Department of the Treasury
Bureau of the Fiscal Service

Congressional Budget Justification and Annual Performance Plan and Report

FY 2022

Table of Contents

Section I – Budget Request

A – Mission Statement
To promote the financial integrity and operational efficiency of the Federal Government through exceptional accounting, financing, collections, payments, and shared services.

B – Summary of Request
The Bureau of the Fiscal Service (Fiscal Service) plays an integral role in the National Financial Critical Infrastructure (NFCI) of the entire Federal Government and touches the lives of nearly every American. Fiscal Service is guided by its enduring aspiration that the Government is an efficient steward of its financial resources; that financial information provided by the Government is accurate; and that financial interactions with the Government are inclusive, modern, seamless, and secure.

The FY 2022 request for the Fiscal Service is $360.3 million. The Budget ensures the viability of the Government's NFCI that finances Federal operations, collects revenue, disburses payments, and reports on the Government's financial position. Because of Fiscal Service's central role in government-wide financial operations, the Budget also supports Treasury's leadership in transforming Federal financial management to become more efficient, more accurate and deliver better service to citizens.

The Budget invests in business modernization, customer experience, increasing availability of data, expanding financial management solutions, innovation, operational integrity, and our workforce. These priorities will advance Fiscal Service's vision to transform federal financial management and allow the Bureau to deliver critical financial operations to the American public.

The Financial Management Quality Service Management Office (FM QSMO) is a key initiative that supports multiple goals in Treasury's 10-year Vision for the Future of Federal Financial Management. This program is responsible for operating the Federal marketplace and making quality core financial service offerings available to all Federal agencies. FM QSMO seeks to partner with agency leaders, provide agencies with access to innovative and standards-based financial management solutions, and deliver expert guidance that will advance government-wide financial management goals.

1.1 – Appropriations Detail Table

Dollars in Thousands

Appropriated Resources	FY 2020 Operating Plan		FY 2021 Operating Plan		FY 2022 Request		FY 2021 to FY 2022 % Change	
New Appropriated Resources	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
Accounting and Reporting	355	$98,937	398	$96,472	417	$103,242	5%	7%
Collections	148	$37,948	161	$41,109	165	$42,417	2%	3%
Payments	487	$123,015	490	$123,190	501	$127,110	2%	3%
Retail Securities Services	393	$58,403	406	$59,312	412	$61,200	1%	3%
Wholesale Securities Services	116	$21,977	122	$25,486	122	$26,297	0%	3%
Matured Unredeemed Debt	0	$25,000	0	$25,000	0	$0	N/A	-100%
Subtotal New Appropriated Resources	**1499**	**$365,280**	**1577**	**$370,569**	**1617**	**$360,266**	**3%**	**-3%**
Other Resources								
Reimbursable/Debt	358	$399,681	412	$402,000	412	$412,831	0%	3%
Unobligated Balances from Prior Years	0	$92,000	0	$137,546	0	$150,000	N/A	9%
Subtotal Other Resources	**358**	**$491,681**	**412**	**$539,546**	**412**	**$562,831**	**0%**	**4%**
Total Budgetary Resources	**1857**	**$856,961**	**1989**	**$910,115**	**2029**	**$923,097**	**2%**	**1%**

Note: FY 2020 Other Resources and Full-time Equivalents (FTE) reflect actuals. Table does not include the $78.7 million supplemental funding provided under the Coronavirus Aid, Relief, and Economic Security (CARES) Act (P.L. 116-136) in FY 2020 and the $23.2 million provided by the American Rescue Plan (ARP) (P.L. 117-2) in FY 2021. Additionally, unobligated balances do not include CARES and ARP. Other Resources does not include IRS reimbursements for EIP postage cost.

1.2 – Budget Adjustments Table

Dollars in Thousands

	FTE	Amount
FY 2021 Operating Plan	**1,577**	**$370,569**
Changes to Base:		
Maintaining Current Levels (MCLs):	0	$10,234
Pay Annualization (1.0% average pay raise)	0	$557
FERS Contribution Increase	0	$1,676
Pay Raise (2.7% average pay raise)	0	$5,049
Non-Pay	0	$2,952
Non-Recurring Costs:		
Matured Unredeemed Debt	0	($25,000)
Other Adjustments:		
Annualization of Hires	38	$5,428
Efficiency Savings:		
Non-Pay Decreases	0	($5,428)
Subtotal Changes to Base	38	($14,766)
FY 2022 Current Services	**1,615**	**$355,803**
Program Changes:		
Program Increases:		
Quality Service Management Office	2	$3,700
Electric Vehicles and Associated Infrastructure	0	$763
Subtotal Program Changes	**2**	**$4,463**
Total FY 2022 President's Budget	**1,617**	**$360,266**

C – Budget Increases and Decreases Description
Maintaining Current Levels (MCLs)…………..………………………… +$10,234,000 / +0 FTE
Pay Annualization (1.0%) +$557,000 / +0 FTE
Funds are requested for annualization of the January 2021 1.0% average pay raise.

FERS Contribution Increase +$1,676,000 / +0 FTE
Funds are requested for the Federal Employee Retirement System (FERS) contribution rates
effective FY 2022.

Pay Raise (2.7% in 2022) +$5,049,000 / +0 FTE
Funds are requested for a 2.7% average pay raise in January 2022.

Non-Pay +$2,952,000 / +0 FTE
Funds are requested for non-labor expenses such as travel, contracts, rent supplies, and
equipment.

Non-recurring Cost………………………………………………… -$25,000,000 / -0 FTE
Matured Unredeemed Debt -$25,000,000 / -0 FTE
United States Savings Bonds that have reached final maturity and stopped earning interest are
considered Matured Unredeemed Debt (MUD). As of the end of FY 2020, the MUD balance
had reached $27.5 billion. The Consolidated Appropriations Act, 2021, (P.L. 116-260) provided
$25 million, available until expended, for the digitization of records of matured savings bonds
that have not been redeemed. This adjustment removes the FY 2021 appropriation from the FY
2022 base.

Other Adjustments……………………………………………… +$5,428,000 / +38 FTE
Annualization of Hires +$5,428,000 / +38 FTE
Funds are requested for annualization of salary and benefits for hires that occur during FY 2021.
These hires support the bureau's priorities and the staffing levels required to ensure effective
operational activities.

Efficiency Savings…………………………………………….....…… -$5,428,000 / -0 FTE
Non-Pay Decreases -$5,428,000 / -0 FTE
Anticipated savings from reduced non-pay programmatic requirements to align with operating
levels.

Program Increases………………………………...………….………… +$4,463,000 / +2 FTE
Quality Service Management Office +$3,700,000 / +2 FTE
This funding will support the Department's implementation of the Financial Management
Quality Service Management Office (FM QSMO). Federal agency financial systems face
critical modernization needs, and opportunities exist for improving compliance with financial
management standards, leveraging technology and shared solutions, and reducing lengthy
deployment delays and cost overruns. By leveraging the FM QSMO's Marketplace of
core financial systems preconfigured with standards-based capabilities, agencies will share in the
initial cost of modernizing a system as well as keep systems up to date by utilizing Marketplace
providers.

Increased funding will allow Treasury to continue establishment and implementation of the FM QSMO Marketplace of solutions and services which will help agencies meet their financial management needs and accomplish shared government-wide goals. During FY 2022, Treasury plans to stand-up the initial Marketplace for agencies to acquire core financial system solutions through a government-wide contract vehicle. It is envisioned that the Marketplace will also include other financial management solutions and services complementary to core financial systems as well as Treasury centralized services. In addition, the increased funding will enable the Treasury FM QSMO team to work with agencies to assess adoption readiness, plan for use of the Marketplace solutions and services, and provide the necessary support to ensure agency participation in the design of the Marketplace.

Electric Vehicles and Associated Infrastructure +$763,000 / +0 FTE
Following the lead from Executive Order (E.O.) 14008, "Tackling the Climate Crises at Home and Abroad", the U.S. Department of the Treasury joins in the Administration's priority to develop a comprehensive plan to create good jobs and stimulate clean energy industries by revitalizing the Federal Government's sustainability efforts. This includes Treasury's commitment to use all available procurement authorities to augment its Departmentwide fleet management program with a continued focus on the leasing of electric vehicles (EV) and purchasing, installing, and maintaining essential infrastructure. The planned resources will help Treasury comply with the requirements set forth by E.O. 14008 and reduce the carbon footprint of emissions into the atmosphere by acquiring an updated fleet of zero-emissions vehicles that can support mission operations.

For FY 2022, the Bureau of Fiscal Service (Fiscal Service) requests $763,000 to fund the eventual full conversion of its fleet to EV. Of that money, approximately $50,000 will be allocated to support the purchase, installation, maintenance, and/or upgrade of infrastructure required to maintain an EV fleet management program. It is expected that Fiscal Service will need two charging stations to support its future EV state. Currently, Fiscal Service has a total of 29 vehicles in its fleet, of which two are EVs.

