SENSITIVE BUT UNCLASSIFIED June 24, 2025

ACTION MEMORANDUM FOR JEREMY LEWIN, DIRECTOR, OFFICE OF FOREIGN ASSISTANCE (F) & PERFORMING THE DUTIES OF USAID DEPUTY ADMINISTRATOR FOR POLICY AND PLANNING AND CHIEF OPERATING OFFICER

Jeremy Present Lewin

FROM: Kenneth Jackson, Performing the Duties of Deputy Administrator for Management and Resources

SUBJECT: Award Authorization and Pre-Award Waivers for the Gaza Humanitarian Foundation (GHF)

Summary

- (SBU) Hamas systematically uses humanitarian aid to maintain political control over the population of Gaza. The only proven, viable mechanism for humanitarian aid distribution that excludes Hamas is the Gaza Humanitarian Foundation (GHF).
- (SBU) GHF is uniquely positioned to operate in areas with restricted access and has delivered millions of meals in addition to deteriorating Hamas's political control of Gaza.
- (SBU) Previous mechanisms for humanitarian aid have proven to be deeply flawed, although GHF is a new organization that has not met USAID's various formal criteria for eligibility.
- (SBU) We propose a $30 million Fixed Amount Award, with the option of scaling the grant based on performance, access, and continued need. That proposal is based on the need for high-level intervention to execute a time-sensitive mission that supports U.S. foreign policy objectives in Gaza.
- (SBU) We recommend you waive the various criteria given the humanitarian and political urgency of GHF's operations.

(SBU) ***Decision Point 1 – SAM Registration and Unique Entity Identifier***

(SBU) **Requirement (Authority):** Per 2 CFR 25.110(a)(2)(iv), recipients of federal financial assistance must be registered in SAM.gov and have a Unique Entity Identifier (UEI) prior to award. Typically, waiving this requirement risks ignoring undisclosed conflicts and sanctions issues, also delaying integration into federal oversight systems.

(SBU) **Status:** GHF has initiated the SAM registration and UEI process but has not been approved as of June 23, 2025.

(SBU) **Risk Mitigation:** Include registration as a time-bound milestone in the award.

(SBU) **Recommendation:** That you waive the pre-award requirement and include SAM registration and UEI issuance as a condition to be met within 30 days of award.

Decision: ☑ Approve ☐ Disapprove ☐ Discuss

<u>Decision Point 2 – Pre-Award Survey (PAS)</u>

(SBU) **Requirement (Authority):** Per 2 CFR 200.206(b), USAID must conduct a Pre-Award Survey (PAS) to evaluate whether an organization has sufficient internal controls to manage USAID funds and comply with award terms. Waiving the PAS could risk overlooking deficiencies in financial systems or management capacity before funds are obligated, or could raise the risk of misuse of taxpayer resources.

(SBU) **Status:** USAID has not conducted a PAS on GHF.

(SBU) **Risk Mitigation: Recommendation:** That you waive the requirement to complete a PAS based on urgent operational needs and policy direction and require GHF to submit key financial and administrative policies within 60 days of award, allowing State/NEA to conduct a targeted post-award PAS within 60 days.

(SBU) **Recommendation:** That you waive the requirement to complete a PAS based on urgent operational needs and policy direction.

Decision: ☑ Approve ☐ Disapprove ☐ Discuss

<u>Decision Point 3 – Pre-Award Risk Assessment (PARA)</u>

(SBU) **Requirement (Authority):** Per 2 CFR 200.206(b), USAID must assess the risk of noncompliance and the applicant's ability to fulfill the specific objectives of a proposed award and to ensure the applicant has adequate safeguards. Waiving the PARA risks overlooking gaps related to the program design, implementation model, or operating context.

(SBU) **Status:** USAID has not conducted a PARA on GHF.

(SBU) **Risk Mitigation:** Integrate PARA considerations into post-award monitoring; require GHF to collaborate with State/NEA to conduct a post-award PARA or equivalent review within 60 days of award.

(SBU) **Recommendation:** That you waive the requirement to conduct a PARA prior to award in light of urgent operational needs.

