IMPLEMENTING THE PRESIDENT'S "DEPARTMENT OF GOVERNMENT EFFICIENCY" COST EFFICIENCY INITIATIVE

EXECUTIVE ORDER February 26, 2025

By the authority vested in me as President by the Constitution and the laws of the United States of America, it is hereby ordered:

<u>Section 1</u>. <u>Purpose</u>. This order commences a transformation in Federal spending on contracts, grants, and loans to ensure Government spending is transparent and Government employees are accountable to the American public.

Sec. 2. Definitions. As used in this order:

- (a) "Administrator" means the Administrator of the United States DOGE Service, as defined in Executive Order 14158 of January 20, 2025 (Establishing and Implementing the President's "Department of Government Efficiency").
- (b) "Agency" has the meaning given to that term in section 3502 of title 44, United States Code, except that such term does not include the Executive Office of the President or any components thereof.
- (c) "Agency Head" means the highest-ranking official of an agency, such as the Secretary, Administrator, Chairman, or Director. Agency Heads may select designees within their agencies to carry out the responsibilities specified in this order.
- (d) "Covered contracts and grants" means discretionary spending through Federal contracts, grants, loans, and related instruments, but excludes direct assistance to individuals; expenditures related to immigration enforcement, law enforcement, the military, public safety, and the intelligence community; and other critical, acute, or emergency spending, as determined by the relevant Agency Head. Notification shall be made to the agency's DOGE Team Lead.
- (e) "DOGE Team Lead" means the leader of the DOGE Team at each agency, as defined in Executive Order 14158.
- Sec. 3. Cutting Costs to Save Taxpayers Money. (a) Contract and Grant Justification. Each Agency Head shall, with assistance as requested from the agency's DOGE Team Lead, build a centralized technological system within the agency to seamlessly record every payment issued by the agency pursuant to each of the agency's covered contracts and grants, along with a brief, written justification for each payment submitted by the agency employee who approved the payment. This system shall include a mechanism for the Agency Head to pause and rapidly review any payment for which the approving employee has not submitted a brief, written justification within the technological system.
- (i) Once the system described in subsection (a) of this section is in place, the Agency Head shall issue guidance, in consultation with the agency's DOGE Team Lead, to require that the relevant agency employee promptly submit a brief, written justification prior to that employee's approval of a payment under covered contracts and grants, subject to any exceptions the Agency Head deems appropriate.

- (ii) To the maximum extent permitted by law, and to the maximum extent deemed practicable by the Agency Head, the payment justifications described in subsection (a)(i) of this section shall be posted publicly.
- (b) Review of Covered Contracts and Grants. Each Agency Head, in consultation with the agency's DOGE Team Lead, shall review all existing covered contracts and grants and, where appropriate and consistent with applicable law, terminate or modify (including through renegotiation) such covered contracts and grants to reduce overall Federal spending or reallocate spending to promote efficiency and advance the policies of my Administration. This process shall commence immediately and shall prioritize the review of funds disbursed under covered contracts and grants to educational institutions and foreign entities for waste, fraud, and abuse. Each Agency Head shall complete this review within 30 days of the date of this order.
- (c) Contract and Grant Process Review. Each Agency Head, in consultation with the agency's DOGE Team Lead, shall conduct a comprehensive review of each agency's contracting policies, procedures, and personnel. Each Agency Head shall complete this process within 30 days of the date of this order and shall not issue or approve new contracting officer warrants during the review period, unless the Agency Head determines such approval is necessary.
- (d) Covered Contract and Grant Approval.
- (i) Following the review specified in subsection (c) of this section, and prior to entering into new contracts, each Agency Head shall, in consultation with the agency's DOGE Team Lead, issue guidance on signing new contracts or modifying existing contracts to promote Government efficiency and the policies of my Administration. The Agency Head may approve new contracts prior to the issuance of such guidance on a case-by-case basis.
- (ii) Each DOGE Team Lead shall provide the Administrator with a monthly informational report on contracting activities. As soon as an agency's contract and grant justification process described in subsection (a) of this section is established, this report shall include all payment justifications provided pursuant to that process, to the extent consistent with law.
- (e) Non-Essential Travel Justification. Each Agency Head shall, with assistance from the agency's DOGE Team Lead, build a technological system within each agency that centrally records approval for federally funded travel for conferences and other non-essential purposes. Once an agency's system is in place, the Agency Head shall prohibit agency employees from engaging in federally funded travel for conferences or other non-essential purposes unless the travel-approving official has submitted a brief, written justification for the federally funded travel within such system. Each DOGE Team Lead shall, to the extent consistent with law, provide the Administrator with a monthly informational report listing each agency's justifications for non-essential travel. Such justifications shall be posted publicly unless prohibited by law or unless the Agency Head grants an exemption from this requirement.
- (f) Credit Card Freeze. To the maximum extent permitted by law, all credit cards held by agency employees shall be treated as frozen for 30 days from the date of this order, except for any credit cards held by employees engaged in, or charges related to employees utilizing such credit cards for, disaster relief or natural disaster response benefits or operations or other critical services as determined by the Agency Head, and subject to such additional individualized or categorical exceptions as the Agency Head, in consultation with the agency's DOGE Team Lead, deems appropriate.
- (g) Real Property Disposition. Agencies shall take the following actions:

- (i) Real Property Report. Within 7 days of the date of this order, each Agency Head shall confirm to the Administrator of General Services or his designee that the Agency Head has submitted updates to the Federal Real Property Profile Management System to ensure the system reflects a complete and accurate inventory of real property subject to the agency's administration.
- (ii) Real Property Leases. Within 30 days of the date of this order, each Agency Head shall promptly identify all termination rights the Agency Head may have under existing leases of Government-owned real property and, in consultation with agency's DOGE Team Lead and the Administrator of General Services or his designee, determine whether to exercise such rights.
- (iii) Real Property Disposition. Within 60 days of the date of this order, the Administrator of General Services shall submit a plan to the Director of the Office of Management and Budget (OMB) for the disposition of Government-owned real property which has been deemed by the agency as no longer needed.

Sec. 4. General Exclusions. This order does not apply to:

- (a) Law enforcement officers, as defined in 5 U.S.C. 5541(3) and 5 C.F.R. 550.103, or covered contracts and grants directly related to the enforcement of Federal criminal or immigration law;
- (b) U.S. Customs and Border Protection and U.S. Immigration and Customs Enforcement in the Department of Homeland Security;
- (c) the Uniformed Services, as defined in 20 C.F.R. 404.1330;
- (d) any other covered grant or contract, agency component, or real property that the relevant Agency Head exempts in writing from all or part of this order, in consultation with the agency's DOGE Team Lead and the Director of OMB; or
- (e) classified information or classified information systems.
- Sec. 5. General Provisions. (a) Nothing in this order shall be construed to impair or otherwise affect:
- (i) the authority granted by law to an executive department or agency, or the head thereof; or
- (ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.
- (b) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.
- (c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

THE WHITE HOUSE,

February 26, 2025.