1.3 – Object Classification (Schedule O) Obligations

Dollars in Thousands

Object Classification	FY 2020 Actual Obligations	FY 2021 Estimated Obligations	FY 2022 Estimated Obligations
11.1 - Full-time permanent	181,357	198,853	208,133
11.3 - Other than full-time permanent	239	170	177
11.5 - Other personnel compensation	6,072	5,603	5,934
11.9 - Personnel Compensation (Total)	**$187,668**	**$204,626**	**$214,244**
12.0 - Personnel benefits	67,423	74,944	80,041
13.0 - Benefits for former personnel	0	0	0
Total Personnel and Compensation Benefits	**$255,091**	**$279,569**	**$294,285**
21.0 - Travel and transportation of persons	974	1,346	1,559
22.0 - Transportation of things	95	75	77
23.1 - Rental payments to GSA	24,640	22,135	33,114
23.2 - Rental payments to others	6	5	5
23.3 - Communication, utilities, and misc charges	59,780	88,937	65,023
24.0 - Printing and reproduction	122	109	111
25.1 - Advisory and assistance services	67,812	28,253	21,976
25.2 - Other services from non-Federal sources	18,133	28,413	37,254
25.3 - Other goods and services from Federal sources	305,965	341,745	314,015
25.4 - Operation and maintenance of facilities	2,260	2,894	2,952
25.7 - Operation and maintenance of equip	10,915	9,358	8,067
26.0 - Supplies and materials	5,042	4,805	4,535
31.0 - Equipment	4,980	4,714	3,113
32.0 - Land and structures	424	10	10
43.0 - Interest and dividends	38	0	0
Total Non-Personnel	**$501,187**	**$532,801**	**$491,811**
New Budgetary Resources	**$756,278**	**$812,370**	**$786,097**

FTE	**1,857**	**1,989**	**2,029**

Note: Table does not include obligations from direct supplemental funding provided under the Coronavirus Aid, Relief, Economic Security (CARES) Act (P.L. 116-136) for $12.6 million in FY 2020 and $17.5 million in FY 2021, and the American Rescue Plan (ARP) (P.L.117-2) for $19.1 million in FY 2021 and $4.1M in FY 2022. FY 2021 includes $9.5 million in MUD estimated obligations. FY 2022 includes $13.0 million in MUD estimated obligations.

D – Appropriations Language and Explanation of Changes

Appropriations Language	Explanation of Changes
DEPARTMENT OF THE TREASURY BUREAU OF THE FISCAL SERVICE *Federal Funds* SALARIES AND EXPENSES For necessary expenses of operations of the Bureau of the Fiscal Service, [$345,569,000] *$360,266,000*; of which not to exceed $8,000,000, to remain available until September 30, [2023] *2024*, is for information systems modernization initiatives; and of which $5,000 shall be available for official reception and representation expenses. In addition, $165,000, to be derived from the Oil Spill Liability Trust Fund to reimburse administrative and personnel expenses for financial management of the Fund, as authorized by section 1012 of Public Law 101-380. *(Department of the Treasury Appropriations Act, 2021.)*	

Federal Reserve Bank Permanent, Indefinite Appropriation

The Federal Reserve Banks (FRBs) act as fiscal agents of the United States when directed by the Secretary of the Treasury in accordance with 12 U.S.C. § 391. Under this account, the FRBs support fiscal operations unrelated to the administration of the public debt and provide banking and financial services on behalf of the United States Treasury. Specifically, this account supports accounting and reporting, collections, payments, and debt collection programs. These, and other programs, are vital to the NFCI, Fiscal Service's strategic goals, and the expansion of e-government efforts to reduce costs, improve accuracy and increase options available to citizens to conduct transactions with the Federal Government. Fiscal Service estimates that the cost of FRB services for FY 2022 will be approximately $659 million.

Reimbursements to the Federal Reserve Banks

Public Law (P.L.) 101-509, 104 Stat. 1389, 1394 (1990), established a permanent, indefinite appropriation to pay such sums as may be necessary to reimburse the FRBs for acting as fiscal agents. This account was further defined in FY 1992 to solely support those activities related to the administration of the public debt. Funding for FY 2022 is estimated at $180 million.

Financial Agent Services Permanent, Indefinite Appropriation

Congress has given the Secretary of the Treasury authority to deposit money in financial institutions and obtain banking and financial services by designating qualified financial institutions to act/serve as Financial Agents (FAs) of the United States. The services support many Fiscal Service programs, such as collections, payments, and debt collection. The services provided by the FAs are authorized under numerous statutes including, but not limited to, 12 U.S.C. 90 and 265. Fiscal Service estimates the cost of FA services for FY 2022 will be approximately $881 million, which includes $1.3 million for Government Sponsored Enterprise – Mortgage Backed Securities administrative costs.

Government Losses in Shipment

P.L. 103-329 established a permanent, indefinite appropriation to pay such sums as necessary to make payments for the replacement (or value) of valuables lost, destroyed, or damaged during United States Government shipments. The Government Losses in Shipment Act (the Act) was enacted July 8, 1937 to dispense with the necessity for insurance by the Government against loss or damage to valuables in shipment and for other purposes. The Act was amended in 1943 to cover losses resulting from the redemption of savings bonds (for example, stolen bonds that were fraudulently negotiated even though the paying agent followed identification guidelines established by the Treasury). All Authority of the Treasury under the Act is delegated to the Fiscal Service Commissioner. In FY 2022, the funding estimated to support payments for the replacement of valuables is approximately $1.9 million.

1.4 – Permanent, Indefinite Appropriations Table

Dollars in Thousands

Permanent, Indefinite Appropriation	FY 2020 Actual	FY 2021 Estimated	FY 2022 Request
Federal Reserve Bank[1]	$599,000	$646,000	$659,000
Reimbursements to the Federal Reserve Banks	$147,000	$177,000	$180,000
Financial Agent Services[1,2]	$856,000	$864,000	$881,000
Government Losses in Shipment	$2,204	$1,452	$1,909

1/ Approx $91M was reimbursed from other government agencies and deposited into the General Fund in FY 2020.

2/ FY 2020 - FY 2022 includes $1 M per year for the Government Sponsored Enterprise - Mortgage Backed Securities administrative costs.

Section II – Annual Performance Plan and Report

A – Strategic Alignment

In FY 2020, Fiscal Service collected over $4.24 trillion in revenue, issued more than 1.4 billion payments to over 120 million Americans, and conducted 447 auctions that sold $18.67 trillion in Treasury securities to finance the Federal Government. Fiscal Service accounted for the Nation's $26.9 trillion public debt down to the penny, every day.

In accordance with the *Government Performance and Results Act Modernization Act (GPRAMA)* of 2010, the Department of the Treasury is currently developing the FY 2022 – 2026 Departmental Strategic Plan. The Strategic Plan is scheduled for publication in 2022. The Annual Performance Plan will be updated in the FY 2023 President's Budget to reflect new departmental strategic goals and objectives. Fiscal Service will publish a component plan that aligns bureau activities and priorities to the Department's by Spring 2022.

Fiscal Service continues its mission to promote the financial integrity and operational efficiency of the Federal Government through exceptional accounting, financing, collections, payments, and shared services. Fiscal Service is guided by the Future of Federal Financial Management Vision (FM Vision) which outlines three expectations citizens have for federal financial management which guide the work within Fiscal Service:

- The Government is an efficient steward of its financial resources;
- Financial information provided by the Government is accurate; and
- Financial interactions with the Government are inclusive, modern, seamless, and secure.

Fiscal Service is committed to providing it's customers with innovative, modern financial management solutions. This includes providing a modern customer experience to the American public, leading the federal financial management community, and unlocking value for agency Chief Financial Officers (CFOs).

To transform financial management, Fiscal Service is guided by its strategic vision to deliver operational excellence and business modernization, provide a modern customer experience, engage its diverse high-performing workforce, increase data integrity and transparency, and provide innovative financial management solutions to the financial management community. These transformations are more important than ever as Fiscal Service moves forward.

Fiscal Service fulfills its mission and strategic vision through appropriated budget activities - Accounting and Reporting, Collections, Payments, Retail Securities Services, Wholesale Securities Services - and one mandatory budget activity - Debt Collection, which is funded through delinquent debt collection revenue.

The following sections detail how specific budget activities support the strategic direction and illustrate FY 2020 performance accomplishments and FY 2021 and 2022 performance goals.

