

Department of the Treasury  
Bureau of the Fiscal Service  
(BFS)  
Capital Investment Plan

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**Note to Reviewers:** Consistent with the corresponding Summary of Capital Investments table, the columns included in the investment tables below are defined as:

- FY 2025 Actuals -Total actual obligations
- FY 2026 Estimated Obligations- Anticipated obligations from all budgetary resources (e.g., balances from prior years, user fees, and FY 2024 Operating levels).
- FY 2027 Estimated Obligations - Anticipated obligations from all budgetary resources (e.g., balances from prior years, user fees, and FY 2027 President’s budget).

# Major IT Investments

## Administrative Resource Center Services (ARCS)

### Description:

The ARCS investment serves as the operational backbone for the Administrative Resource Center (ARC), enabling delivery of shared administrative support services to federal agencies participating in BFS' Federal Shared Service Provider (FSSP) program. These services span critical domains including human resources, financial management, travel, and procurement, supporting agencies of varying sizes and missions with scalable, customer-focused solutions.

### Investment Obligations: (In Millions of \$):

Type	FY 2025 Actuals	FY 2026 Estimated Obligations	FY 2027 Estimated Obligations	Change in \$	% Change
Sub-Total DME Obligations (Including Internal labor (Govt. FTE))	0.00	0.00	0.00	0.00	0.00%
Sub-Total O&M Obligations (Including Internal Labor (Govt. FTE))	39.68	37.49	39.74	2.25	6.00%
Total Obligations	39.68	37.49	39.74	2.25	6.00%

### Purpose, Accomplishments, Future Objectives:

This investment is strategically designed to enhance the efficiency, scalability, and resilience of enterprise-wide administrative services across participating federal agencies. By aligning with Treasury's modernization initiatives and shared service objectives, the investment aims to streamline operations, reduce system redundancies, and improve service delivery through integrated technology platforms. The overarching goal is to ensure that ARC continues to provide secure, cost-effective, and customer-centric support in areas such as financial management, human capital, procurement, and travel while positioning the organization for future innovation and interagency collaboration. The operational goals not only demonstrate how well the investment is performing but also help justify continued funding, guide future improvements, and ensure alignment with agency-wide strategic goals.

Fiscal Year 2025 saw the scope of ARCS remain stable, delivering consistent administrative support services to agencies subscribed to BFS's Federal Shared Service Provider (FSSP) offerings. However, the planned implementation of the Treasury Common Services Center (TCSC) in FY 2026, along with anticipated changes to meet executive order requirements, is expected to significantly impact the scope of this major IT investment. TCSC, a centralized organization within Treasury, is intended to consolidate shared administrative functions such as human resources, procurement, and travel services that are currently provided by ARCS. This transition will allow Treasury to leverage centralized resources across its bureaus and will shift ARCS responsibilities to a more focused financial management role. Further analysis is needed to fully define the extent of these changes and their implications for ARCS operations and service delivery in the coming fiscal year.

In FY 2025, ARCS also achieved significant progress in data modernization and operational efficiency. The program successfully upgraded its core Oracle infrastructure, integrating Oracle Business Intelligence (OBI) to

enhance data reporting capabilities. Building on this effort, the Oracle FY 2025 initiative used OBI reports as a proof of concept to establish a forward-looking data modernization roadmap. ARCS streamlined its application portfolio by decommissioning the Budget Formulation and Execution Manager, which no longer aligned with its growth strategy, and the Personnel Action Workflow System, with its functionality migrated to an existing OCIO-managed system, ServiceNow-HRSD. Enhancements to the Government Retirement and Benefits platform continued to improve access to benefits information and retirement planning tools for HR customer agency employees. Progress also continued on the ARC Customer Portal, including development and implementation of the Customer Access Page, support for critical backlog enhancements, and rollout of Service Desk 2.0 functionality within the Salesforce CRM platform. Additionally, ARCS completed the transition to GovTA, a new time and attendance system.

