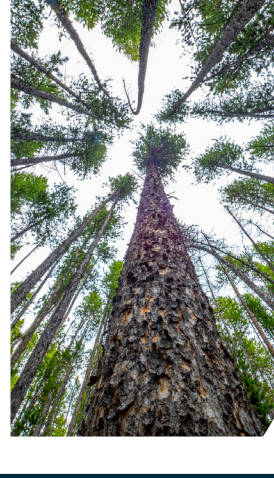




U.S. Department of Agriculture  
Office of Inspector General



# Foreign Agricultural Service's Oversight of the Regional Agricultural Promotion Program

## Audit Report 07601-0003-41

We found that FAS' review process adequately ensured RAPP participants' proposed activities aligned with the program's purpose but did not adequately ensure that participants' performance measures could sufficiently assess progress toward RAPP's goal of increasing export sales.

### OBJECTIVES

Our objectives were to evaluate FAS' RAPP to determine whether FAS had adequate processes to ensure that participants' (1) proposed activities aligned with RAPP's purpose, and (2) performance measures can sufficiently assess progress toward RAPP's goal.

### BACKGROUND

FAS awarded \$300 million to RAPP participants in fiscal year 2025 through agreements. These awards assisted these participants in conducting market promotion activities, such as addressing existing or potential non-tariff barriers to trade or promoting U.S. agricultural commodities in certain foreign markets.

### REVIEWED

We focused our audit on FAS RAPP's 67 participants that were awarded funding in fiscal year 2025. We reviewed and analyzed documentation for a non-statistical sample of seven participants to determine the adequacy of FAS' RAPP application review process for ensuring participants' proposed activities aligned with the program's purpose and performance measures can sufficiently assess progress toward RAPP's goal.

### WHAT OIG FOUND

The Foreign Agricultural Service's (FAS) review process adequately ensured Regional Agricultural Promotion Program (RAPP) participants' proposed activities aligned with the program's purpose. However, FAS could not demonstrate that performance measures included in the RAPP agreements fully met program requirements. Specifically, we found that FAS did not address issues found during its application review, regarding the performance measures proposed for four of the seven sampled participants. This occurred because FAS relied on an informal practice of verbal resolution. As a result, this practice reduces FAS' assurance that participants' proposed activities will achieve RAPP's goal of increasing export sales.

### WHAT OIG RECOMMENDS

We recommend that FAS: (1) develop and implement procedures to address and document resolution of any issues reviewers identify during the application review process; and (2) identify and resolve performance measures that do not meet RAPP requirements when reviewing participants' annual performance evaluation reports.

FAS agreed with our finding and recommendations and we accepted management decision for both recommendations.



## OFFICE OF INSPECTOR GENERAL

United States Department of Agriculture



**DATE:** June 23, 2026

**AUDIT**

**NUMBER:** 07601-0003-41

**TO:** Daniel B. Whitley  
Administrator  
Foreign Agricultural Service

**ATTN:** Timothy "Travis" Tomlinson  
Audit Liaison  
Foreign Agricultural Service

**FROM:** Janet Sorenson  
Assistant Inspector General for Audit

**SUBJECT:** Foreign Agricultural Service's Oversight of the Regional Agricultural Promotion Program

This report presents the results of our audit of Foreign Agricultural Service's Oversight of the Regional Agricultural Promotion Program. Your written response to the official draft is included in its entirety at the end of the report. Based on your written response, we are accepting management decision for both recommendations in the report, and no further response to this office is necessary.

In accordance with Departmental Regulation 1720-1, final action needs to be taken within 1 year of the date of each management decision. Please follow your internal agency procedures in forwarding final action correspondence to the Office of the Chief Financial Officer.

We appreciate the courtesies and cooperation extended to us by members of your staff during our fieldwork and subsequent discussions. This report contains publicly available information and will be posted in its entirety to our website (<https://usdaoig.oversight.gov>) in the near future.