B – Budget and Performance by Budget Activity
2.1.1 – Accounting and Reporting Resources and Measures

Dollars in Thousands

Resource Level	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Operating Plan	FY 2022 Request
Appropriated Resources	$113,413	$114,829	$90,291	$94,104	$94,446	$96,472	$103,242
Reimbursable Resources	$24,155	$23,800	$18,923	$20,114	$21,205	$21,547	$26,365
Budget Activity Total	$137,568	$138,629	$109,214	$114,218	$115,651	$118,019	$129,607
Full-time Equivalents (FTE)	425	381	400	373	355	398	417

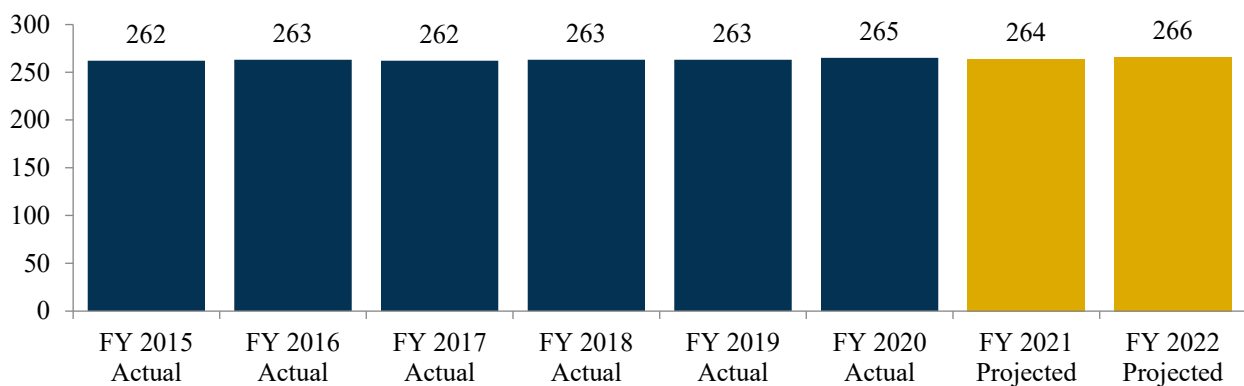Note: The FY 2016 - FY 2020 appropriated resources represent actual obligations.

Performance Measure	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2020 Target	FY 2021 Target	FY 2022 Target
Percentage of Government-wide Accounting Reports Issued Timely (%)	100.0	100.0	100.0	99.6	100.0	99.5	99.5	99.5

Accounting and Reporting Budget and Performance

($103,242,000 from direct appropriations, $26,365,000 from reimbursable sources)
Fiscal Service collects, analyzes, and publishes government-wide financial information, made available to both the public and private sectors, to provide transparency on the Government's financial status. Fiscal Service is responsible for maintaining the Federal Government's set of accounts and serves as the repository of information for the financial position of the United States Government. The Bureau closely monitors the Government's monetary assets and liabilities through its oversight of central accounting and reporting systems. Fiscal Service oversight responsibilities include helping Federal agencies use uniform accounting and reporting standards and systems and assuring the continuous exchange of financial information between Federal agencies, OMB, and financial institutions. The Bureau also gathers and publishes government-wide financial information for use in establishing fiscal and debt management policies, as well as to allow the public and private sectors to monitor the Government's financial status. In FY 2020, Fiscal Service issued a total of 265 government-wide accounting reports.

Count of Government-wide Account Reports Issued

FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Projected	FY 2022 Projected
262	263	262	263	263	265	264	266

Description of Performance:
In FY 2020, Fiscal Service continued its strong performance by issuing 100 percent of government-wide accounting reports on time. This is an improvement over FY 2019, where a one-time system error impacted the annual performance. Fiscal Service expects to meet its FY 2021 and FY 2022 performance targets by transforming the quality, effectiveness, and transparency of Federal financial management data; delivering value-added business process and system improvements; and expanding/enhancing relationships with stakeholders and customers.

Other Accounting and Reporting performance accomplishments include the following:
Financial Data Access and Use: In July 2020, Fiscal Service launched FiscalData.Treasury.gov, which provides the public with centralized access to Fiscal Service's financial data through a modern user experience. Fiscal Data includes topics such as debt, interest rates, and revenue through an accessible, easy-to-follow, interactive website.

Treasury also collaborated with OMB and other federal agencies to issue guidance on supplemental funding provided in response to COVID-19 and worked with federal agencies to report this information to the public on USAspending.gov.

General Fund: GAO's FY 2018 Schedules of the General Fund report for the Bureau of the Fiscal Service was published in May 2019 and identified opportunities to advance the auditability of the Schedules of the General Fund. In FY 2020, Fiscal Service implemented a comprehensive remediation plan to address these issues with the following actions: 1) implementing processes for validating the integrity of certain beginning balances; 2) developing an automated reconciliation to readily trace payment transactions; and 3) working diligently with the federal agency community to provide guidance to improve the accuracy of the Schedules. GAO has confirmed that the Fiscal Service successfully completed remediation activities to adequately address two of the three outstanding scope limitations from the FY 2018 audit. Additionally, GAO confirmed six of twelve financial audit recommendations were successfully addressed since the last audit cycle, along with successful closure of eight of seventeen information technology recommendations.

Modernize and Streamline Federal Reporting and Audit Model: Federal agencies (and other entities) use the Government-wide Treasury Account Symbol Adjusted Trial Balance System (GTAS) to provide proprietary financial reporting information about budget execution to the Treasury. This information is used to compile the Financial Report of the U.S. Government. In FY 2020, Fiscal Service implemented key enhancements, including data automation to support the elimination of 40 agency closing packages for the U.S. Consolidated Financial Statements, and made progress in standardizing the Balance Sheet between the financial statement lines presented by agencies.

In FY 2022, Accounting and Reporting will engage in projects and activities that improve data use and transparency, streamline, and improve debt management and modernize federal financial performance. The Debt Information Management System (DIMS) modernization effort will allow the Bureau to provide more accurate and timely reporting of the national debt.

Additionally, timelines were established to move towards an improved intragovernmental invoicing system, improved auditing procedures, and advanced analytics.

2.1.2 – Collections Resources and Measures

Dollars in Thousands

Resource Level	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Operating Plan	FY 2022 Request
Appropriated Resources	$37,394	$35,281	$38,338	$42,333	$38,976	$41,109	$42,417
Reimbursable Resources	$8,265	$7,028	$8,042	$7,804	$8,535	$8,248	$7,754
Budget Activity Total	**$45,659**	**$42,309**	**$46,380**	**$50,137**	**$47,511**	**$49,357**	**$50,171**
Full-time Equivalents (FTE)	**152**	**159**	**160**	**156**	**148**	**161**	**165**

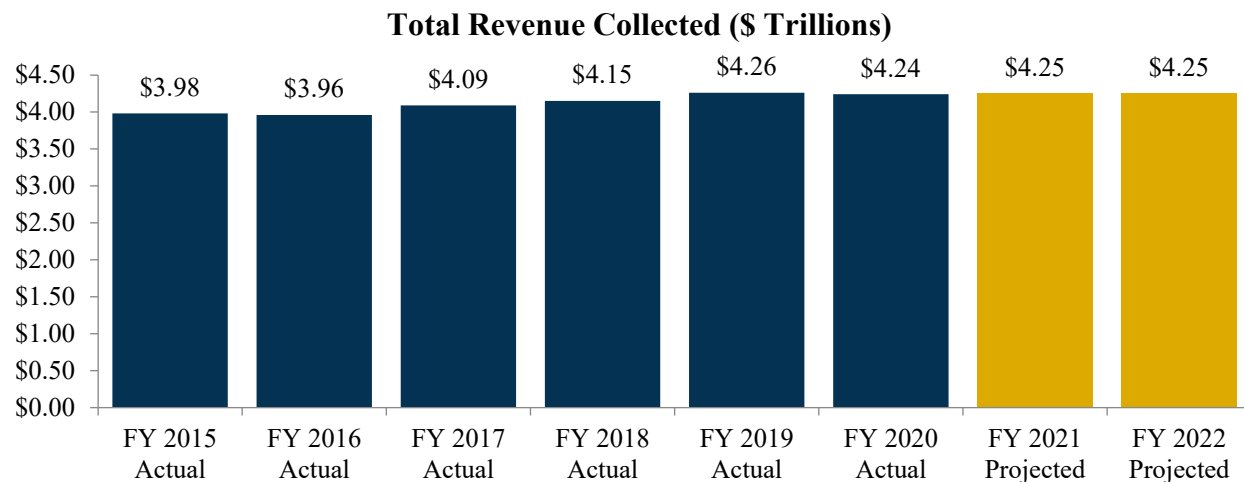Note: The FY 2016 - FY 2020 appropriated resources represent actual obligations.

Performance Measure	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2020 Target	FY 2021 Target	FY 2022 Target
Percentage of Total Federal Government Receipts Settled Electronically (%)	98.2	98.3	98.0	98.4	99.0	98.0	98.0	98.3

Collections Budget and Performance

($42,417,000 from direct appropriations, $7,754,000 from reimbursable sources)
The Collections budget activity supports the NFCI and Treasury by administering the world's largest government funds collections system through a network of Fiscal and Financial Agents. Fiscal Service's collections network supports a significant number of transactions and dollars collected, demonstrating the criticality of our program to the economy, the operations of the Government, and the daily lives of the public and businesses.

In FY 2020, Fiscal Service collected over $4.24 trillion in federal revenue, such as individual and corporate income tax deposits, customs duties, fees for government services, fines, and loan repayments. Within the federal revenue collected, the Electronic Federal Tax Payment System (EFTPS) processed over 190 million transactions valued at nearly $3.03 trillion in tax revenue while Pay.gov processed nearly 152 million transactions worth nearly $202 billion.