Overall, this portfolio review reflects ARCS's commitment to streamlining operations, retiring legacy systems, and aligning with Treasury-wide service consolidation efforts. The planned transitions and decommissioning of systems are intended to reduce redundancy, enhance service delivery, and ensure continued compliance with federal IT investment standards.

## Automated Standard Application for Payments (ASAP)

### **Description:**

ASAP is a recipient-initiated electronic payment and information system used to make federal grant payments issued by federal agencies and reimbursements to financial agents for financial services on behalf of the government for the debit card program. As a free shared service on behalf Treasury's BFS, ASAP standardizes payment processes, thereby eliminating duplication of services and aligns with the strategic goal to deliver modern and innovative financial management operations by reducing costs to Treasury, the Federal Government, and taxpayers.

### **Investment Obligations: (In Millions of \$):**

Type	FY 2025 Actuals	FY 2026 Estimated Obligations	FY 2027 Estimated Obligations	Change in \$	% Change
Sub-Total DME Obligations (Including Internal labor (Govt. FTE))	4.10	2.67	2.79	0.12	4.39%
Sub-Total O&M Obligations (Including Internal Labor (Govt. FTE))	7.84	11.90	12.39	0.49	4.14%
Total Obligations	11.94	14.57	15.18	0.61	4.18%

### **Purpose, Accomplishments, Future Objectives:**

Consistent with BFS and Treasury missions, ASAP is a recipient-initiated electronic payment and information system that enables federal agencies to make grant payments to recipient organizations, issue authorized benefit disbursements to states, and facilitate reimbursement to financial agents for services performed on behalf of BFS or other federal agencies. The system supports more than 27,000 users and processes over \$725 billion in payments, representing approximately 13 percent of BFS payments by dollar value.

Primary beneficiaries of this investment include states, financial institutions, universities, nonprofit and for-profit organizations, Indian Tribal organizations, Federal Program Agencies (FPAs), and BFS. These stakeholders benefit directly from ASAP's payment, reporting, and information services. The system's primary function is to execute electronic payments via Automated Clearing House and Fedwire. Its real-time interface with these systems enables same-day and next-day payments, while also providing immediate financial information to recipients, FPAs, and Treasury to support informed decision-making. ASAP was also selected by the Chief Financial Officer (CFO) Council as one of two approved grant payment systems, with its design efficiencies and robust functionality eliminating the need for redundant payment platforms.

ASAP supports the grant payment needs of FPAs through account management features that align with federal cash management regulations, including the Cash Management Improvement Act of 1990, the Debt Collection Improvement Act of 1996, and Public Law 106-107. FPAs can streamline grant payment administration by leveraging ASAP's standardized business processes and cash management capabilities.

In FY 2025, ASAP advanced work supporting the Treasury Web Application Infrastructure data center closure, addressing risk acceptances and technical debt in preparation for the transition. ASAP also aligned with Fedwire ISO 20022 compliance to modernize payments, enabling more detailed data exchange between financial systems.

In addition, the application was successfully migrated to the Fiscal Agent Production Cloud, improving stability, security, performance, and scalability.

During FY 2026 through FY 2029, ASAP will focus on eliminating technical debt and introducing new business capabilities, including payment operations integration, to enhance innovation and efficiency. In FY 2026 and FY 2027, ASAP will deliver four major IT releases to support the transition from legacy systems to a modern Production Cloud environment, enabling future enhancements such as recipient enrollment and fraud prevention. Beginning in FY 2028 and beyond, ASAP will support integration with post-payment systems and FedNow, the Federal Reserve's instant payment service, to increase transparency and enable real-time payment capabilities. ASAP will also continue addressing software end-of-life issues and advancing business functionality through ongoing modernization efforts.

## Central Accounting Services (CAS)

### **Description:**

CAS is the central location for federal government-wide accounting and reporting. It is used to account for, monitor, and publish the government's debt and cash positions through daily, monthly, and annual reporting, as well as to collect accounting data from the government-wide agency community and report on that data to multiple government and public audiences.