Decision: ☑ Approve ☐ Disapprove ☐ Discuss

<u>Decision Point 4 – Specific Conditions in Fixed Amount Award</u>

(SBU) **Requirement (Authority):** Under 2 CFR 200.208, USAID may impose conditions on an award where the recipient is new to USG funding or lacks demonstrated internal controls. Failing to include specific conditions risks overlooking elevated risks across financial, programmatic, and compliance areas. These risks are especially pronounced for GHF due to missing technical and operational information, lack of audit history, and incomplete core documentation, as detailed in Attachment 1.

(SBU) **Status:** GHF has not undergone a PAS or independent audit; gaps exist in its technical proposal, budget, monitoring and evaluation framework.

(SBU) **Risk Mitigation:** Conditions can be incorporated as enforceable milestones, namely: submission of financial/governance frameworks, external audit, PSEA policy and implementation plan, and evidence of board oversight.

(SBU) **Recommendation:** That you waive the requirement but include specific conditions in the proposed Fixed Amount Award as outlined in Attachment 1, requiring GHF to submit specified documentation and implement required systems within defined timeframes post-award.
Decision: ☑ Approve ☐ Disapprove ☐ Discuss

Decision Point 5 – Counterterrorism (CT) Pre-Award Vetting
(SBU) **Requirement (Authority):** CT pre-award vetting is a legal requirement for USAID-funded partners operating in the West Bank and Gaza. The specific requirements are set forth in Mission Order 21 (MO21) and its Addendum, and may be waived by the Senior Agency Vetting Official (SAVO). Waiving the requirement could increase the risk that a partner, subawardee, or vendor could be found ineligible due to terrorism-related concerns.

(SBU) **Status:** Vetting under MO21 has not been completed.

(SBU) **Risk Mitigation:** Include CT vetting as a non-negotiable, time-bound award milestone; prohibit disbursement of costs for any covered individuals and entities until vetting eligibility is confirmed; condition continued implementation on maintaining vetting eligibility.

(SBU) **Recommendation:** That you waive the pre-award timing requirement under MO 21, with my concurrence, but make vetting and clearance a milestone for subsequent disbursements, consistent with legal and policy guidance.
Decision: ☑ Approve ☐ Disapprove ☐ Discuss

Decision Point 6 – Technical Activity Narrative / Program Description Review
(SBU) **Requirement (Authority):** International Disaster Assistance (IDA) funds are broadly authorized for emergency humanitarian purposes,

although USAID's Emergency Application Guidelines (EAGs) require that proposed interventions meet technical standards and humanitarian best practices. 2 CFR 200 also requires USAID to conduct a detailed budget review prior to award to determine the reasonableness of costs. Waiving this review foregoes the opportunity to assess whether the proposed activity is technically sound, feasible, and in line with global humanitarian standards.

(SBU) **Status:** GHF's proposal, submitted on June 19, does not meet USAID's minimum technical or budgetary standards as detailed in Attachment 1.

(SBU) **Risk Mitigation:** Establish enforceable milestones within the award where feasible, based on issues identified in Attachment 1 and require submission of revised program documents and budget detail on a rolling basis.

(SBU) **Recommendation: Recommendation:** That you waive the requirement for a complete technical and budget review prior to award and require submission of revised program documents and budget detail on a rolling basis.
Decision: ☑ Approve ☐ Disapprove ☐ Discuss

<u>Decision Point 7 – Risk Assessment and Management Plan (RAMP)</u>
(SBU) **Requirement (Authority):** USAID/BHA requires all NGO applicants to submit a Risk Assessment and Management Plan (RAMP) prior to obligation. The RAMP ensures that partners have planned for legal and operational risks. Waiving this requirement could risk programmatic diversion, reputational harm, and potential violations of U.S. counterterrorism laws.

(SBU) **Status:** GHF submitted a RAMP that does not fully address BHA's required elements. Attachment 1 provides a summary of critical gaps.

(SBU) **Risk Mitigation:** Incorporate submission of a complete, BHA-compliant RAMP as a time-bound award milestone, subject to adjustment based on implementation realities.