Total Revenue Collected ($ Trillions)

FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Projected	FY 2022 Projected
$3.98	$3.96	$4.09	$4.15	$4.26	$4.24	$4.25	$4.25

Description of Performance:

In FY 2020, Fiscal Service continued growth in electronic collections by electronically settling 99.0 percent of all Federal Government receipts, in dollars, which exceeded the target of 98.0 percent. The performance results were achieved because of our continuing efforts to move paper-based transactions to electronic alternatives (e.g., Pay.gov and eCommerce alternatives such as digital wallets), and a decline in non-electronic collections due to the pandemic. Fiscal Service expects to maintain the 98.0 percent target in FY 2021 by continuing to promote the use of electronic systems in the collections process and assisting agencies in converting collections from paper to electronic media, which supports the Administration's climate priority. While the 99.0 percent rate was achieved in FY 2020, the target for FY 2021 will remain at 98.0 percent due to the uncertainty and potential impacts from the pandemic on FY 2021 collections.

In FY 2020, Fiscal Service also continued efforts to streamline lockbox networks, which process paper-based payments and forms. The General Lockbox Network (GLN), which provides services to a variety of agencies, streamlined 65 cash flows and Fiscal Service reduced the GLN lockbox footprint from four sites managed by three financial agents, to two sites managed by a single financial agent. In FY 2022, the Fiscal plans to assess volume and policy impacts resulting from the pandemic and new climate policies to determine plans for its lockbox networks. Additionally, Fiscal Service has initiated the Transforming Tax Collections (T2C) initiative, a modernization effort which will transition to a new, modernized tax collection service that provides better customer experience, leverages available technologies to improve cybersecurity and fraud monitoring and detection, and enhances resiliency.

2.1.3 – Payments Resources and Measures

Dollars in Thousands

Resource Level	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Operating Plan	FY 2022 Request
Appropriated Resources	$127,943	$133,998	$131,160	$122,835	$136,678	$123,190	$127,110
Reimbursable Resources	$111,088	$111,464	$117,264	$113,313	$118,127	$123,880	$125,098
Budget Activity Total	**$239,031**	**$245,462**	**$248,424**	**$236,148**	**$254,805**	**$247,070**	**$252,208**
Full-time Equivalents (FTE)	562	597	508	477	487	490	501

Note: The FY 2016 - FY 2020 appropriated resources represent actual obligations.

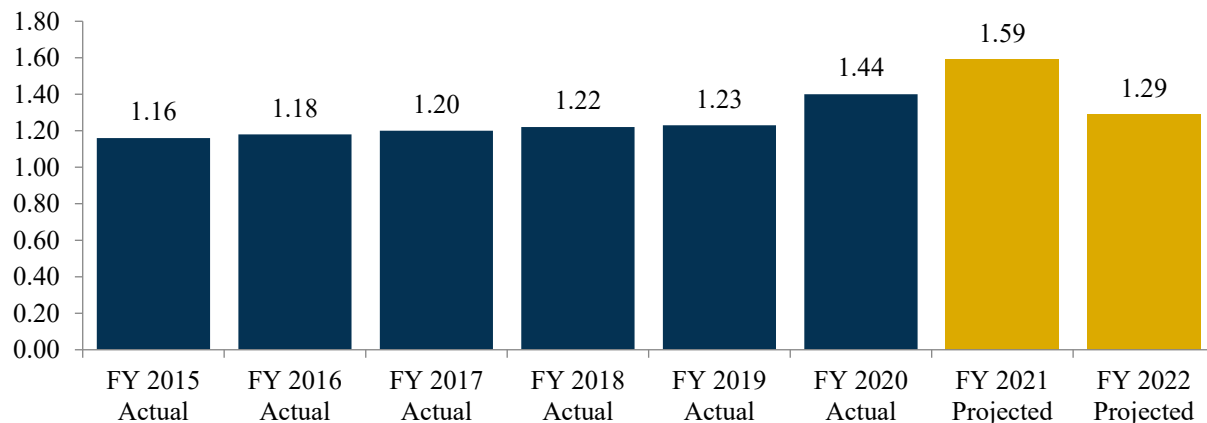| Performance Measure	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2020 Target	FY 2021 Target	FY 2022 Target
Percentage of Treasury Payments Made Electronically (%)	94.9	95.1	95.4	95.6	96.0	95.8	96.1	96.4
Count of Improper Payments Identified or Stopped (# in Thousands)	33.7	21.4	20.3	22.4	22.8	20.5	21.5	22.5
Dollar Amount of Improper Payments Identified or Stopped ($ Millions)	59.0	36.6	35.5	41.1	43.5	35.3	37.0	38.8

Payments Budget and Performance
($127,110,000 from direct appropriations, $125,098,000 from reimbursable sources)
The Fiscal Service Payments budget activity supports the NFCI and delivers Federal payments on behalf of more than 250 Federal entities through disbursement mechanisms such as paper checks, Electronic Fund Transfers (EFT), and benefit cards. The public relies on the Fiscal Service disbursement of payments, including programs such as Veterans' Compensation and Pension, Social Security Benefits, Federal and Railroad Pensions, IRS tax refunds, and Supplemental Security Income (SSI). Fiscal Service continues to focus on promoting the use of electronic channels in the payment process and assisting agencies in converting payments from paper checks to EFTs and strives towards all-electronic disbursements to streamline processes, reduce cost of operations, and deliver payments and related services expeditiously to the American public.

Fiscal Service continues to increase the percentage of federal payments which are Treasury-disbursed. In FY 2020, Fiscal Service disbursed 88 percent of all federal payments.

In FY 2020, the Fiscal Service payments activity encountered unprecedented increases in workload in support of the CARES legislation, specifically the delivery of Economic Impact Payments (EIP) to the American public. In FY 2020, Fiscal Service securely disbursed 1.4 billion payments totaling $5.4 trillion; of these totals, EIPs accounted for more than 160 million payments to individuals totaling more than $270 billion. During FY 2021, Fiscal Service issued 147 million EIP2s and as of May 12, 2021 has issued 165 million EIP3s. In total, over 472 million economic impact payments have been disbursed during FY 2020 and FY 2021.

Total Number of Payments Disbursed (# Billions)

| FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Projected	FY 2022 Projected
1.16	1.18	1.20	1.22	1.23	1.44	1.59	1.29

Description of Performance:
In FY 2020 and FY 2021, Fiscal Service was critical to the rapid implementation of programs providing relief to American workers and families during the coronavirus pandemic. Fiscal Service's use of modern, seamless, and secure electronic payment methods dramatically improved the speed and delivery of payments, including 472 million Economic Impact Payments (EIPs). In 2008, during the last major stimulus effort, it took more than two months to issue the first 800,000 stimulus payments to the American public. By comparison, in FY 2020, Fiscal Service disbursed more than 159 million EIPs within two months of the CARES Act being

signed into law. This included all eligible Americans for whom the IRS had the necessary information to make payments. In two subsequent rounds, Fiscal Service disbursed a majority of EIPs in approximately one month. In December 2020, Fiscal Service disbursed more than 113 million electronic EIPs totaling $112.2 billion within two days of the signing of the legislation. For EIP3s, Fiscal Service disbursed more than 90 million electronic EIPs totaling $242.3 billion in less than 24 hours of the signing of the legislation. For all three rounds of EIPs, Fiscal Service leveraged the use of debit cards for a portion of EIPs that would have otherwise been issued via paper checks. To further facilitate delivery of payments, Fiscal Service also issued electronic EIPs using information from other agencies.

While in the midst of supporting the CARES Act, Fiscal Service also continued advancing its planned actions within the Payments activity. One major initiative in this area is the Treasury FY 2020 – FY 2021 Agency Priority Goal (APG) to improve the public's experience by increasing electronic payments and reducing paper checks. Excluding EIPs and Department of Education checks directly related to the pandemic, Treasury reduced the total number of paper checks issued by -3.7 million compared to FY 2019 levels.

Number of Paper Checks Disbursed (Millions)
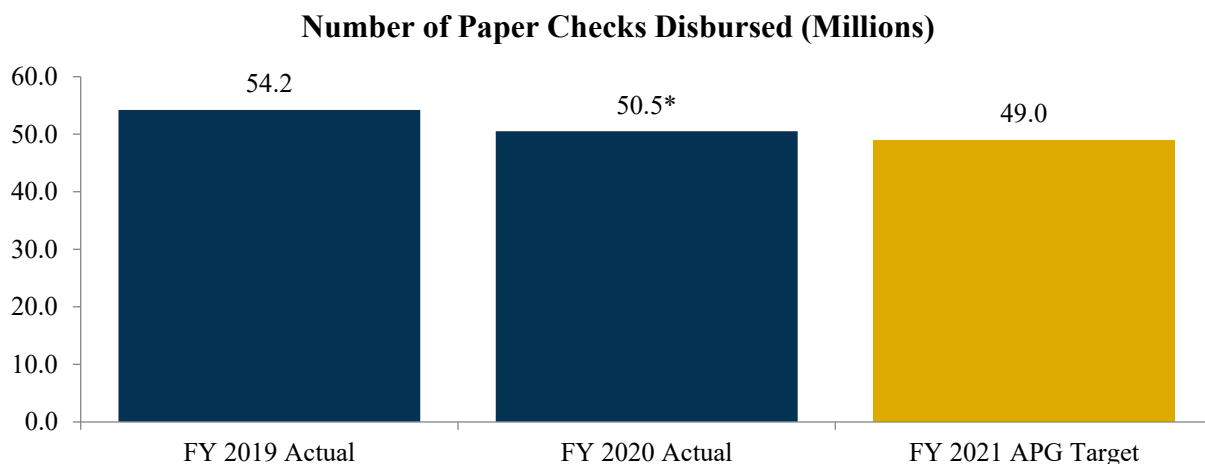
Excludes EIPs and Department of Education checks directly related to the pandemic.