### **Investment Obligations: (In Millions of \$):**

Type	FY 2025 Actuals	FY 2026 Estimated Obligations	FY 2027 Estimated Obligations	Change in \$	% Change
Sub-Total DME Obligations (Including Internal labor (Govt. FTE))	12.78	11.59	11.60	0.01	0.08%
Sub-Total O&M Obligations (Including Internal Labor (Govt. FTE))	96.15	107.68	109.50	1.82	1.69%
Total Obligations	108.94	119.27	121.10	1.83	1.54%

### **Purpose, Accomplishments, Future Objectives:**

CAS provides centralized control over the government's appropriations and provides the means for the agency community to transfer funds between agencies. Its position as the hub of government-wide reporting allows BFS to drive significant improvements in the accuracy and completeness of government-wide accounting and reporting in conjunction with Treasury, OMB, and the agency community.

In FY 2025, the CAS investment accomplished several strategic and tactical objectives that strengthen and secure the government's ability to serve as a trusted steward of public financial resources and provide accurate financial information. Key accomplishments included replacing the mainframe job scheduling tool with a distributed solution, enhancing the State and Local Government Securities program application to send Automated Clearing House payments directly to the Payment Automation Management system, and migrating several critical applications to the cloud. CAS also advanced payment traceability and accountability in alignment with Executive Order 14249, Protecting America's Bank Account Against Fraud, Waste, and Abuse.

The investment continued progress in migrating remaining CAS Treasury Web Application Infrastructure-hosted applications and strengthened security through enhancements to web application firewalls, logging, and the implementation of additional controls. CAS also maintained compliance with enterprise requirements, including standardization of alerting incident outflow patterns, Service Level Agreement reporting, Enterprise Patch Management Lifecycle reporting, and Enterprise Asset Management reporting.

In FY 2026 and beyond, CAS will continue migrating remaining applications to their respective cloud environments in advance of data center closure target dates. Efforts will focus on identifying and implementing cloud-native reporting tools and strengthening security controls through shared solutions, with framework updates completed ahead of cloud migrations. CAS will also continue adopting an enterprise approach through Application Programming Interface strategies and addressing post-cloud migration file connection support needs prior to platform decommissions. In support of auditability, CAS will enhance its ability to trace transactions for the Schedules of the General Fund General Ledger and will continue to support Executive Order 14249,

Protecting America's Bank Account Against Fraud, Waste, and Abuse, and Executive Order 14247, Modernizing Payments to and From America's Bank Account.

## Chief Financial Officer (CFO) Support Services (CFOSS)

### **Description:**

CFOSS provides financial operations and performance leadership through professional expertise, data analysis, and authoritative guidance to BFS programs, financial agents, staff, and stakeholders. It supports these functions through its financial systems, including Compass and the Bank Management System, which are used to manage budget formulation and execution across BFS funding sources and to process payments to financial institutions and Treasury depositories.

### **Investment Obligations: (In Millions of \$):**

Type	FY 2025 Actuals	FY 2026 Estimated Obligations	FY 2027 Estimated Obligations	Change in \$	% Change
Sub-Total DME Obligations (Including Internal labor (Govt. FTE))	4.78	4.26	0.28	-3.97	-93.34%
Sub-Total O&M Obligations (Including Internal Labor (Govt. FTE))	11.91	17.64	16.07	-1.58	-8.93%
Total Obligations	16.69	21.90	16.35	-5.55	-25.34%

### **Purpose, Accomplishments, Future Objectives:**

This investment provides an integrated, access-controlled platform that supports budget formulation, execution, performance management, and workforce planning across BFS. It enables a comprehensive view of financial and operational data to support informed, data-driven decision-making.

The investment also supports the automated calculation, analysis, and reporting of expenses associated with financial institutions and Treasury depositories, while maintaining historical data for research and reporting. Collectively, these capabilities enhance operational efficiency, strengthen financial oversight, and support opportunities to streamline processes and improve effectiveness across related business functions.

