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United States Senate

COMMITTEE ON THE JUDICIARY

WASHINGTON, DC 20510-6275

May 19, 2025

VIA ELECTRONIC TRANSMISSION

The Honorable Pete Hegseth
Secretary
Department of Defense

Dear Secretary Hegseth:

Russia launched its full-scale invasion of Ukraine over three years ago. Since then, I've voiced my support for Ukraine and additional aid needed to defeat the Russian advance in order to avoid World War III.¹ I've also raised concerns regarding oversight of this aid to ensure the money is used for its intended purpose.²

The aid the American taxpayer has given to support Ukraine in its defense is significant. For example, as of May 19, 2025, Congress has appropriated \$175 billion of funding for Ukraine and other countries affected by the war.³ Reportedly, the Biden-Department of Defense (DoD) disbursed \$83.4 billion of that money under the authority Congress gave the DoD through the Ukraine Supplemental Appropriations Acts.⁴ Former President Biden signed five Ukraine Supplemental Appropriations Acts—which I supported—in response to the full scale invasion of Ukraine by Russia.⁵ DoD must ensure taxpayer dollars used for foreign aid are accounted for and used for the purposes Congress intends.

However, there is reason to believe the DoD has not performed adequate oversight of this money. Specifically, on October 18, 2024, the DoD Office of the Inspector General (OIG) published a report titled *Audit of the DoD's Execution of Funds to Assist Ukraine*, which examined whether the DoD used Ukraine assistance funds in accordance with Federal laws and internal DoD policies.⁶ The OIG report's findings call into question whether DoD has done due diligence to ensure taxpayer dollars are used lawfully.⁷

¹ Sen. Charles E. Grassley, *Grassley Leads Efforts To Support Ukraine, Punish Russia*, <https://www.grassley.senate.gov/grassley-leads-efforts-to-support-ukraine-punish-russia>.

² Letter from Sen. Charles E. Grassley, Ranking Member, Senate Budget Committee, to the Honorable Antony Blinken, Secretary, Department of State (June 18, 2024) https://www.grassley.senate.gov/imo/media/doc/grassley_to_state_-_ukraine_funding.pdf; Letter from Sen. Charles E. Grassley, Ranking Member, Senate Judiciary Committee, to Sean O'Donnell, Acting Inspector General, Department of Defense - Office of Inspector General (May 26, 2022), https://www.grassley.senate.gov/imo/media/doc/grassley_to_defense_deptinspectorgeneralukraineaid.pdf; and Letter from Sen. Charles E. Grassley, Ranking Member, Senate Budget Committee, to the Honorable Lloyd Austin, Secretary, Department of Defense (October 17, 2023), https://www.grassley.senate.gov/imo/media/doc/grassley_to_dod_-_lost_weaponry.pdf.

³ Jonathan Masters and Will Meroow, Council on Foreign Relations, *Here's How Much Aid the United States Has Sent Ukraine?* (Mar. 11, 2025), <https://www.cfr.org/article/how-much-us-aid-going-ukraine>.

⁴ Special Inspector General for Operation Atlantic Resolve, *Promoting Whole of Government Oversight of the U.S. Ukraine Response*, FUNDING DASHBOARD (Dec. 31, 2024), <https://www.ukraineoversight.gov/Funding/Funding-Dashboard/>.

⁵ *Id.*

⁶ DOD OIG, *Audit of the DoD's Execution of Funds to Assist Ukraine* (Oct. 18, 2024), DODIG-2025-007, <https://media.defense.gov/2024/Oct/21/2003567908/-1/-1/1/DODIG-2025-007%20SECURE.PDF>.

⁷ Not long ago, I discussed the concerns raised in the audit report on the Senate floor. Chairman Charles E. Grassley, *Senate Floor Remarks: Grassley "Raises Cain" over the Pentagon's Long Time Financial Mismanagement* (January 30, 2025), <https://www.youtube.com/watch?v=m5a6Z-L20Z8>.

Specifically, the report found “DoD did not support the use of Ukraine assistance funds in accordance with the Ukraine Supplemental Appropriations Acts and DoD policies.”⁸ Of the 479 disbursements the OIG reviewed, DoD did not provide documentation to support the accuracy of 323 transactions, which totaled \$1.1 billion of the \$2.1 billion reviewed.⁹ The IG noted that when DoD did maintain documentation, the accuracy and purpose of transactions were supported, but that DoD “does not have assurance that it used at least \$1.1 billion of Ukraine supplemental funds as directed by law.”¹⁰ According to the DoD OIG, these lack of assurances occurred for two reasons.¹¹ First, DoD failed to provide or maintain the required supporting documentation, which makes it impossible to determine if the money went to its specific purpose.¹² Second, DoD failed to require component agencies to document the purpose of certain payments, despite the funds being appropriated for a specific purpose.¹³ This demonstrated carelessness for taxpayer dollars is unacceptable and demands answers.