(SBU) **Recommendation:** That you waive the requirement for submission of a complete RAMP prior to award. Require that GHF address identified RAMP deficiencies as post-award milestones to be completed where feasible within the first 30–60 days of implementation.
Decision: ☑ Approve ☐ Disapprove ☐ Discuss

Decision Point 8 – Award-level Risk Assessment
(SBU) **Requirement (Authority):** USAID/BHA requires an internal, award-level risk assessment for any activity implemented in a country or region designated as high-risk, drawing from the applicant's RAMP and internal USG information and resources. Waiving this requirement means USAID would proceed without formal analysis of the risks associated with implementation.

(SBU) **Status:** An award-level risk assessment has not been completed for GHF's proposed programming in Gaza, due in part to gaps in the submitted RAMP.

(SBU) **Risk Mitigation:** Flag for early AOR oversight and GC review and require an internal award-level risk assessment after the RAMP is received.

(SBU) **Recommendation:** That you waive the requirement to complete a pre-award award-level risk assessment memo, requiring the assessment post-award, within 30-60 days, once an updated RAMP is received and reviewed.
Decision: ☑ Approve ☐ Disapprove ☐ Discuss

Decision Point 9 – Congressional Consultation Requirements
(SBU) **Requirement (Authority):** Per Section 7073(g) of the Further Consolidated Appropriations Act, 2024 (as incorporated by Section 1102 of the Full-Year Continuing Appropriations and Extensions Act, 2025, P.L. 119-4), USAID is legally required to consult with the Committees on Appropriations prior to obligating any humanitarian assistance for Gaza, informing the Committees of the amount and anticipated uses of the funds.

Consultation may be fulfilled formally or informally, but in cases of exceptional urgency, USAID may rely on its "notwithstanding authority" under the International Disaster Assistance (IDA) account to obligate funds without prior consultation.

(SBU) **Status:** Congressional consultation has not yet been completed.

(SBU) **Risk Mitigation:** Notify Congress immediately following obligation, using the same informal channels (e.g., email to HAC/SAC staff); document the use of notwithstanding authority; ensure alignment with broader Administration engagement on humanitarian funding for Gaza.

(SBU) **Recommendation:** That you invoke IDA's notwithstanding authority to proceed without delay in view of exceptional urgency.
Decision: ☑ Approve ☐ Disapprove ☐ Discuss

Decision Point 10 – Funding Allocation and Signature of Award
(SBU) **Funding Allocation and Signature of Award:** The Gaza account currently holds $30 million in International Disaster Assistance (IDA) funds available to support this initial award. OAA has confirmed that funds are available and appropriately allocated, the award file will reflect documentation of all deviations and waivers, and that risk mitigation measures and award conditions will be incorporated.

(SBU) **Risk Mitigation:** All conditions and risk mitigation milestones outlined in this memo will be embedded in the award. OAA and State will provide oversight.

(SBU) **Recommendation:** That you authorize the award obligation and signature by appropriate Agency officials, in line with the policy direction and risk posture described in this memo.
Decision: ☑ Approve ☐ Disapprove ☐ Discuss

Background

(SBU) Providing humanitarian assistance in Gaza through a new partner requires compliance with a range of requirements that are designed to ensure U.S. government assistance is delivered effectively and in line with humanitarian principles, applicable laws, and oversight expectations.

(SBU) Gaza is a uniquely complex and volatile operating environment. Assistance programs are subject to heightened scrutiny from Congress, the Office of Inspector General (OIG), and other oversight bodies.

(SBU) The Gaza Humanitarian Foundation (GHF) is a newly established organization with no prior USG funding. Based on the Administration's direction and urgent humanitarian need, the Agency is advancing this action under expedited and exceptional procedures, with pre-award requirements waived or deferred. This reflects a deliberate, high-level decision to expand humanitarian access in a situation of extreme urgency. At the same time this recognizes that the procedures being waived did not prevent our long-term partners from failing to deliver assistance to the intended recipients with the vast majority being looted since assistance began again in May. In the same time period, GHF delivered every truck load to the intended recipients.

(SBU) As Acting Deputy Administrator, you have direct authority to waive applicable requirements and to serve as the signatory on the award. Risk mitigation measures, conditions, and enhanced monitoring have been integrated to support accountability and uphold USAID's obligations.