## **Table of Contents**

---

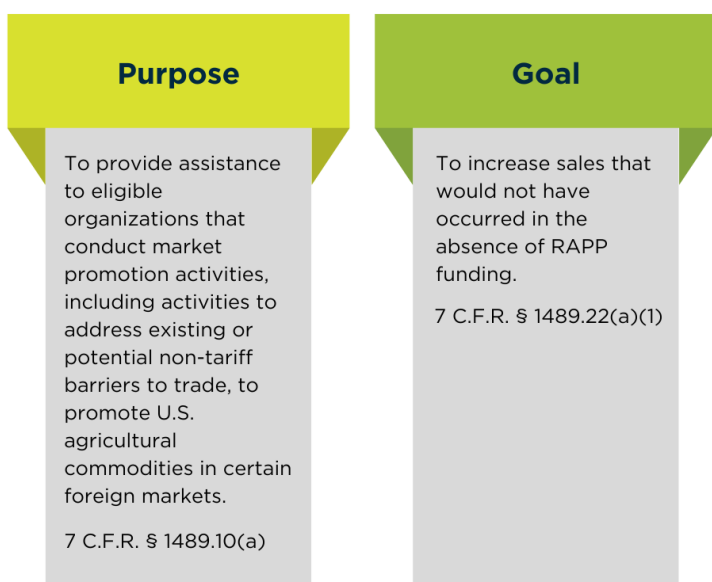
<b>Background and Objectives .....</b>	<b>1</b>
<b>Overall Conclusion.....</b>	<b>3</b>
<b>Finding 1: FAS Did Not Resolve Issues Identified During Its RAPP</b>	
<b>Application Review .....</b>	<b>4</b>
<b>Recommendation 1 .....</b>	<b>5</b>
<b>Recommendation 2 .....</b>	<b>6</b>
<b>Scope and Methodology.....</b>	<b>7</b>
<b>Abbreviations .....</b>	<b>9</b>
<b>Agency’s Response .....</b>	<b>10</b>

# Background and Objectives

---

## Background

The U.S. Department of Agriculture (USDA) created the Regional Agricultural Promotion Program (RAPP) to address significant, unpredictable worldwide challenges such as an increasing agricultural trade deficit and greater competition in U.S. export markets. USDA’s Foreign Agricultural Service (FAS) administers the program on behalf of the Commodity Credit Corporation to achieve its purpose and goal, as defined by the Code of Federal Regulations (C.F.R.), illustrated in Figure 1.



**Figure 1: FAS’ RAPP program purpose and goal as defined by regulations. Figure by the Office of Inspector General (OIG).**

To support RAPP’s purpose, FAS issued the fiscal year 2025 Notice of Funding Opportunity (NOFO), which outlined specific program requirements and application instructions for eligible organizations seeking assistance.<sup>1</sup> FAS provided this assistance to 67 participants in fiscal year 2025 through cost-share agreements that reimbursed participants for approved foreign market development activities such as market research and participation in USDA-endorsed trade shows. FAS awarded the 67 participants a total of \$300 million to accomplish RAPP’s objectives.

proposed foreign market promotion and development activities. For each market listed in the plan, applicants were also required to describe constraints impeding U.S. exports or market opportunities, and the proposed strategies to address them. Applicants were further required to define at least one outcome performance measure to determine success in addressing each constraint or opportunity.<sup>2</sup> Approved applicants are then required to evaluate and report on each measure in an annual performance evaluation report.<sup>3</sup>

The NOFO required applicants to submit a marketing plan outlining their

---

<sup>1</sup> Eligible organizations include nonprofit U.S. agricultural trade organizations, nonprofit State regional trade groups, agricultural cooperatives, and State agencies that conduct approved foreign market promotion activities. In certain circumstances, for-profit U.S. commercial entities may participate through a RAPP participant.