In FY 2022, Fiscal Service plans to support the Administration's climate priority and commitment to streamline the delivery of benefit payments by continuing to promote and increase the delivery of payments through EFT, with an emphasis on tax refunds, vendor payments, benefit payments, and other miscellaneous payments. Additionally, the Bureau plans to explore, develop, and deploy innovative, customer-driven electronic payment solutions.

Fiscal Service also continues to grow the number of CFO Act agencies using and increase the dollar value of invoices processed through the Invoice Processing Platform (IPP). IPP is a secure, web-based service that automates government invoicing from purchase order through payment notification, resulting in reduced costs, faster payments, more accurate data, better cash management, and an improved customer experience.

In FY 2022, Fiscal Service will continue its Payment Modernization efforts through the Disbursement Services Modernization Initiative and Post Payment Modernization Initiative.

These efforts will modernize the disbursement processes to increase efficiencies, improve resiliency and security, enhance the customer experience, and enable the flexibility to adapt to future payment channels.

Additionally, Fiscal Service plans to initiate an enterprise project aimed at modernizing the electronic invoicing system. This initiative will provide a simple and easy-to-use e-Invoicing platform that will deliver economies of scale across the Federal Government and simplify the accounts payable process, while providing security and performance features required by agencies and vendors.

Fiscal Service will also continue to advance the Payment Integrity Center of Excellence (PICOE) and Do Not Pay (DNP) programs in FY 2022. These programs support agencies, law enforcement, and states in combatting fraud, waste, abuse, and improper payments. PICOE and DNP will continue to provide actionable business insights and solutions that transform how Federal agencies approach identifying, preventing, stopping, and recovering improper payments and related fraudulent activity.

In FY 2020, nine new state programs utilized DNP analytical services, 13 new federal programs used DNP analytical services, and 12 state or federal programs expanded DNP portal functionality. This growth has led to continued progress in identifying or stopping improper payments – specifically, the count and dollar amount of improper payments identified and prevented.

2.1.4 – Retail Securities Services Resources and Measures

Dollars in Thousands

Resource Level	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Operating Plan	FY 2022 Request
Appropriated Resources	$71,252	$61,910	$60,491	$55,465	$56,344	$59,312	$61,200
Reimbursable Resources	$16,026	$12,642	$12,100	$13,306	$12,406	$14,544	$15,549
Matured Unredeemed Debt	$0	$0	$0	$0	$401	$25,000	$0
Budget Activity Total	**$87,278**	**$74,552**	**$72,591**	**$68,771**	**$69,151**	**$98,856**	**$76,749**
Full-time Equivalents (FTE)	**436**	**472**	**434**	**388**	**393**	**406**	**412**

Note: The FY 2016 - FY 2020 appropriated resources represent actual obligations.

Performance Measure	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2020 Target	FY 2021 Target	FY 2022 Target
Percentage of Retail Customer Service Transactions That Are Unassisted (%)	N/A	N/A	N/A	69	70	B	71	72

Key: B - Baseline

Retail Securities Services Budget and Performance

($61,200,000 from direct appropriations, $15,549,000 from reimbursable sources)
Fiscal Service provides simple, safe, and affordable ways for investors to directly interact with the Department of the Treasury to save for their future by investing in Treasury securities. The U.S. Treasury began offering savings bonds in paper in 1935. Today, electronic savings bonds and marketable securities are sold through TreasuryDirect, an internet-based book-entry system for purchasing, holding, and conducting Treasury securities transactions. In FY 2020, Fiscal
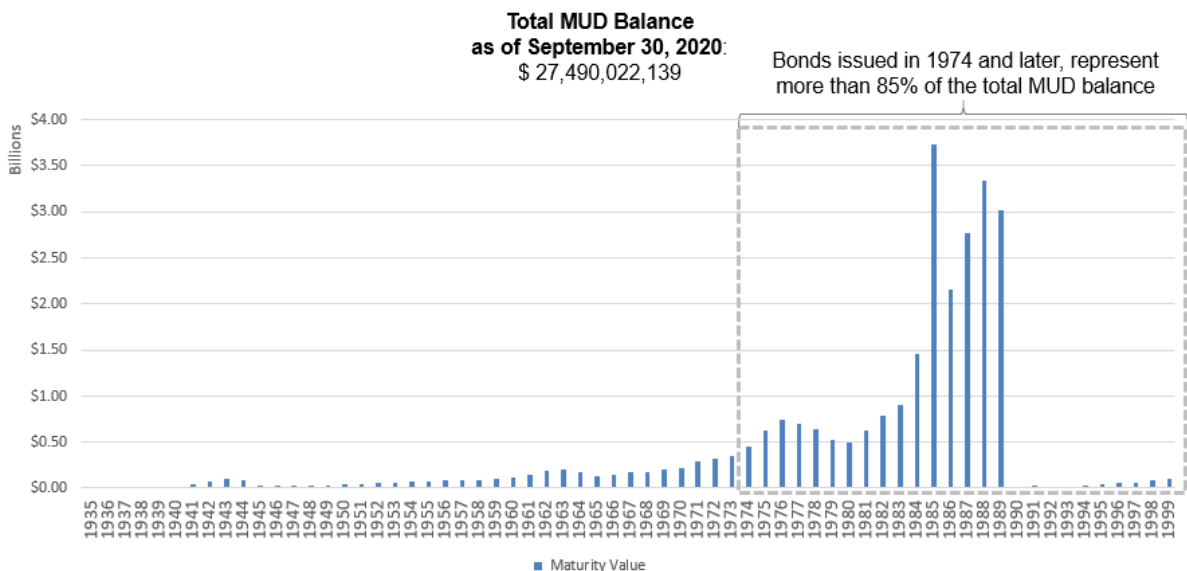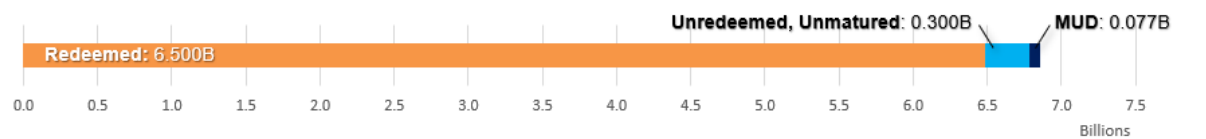
Service electronically issued $98.1 billion in Treasury retail securities (includes sales and reinvestments), processed $114.7 billion in redemptions, added 100,044 new accounts to TreasuryDirect, and made 2.8 million retail payments worth $36 billion.

Description of Performance:
Retail Securities Services has demonstrated progress with improving customer self-sufficiency. In FY 2020, the percentage of unassisted retail securities transactions increased over the FY 2019 baseline, with 70 percent of retail securities transactions unassisted. In FY 2021 and beyond, Fiscal Service will continue to modernize its business to improve the customer experience by increasing customer self-sufficiency and encouraging more investors to save for the future, while achieving Treasury's financing mission in a cost-effective manner. These improvements will enhance the customers' ability to purchase, reinvest, and manage their Treasury retail investments.

Retail Securities Services is also launching multiple initiatives to help owners find and claim their matured savings bonds. The initiatives focus on matured unredeemed debt (MUD), or savings bonds that have reached final maturity and stopped earning interest. The initiatives will include records modernization, online search tools, state partnerships, data analysis, customer research, communications, and longer-term initiatives to improve customer experience.

Of the approximately 7 billion securities issued in paper, 77 million pieces are MUD (approximately 1% of total pieces).

Total MUD Balance as of September 30, 2020: $ 27,490,022,139

Bonds issued in 1974 and later, represent more than 85% of the total MUD balance

Improving savings bond records over time will enable collaboration with stakeholders in locating MUD bondholders. Fiscal Service continues to work with the National Association of Unclaimed Property Administrators (NAUPA) and the National Association of State Treasurers (NAST) to

find collaborative solutions to locate owners of MUD bonds. In addition to adding links to TreasuryHunt.gov on unclaimed property websites and other locations, the collaboration includes the creation of workgroups with states to consider best practices in identifying customers, encouraging redemption, and finding heirs and owners of savings bonds. Fiscal Service is also leveraging data matching with federal agencies to better identify updated bond owner contact information.

