely, and ensure a high quality workforce supported by modern, secure infrastructure and operational capabilities.

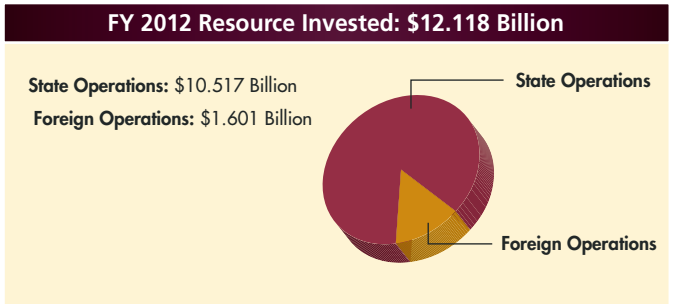
Public Benefit

Approximately 6.3 million U.S. citizens reside abroad, and U.S. citizens make about 65 million trips overseas every year. The Department provides citizen support throughout the cycle of life, from certifying the birth of U.S. citizens born abroad, to assisting families when a U.S. citizen dies overseas. The Department also assists U.S. citizens whose children have been wrongly taken to or retained in foreign countries. The Department continues, in collaboration with the Department of Homeland Security and other agencies, to protect America's homeland with improved technology and efficiency at ports of entry and in visa processing, smarter screening technology for Government officials, and more secure U.S. travel documents (both visas and passports). In support of this strategic goal, the Department is pursuing a multi-year hiring program to build the talented, diverse workforce needed to handle our foreign policy priorities and strengthen diplomacy.

From left to right, Embassy Cairo Public Diplomacy Officer Adam Lenert, Embassy Riga Chief Consul Tim Buckley, Embassy Dhaka Chief Consul Bill Hammaker, and Embassy Cairo Consular Affairs Officer Jessica Adams, pose for a photo with an American couple at the Cairo International Airport in Egypt, February 7, 2011. Department of State

Summary of Performance and Resources

The Department and USAID allocated $12.118 billion toward this Strategic Goal in FY 2012, which is 23 percent of the total State-USAID budget for all strategic goals. The performance of the two illustrative indicators is provided in the following section.



Key Selected Achievements

- The Integrated Logistics Management System (ILMS), the Department's global platform for integrating post logistics operations with Washington headquarters and Regional Centers, became fully deployed domestically and overseas at 260+ posts. Critical to ensuring diplomatic personnel around the world can provide the goods and services that are essential to support the Department's mission, ILMS was recognized by the American Council for Technology-Industry Advisory Council (ACT-IAC) through two prestigious awards. ILMS was selected from thirty finalists and six categories across all of Government by ACT-IAC's Overall Winner for Excellence.gov Top Government Programs and the winner for Excellence in Enterprise Efficiencies.
- The Denver Resident Office and Miami Field Office received Leadership in Energy and Environmental Design (LEED) Silver certification.

- The Department won the 2012 Archivist's Achievement Award for innovative and cost-effective use of technology for a records management tool that is being promoted as a best practice in the U.S. Government.
- Global OpenNet: IRM successfully deployed its modernized remote access solution, Global OpenNet (GO). GO provides more user-desktop functionality to remote end users, making staff more productive when teleworking.
- The Department continues to strengthen its global financial platform and endeavor to carry out the expanding landscape of financial initiatives, compliance, and reporting requirements. For FY 2012, the Department received an unqualified or "clean" opinion from its Independent Auditor on our annual Agency-wide Financial Statements and an unqualified statement of assurance for our internal controls over financial reporting.
- A key USAID priority is USAID Forward, an initiative aimed at changing the way the Agency does business in order to more effectively achieve high impact development while making the best use of limited resources. From attracting and retaining talented Agency staff to creating new monitoring and evaluation systems and revitalizing our policy, financial, and technical expertise, USAID is strengthening its core capacity to achieve broader and deeper development results while reducing costs. The Agency met its Talent Management targets of 85 percent fill rates for Critical Priority Countries without the use of directed assignments.
- Under USAID Forward, the Implementation and Procurement Reform Initiative focuses on improving how it does business—contracting with and providing grants to more and varied local partners, and forging partnerships to create the conditions where assistance is no longer necessary in the countries where USAID works. In 2012, the Agency made an estimated 608 new awards to local partners from 33 missions.