The Biden DoD’s indifference here bordered on contempt as the DoD OIG also alleged the DoD was unwilling to comply with the audit. Specifically, in a meeting with my staff on November 20, 2024, the DoD OIG claimed the DoD was uncooperative with its audit as it refused to provide complete responses to requests.¹⁴ The DoD OIG’s audit team allegedly made over 131 requests for information or meetings to DoD components.¹⁵ However, DoD allegedly provided insufficient responses to 52 requests and no response at all to 14 requests.¹⁶ This problem seems to be Department-wide, as the OIG asserted that every DoD component that received a request provided at least one insufficient response, with the Army providing the most.¹⁷ The OIG said that DoD’s reasons for failing to provide documentation or answer requests varied, but some demonstrated accounting system shortcomings while others can be attributed to a lack of execution.¹⁸ Despite the DoD OIG’s audit being partial due to the alleged noncooperation by DoD, the audit identified over a billion dollars of improperly documented Ukraine aid payments. The actual amount is unknown due to the Biden-DoD’s failure to cooperate.

The DoD OIG report made five recommendations to DoD and its component agencies. According to the audit report, DoD and its component agencies agreed to only address Recommendation

⁸ DOD OIG, *Audit of the DoD’s Execution of Funds to Assist Ukraine* (Oct. 18, 2024), DODIG-2025-007, at i, 7 <https://media.defense.gov/2024/Oct/21/2003567908/-1/-1/1/DODIG-2025-007%20SECURE.PDF>. (As a result of the June 2024 briefings the DOD OIG conducted at the end of the audit, DoD personnel provided additional documentation and information related to 27 of the 323 unsupported disbursement transactions. The additional information supported the correct use of funds for 12 of the 27 disbursement transactions. For the remaining 15 disbursement transactions, the DOD OIG concluded that the additional support was inadequate for 13 disbursement transactions and the remaining 2 disbursement transactions were for non-Ukraine missions.).

⁹ *Id.* at 7.

¹⁰ *Id.*

¹¹ *Id.* (The DoD did not properly support the 323 reviewed disbursement transactions because the DoD did not have adequate internal controls in place to ensure supporting documentation was readily available as required by the DoD Financial Management Regulation (FMR) and Federal Internal Control Standards, and documentation supporting the accuracy of the payment vouchers followed the DoD FMR and Joint Travel Regulations (JTR). DoD FMR did not require DoD Components to document the purpose of payments that use supplemental funds that are appropriated with a specific purpose.).

¹² *Id.*

¹³ *Id.*

¹⁴ DOD OIG Responses from Senator Grassley Staff Briefing on Ukraine Funding Execution Audit (DODIG-2025-007), On file with Committee.

¹⁵ *Id.* (Requests for information or meetings included: initial requests for supporting documentation for the sample items, follow-up requests for information or answers to outstanding questions, requests for meetings to discuss processes and address outstanding questions, and relevant requests for report processing.)

¹⁶ *Id.* (A sufficient response “answers all questions fully and completely, provides all documents requested, and provides a thorough and satisfactory explanation for not providing requested documents.”).

¹⁷ *Id.*

¹⁸ *Id.* (Reasons included: issues identifying the sample transactions in accounting systems to provide sample documentation, the DoD Components required additional time to review the request or data involved in the request, the DoD Components overlooked the requests, and the re-direction of requests to different points of contact to meet the intent of the request.).

3.¹⁹ However, the DoD OIG provided subsequent updates that indicate the DoD and its component agencies have taken, or will take, additional action to address the recommendations at the OIG's request.²⁰

Simply put, DoD has an obligation to the taxpayer to properly oversee taxpayer funds. Additionally, to effectively track Ukraine funding, it's vitally important for DoD to implement strong oversight measures, and the fact the Biden DoD failed to do so is cause for serious concern. Accordingly, please answer the following questions no later than June 2, 2025:

1. What steps has DoD taken to close the open priority recommendations from the October 18, 2024, report? Provide all records.²¹
2. What specific oversight mechanisms and processes does DoD currently employ to ensure proper accounting and use of Ukraine funding? Provide all financial reports related to Ukraine Supplemental Appropriations Acts funding for Ukraine, including allocation, obligation, and expenditure data.
3. Given the passage of additional funding to Ukraine in April 2024, provide an updated, as well as full and complete, accounting of all obligated and disbursed funding for Ukraine.
4. What is DoD's process to identify and recoup improper payments or use of Ukraine funding? Provide all records.
5. Under long-standing rules, payments are required to be supported with appropriate documentation. This audit report clearly indicates those rules were ignored, leaving payments vulnerable to fraud and theft. Responsible officials should be held accountable for failing to safeguard the taxpayer's money. Have those individuals been identified and recommended for appropriate disciplinary action?

Thank you for your prompt review and response. If you have any questions, please contact Tucker Akin of my Committee staff at (202) 224-5225.

Sincerely,



Charles E. Grassley
Chairman
Committee on the Judiciary

¹⁹ DOD OIG, *Audit of the DoD's Execution of Funds to Assist Ukraine* (Oct. 18, 2024), DODIG-2025-007, at 20-30, <https://media.defense.gov/2024/Oct/21/2003567908/-1/-1/1/DODIG-2025-007%20SECURE.PDF>.

²⁰ DOD OIG Responses from Senator Grassley Staff Briefing on Ukraine Funding Execution Audit (DODIG-2025-007), On file with Committee Staff.

²¹ "Records" include any written, recorded, or graphic material of any kind, including letters, memoranda, reports, notes, electronic data (emails, email attachments, and any other electronically created or stored information), calendar entries, inter-office communications, meeting minutes, phone/voice mail or recordings/records of verbal communications, and drafts (whether they resulted in final documents).