In FY 2025, this investment advanced key security and modernization efforts, including the implementation of Zero Trust Architecture requirements such as enhanced identity authentication and data encryption. Progress was also made in strengthening cybersecurity capabilities in alignment with federal mandates. Additionally, initial implementation efforts were completed for an integrated platform supporting budget formulation and execution, enabling improved planning, workflow automation, and real-time monitoring of financial performance through enhanced reporting and system integration.

In FY 2026 and beyond, the investment will continue modernizing its technology and infrastructure by enhancing the user experience, transitioning to cloud-based environments, and improving system integration across related business functions. Efforts will focus on streamlining processes, reducing redundancy, and increasing efficiency through shared capabilities and data integration. Continued development will expand automation of financial planning and cost modeling, as well as enhance workforce planning capabilities by integrating staffing and budget processes to support more effective resource management and decision-making.

## Data Services

### **Description:**

The Data Services investment aims to improve the transparency of federal financial operations and make government spending data more accessible. This mission is supported by USAspending.gov, FiscalData.Treasury.gov (part of Enterprise Data Infrastructure (EDI) system) and the Fiscal Data Hub (FDH) platform. Together, they enable the public and policymakers to better understand and analyze how federal funds are being spent, supporting informed decision-making and promoting accountability in the use of taxpayer resources.

### **Investment Obligations: (In Millions of \$):**

Type	FY 2025 Actuals	FY 2026 Estimated Obligations	FY 2027 Estimated Obligations	Change in \$	% Change
Sub-Total DME Obligations (Including Internal labor (Govt. FTE))	5.37	5.65	5.67	0.01	0.25%
Sub-Total O&M Obligations (Including Internal Labor (Govt. FTE))	24.67	26.41	28.51	2.09	7.93%
Total Obligations	30.04	32.07	34.18	2.11	6.57%

### **Purpose, Accomplishments, Future Objectives:**

The Federal Funding Accountability and Transparency Act (FFATA), signed into law on September 26, 2006, requires federal contract, grant, loan, and financial assistance awards to be displayed on a publicly accessible website, providing the American public with insight into how tax dollars are spent. The Data Services investment builds on this foundation by improving data quality and usability, while generating actionable insights from federal spending data. Together, these efforts promote transparency, equity, efficiency, engagement, and accountability, strengthening trust in government financial information and transforming oversight through connected data, innovation, and collaboration. Ultimately, they empower the public and policymakers with the tools needed for informed oversight and future-focused decision-making.

In FY 2025, the Office of the Chief Data Officer (OCDO) focused on improving data quality and transparency across BFS. In collaboration with OMB and other agencies, BFS implemented updates aligned with the Government-wide Spending Data Model and established working groups to address data quality standards. Key accomplishments included migrating 70 datasets to FiscalData.Treasury.gov, achieving 91 percent of the engagement target, strengthening security controls, closing a GAO audit, and improving system efficiency through cost-saving measures and technology enhancements. OCDO also advanced the Federal Data Hub by onboarding datasets, developing a data catalog, and supporting analytics, data maturity, and enterprise data initiatives.

In FY 2026 and beyond, OCDO will transition infrastructure to the Fiscal Agent Production Cloud to improve standardization, security, scalability, and cost efficiency. Efforts will focus on enhancing data quality monitoring, strengthening data standards, improving AI readiness through enhanced APIs and search capabilities, and advancing a unified analytics platform to support enterprise data maturity.

## Debit Gateway

### **Description:**

The Debit Gateway (DG) receives check and Automated Clearing House debit data from collection channels, determines best clearing method, creates and delivers entry presentment/origination files to payment mechanisms, and processes returned items.