Selected Strategic Priorities and Analyses

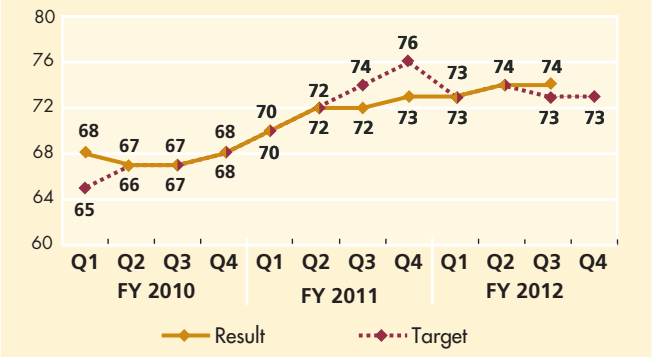
HUMAN RESOURCES: *Ensure a high-quality workforce with appropriate skill sets for today's global context.*

Analysis: During FY 2012, the Department and USAID began reporting its results quarterly for the goal to strengthen diplomacy and development by leading through civilian power. The following two illustrative indicators for Strategic Goal 7 show quarterly data for staffing priority for language designated positions and positions in Afghanistan, Iraq, and Pakistan (AIP).

The language-designated position (LDP) fill rate is the percent of all language-designated positions filled by incumbents meeting or exceeding the language requirement for the position. Since FY 2010, the Department has experienced a steady increase in the LDP fill rate because of Diplomacy 3.0, the Department's multi-year hiring program that began in 2009. The goals of Diplomacy 3.0 have been to mitigate extended vacancies caused by increased commitments at priority posts such as Afghanistan, Iraq and Pakistan (AIP); eliminate the mid-level staffing deficit; build in a training component; and strengthen the service with the right mix of entry-level, mid-level and senior employees. Under the Diplomacy 3.0 umbrella are various recruitment and training initiatives. For example, the Department has recruited individuals with language skills (Chinese Mandarin and Portuguese) to fill limited non-career appointments at posts with high volumes of visa adjudication, such as posts in Brazil and China. Additionally, with an increase in training, the Department has been able to provide more opportunities for short- and long-term foreign language training in priority languages such as Arabic and Chinese Mandarin, which take two years of training to become proficient.

With guidance from the Office of Management and Budget, the Department revised its FY 2012 and FY 2013 LDP fill rate targets based on FY 2012 funding, and the assumption that future funding levels might be less than funding requests. If resources remain at lower than requested levels, our improvement trend in the LDP fill rate may begin to plateau. The Department will continue to allocate staff to the highest global priorities and to maximize the number of LDPs that are filled to requirements, using available resources.

High Performance/Agency Priority Goals Increase the LDP Fill Rate with Qualified Incumbents

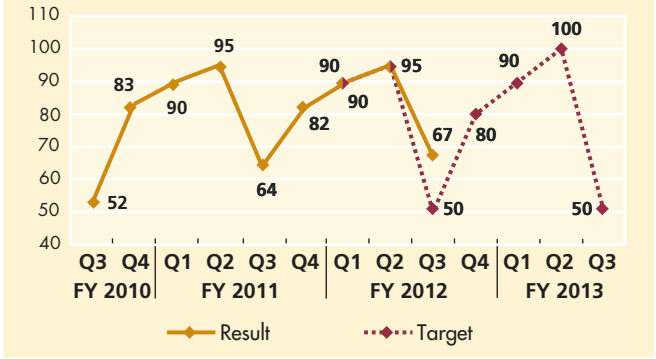


Source: Department of State, HR/RMA Position Data.

Analysis: The Staffing High Priority Posts metric is a measure of the percentage of AIP positions filled for the current assignment cycle, which begins one full year in advance of the rotation dates. This is not a real time metric of AIP staffing rates.

The targets for this metric illustrate the nature of the AIP assignment cycle. The AIP assignment cycle begins in the second/third quarter, about three months before the regular summer assignment cycle, and ends in the second quarter of the following fiscal year. Accordingly, the target is at its maximum value in the second quarter when the assignment cycle ends, and the target is at its lowest value in the third quarter when the new assignment cycle begins.

Agency Priority Goals Priority Post (AIP) Staffing



Source: Department of State, HR/RMA Position Data.