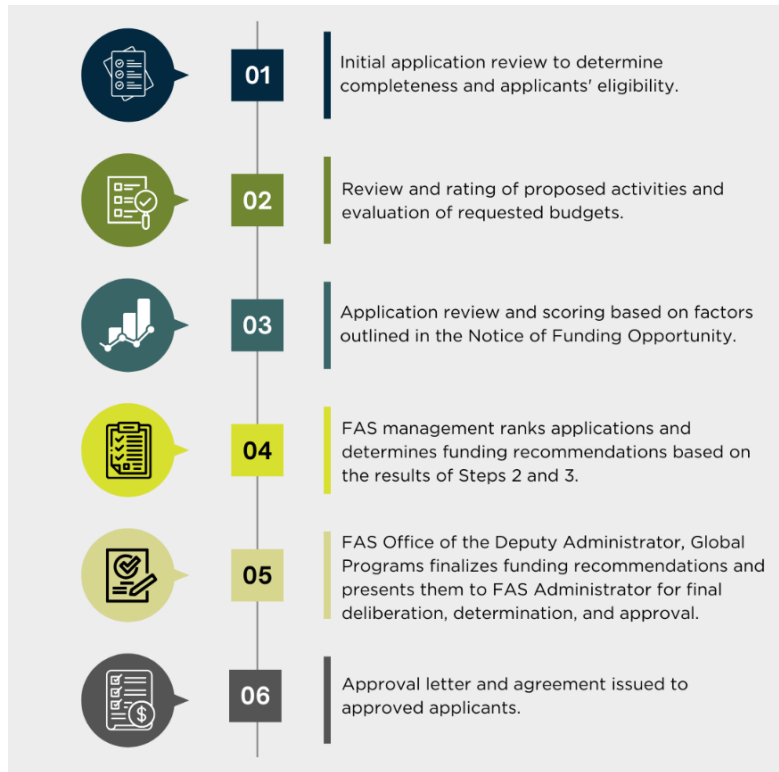
<sup>2</sup> Office of Management and Budget’s Circular No. A-11 (2025) defines an outcome measure as a measure that describes the intended result of carrying out a program or activity. Outcome measures indicate progress against achieving the intended result of a program.

<sup>3</sup> FAS NOFO, *2025 Regional Agricultural Promotion Program*, USDA–FAS–RAPP–2025, § F, “Federal Award Administration Information: Program Performance Reporting Requirements.”

Additionally, the NOFO outlined the processes FAS should use to assess the RAPP applications and award funding, as illustrated in Figure 2. Steps 2 and 3 describe the requirements FAS reviewers used to assess applicants' proposed activities and performance measures.

## Objectives

Our objectives were to evaluate Foreign Agricultural Service's (FAS) Regional Agricultural Promotion Program (RAPP) to determine whether FAS had adequate processes to ensure that participants' (1) proposed activities aligned with RAPP's purpose, and (2) performance measures can sufficiently assess progress toward RAPP's goal.