### **Investment Obligations: (In Millions of \$):**

Type	FY 2025 Actuals	FY 2026 Estimated Obligations	FY 2027 Estimated Obligations	Change in \$	% Change
Sub-Total DME Obligations (Including Internal labor (Govt. FTE))	3.58	3.69	3.69	0.00	-0.03%
Sub-Total O&M Obligations (Including Internal Labor (Govt. FTE))	17.38	16.79	17.21	0.42	2.47%
Total Obligations	20.96	20.48	20.90	0.41	2.02%

### **Purpose, Accomplishments, Future Objectives:**

The Debit Gateway is an application that processes electronic check and Automated Clearing House (ACH) debit transactions received from BFS collection channels and select federal agencies, resulting in the deposit of funds into Treasury. It includes the capability to “decision” electronic check transactions, converting checks to ACH debits or truncating them and presenting them as image cash letters to optimize collectability and reduce unit clearing costs. Designed as a reusable service, the Debit Gateway enables other applications to leverage its functionality rather than independently presenting transactions for settlement. This approach supports an enterprise architecture objective of maintaining a single system per BFS business line, in this case, the settlement of electronic check and ACH debit transactions received through collection channels on behalf of federal agencies.

The Debit Gateway supports the BFS mission of delivering financial services, as a significant portion of the government’s revenue is processed through this application. It has replaced multiple duplicative solutions with a single, dedicated platform, improving efficiency and reducing costs. The system also enhances BFS’s ability to provide financial services to a wide range of federal agencies in a cost-effective manner by eliminating the need for redundant check and ACH clearing services from financial agents. Currently, the Debit Gateway processes transactions on behalf of several BFS collection channel applications, including Pay.gov, OTCnet, Electronic Check Processing, and Agency Direct.

In FY 2025, Debit Gateway migrated to the cloud and began operations in its new environment. The program also selected an image archive solution to support ongoing processing and storage needs.

In FY 2026 and beyond, Debit Gateway will focus on optimizing its cloud environment. Planned efforts include reducing technical debt, transitioning databases to improve performance and lower costs, enhancing internal data movement to achieve additional cost savings, updating partner connectivity, and increasing overall system resiliency.

## Debt Collection Services (DCS)

### **Description:**

DCS supports the collection of tax and non-tax delinquent debt through tools such as levies, helping prevent improper payments and promote fiscal responsibility. By efficiently managing debt recovery, DCS contributes to reducing the federal deficit by ensuring funds owed to the government are collected. This investment is supported by a suite of integrated systems that enable debt collection, accounting, analytics, and reporting functions.

### **Investment Obligations: (In Millions of \$):**

Type	FY 2025 Actuals	FY 2026 Estimated Obligations	FY 2027 Estimated Obligations	Change in \$	% Change
Sub-Total DME Obligations (Including Internal labor (Govt. FTE))	14.41	7.32	7.37	0.05	0.75%
Sub-Total O&M Obligations (Including Internal Labor (Govt. FTE))	44.39	34.71	33.97	-0.74	-2.13%
Total Obligations	58.81	42.03	41.35	-0.68	-1.63%

### **Purpose, Accomplishments, Future Objectives:**

BFS is one of the federal government's central debt collection agencies and has provided delinquent debt collection services to federal agencies since the enactment of the Debt Collection Improvement Act of 1996 (DCIA). DCS leverages a combination of in-house tools, contracted services, and financial agents to collect or otherwise resolve current and delinquent non-tax debt from individuals and businesses. DCS also supports the collection of delinquent tax debt for the IRS, as well as tax and other debts for state governments and delinquent child support. In fiscal year 2025, more than \$5.3 billion in delinquent tax and non-tax debt was collected on behalf of federal and state agencies. This investment also supports the collection and reporting of receivables data from creditor agencies, enabling the production of the Treasury Report on Receivables and the Annual Report to Congress.

In FY 2025, DCS advanced its modernization efforts by transitioning several systems from the mainframe to Treasury's T-Cloud environment, including the Debt Program Accounting System and Cross Servicing (CS).

In FY 2026 and beyond, DCS will continue operating in the cloud while identifying opportunities to reduce storage costs and improve usability and efficiency. The program will enhance operations in support of recent Executive Orders focused on modernizing and protecting America's Bank Account, while also pursuing additional efficiencies to support the expansion of receivables and delinquent debt collection programs through the continued centralization of debt collection activities across agencies.