Current AIP fill rates for the 2013 summer (third quarter) assignment cycle, which we began tracking in the third quarter of 2012, are on par with previous assignment cycles. Staffing AIP posts continues to be a priority for the Department. Using a variety of recruitment strategies, which include robust incentive packages, the Department has consistently met staffing requirements in those posts with volunteers, bypassing the need for directed assignments.

The Department will continue to review long-term and short-term staffing requirements at these three embassies and constituent posts, which will inform future recruitment strategies and policies.

Financial Highlights

The Agency Financial Reports (AFRs) of the Department of State and USAID disclose the agencies' financial status and provide transparency and accountability to the American people, Congress, and the President—including both successes and challenges. The reports provide a snapshot in time of the immense financial work undertaken by each agency's financial personnel to exercise good stewardship and management of public funds. The AFRs present each agency's audited financial statements and notes, Management's Discussion and Analysis, and performance and other required information.

Below are summary highlights of the AFRs for both the Department of State and USAID for FY 2012. Following the highlights are tables containing key financial information on each agency's assets, liabilities, and net position in the Balance Sheet Summary; information on each agency's net cost of operations in a Net Cost of Operations Summary; and available resources in a Budgetary Resources Summary. Both agencies' AFRs are posted online. For a complete Department of State AFR, see *http://www.state.gov/documents/organization/200506.pdf*. For the USAID AFR see, *http://www.usaid.gov/results-and-data/progress-data/agency-financial-report/*.

Department of State: The scale and complexity of the Department's activities and corresponding financial management requirements continue to grow in the face of a wide range of global and regional issues. Financial staff operates in more than 270 locations, 180 countries, and in over 135 currencies and foreign languages, often in the most challenging environments. Despite these complexities, the Department is steadfast in its financial responsibilities to the American people in the pursuit of an efficient, accountable, and transparent financial management platform that enhances the Department's foreign affairs mission.

The external financial statement audit is now a year-round process and focus for the Department as we work to deliver meaningful financial statements by November 15 and demonstrate the Department's strong financial management practices. The Department received an unqualified or "clean" opinion from the Independent Auditor for FY 2012.

The Federal Managers' Financial Integrity Act (FMFIA) requires that agencies establish effective internal controls. The Department remains committed to strong corporate governance and internal controls, and maintains a robust system of internal controls overseen and validated by senior leadership. At the close of FY 2011, the Department reported material weaknesses in internal controls related to the accounting for FSN after-employment benefits and the Educational and Cultural Affairs (ECA) Summer Work Travel (SWT) program. In FY 2012, Department staff worked diligently and resolved the material weakness regarding the complex task of accounting for FSN After-Employment Benefits around the world. As a result, the Department reported an unqualified statement of assurance as of September 30 for the internal control over financial reporting. The SWT Program was first identified during FY 2011 due to insufficient oversight to ensure the health, safety, and welfare of the SWT participants. Throughout FY 2012, the Department took unprecedented action to address the weaknesses in the SWT program. While great strides have been made to strengthen the oversight of the program, there is more to do, including the verification that the improvements made are working as intended. For this reason, the Department elected to continue to report the matter as a material weakness for FY 2012.

USAID: During FY 2012, the Agency made significant progress toward resolving the complex and long-standing unexplained cash balance differences between our general ledger and the U.S. Treasury. This amount was reduced by approximately 90 percent between September 30, 2011 and September 30, 2012. The Agency also made great strides towards improving the efficiency of operations and accuracy and reliability of financial data during FY 2012, including but not limited to the migration of the global missions cash reconciliation tool to a Web-based platform, and reducing aged suspense account items by 56 percent as of September 30, 2012. However, the Agency received a qualified opinion on its FY 2012 financial statements for the first time in nine years. This was primarily due to auditor concerns that "unsupported adjustments" during the cash remediation process resulted in a material weakness.

USAID can provide reasonable assurance that its financial systems substantially comply with financial system requirements and applicable provisions of FFMIA as of September 30, 2012. The Agency will continue its efforts to satisfactorily resolve all known weaknesses or deficiencies, and maintain its current excellent standards of service to global missions.

Balance Sheet Summary

The following Condensed Balance Sheets present the assets, liabilities and net position of each agency.