**Figure 2: Depiction of FAS' RAPP 2025 multi-phase application review and funding process. Figure by OIG.**

## Overall Conclusion

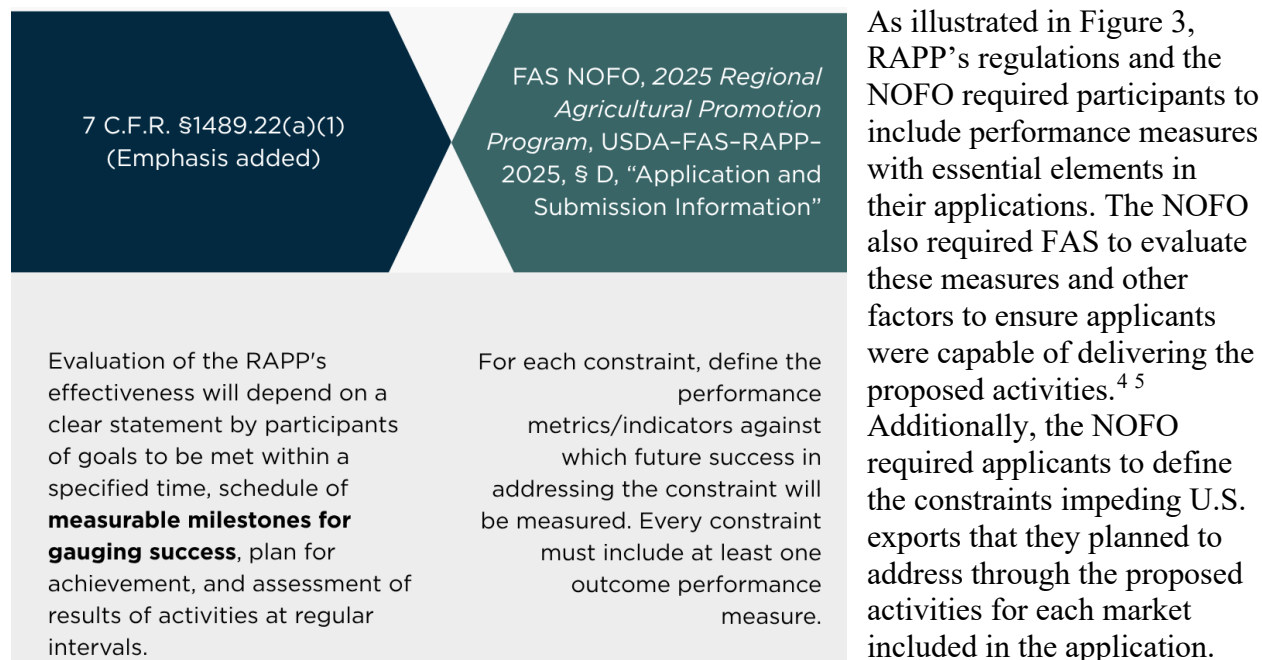
---

We determined that FAS' RAPP application review process ensured participants' proposed activities aligned with the program's purpose. FAS developed and implemented an application review process in which the agency issued a NOFO outlining application evaluation criteria its reviewers used to rate participants' proposed activities. These reviewers used a standardized form to document review results.

However, we found that this process was not adequate to ensure participants' proposed performance measures could sufficiently assess progress toward meeting RAPP's goal, as discussed in Finding 1.

## Finding 1: FAS Did Not Resolve Issues Identified During Its RAPP Application Review

FAS could not demonstrate that performance measures included in the RAPP agreements fully met program requirements. Specifically, we found that FAS did not address issues found during its application review, regarding the performance measures proposed for four of the seven sampled participants. This occurred because FAS relied on an informal practice of verbal resolution. As a result, FAS has reduced assurance that participants’ proposed activities will achieve RAPP’s goal of increasing export sales.



**Figure 3: RAPP performance measure requirements.**  
Figure by OIG.

FAS used two distinct reviews to ensure applicants met program requirements and could deliver proposed activities (see Background, Figure 2 for details on the steps in the process). FAS reviewers documented their conclusions on standardized forms. In some instances, reviewers found issues related to how applicants would measure their performance.

We reviewed 7 of the 67 total participants to assess the adequacy of the process FAS used to ensure performance measures proposed could sufficiently demonstrate progress toward RAPP’s goals. We found that for four of our seven sample participants, FAS reviewers documented that the performance measures did not meet program requirements because the measures were either not outcome-based or lacked measurability. FAS could not provide evidence that it addressed or resolved these issues before awarding the agreements. Furthermore, additional analysis of the

<sup>4</sup> 7 C.F.R. §1489.22(a)(1).

<sup>5</sup> FAS NOFO, 2025 *Regional Agricultural Promotion Program*, USDA-FAS-RAPP-2025, § D, “Application and Submission Information” and § E, “Application Review Information.”

agreements for the four participants showed the reviewers' issues were still not resolved at the time of our review.

Although FAS policy outlined the fiscal year 2025 RAPP application review process, the policy did not include procedures for FAS reviewers to document resolutions of any issues found during their review. Without these procedures, issues identified by FAS reviewers may be overlooked or handled inconsistently, allowing participants that did not fully comply with program requirements to receive funding.

FAS officials informed us that the agency relied on an informal process and generally addressed issues identified verbally rather than through a documented process. However, this informal process was inadequate. As mentioned above, our analysis of the four participants showed that the issues found were not resolved as the performance measures were not updated to meet program requirements. Had FAS used a formal process to address and document resolutions of issues identified during the application review process, FAS would have ensured consistent resolution across applicants and full compliance with program requirements.

It is important for FAS to ensure that participants' performance measures adequately address program requirements because participants use them to report their progress and success in annual performance evaluation reports. The participants' results provide evidence of program effectiveness.<sup>6</sup> If a participant's performance measures are poorly developed, the participant may not accurately assess the effectiveness of the activities implemented to address market constraints and increase export sales. Ultimately, FAS has reduced assurance that participants' proposed activities are increasing export sales.