## Do Not Pay (DNP)

### **Description:**

The DNP investment offers centralized data access and analytics to help agencies detect and prevent improper payments. It includes the DNP Portal, which verifies federal payment or benefit recipients, and Data Analytics Services, which uses advanced techniques to provide actionable insights and improve efficiency.

### **Investment Obligations: (In Millions of \$):**

Type	FY 2025 Actuals	FY 2026 Estimated Obligations	FY 2027 Estimated Obligations	Change in \$	% Change
Sub-Total DME Obligations (Including Internal labor (Govt. FTE))	5.57	6.26	6.59	0.33	5.33%
Sub-Total O&M Obligations (Including Internal Labor (Govt. FTE))	33.90	36.51	38.79	2.28	6.25%
Total Obligations	39.48	42.77	45.39	2.62	6.11%

### **Purpose, Accomplishments, Future Objectives:**

The DNP investment advances the Improper Payments Elimination and Recovery Improvement Act of 2012 (IPERIA) and supports BFS' mission for financial integrity and efficiency in the U.S. government. By improving Treasury's oversight of taxpayer funds, DNP helps reduce improper payments, waste, fraud, and abuse. Using technical assistance, database checks, and analytics, DNP enables agencies to identify improper payments through a central business center.

In FY 2025, Do Not Pay enhanced its tools to better support payment integrity in alignment with Executive Order 14249 and OMB Memorandum M-25-32. The program collaborated with federal and state agencies to recruit new customers, increase service adoption, and gather user feedback. Do Not Pay identified, prevented, and recovered \$5.4 billion in improper payments for federal programs, while agencies reported an additional \$3.2 billion in savings through the web portal. Payment Verification Death Screening processed 186,985 payments totaling \$1.4 billion. As the Public Assistance Reporting Information System (PARIS) provider, Do Not Pay also supported quarterly reporting that helped states prevent or recover more than \$1.3 billion in duplicate benefits.

In FY 2026 and beyond, and in alignment with Executive Order 14249, Do Not Pay will focus on integrating Fraud Prevention and Payment Integrity products into government payment operations while modernizing its data architecture to better support agency partners and meet the growing demand for real-time analytical services.

## e-Invoicing Services

### **Description:**

e-Invoicing Services provides a centralized electronic invoicing and payment information service called the Invoice Processing Platform (IPP). IPP is accessible to all participants with federal procurement payment transactions, such as agencies, vendors and BFS. IPP enables the presentation of electronic orders, receipt of electronic invoices, automated routing, approval (workflow), electronic notifications, and Treasury payment information. IPP currently serves as the e-Invoice solution for 226 agencies across the federal government.

### **Investment Obligations: (In Millions of \$):**

Type	FY 2025 Actuals	FY 2026 Estimated Obligations	FY 2027 Estimated Obligations	Change in \$	% Change
Sub-Total DME Obligations (Including Internal labor (Govt. FTE))	9.27	5.07	0.19	-4.88	-96.32%
Sub-Total O&M Obligations (Including Internal Labor (Govt. FTE))	26.08	29.87	35.77	5.90	19.75%
Total Obligations	35.35	34.93	35.95	1.02	2.92%

### **Purpose, Accomplishments, Future Objectives:**

The IPP System is designed to yield government-wide efficiencies by reducing or eliminating paper-based processing by accounts payable; enhancing Treasury's value and service to its citizens by increasing access to, and quality of, payment data; and by providing a single central application in which government finance departments can engage with their suppliers and in which government suppliers can engage with agencies. e-Invoicing Services supports the BFS goal to provide accurate, timely payments by optimizing agency use of electronic mechanisms. The IPP system stakeholders include federal agencies and their commercial vendors.

In FY 2025, IPP processed more than 1.02 million invoices, representing \$122.4 billion in transactions, and successfully onboarded 226 federal agencies as their e-invoicing solution provider. The program deployed three releases and consistently exceeded targets for application availability and efficiency in e-invoicing services. IPP also hosted four Agency Working Group meetings to share updates, discuss enhancements, and gather user feedback, and conducted 12 vendor webinars, 12 Disbuser User 101 webinars, and 8 vendor invoice certification training sessions. These efforts directly supported BFS's objective of enhancing the customer experience.

