

USAID Sent Millions to Ukraine in Secret Slush Funds, Investigators Found

‘We’re not just talking about waste, fraud, and abuse, this is a national security problem,’ Middle East Forum Executive Director Gregg Roman said.

2088

651

Save



Sen. Joni Ernst (R-Iowa) speaks to reporters as she walks to a Senate luncheon at the U.S. Capitol on Nov. 19,



By [Mark Tapscott](#)

2/26/2025 Updated: 2/26/2025

A Print

U.S. Agency for International Development (USAID) officials repeatedly refused to allow investigators working for Senate DOGE Caucus Chairman Sen. Joni Ernst (R-Iowa) to examine documents related to U.S. tax dollars allegedly intended to help Ukraine combat the Russian invasion, investigators told The Epoch Times.

When the investigators were finally allowed to view the documents, it was “under surveillance in a highly secure room at USAID headquarters” even though “nothing USAID shared was classified,” said the investigators, who asked not to be named.

During their investigation, the Iowa Republican’s sleuths found millions of dollars of USAID programs “in secret slush funds being used to funnel millions of U.S. taxpayer dollars into Ukraine for questionable purposes unrelated to our own national interests,” they said.

“[Funding allegedly] intended to alleviate economic distress in the war-torn nation was spent on such frivolous activities as sending Ukrainian models and designers on junkets to New York City, London Fashion Week, Paris Fashion Week, and South by Southwest in Austin, Texas,” they said.

Among the secret slush funds was one providing \$114,000 to fund purchases of “a premium, limited-edition furniture line,” and another \$91,000 used to finance “a trade mission for a Scandinavian-style furniture line.”

Other USAID funding uncovered by the investigators included \$148,000 for “a pickle maker,” \$255,000 to “a producer of organic tea and coffee,” \$104,000 for “an artisanal fruit tea company,” and \$89,000 to support “a Ukrainian vineyard.”

USAID funding also provided \$300,000 each to a dog collar manufacturer and a company selling a pet tracking application, \$161,000 for “a purveyor of contemporary knitwear,” \$126,000 for a “photographer for fashion design publications,” and \$84,000 to support “a luxury bridal brand.”

Ernst first began investigating USAID in November 2023 with a [letter](#) to then-USAID Administrator Samantha Power.

“My support for providing weapons and munitions to Ukrainian fighters as they counter [Russian President Vladimir] Putin is steadfast,” Ernst wrote. “But I am weary of doling out nearly \$25 billion in hardworking Americans’ tax dollars for so-called economic aid in Ukraine, including subsidies for overseas businesses such as a ‘luxury contemporary knitwear couture’ in Kyiv.”

In a Feb. 4 [letter](#) to U.S. Secretary of State Marco Rubio, Ernst wrote, “In a desperate attempt to limit congressional oversight of public information, USAID demonstrated intentional abuse of a system designed to keep our nation’s secret information secure.”

Rubio replaced Power as acting USAID administrator earlier this month. Most of the agency’s employees are on administrative leave, and a reduction-in-force process is being introduced that could eliminate as many as 2,000 positions within the agency.

Information about Ernst’s investigation was made available to The Epoch Times on the same day that the House DOGE Subcommittee was preparing to [convene a hearing](#) focused on how USAID officials dispatched at least \$122 million in U.S. tax dollars to multiple organizations operating in the Middle East with documented links to the Hamas, Hezbollah, and al-Qaeda terrorist groups.

Middle East Forum (MEF) Executive Director Gregg Roman told The Epoch Times on Feb. 25 that he will testify before the [hearing’s](#) panel that “there’s a fox loose in the henhouse of our foreign aid system.”

“This problem began under the Obama administration, grew under the Biden administration, and now requires immediate action to halt

dangerous mismanagement and a fatal moral confusion,” Roman said. “We’re not just talking about waste, fraud, and abuse; this is a national security problem. Every misdirected dollar destabilizes conflict zones and puts American lives at risk.”

The terrorist links were confirmed by MEF investigators through U.S. government documents, USAID records, and other publicly available information sources.

The House DOGE Subcommittee, chaired by Rep. Marjorie Taylor Greene (R-Ga.), is part of the House Oversight and Accountability Committee, chaired by Rep. James Comer (R-Ky.). The House DOGE panel, like the Senate DOGE caucus, was formed in response to President Donald Trump’s creation of the Department of Government Efficiency (DOGE) led by Tesla CEO Elon Musk.

DOGE is conducting forensic audits of federal spending at all federal departments and agencies. Among the first agencies to be examined was USAID.

“What the DOGE team has uncovered with USAID is shocking, but it’s just the tip of the iceberg,” Greene said in a [statement](#) announcing the Feb. 26 hearing.



Mark Tapscott

Senior Congressional Correspondent

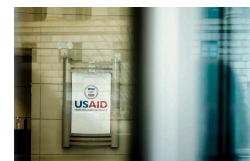
Mark Tapscott is an award-winning senior Congressional correspondent for The Epoch Times. He covers Congress, national politics, and policy. Mr. Tapscott previously worked for Washington Times, Washington Examiner, Montgomery Journal, and Daily Caller News Foundation.



Author's Selected Articles

Witness Will Tell House DOGE Panel How Terrorists Got \$122 Million from USAID

Feb 25, 2025



Trump Admin Unveils New Stricter Performance Appraisal System for Top Career Officials

Feb 25, 2025



Reactions Muted to OMB Director's Empowering of Political Deputies

Feb 17, 2025



Trump's Budget Chief Moves to Authorize His Political Appointees to Make Spending Decisions

Feb 14, 2025