Department of State: Total Assets increased $5.9 billion or eight percent over FY 2011 levels. Fund Balance with Treasury was up $3.8 billion due to an increase in unexpended appropriations. Property and Equipment increased $1.5 billion due to continued emphasis on the construction of new embassies and necessary security upgrades at existing embassies. Investment balances in U.S. Government securities for the Foreign Service Retirement and Disability Fund increased by $495 million during the year. Total Liabilities increased $1.3 billion in 2012, or five percent, compared to 2011. The After-Employment Benefit Liability (78 percent of total liabilities) increased by $1.2 billion. This liability includes amounts owed in the Foreign Service Retirement and Disability Fund for Foreign Service retirees and amounts due to Foreign Service Nationals for after-employment benefits. Accounts Payable increased by $643 million and the International Organizations Liability increased $233 million.

USAID: Total assets increased by nearly three percent in FY 2012 over the previous fiscal year. Fund Balance with Treasury (unspent appropriations) represented 87 percent of these total assets. The Agency's liabilities decreased by seven percent, due mainly to the pay down of Liability for Capital Transfers to the General Fund of the Treasury, as well as of Other Liabilities.

Net Cost of Operations Summary

The chart on the following page shows each agency's gross costs less earned revenue called net cost, presented by each Joint Strategic Goal. These goals or objectives are consistent with the State-USAID Joint Strategic Goal Framework. Executive Direction and Operating Unit Management are costs that cannot be directly traced or reasonably allocated to strategic goals; however, these costs are captured and included in the total net cost of operations.

CONDENSED BALANCE SHEETS
As of September 30, 2012

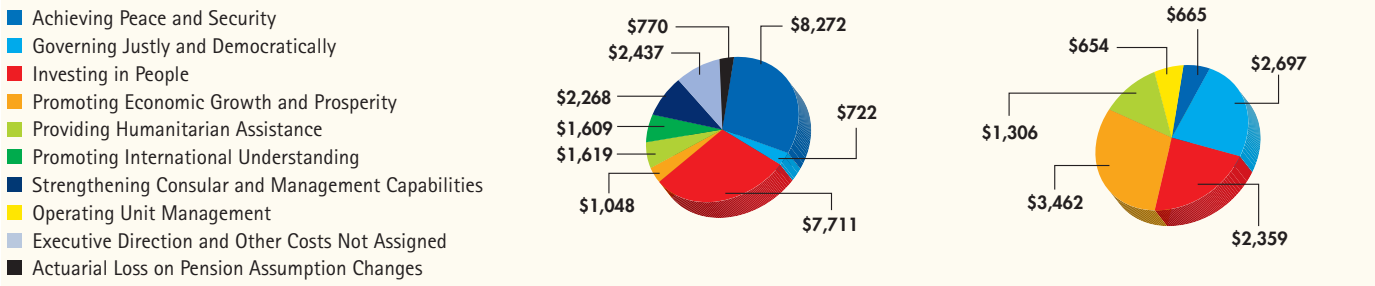
($ in millions)	State	USAID
Assets:		
Fund Balance with Treasury	$ 44,223	$ 28,999
Investments, Net	16,928	–
Property, Plant, and Equipment, Net	16,087	106
Accounts, Loans, and Interest Receivables, Net	632	2,862
Advances, Prepayments, Other Assets	1,702	1,187
Total Assets	**$ 79,572**	**$ 33,154**
Liabilities:		
After-Employment Benefit Liability	$ 19,893	$ –
Liability for Capital Transfers to the General Fund of the Treasury	–	2,614
Accounts Payable	2,793	1,989
Loan Guaranty Liability	–	2,012
International Organizations Liabilities	1,425	–
All Other Liabilities	1,316	1,805
Total Liabilities	**$ 25,427**	**8,420**
Net Position:		
Unexpended Appropriations	35,312	21,632
Cumulative Results of Operations	18,833	3,102
Total Net Position	**54,145**	**24,734**
Total Liabilities and Net Position	**$ 79,572**	**$ 33,154**

Department of State: Total net cost of $26.5 billion is an increase of 14 percent or $3.3 billion over 2011. The goals of Achieving Peace and Security, Investing in People, and Strengthening Consular and Management Capabilities account for most of this change. As seen in the Net Cost by Strategic Goal chart, the goal of Achieving Peace and Security is the largest. This goal included an International Narcotics and Law Enforcement (INL) cost increase of $376 million. The increase includes contractual expenses, educational grants and personnel costs. The Strengthening Consular and Management Capabilities goal accounted for $1.5 billion of the increase in total cost. This was comprised of support cost for Diplomatic and Consular Programs and Diplomatic Security functions. Our second largest goal, Investing in People, accounted for $1.2 billion of the total net cost increase. This was primarily the result of an increase in initiatives for Global Health Programs, formerly known as Global Health and Child Survival.