2.1.5 – Wholesale Securities Services Resources and Measures

Dollars in Thousands

Resource Level	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Operating Plan	FY 2022 Request
Appropriated Resources	$13,848	$16,796	$21,851	$23,522	$23,414	$25,486	$26,297
Reimbursable Resources	$3,115	$4,214	$4,613	$4,599	$5,062	$4,797	$4,888
Budget Activity Total	$16,963	$21,010	$26,464	$28,121	$28,476	$30,283	$31,185
Full-time Equivalents (FTE)	78	117	116	112	116	122	122

Note: The FY 2016 - FY 2020 appropriated resources represent actual obligations.

Performance Measure	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2020 Target	FY 2021 Target	FY 2022 Target
Percentage of Auction Results Released Accurately (%)	100	98.9	98.9	98.8	100	100	100	100
Percentage of Auctions Successfully Completed by the Scheduled Close Date (%)	N/A	N/A	N/A	100	100	B	100	100

Key: B - Baseline
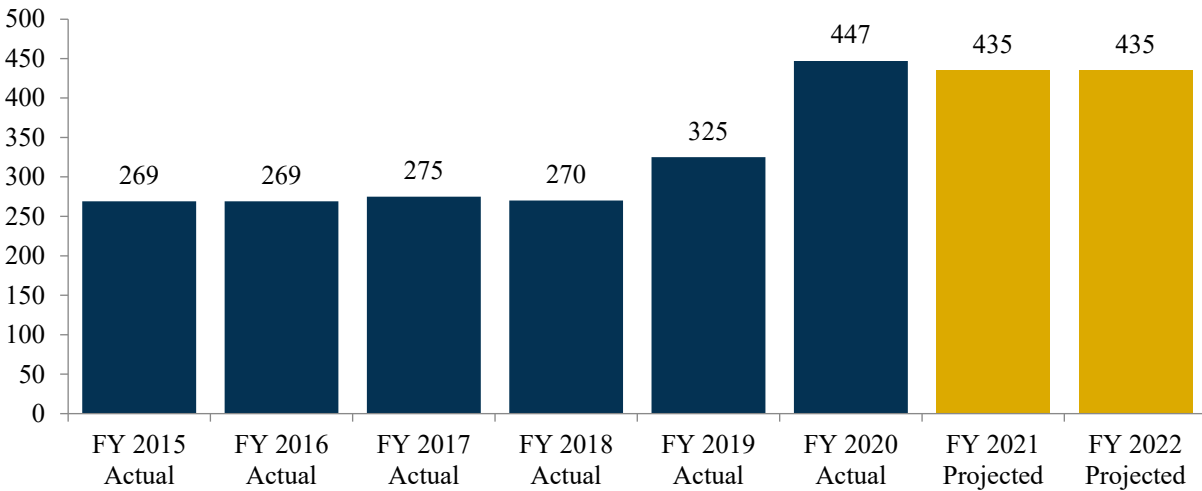
Wholesale Securities Services Budget and Performance

($26,297,000 from direct appropriations, $4,888,000 from reimbursable sources)
The Wholesale Securities Services (WSS) budget activity finances daily government operations by offering Treasury securities through reliable, accurate, and secure electronic systems. Fiscal Service oversees the announcement, auction, and issuance of marketable Treasury bills, notes, bonds, floating rate notes, and inflation-protected securities.
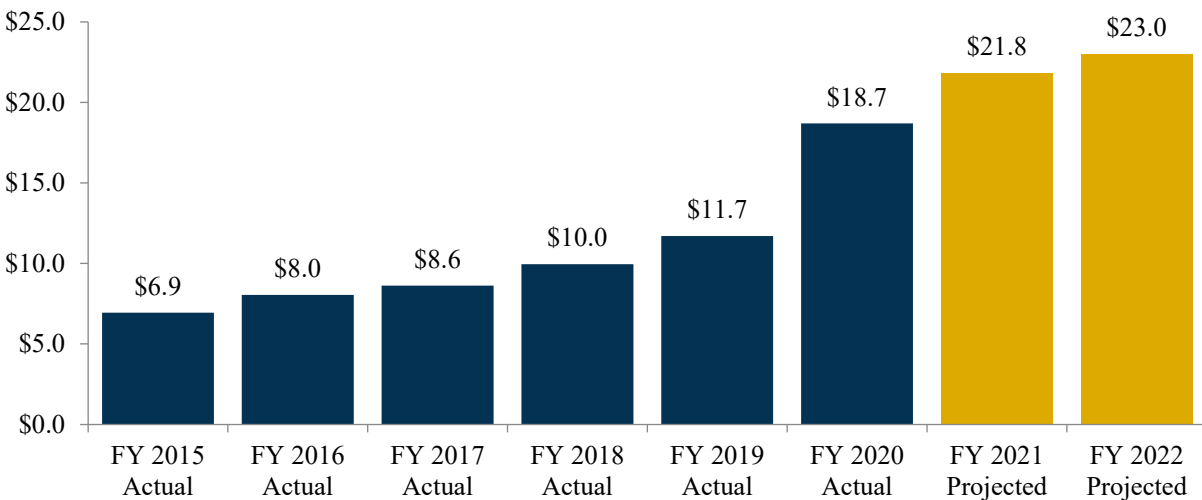
In FY 2020, the Federal Government's response to the COVID-19 pandemic resulted in unprecedented increase in Treasury borrowing needs. Treasury successfully conducted 447 auctions and raised more than $18.6 trillion without disrupting financial markets. In FY 2020, Fiscal Service set many records for auction-related workload indicators. Thirteen auctions, the most since 2008, were conducted during the week of April 6-10, auctioning $611 billion in Treasury securities. Five auctions in a single day were conducted for the first time ever on May 27, and six auctions in a single day were conducted on September 8.

Prior to the economic stimulus package, WSS averaged 28 auctions and $1.06 trillion securities awarded per month. Since April 2020, the monthly averages have increased to 47 auctions (+67.7 percent) and $2.04 trillion awarded (+89.18 percent) per month.

Total Number of Auctions Conducted

	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Projected	FY 2022 Projected
Auctions	269	269	275	270	325	447	435	435

Dollar Amount of Marketable Securities Issued ($ Trillions)

	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Projected	FY 2022 Projected
$ Trillions	$6.9	$8.0	$8.6	$10.0	$11.7	$18.7	$21.8	$23.0

Description of Performance:

In FY 2020, Fiscal Service saw unprecedented demand for borrowing needs and set several workload volume records. Through this increased workload, Fiscal Service continued to demonstrate operational excellence by successfully completing 100 percent of auctions by the scheduled close date and by releasing 100 percent of auction results accurately.

Additionally, Treasury conducted substantial market outreach to a broad range of market participants to gather information on market conditions and help inform Treasury's policy decisions. Simultaneously, Treasury worked to improve its internal data and analytics platform to handle growing data sets and facilitate additional analyses.

Fiscal Service also continued efforts to modernize the Treasury securities auction system. Key FY 2020 accomplishments included implementing an enhanced operations and

maintenance program to ensure the resiliency, reliability, and high-performance of the existing technology; developing a roadmap for additional system enhancements; and initiating additional discovery activities beyond the current enhancement roadmap for the auction modernization effort. In FY 2021, Fiscal Service will complete the Financing Modernization Discovery Phase to determine which approach to take to move forward with the Financing Modernization effort.

2.1.6 – Debt Collection Resources and Measures

Dollars in Thousands

Resource Level	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Operating Plan	FY 2022 Request
Reimbursable Resources	$187,152	$176,928	$167,726	$204,512	$214,910	$228,984	$233,177
Budget Activity Total	**$187,152**	**$176,928**	**$167,726**	**$204,512**	**$214,910**	**$228,984**	**$233,177**
Full-time Equivalents (FTE)	**390**	**417**	**389**	**366**	**348**	**403**	**412**

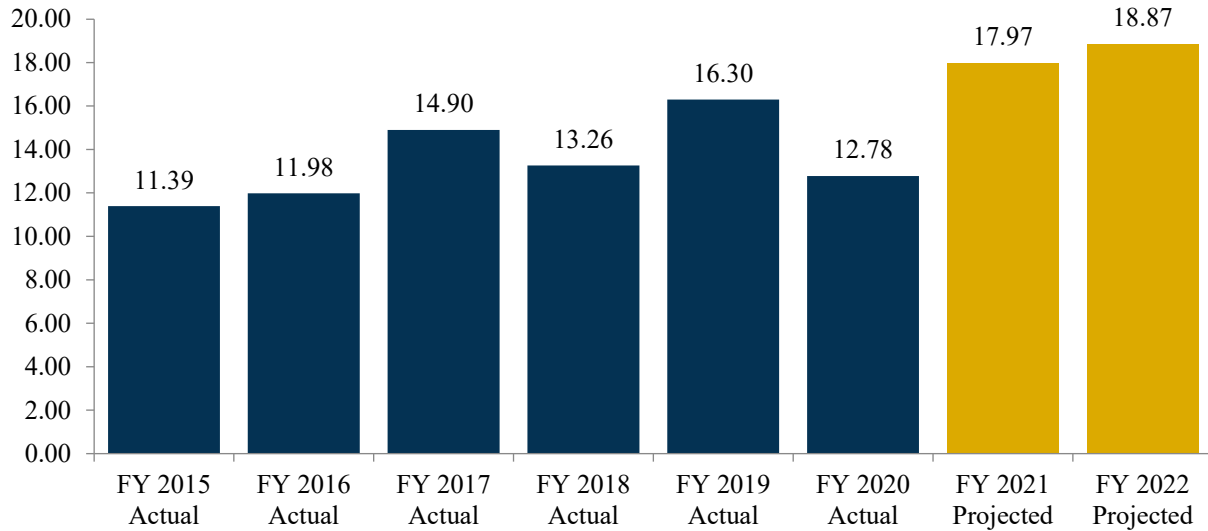Note: The FY 2016 - FY 2020 appropriated resources represent actual obligations.