We communicated the results of the audit and recommendations with FAS officials, and they agreed with our finding and recommendations. FAS also informed us that additional RAPP funding would not be awarded. However, FAS intends to implement our recommendation to address and document the resolution of any issues agency reviewers may identify during its application review of other FAS programs, such as the America First Trade Promotion Program and the Market Access and Foreign Market Development Programs.

## **Recommendation 1**

Develop and implement procedures to address and document resolution of any issues reviewers identify during the application review process.

### **Agency Response**

FAS agreed with this recommendation. In response to this recommendation, FAS stated that it will develop and implement clear procedures to document issues identified during application reviews and record how each issue is resolved. FAS also noted that these procedures will ensure consistent tracking, timely follow-up, and complete documentation throughout the review process.

---

<sup>6</sup> 7 C.F.R. §1489.22(a)(2).

FAS provided an estimated completion date of June 19, 2027.

### **OIG Position**

We accept management decision for this recommendation. For Final Action, FAS needs to provide the Office of the Chief Financial Officer with a copy of the procedures and proof of implementation.

## **Recommendation 2**

During the agency's review of participants' annual performance evaluation reports, identify performance measures that do not meet the Regional Agricultural Promotion Program requirements and resolve any noncompliance identified.

### **Agency Response**

FAS agreed with this recommendation. In response to this recommendation, FAS stated that it will strengthen its review of participants' annual performance evaluation reports to identify any performance measures that do not meet RAPP requirements and ensure all noncompliance is resolved.

FAS provided an estimated completion date of June 19, 2027.

### **OIG Position**

We accept management decision for this recommendation. For Final Action, FAS needs to provide the Office of the Chief Financial Officer with evidence that staff performing reviews of participants' annual performance evaluation reports are identifying and resolving all performance measure-related noncompliance.

## Scope and Methodology

---

We conducted an audit to evaluate whether FAS' RAPP had adequate processes to ensure that participants' (1) proposed activities align with RAPP's purpose, and (2) performance measures can sufficiently assess progress toward RAPP's goal. The scope of our audit covered RAPP participant agreements awarded in fiscal year 2025. We performed our fieldwork with FAS' National Office staff and visited the FAS National Office in Washington, DC. We performed our audit fieldwork from June 2025 to May 2026. We discussed the results of our audit with FAS officials, including at the exit conference on May 26, 2026, and included their comments, as appropriate.

We non-statistically selected 7 participants from a universe of 67 that FAS awarded funding to in fiscal year 2025. Our sample represented more than \$50 million of the total \$300 million awarded for this period. To select our non-statistical sample of participants for review, we stratified the universe based on the amount awarded and then selected samples to ensure representation of factors such as: (1) branded and generic activities<sup>7</sup> and (2) "fund-through" agreements.<sup>8 9</sup>

To accomplish our audit objectives, we:



Reviewed the applicable policies, regulations, and the RAPP fiscal year 2025 NOFO to gain sufficient knowledge of RAPP as related to our objectives.



Interviewed FAS program office officials and staff to gain an understanding of their roles and responsibilities, and FAS' process for reviewing participants' proposed activities and performance measures.



Reviewed and analyzed documentation for our sampled participants to determine the adequacy of FAS' review and approval process for ensuring participants' proposed activities aligned with the program's purpose and performance measures can sufficiently assess progress toward RAPP's goal.

---

<sup>7</sup> RAPP participants could elect to conduct branded and/or generic activities. Brand activities involve the exclusive or predominant use of a single U.S. company or agricultural cooperative name or logo. Generic activities promote an eligible commodity generally.

<sup>8</sup> FAS required some applicants to participate in RAPP through another RAPP participant. In these instances, the funded participant's approval letter states how much of the funding can only be used to explicitly reimburse eligible expenditures associated for the "funded through" organization.

<sup>9</sup> More than one of these factors was applicable to each selected participant.

We assessed internal controls significant to the audit objectives. Specifically, we assessed the following components and underlying principles:

<b>Component</b>	<b>Principle</b>
Risk Assessment	Management should identify, analyze, and respond to risks related to achieving the defined objectives.
Control Activities	Management should design control activities to achieve objectives and respond to risks.
Control Activities	Management should implement control activities through policies.