USAID: The Statement of Net Cost reflects the amounts spent on achieving the Agency's six objectives, which are consistent with the State-USAID Joint Strategic Goal Framework. In FY 2012, three objectives: Governing Justly and Democratically, Investing in People, and Economic Growth and Prosperity combined to represent 76 percent of total net cost, with the latter contributing 31 percent to the total.

NET COST OF OPERATIONS
For the Year Ended September 30, 2012 ($ in millions)

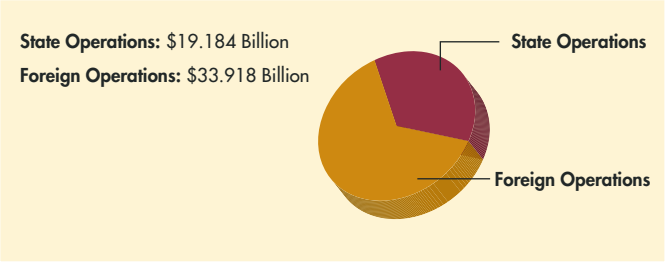
Strategic Goal	STATE Net Cost	STATE Percent of Total Net Cost	USAID Net Cost	USAID Percent of Total Net Cost
Achieving Peace and Security	$ 8,272	31%	$ 665	6%
Governing Justly and Democratically	722	3%	2,697	24%
Investing in People	7,711	29%	2,359	21%
Promoting Economic Growth and Prosperity	1,048	4%	3,462	31%
Providing Humanitarian Assistance	1,619	6%	1,306	12%
Promoting International Understanding	1,609	6%	N/A	N/A
Strengthening Consular and Management Capabilities	2,268	9%	N/A	N/A
Other Cost Category				
Operating Unit Management	N/A	N/A	654	6%
Executive Direction and Other Costs Not Assigned	2,437	9%	N/A	N/A
Actuarial Loss on Pension Assumption Changes	770	3%	N/A	N/A
Total Net Cost of Operations	**$ 26,456**	**100%**	**$ 11,143**	**100%**



BUDGETARY RESOURCES SUMMARY

The FY 2012 budget by the seven Joint State-USAID Strategic Goals totaled $53.102 billion. This included $19.184 billion for State Operations and $33.918 billion for Foreign Operations. This amount included appropriations contributions to international organizations, diplomatic and consular programs, and foreign assistance, among others.

Summary of FY 2012 Total Resource Invested: $53.102 Billion



ACKNOWLEDGMENTS

The Joint Summary of Performance and Financial Information for FY 2012 was prepared by the State Department's Bureau of Budget and Planning and the Office of U.S. Foreign Assistance Resources; and USAID's Bureau for Policy, Planning, and Learning, Office of Learning, Evaluation and Research.

The Joint Summary of Performance and Financial Information for FY 2012 Core Team is composed of Stephanie Cabell, Carol Gower, Lawrence Hamlet, Holly Herrera, John Kays, Tim MacDonald, Travis Mayo, Gary Russell, Erica Victoria, Curt Wahl and Wendy Williams.

We Offer Our Special Thanks to The DesignPond team of Sheri Beauregard and Michael James for its outstanding contributions to the design of the report.

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FY 2013 Department of State Congressional Budget Justification: Volumes 1 and 2
(FY 2012 Annual Performance Reports and FY 2012 Annual Performance Plans for
State Operations and Foreign Assistance are included in the Congressional Budget Justification)
http://www.state.gov/s/d/rm/rls/statecbj/2013/
http://www.usaid.gov/results-and-data/progress-data/annual-performance-report

USAID *FORWARD*
http://www.usaid.gov/results-and-data/progress-data/usaid-forward

CONTACT INFORMATION

We welcome your comments on this report. Please contact us by phone or e-mail as follows.

Department of State General Information: 202-647-4000 or performanceandplanning@state.gov

USAID General Information: 202-712-0000 or pmanagement@usaid.gov

Electronic versions are available at:
http://www.state.gov/s/d/rm/rls/perfrpt/2012performancesummary/index.htm
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