In FY 2026 and beyond, IPP will implement planned enhancements within the Fiscal Agent Private Cloud and complete data integrations for more than 114 connections. The program will continue to support BFS operational goals and improve customer experience by increasing electronic invoicing transactions, onboarding additional agencies, and addressing security requirements, agency demand, and system defects.

## Electronic Check Processing (ECP)

### **Description:**

ECP facilitates and streamlines the check clearing process through lockbox networks in accordance with 31 U.S.C. § 3720. Checks written to the government are electronically converted or truncated under Check 21 and settled through the Debit Gateway. The system is used by federal agencies and their vendors, as well as financial and fiscal agents.

### **Investment Obligations: (In Millions of \$):**

Type	FY 2025 Actuals	FY 2026 Estimated Obligations	FY 2027 Estimated Obligations	Change in \$	% Change
Sub-Total DME Obligations (Including Internal labor (Govt. FTE))	6.69	7.28	7.12	-0.15	-2.10%
Sub-Total O&M Obligations (Including Internal Labor (Govt. FTE))	15.05	14.77	14.61	-0.16	-1.10%
Total Obligations	21.74	22.05	21.73	-0.31	-1.43%

### **Purpose, Accomplishments, Future Objectives:**

ECP is a pass-through application that supports batch processing of lockbox and mobile paper-based transactions by receiving check and remittance data, along with associated images, and serving as a repository for agency research and reporting needs. ECP processes thousands of files daily from financial agents and forwards transactions to the Debit Gateway for settlement via Automated Clearing House or Check 21. The system is used by federal agencies, financial agents, and administrators to support reconciliation and balancing, reporting, and item research.

ECP enhances the efficiency of paper-based government collections by improving funds availability, reducing the need for physical check transportation, and shortening settlement times. These capabilities provide agencies with improved financial and remittance data, enable access to near real-time settlement and return information, increase the speed of collections while lowering costs, and automate settlement reporting and access to a government-wide remittance image repository.

In FY 2025, ECP advanced its cloud migration and infrastructure modernization efforts by transitioning the application from the Treasury Web Application Infrastructure to the Azure Cloud, including the successful migration and validation of critical databases and user access. The program also progressed image archiving and storage capabilities, enhanced environment readiness across development, testing, and production, and implemented key improvements to connectivity, credentialing, and overall system support processes. These efforts established a strong foundation for continued modernization and operational stability.

In FY 2026 and beyond, ECP will continue executing its long-range plan to support ongoing operations and complete cloud migration efforts. Focus areas include enhancing storage connectivity, performing infrastructure upgrades and system patching, and conducting security reviews to strengthen the overall environment. These efforts will support a secure, resilient, and fully cloud-enabled operation over the coming years.

## Fiscal IT Delivery

### **Description:**

This standard BFS IT infrastructure investment encompasses enterprise-wide shared IT service delivery capabilities, including the resources, products, and services that support operations across the organization. This includes shared personnel such as project management staff and account managers, as well as the supporting structures needed to deliver consistent and coordinated IT services across the enterprise.

### **Investment Obligations: (In Millions of \$):**

Type	FY 2025 Actuals	FY 2026 Estimated Obligations	FY 2027 Estimated Obligations	Change in \$	% Change
Sub-Total DME Obligations (Including Internal labor (Govt. FTE))	0.00	0.00	0.00	0.00	0.00%
Sub-Total O&M Obligations (Including Internal Labor (Govt. FTE))	18.67	19.66	20.65	1.00	5.07%
Total Obligations	18.67	19.66	20.65	1.00	5.07%

### **Purpose, Accomplishments, Future Objectives:**

The purpose of the Fiscal IT Delivery standard investment is to provide an enterprise-wide shared delivery capability that includes the resources, products, and services needed to support IT delivery across the organization, including roles such as project managers and account managers. The goal is to enable consistent, coordinated, and efficient delivery of IT services across the enterprise.