Performance Measure	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2020 Target	FY 2021 Target	FY 2022 Target
Amount of Delinquent Debt Collected Through All Available Tools ($ Billions)	7.41	7.61	7.44	9.65	10.68	8.88	8.81	9.04
All Delinquent Debt Collected as a Percentage of All Delinquent Debt Referred (%)	N/A	N/A	N/A	14.3	15.7	14.9	14.9	14.9
Percentage of the Active Delinquent Debt Portfolio Collected (%)	N/A	N/A	N/A	6.8	9.2	7.0	7.0	7.0

Debt Collection Budget and Performance

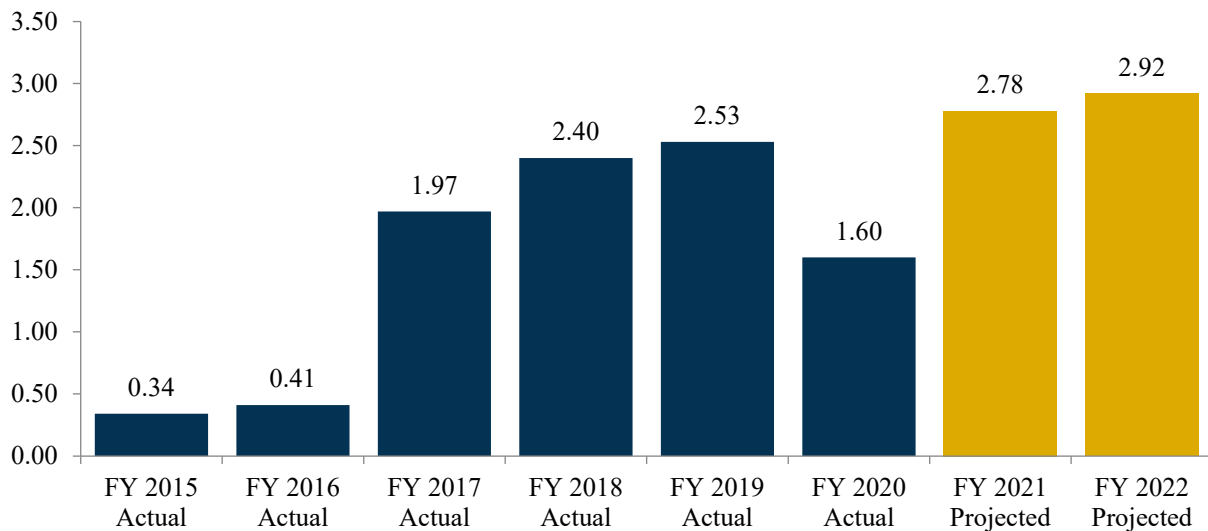*($233,177,000 from reimbursable sources)*

Fiscal Service is the Government's central debt collection agency, managing the Government's delinquent debt portfolio and collecting delinquent debts owed to the United States, such as Federal mortgage, small business, or student loans; Federal salary or benefit overpayments; and fines or penalties assessed by Federal agencies. Fiscal Service collects delinquent debt through two programs: Treasury Offset Program (TOP) and Cross-Servicing. Through TOP, the names and taxpayer identifying numbers of debtors included in a Fiscal Service database are matched against the names and taxpayer identifying number of recipients of Federal payments. If there are matches, the amounts of the payments are reduced ("offset") to satisfy the delinquent debts. In FY 2020, Fiscal Service processed 12.78 million debts through TOP.

Number of Debts Processed Through TOP (Millions)

FY	Value
FY 2015 Actual	11.39
FY 2016 Actual	11.98
FY 2017 Actual	14.90
FY 2018 Actual	13.26
FY 2019 Actual	16.30
FY 2020 Actual	12.78
FY 2021 Projected	17.97
FY 2022 Projected	18.87

Through Cross-Servicing, delinquent debts referred to Fiscal Service by Federal agencies are collected several ways, including offsetting Federal payments, sending demand letters to debtors, entering into payment agreements, withholding wages administratively, referring debts to the Department of Justice for action, reporting credit to bureaus, and contracting for the services of private collection agencies. In FY 2020, Fiscal Service processed 1.60 million debts through Cross-Servicing.

Number of Debts Processed Through Cross Servicing (Millions)

FY	Value
FY 2015 Actual	0.34
FY 2016 Actual	0.41
FY 2017 Actual	1.97
FY 2018 Actual	2.40
FY 2019 Actual	2.53
FY 2020 Actual	1.60
FY 2021 Projected	2.78
FY 2022 Projected	2.92

Fiscal Service continues to increase the amount of delinquent debt collected through all available tools. During FY 2020, the COVID-19 pandemic had a significant impact on delinquent debt collection. Beginning in April 2020, several federal and state creditor agencies suspended collection activities due to economic concerns related to the pandemic. In FY 2020, Fiscal

Service was still able to exceed its $8.8 billion collection target with a total $10.68 billion collected. Of the $10.68 billion collected in delinquent debt, $10.41 billion was collected through the Treasury Offset Program (TOP) and $268.9 million through the Cross-Servicing program. This total also includes a collection of $3.4 billion from economic impact payments (EIPs) to satisfy delinquent child support.

Fiscal Service also continued to exceed targets for delinquent debt collected as a percentage of delinquent debt referred, and the percentage of the active delinquent debt portfolio collected.

However, Fiscal Service anticipates continuing challenges in delinquent debt collection in FY 2021 due to ongoing concerns about the COVID-19 pandemic. In FY 2020, the collections success was driven by offsets of the first round of EIP. The second and third rounds of EIP did not allow for the same offsets and resulted in a decline in collections revenue. Fiscal Service made efforts to reduce expenditures to address these challenges. Additionally, Fiscal Service received new authority to use CARES Act implementation funds to offset some of this lost debt collection revenue and continue these operations. However, agencies continuing to suspend collections is resulting in an overall decrease in Fiscal Service's collections revenue. As such, the collection targets for FY 2021 are significantly reduced from the collection amounts of FY 2020, and the pandemic impacts on future collections remain uncertain.   Collection projections are contingent on timeframes for agency suspension of debt collection activities.

C – Changes in Performance Measures
There are no changes to performance measures since the FY 2021 Congressional Justification.

D– Evidence-Building Activity
The table below describes Fiscal's major evidence-building activities and corresponding resources. Additionally, refer to the Executive Summary for a discussion of Treasury-wide evidence-building functions.

Type of Evidence Building Activity	Major Activities and Planned Projects	Resource Types	Use
Evaluation *Collection and analysis of data to assess effectiveness and efficiency of programs, policies, or procedures* Estimated share of all Evidence-Building Activities:	**Major activities:** • Program Evaluation • Assessing Innovative, Emerging Technology • Data Quality	• 0340 – Program Manager • 0343 – Management & Program Analyst • Contract Resources	☒ For internal policy decision-making ☒ During internal strategic management processes ☒ By external partners (government) ☐ By external partners (non-government)

Type of Evidence Building Activity	Major Activities and Planned Projects	Resource Types	Use
_**10%**_	**FY21 and FY22 projects:** • Program Evaluation: Establish an Evidence Register, create an Enterprise Learning Agenda, and an Annual Evaluation Plan. (Active) • Blockchain for Grant Payments: Examine distributed ledger technology (i.e. blockchain) to understand its value proposition and legal and regulatory implications in the federal grant payment domain. Evidence will enable Fiscal Service to make a "Go/No Go" recommendation for continuing to a potential pilot. (Active) • Emerging Technology Incubator: Launch a beta blockchain incubator, complete an Artificial Intelligence (AI) Warrant Lab and make a "Go/No Go" decision on whether to proceed with proof of concept / pilot, and identify one additional emerging technology proof of concept / pilot. (Active) • Data Quality: Initiate data quality research project and develop data quality improvement plans. (Active)		☒ By unaffiliated external researchers ☐ Other (describe)
Research _Modeling or other systematic use of data to_	**Major activities:** • Customer Research • Environmental Scans / Research	• 0340 – Program Manager • 0343 – Management & Program Analyst	☒ For internal policy decision-making ☒ During internal

