

## Bureau of The Fiscal Service

### *Program Summary by Budget Activity*

Dollars in Thousands

Appropriated Resources	FY 2025 Actuals	FY 2026 Enacted	FY 2027 Request	FY 2026 to FY 2027	
				\$ Change	% Change
Accounting and Reporting	92,927	103,236	101,950	-1,286	-1.2%
Collections	47,863	50,561	48,773	-1,788	-3.5%
Disbursements	128,357	131,163	133,460	2,297	1.8%
Retail Securities Services	78,166	69,056	69,070	14	0.0%
Wholesale Securities Services	32,053	37,093	37,856	763	2.1%
<b>Subtotal, Bureau of the Fiscal Service</b>	<b>\$379,366</b>	<b>\$391,109</b>	<b>\$391,109</b>	<b>\$0</b>	<b>0.0%</b>
Debt Collection	199,886	194,956	197,966	3,010	1.5%
Reimbursables	229,617	241,000	241,000	0	0.0%
Unobligated Balances From Prior Year	239,764	253,881	253,881	0	0.0%
<b>Subtotal Other Resources</b>	<b>\$669,267</b>	<b>\$689,837</b>	<b>\$692,847</b>	<b>\$3,010</b>	<b>0.4%</b>
<b>Total Budgetary Resources</b>	<b>\$1,048,633</b>	<b>\$1,080,946</b>	<b>\$1,083,956</b>	<b>\$3,010</b>	<b>1.0%</b>
Direct FTE	1441	1,072	1,141	69	6.4%
Reimbursable FTE	7	0	0	0	0.0%
Debt Collection FTE	241	210	210	0	0.0%
<b>Total Full-time Equivalents (FTE)</b>	<b>1,689</b>	<b>1,282</b>	<b>1,351</b>	<b>69</b>	<b>5.4%</b>

1 FY 2025 Other Resources and Full-time Equivalents (FTE) reflect actuals.

2 Treasury's staffing plan was approved by OPM in January and establishes positions ceilings. FTE levels reflect estimated utilization for FY 2026 and FY 2027 based on projected on-board dates for approved hires and does not equate to the Bureau's approved position level.

### *Summary*

The Bureau of the Fiscal Service (BFS) plays an integral role in the National Financial Critical Infrastructure (NFCI) of the entire federal government, and the financial services we provide touch the lives of nearly every American. BFS is guided by the Federal Financial Management Vision that the government is an efficient steward of its financial resources; that financial information provided by the government is timely and accurate; and that financial interactions with the government are modern, seamless, and secure.

The FY 2027 request for the BFS Salaries and Expenses account is \$391.1 million, flat with the FY 2025 Enacted Budget and the FY 2026 annualized level. The Budget provides resources to support continued investments in improving payment integrity and modernizing financial management systems through ongoing implementation of Executive Orders (EOs) 14247, *Modernizing Payments To and From America's Bank Account*, and 14249, *Protecting America's Bank Account Against Fraud, Waste, and Abuse*, including related payment verification and data-matching capabilities such as Do Not Pay systems, while maintaining essential operations for the government's NFCI that finances federal programs and services, collects revenue, disburses payments, and reports on the government's financial position. The request includes funding for the following programs in FY 2027:

- Accounting and Reporting (\$101.9 million): BFS collects, analyzes, and publishes government-wide financial information to provide transparency on the government's financial status. In FY 2025, BFS accounted for and reported on the financial activity related to the \$37.6 trillion public debt, managed an average daily cash flow of \$295.4 billion, and averaged almost 1.1 million pageviews per month on USAspending.gov.
- Collections (\$48.7 million): BFS administers the world's largest government collections system through a network of Fiscal and Financial Agents. In FY 2025, Fiscal Service collected nearly \$6.3 trillion in federal revenue, while increasing federal agency adoption of e-Commerce digital collection options by 16.5%.
- Disbursements (\$133.5 million): BFS is the federal government's central disbursing agency, disbursing 88.1% of all federal payments in FY 2025 on behalf of more than 250 federal entities. In FY 2025, Fiscal Service securely disbursed more than \$6.02 trillion, at an electronic rate of 96.96%, while preventing or recovering 1.2 million improper payments valued at \$11.5 billion.
- Retail Securities (\$69.1 million): BFS provides simple, safe, and affordable ways for the public to directly interact with the Department of the Treasury to save for their future by investing in Treasury securities. In FY 2025, BFS electronically issued \$448.4 billion in Treasury retail securities, redeemed \$508.4 billion in Treasury securities, and made \$187.8 billion in retail payments.
- Wholesale Securities (\$37.8 million): BFS finances daily government operations by overseeing the announcement, auction, and issuance of marketable Treasury bills, notes, bonds, floating rate notes, and inflation-protected securities through reliable, accurate, and secure electronic systems. In FY 2025, BFS conducted 445 auctions, awarding \$30.15 trillion in Treasury marketable securities, and carried out 64 regularly scheduled operations to buy back nearly \$184 billion in Treasury marketable securities.

