

GAO Highlights

Highlights of [GAO-25-107098](#), a report to congressional requesters

Why GAO Did This Study

Around the world, State employees play critical roles in achieving U.S. foreign policy goals. State offers a range of pay, benefits, and allowances to its employees. State employees serving abroad may be eligible for allowances in locations where they encounter harsh or dangerous living conditions. They also may be compensated for costs related to working abroad. For example, they may receive allowances for the cost of dependent education; relocating to a new post; or living in locations where the cost of living is substantially higher than in Washington, D.C. In addition, they may receive certain non-cash benefits, such as housing.

GAO was asked to review the total compensation, including allowances and non-cash benefits, for State employees serving abroad. This report examines (1) how much State spent on pay, benefits, and allowances for employees serving abroad in FY 2023 and (2) how State's spending on pay, benefits, and allowances varied for Foreign Service employees serving abroad in FY 2023.

GAO analyzed State accounting, payroll, and housing data and reviewed documents to calculate aggregate and average spending by rank and location. Since the payroll data did not contain certain benefits, allowances, and employee characteristics, GAO constructed illustrative examples of State spending for employees of different ranks and with different family sizes. For these examples, GAO selected posts in five countries in different regions with varying rent costs and allowance rates: Mali, Peru, Saudi Arabia, Thailand, and the United Kingdom.

View [GAO-25-107098](#). For more information, contact Tatiana Winger at (202) 512-4128 or wingert@gao.gov.

December 2024

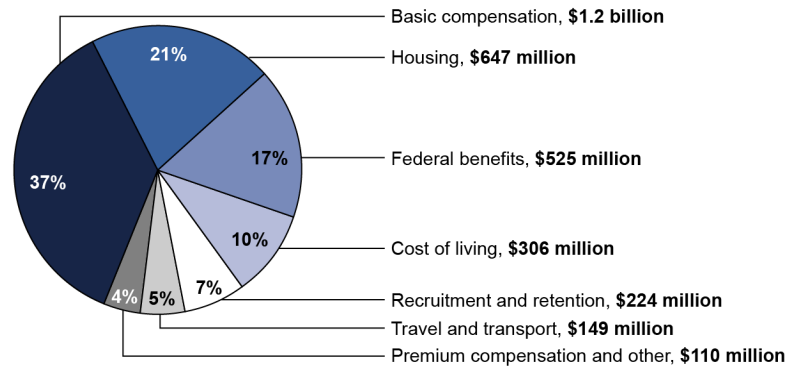
STATE DEPARTMENT

Spending on Pay, Benefits, and Allowances for Overseas Employees

What GAO Found

The Department of State spent about \$3.1 billion on pay, benefits, and allowances for employees serving abroad in fiscal year (FY) 2023. As of September 30, 2023, State operated 279 foreign posts staffed by about 9,000 U.S. direct hire employees. Most of the amount State spent went to basic compensation, housing, and federal benefits, such as employer's contributions to retirement and health insurance. Cost-of-living allowances, which include reimbursement for dependents' education and extra pay in locations with high living costs, accounted for 10 percent of State's spending.

State Spending on Pay, Benefits, and Allowances for Employees Serving Abroad in Fiscal Year 2023



Source: GAO analysis of Department of State accounting and maintenance data. | GAO-25-107098

Notes: For more details, see figure 1 in GAO-25-107098. Percentages do not sum to 100 because of rounding.

State spending per Foreign Service employee serving abroad in FY 2023 varied by rank, location, and family size.

- **Rank:** State spent an average of \$159,500 per entry-level employee and \$321,311 per executive employee in FY 2023, according to GAO analysis of payroll data, which excluded some costs, such as housing and dependent education.
- **Location:** State's average spending per employee ranged from \$182,151 in Malta to \$325,181 in the Central African Republic, according to GAO analysis of payroll data.
- **Family size:** As an illustrative example, State's spending on selected benefits and allowances for a mid-level employee serving in Riyadh, Saudi Arabia, in FY 2023 could have been \$292,524 for a single employee with no dependents and \$375,745 for an employee with a family of four, according to GAO estimates.