Type of Evidence Building Activity	Major Activities and Planned Projects	Resource Types	Use
explore emerging issues or potential scenarios to generate new knowledge Estimated share of all Evidence-Building Activities: **_50%_**	**FY21 and FY22 projects:** • Future Readiness Assessment: Align Fiscal Service resources to achieve the vision for the future of federal financial management. (Active) • Matured Unredeemed Debt (MUD): Customer research. (Active) • Treasury Retail Investment Manager (TRIM): Customer journey research. (Active) • Disbursement Services Modernization Initiative (DSMI): Conduct Benefit agency user experience and feedback session(s) centered on future of payment disbursements. (Active) • Financing Modernization: Conduct project discovery phase and financing environmental scan to inform options and recommendations. (Active) • Treasury Financial Experience (TFX): Utilize user focus groups during the TFX design process. (Active)	• Contract Resources	strategic management processes ☒ By external partners (government) ☐ By external partners (non-government) ☐ By unaffiliated external researchers ☐ Other (describe)

Type of Evidence Building Activity	Major Activities and Planned Projects	Resource Types	Use
Analysis *Routine and frequent use of data that produces insights for decision making and program management* Estimated share of all Evidence-Building Activities: **_25%_**	**Major activities:** ● Performance Measurement ● Alternatives Analysis	● 0301 – Miscellaneous Administration and Program ● 0340 – Program Manager ● 0343 – Management & Program Analyst ● Contract Resources	☒ For internal policy decision-making ☒ During internal strategic management processes ☒ By external partners (government) ☒ By external partners (non-government) ☒ By unaffiliated external researchers ☐ Other (describe)

Type of Evidence Building Activity	Major Activities and Planned Projects	Resource Types	Use
	FY21 and FY22 projects: • Mainframe Strategy: Conduct a modernization study to determine a path forward for aging mainframe platform. (Active) • E-Invoicing Modernization: Complete E-Invoicing alternative analysis and develop future state recommendation. (Active) • Payment Integrity Center of Excellence (PICOE): Complete a pilot and implementation planning that will support increased recovery and prevention of payments to the deceased. Research, analyze, and design a solution that supports sharing of compromised accounts and payees. Determine approaches for sharing data with two agencies. • Participate in Joint Financial Management Improvement Program (JFMIP) project that studies the effects of integrating identity management as a mitigation strategy to reduce billions of dollars annual in improper payments, including those that should never have been made. (Active)		

Type of Evidence Building Activity	Major Activities and Planned Projects	Resource Types	Use
Statistics *Collection, compilation, and processing of data for describing or estimating characteristics or insights concerning groups* Estimated share of all Evidence-Building Activities: **_15%_**	**Major activities:** • Analytics Projects **FY21 and FY22 projects:** • Do Not Pay (DNP) Analytics: Initiate analytics projects with new state and new federal programs, and expand DNP Portal functionality to state and federal programs. (Active)	• 0340 – Program Manager • 0343 – Management & Program Analyst	☒ For internal policy decision-making ☒ During internal strategic management processes ☒ By external partners (government) ☒ By external partners (non-government) ☐ By unaffiliated external researchers ☐ Other (describe)

Section III – Additional Information

A – Summary of Capital Investments

Fiscal Service leads the way for responsible, effective government through our commitment to technology enablement, customer-focused service, efficient operations, strategic partnering, and agility to enable the missions of the Federal Government. Fiscal Service strategically governs and manages its information technology (IT) portfolio lifecycle, and continually harnesses IT resources, investment health, and portfolio performance insights for capital planning decisions to deliver secure, flexible, extensible, and resilient technology services and solutions that maximize business value.

A summary of capital investments, including major information technology and non-technology investments, can be accessed at:
https://www.treasury.gov/about/budget-performance/Pages/summary-of-capital-investments.aspx.

Effective Investment Governance

Fiscal Service Governance focuses on overall progress in achieving the outcomes described in the bureau's Strategic Plan and the Future of Federal Financial Management vision. The governance and portfolio management functions ensure that the IT Portfolio maintains cost effectiveness and continuously delivers intended results throughout the lifecycle of investments. A monthly investment health assessment of cost, schedule, scope, operational performance, and risk is in place, as are an informal ChatStat process – which uses internal Bureau meetings to

discuss investment, program, or project plans and performance concerns and identify actionable steps for course correction – and a formal TechStat process that engages appropriate senior level officials for insight and successful remediation of significant issues or risks. Financial data transparency and benchmarking capabilities are being matured through the implementation of the Technology Business Management (TBM) framework and Total Cost of Ownership (TCO) model; the bureau has achieved 99 percent IT financial data transparency through alignment to the TBM IT and finance layers. The value insights being gained inform governance decisions around investment planning, selection, resourcing, and prioritization to best support the mission and long-term plans for Fiscal Service and Treasury.

Effective Project Execution
Fiscal Service has a disciplined and consistent approach to project management (PM) rooted in industry standard best practices and supported through a bureau-wide project management center of excellence. The Project Management Competency Center provides input and guidance on PM standards, procedures, and training as well as actionable insights and recommendations based on the latest trends in project management. In addition, a fully supported project management community of practice is in place providing practitioners with special programming, surveys, and communication focused on collaboration, unique learning opportunities, creative problem solving, and leadership led discussions on practical lessons learned. Each IT investment has a dedicated program manager and a fully staffed integrated program team. The systems that support each investment are enhanced using iterative development techniques, with over 85 percent of the bureau's current software development projects using an iterative development methodology. Project-based reporting is used to align projects from governance through execution and thus improve the bureau's ability to monitor performance and shape IT strategy. Additionally, Fiscal Service is continually assessing and improving its program and project management capability, and is implementing principles outlined in the Program Management Improvement Accountability Act (PMIAA).

Enterprise Architecture Services
Enterprise Architecture (EA) services ensure that Fiscal Service applies a common framework, using consistency and standardization practices, to describe and analyze investments which enables the bureau to proactively plan for changes, according to business vision and technology trends. Fiscal Service's EA program is designed to facilitate cross-agency analysis of capabilities, knowledge, processes, and relationships to apply evidence-based techniques, identify duplicative investments, discover goals and opportunities for collaboration with other agencies, and establish a line-of-sight from the highest-level strategic goals to the infrastructure that enables the achievement of those goals. The value provided by the bureau's EA services is demonstrated through the development of a Fiscal Service technology roadmap, which is leveraged in tandem with IT Portfolio rationalization and investment and cost optimization efforts to continuously transform methods of IT service and product delivery. Service Brokers ensure this transformation is designed and implemented in a standardized manner while also aligned with customer expectations by engaging with stakeholders ahead of their modernization needs.

Enterprise Risk Management (ERM)
The nature of Fiscal Service's work requires effective enterprise risk management and high levels of performance to ensure the bureau maintains operational excellence while seeking innovative solutions to improve efficiencies and transform financial management and the delivery of shared services in the Federal Government. To this end, Fiscal Service has established an Office of Enterprise Risk Management (OERM) to promote a common understanding and approach to risk management and strengthen organizational capabilities to recognize, assess, and address risks that could disrupt the successful achievement of strategic goals and objectives. Fiscal Service has also established a Bureau Risk Committee to provide executive-level accountability for identifying, managing, and monitoring enterprise risk for the bureau, making timely and collaborative risk decisions, providing transparency around enterprise risks, and enabling a risk-aware culture. In collaboration with the Executive Board/Risk Committee, OERM has developed the Fiscal Service Risk Appetite Statement to guide bureau's strategic direction. Moreover, through the development and issuance of an ERM framework, policies, guidance, and tools, the bureau incorporates risk management practices in decision-making processes such as strategic and tactical planning, workforce planning, capital investment planning, objective prioritization, and budget formulation. Fiscal Service continues to communicate the importance of effective risk management to all employees.

Cybersecurity
Fiscal Service has a multi-faceted mission that promotes financial integrity and operational efficiency across the Federal Government. As such, protecting the information and technology resources that support the bureau's mission with more modern solutions that will support security, resiliency, and agility are critically important. Fiscal Service manages 60 FISMA systems with billions of PII records, including multiple High Value Assets (HVAs) that support the Financial Services Sector of the Critical Infrastructure (CI) of the Federal Government. Fiscal Service invests in strengthening the cyber defenses of HVAs against the increasing volume, sophistication, frequency, impact and brazenness of global cybersecurity threats. These investments are critical to maintain confidence in the financial ecosystem of the United States and avoid the immeasurable reputational damage Treasury would suffer in the event of a significant data breach or cybersecurity incident. Financial integrity and operational efficiency are accomplished by effective, coordinated management of security risks and incidents that ensure the confidentiality, integrity, and availability of the bureau's systems are maintained. Fiscal Service employs an in-depth defense strategy to protect against, detect, and respond to anomalies in the bureau's network and systems. In addition, Enterprise Cybersecurity ensures Fiscal Service information technology resources are compliant with the National Institute of Standards and Technology security standards and satisfies annual security audit requirements. While Fiscal Service has not identified any data or security compromises associated with the recent supply chain threats impacting the IT sector, Fiscal Service is accelerating efforts that will enhance cybersecurity, including protection, detection, and response capabilities, in 2021 and beyond, to include adopting a Zero Trust approach.