The Budget reflects \$2.8 million in annual rent savings for Fiscal Service and a \$10.3 million in savings from reducing contract support and transitioning legacy on-premises system to more modern and cost-effective cloud solutions, resulting in net savings of \$13 million. The savings identified will be repurposed to support core operations through a net increase of 69 FTE, which includes annualization of hiring occurring in the second half of FY 2026 in accordance with Treasury's approved staffing plan, as well as a request for 40 additional FTE to support critical accounting and reporting, collections, disbursements and financing functions. The budget request also continues to provide targeted support for the Administration's and Fiscal Service's priorities to defend against financial fraud and improper payments, increase transparency and accountability of the federal government's operations and financial condition, and consolidate to the greatest extent possible financial management systems and operations across the federal landscape.

## Budget Highlights

Dollars in Thousands

	FTE	Amount
<b>FY 2026 Enacted</b>	<b>1,072</b>	<b>\$391,109</b>
<b>Changes to Base:</b>	29	\$6,219
Maintaining Current Levels (MCLs):		
Pay Annualization (FY 2026 1.0% average pay raise)	0	\$1,463
Annualization Of New Hires	29	\$4,756
Subtotal Changes to Base	29	\$6,219
<b>FY 2027 Current Services</b>	<b>1,101</b>	<b>\$397,328</b>
<b>Program Changes:</b>		
Program Decreases:		(\$13,114)
Facilities	-	(\$2,803)
Operational Efficiencies	-	(\$10,311)
Program Increases:		\$6,894
Bureau Core Operations	40	\$6,894
<b>FY 2027 President's Budget Request</b>	<b>1,141</b>	<b>\$391,109</b>

## Budget Adjustments

**Maintaining Current Levels (MCLs) .....+\$6,219,457 / +29 FTE**

Pay Annualization (1.0% in 2026) +\$1,463,180 / +0 FTE

Funds are requested for annualization of the January 2026 1.0% average pay raise.

Annualization of New Hires +\$4,756,277/+29 FTE

Reflects costs related to annualization of hiring occurring in the second half of FY 2026 in accordance with Treasury's approved staffing plan

**Program Decreases ..... -\$13,114,000 / -0 FTE**

Facilities Reduction -\$2,803,000 / -0 FTE

In alignment with the EO 14274, BFS is continuing its efforts to rationalize our facility footprint and optimize the space we occupy by consolidating with other Treasury offices including the Mint (9th Street) and IRS (New Carrollton). Returning underutilized space across our locations will result in estimated rent and facilities savings of \$2.8 million in FY 2027.

Operational Efficiencies -\$10,311,000 / -0 FTE

In alignment with the EO 14222, BFS is continuing efforts to reduce consulting contracts and transition legacy on-premise systems to more modern and cost-effective cloud solutions.

**Program Increases ..... +\$6,894,161 / +40 FTE**

Increase +\$6,894,161 / +40 FTE

BFS is requesting an increase of \$6.8 million and 40 FTE in FY 2027, which is necessary to restore a modest staffing level to support core operations that are critical to delivering on the BFS mission. Workforce optimization efforts including participation in voluntary separation

offers like DRP and VERA have reduced BFS staffing to levels that increase operational risk. To mitigate these risks BFS has strategically reorganized, prioritized critical positions, and invested in opportunities to streamline and automate functions across the bureau, but without funding to restore a modest number of positions, critical High Value Assets and mission critical work will be at risk, including essential work in payment operations, government-wide financing and accounting, the financial management marketplace and standards, and further efforts to continue progress on implementation of EOs 14247, *Modernizing Payments To and From America’s Bank Account*, and 14249, *Protecting America’s Bank Account Against Fraud, Waste, and Abuse*.

### ***Legislative Proposals***

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BFS has no legislative proposals.

### ***Performance Highlights***

Budget Activity	Performance Measure	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Target	FY 2027 Target
Accounting and Reporting	Percentage of Government-wide Accounting Reports Issued On Time (%)	100	99.6	100	100	99	99
Collections Resources	Percentage of total federal government receipts initiated electronically (in volume) (%)	83.2	84.8	88.4	88.8	91	94
Payments	Percentage of Treasury Payments Disbursed Electronically (%)	83.2	96.45	96.9	96.96	97.03	97.03
Retail Securities Services	Percentage of Retail Securities Transactions that are Unassisted (%)	77	82	83	85.8	77	78
Wholesale Securities Services	Percentage of Auctions Successfully Completed by the Scheduled Close Date (%)	99.75	99.52	100	100	100	100
Debt Collection Resources	Percentage of the active delinquent debt portfolio collected FYTD [%]	6.26	3.7	2.1	5.73	3	3

### ***Description of Performance***

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BFS fulfills its mission and strategic vision through five appropriated budget activities – Accounting and Reporting, Collections, Disbursements, Retail Securities Services, Wholesale Securities Services – and one mandatory budget activity for Debt Collection, which is funded through delinquent debt collection revenue, as well as through shared services programs under the Treasury Franchise Fund (refer to the Franchise Fund submission for more information). In FY 2025, BFS demonstrated strong performance across all budget activities and performance measures. Overall, 10 out of 11 performance targets were met or exceeded, while one did not meet its targets. Performance outcomes reflect BFS’s operational resiliency and strong record of fiscal responsibility, while trend analysis indicates stable performance results year over year. In FY 2025, variances from targets were primarily attributable to external workload drivers such as changes in debt referral and payment volumes.

In FY 2026, BFS plans to focus on three enterprise-wide priorities in addition to sustaining business operations within each budget activity.