West Bank/Gaza Requirements

(SBU) As previously certified and reported to Congress under Section 7073(a) and (b) of the FY 2024 Department of State, Foreign Operations, and Related Programs Appropriations Act (P.L. 118-47), U.S. assistance in the West Bank and Gaza is subject to stringent pre-award and implementation safeguards including vetting of contractors and partners, mandatory anti-terrorism clauses in all grants and contracts, OIG and GAO audits, as well as close coordination with Israeli authorities and pre-award due diligence.

(SBU) Monitoring of USAID-funded programs in Gaza continues as conditions allow, and may include direct partner monitoring, third-party observation, post-distribution follow-up, and remote monitoring mechanisms. These efforts are supported by standard protocols for internal controls, staff safety, cash and commodity handling, and regular reporting.

(SBU) Humanitarian partners are also required to maintain accessible feedback and complaint mechanisms, such as WhatsApp lines, toll-free numbers, and dedicated email accounts, to receive and respond to beneficiary input.

(SBU) Implementing partners must submit a context-specific risk assessment or framework with their application. This must identify misuse risks, outline mitigation strategies, and assure that aid will reach beneficiaries.

(SBU) USAID/BHA requires additional safeguards through RAMP. RAMPs must detail how partners will mitigate risks related to the potential influence or interference of U.S.-sanctioned groups or foreign terrorist organizations. This includes risk management around beneficiary identification and verification; commodity movement and storage; procurement; staff hiring and training; and communications that could convey reputational benefit.

(SBU) All partners are required to report suspected cases of fraud, diversion, waste, or abuse to USAID's Office of Inspector General. USAID reserves the right to disallow costs resulting from any violation of U.S. law. Should the operating context evolve, such adjustments would be subject to negotiation and incorporated through a formal amendment to the Fixed Amount Award.

(SBU) To further reinforce transparency, the award will include a condition encouraging GHF to share high-level information on its sources and subcontractors with USAID and, where feasible, to make that information public. The award will also include the mandatory Standard Provision "MANDATORY DISCLOSURES (AUGUST 2024)" (FAA M14) requiring GHF to disclose to the Office of Inspector General (OIG) whenever it has credible evidence of any violation of Federal criminal law involving fraud, conflict of interest, bribery, or gratuity violations. The award will also require reporting to the OIG of any matters related to recipient integrity and performance in accordance with the Standard Provision "Award Term and Condition for Recipient Integrity and Performance Matters (AUGUST 2024)" (FAA RAA22).

USAID Counterterrorism Vetting Procedures

(SBU) USAID's counterterrorism vetting program is a component of its risk management framework. Vetting is conducted by trained counterterrorism professionals at the FBI-managed Terrorist Screening Center (TSC), in accordance with USAID/WBG's Mission Order 21 and its Addendum.

(SBU) The vetting process includes the requirement that USAID contracts and subcontracts that cumulatively exceed $25,000 within a 12-month period are subject to vetting; that USAID grants and cooperative agreements, regardless of dollar amount, are vetted; that the Office of Palestinian Affairs (OPA) at the U.S. Embassy in Jerusalem conducts an additional review of all grants and cooperative agreements; and that vetting takes prior to grants.

USAID retains the discretion to initiate vetting at any time if there is reason to believe that a vendor, recipient, or other entity has links to terrorism.

Attachments

Technical Proposal Review Threshold Issues for an Issues Letter

(b)(3):6 U.S.C. § 133 (Critical Infrastructure Information Act of 2002)

Approved: USAID/FO - Ken Jackson

I confirm the drafter received guidance on this paper's intent, objectives, topics, scope, and structure. ☐ **Yes** ☐ **No**

Drafted: USAID/FO - (b)(6) with technical Inputs from USAID/BHA, STATE/POLICY PLANNING, and STATE SPECIAL ENVOY FOR MIDDLE EAST

Cleared

Bureau	**Name**	**Clearance Status**	**Date**
BHA/AtA	(b)(6)	INFO	6/23/2025
OAA		Clear	6/24/2025
GC	Michael Tierney	Clear	6/24/2025
ES	(b)(6)	Clear	6/24/2025
A/AID		clear	6/25/2025
A/AID		clear	6/25/2025
DA-MR	KJackson	clear	6/25/2025
STATE/S/P	(b)(6)	clear	6/25/2025
STATE/S/ME		clear	6/25/2025