We designed our audit work to assess these internal control components and underlying principles; as such, it may not have disclosed all internal control deficiencies that may have existed at the time of this audit. We did not independently review or assess the agency's information system(s); therefore, we make no representation regarding the adequacy of the agency's computer system(s) or the information generated from it.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our finding and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our finding and conclusions based on our audit objectives.

## Abbreviations

---

C.F.R.	Code of Federal Regulations
FAS	Foreign Agricultural Service
NOFO	Notice of Funding Opportunity
OIG	Office of Inspector General
RAPP	Regional Agricultural Promotion Program
USDA	U.S. Department of Agriculture

**Foreign Agricultural Service's  
Response to Audit Report**



United States  
Department of  
Agriculture

Trade and Foreign Agricultural Affairs  
Foreign Agricultural Service  
1400 Independence Ave, SW Washington, DC 20250-1052

**DATE:** June 2, 2026

**TO:** Yaris Rivera-Rojas  
Acting Assistant Inspector General for Audit  
USDA Office of Inspector General

**THROUGH:** Alexis A. Vann /s/  
Acting Chief Financial Officer  
Foreign Agricultural Service

**FROM:** Daniel B. Whitley /s/  
Administrator  
Foreign Agricultural Service

**SUBJECT:** Response to Recommendations in OIG Engagement No. 07601-0003-41

The Foreign Agricultural Service (FAS) submits the following response to the recommendations in the Office of Inspector General's (OIG) engagement No. 07601-0003-41 "Foreign Agricultural Service's Oversight of the Regional Agricultural Promotion Program."

**Recommendation 1:** Develop and implement procedures to address and document resolution of any issues reviewers identify during the application review process.

**Agency Response:**

Agree with recommendation:  Yes  No Agree with monetary results:  Yes  No  N/A

In response to this recommendation, the agency will develop and implement clear procedures to document issues identified during application reviews and record how each issue is resolved. These procedures will ensure consistent tracking, timely follow-up, and complete documentation throughout the review process.

Completion or Estimated Completion Date: June 19, 2027

**Recommendation 2:** During the agency's review of participants' annual performance evaluation reports, identify performance measures that do not meet RAPP requirements and resolve any noncompliance identified.

**Agency Response:**

Agree with recommendation:  Yes  No Agree with monetary results:  Yes  No  N/A

In response to this recommendation, the agency will strengthen its review of participants' annual performance evaluation reports to identify any performance measures that do not meet RAPP requirements and ensure all noncompliance is resolved.

Completion or Estimated Completion Date: June 19, 2027

Learn more about USDA OIG at <https://usdaoig.oversight.gov>

Find us on LinkedIn: [US Department of Agriculture OIG](#)

Find us on X: [@OIGUSDA](#)

## Report suspected wrongdoing in USDA programs:



<https://usdaoig.oversight.gov/resources/hotline-information>

U.S. Department of Agriculture (USDA) is an equal opportunity provider, employer, and lender.

In accordance with Federal civil rights law and USDA civil rights regulations and policies, USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs and operations are prohibited from discriminating based on race, color, national origin, age, disability, sex, religion, retaliation for engaging in protected civil rights activity or opposition to any practice made unlawful under any Federal anti-discrimination laws, or receipt of income derived from programs or activities conducted or funded by OIG, political beliefs, or marital, familial or parental status (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident. Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

USDA OIG directly notifies non-governmental organizations or business entities specifically identified in a published audit, evaluation, inspection, or other non-investigative report prepared by or on behalf of USDA OIG, when reasonable due diligence allows, as required by Section 5274 of the James M. Inhofe [National Defense Authorization Act for Fiscal Year 2023](#). Non-governmental organizations or business entities not directly notified may submit a written response within 30 days of the publication of the applicable report pursuant to Section 5274 via this link: [National Defense Authorization Act](#).

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at [How To File a Program Discrimination Complaint](#) and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; (2) fax: (202)690-7442; or (3) email: [program.intake@usda.gov](mailto:program.intake@usda.gov).

Cover photos are from USDA Flickr and are in the public domain. They do not depict any particular audit, inspection, or investigation.