This investment supports the ongoing operation and sustainment of that shared delivery capability, ensuring the continued availability of the resources and services needed to execute IT initiatives. It maintains a stable and effective delivery model that enables the organization to meet mission needs and support enterprise priorities.

## Fiscal IT End User

### **Description:**

This standard BFS IT infrastructure investment encompasses end user computing capabilities, including the provisioning, management, and operation of enterprise user devices, as well as centralized support services for end users.

### **Investment Obligations: (In Millions of \$):**

Type	FY 2025 Actuals	FY 2026 Estimated Obligations	FY 2027 Estimated Obligations	Change in \$	% Change
Sub-Total DME Obligations (Including Internal labor (Govt. FTE))	0.07	0.10	0.08	-0.02	-18.59%
Sub-Total O&M Obligations (Including Internal Labor (Govt. FTE))	18.16	21.43	18.74	-2.68	-12.52%
Total Obligations	18.23	21.53	18.83	-2.70	-12.55%

### **Purpose, Accomplishments, Future Objectives:**

The Fiscal IT End User standard investment encompasses end user computing capabilities that support BFS IT infrastructure and users. The goal of the investment is to deliver effective programs and services through IT strategies that establish flexible, adaptable, and practical solutions, while minimizing overall infrastructure costs.

This investment supports the ongoing operation and maintenance of end user capabilities, ensuring reliable and efficient access to IT resources across the enterprise. It enables improved operational effectiveness, supports the efficient management of IT resources, and contributes to the delivery of quality customer service in support of the Bureau's mission.

## Fiscal IT Management (ITM)

### **Description:**

This standard BFS IT infrastructure investment encompasses enterprise architecture and engineering, IT portfolio management, IT executive management and strategic planning, and IT finance capabilities that support the planning, governance, and oversight of IT across the organization.

### **Investment Obligations: (In Millions of \$):**

Type	FY 2025 Actuals	FY 2026 Estimated Obligations	FY 2027 Estimated Obligations	Change in \$	% Change
Sub-Total DME Obligations (Including Internal labor (Govt. FTE))	0.00	0.00	0.00	0.00	0.00%
Sub-Total O&M Obligations (Including Internal Labor (Govt. FTE))	24.77	25.17	25.28	0.11	0.44%
Total Obligations	24.77	25.17	25.28	0.11	0.44%

### **Purpose, Accomplishments, Future Objectives:**

The primary objective of this investment is to provide enterprise architecture and strategic planning support to BFS. It enables the Bureau to improve outcomes, manage IT resources effectively in support of its mission, and deliver quality customer service. These capabilities contribute to enhanced operational effectiveness, more timely availability of investment information, and increased ability to meet the federal government's borrowing needs.

This investment supports the ongoing management and oversight of IT planning and administration across BFS, including executive and strategic management, enterprise architecture, IT finance, capital planning and investment reporting, and vendor management. It sustains these core functions while supporting the continued evolution of infrastructure and professional services needed to advance IT modernization efforts.

## Fiscal IT Platform

### **Description:**

This standard BFS IT infrastructure investment encompasses an enterprise-wide platform capability, including database, middleware, and mainframe database and middleware services.

### **Investment Obligations: (In Millions of \$):**

Type	FY 2025 Actuals	FY 2026 Estimated Obligations	FY 2027 Estimated Obligations	Change in \$	% Change
Sub-Total DME Obligations (Including Internal labor (Govt. FTE))	5.33	8.39	10.79	2.39	28.50%
Sub-Total O&M Obligations (Including Internal Labor (Govt. FTE))	47.92	36.75	22.68	-14.06	-38.27%
Total Obligations	53.25	45.14	33.47	-11.67	-25.85%

### **Purpose, Accomplishments, Future Objectives:**

The Fiscal IT Platform standard investment encompasses the management of development and sustainment activities associated with distributed and mainframe databases and middleware systems, including related software, tools, labor, and external services.

This investment supports the ongoing management and sustainment of enterprise platform capabilities, including databases and middleware across distributed and mainframe environments. It ensures the availability, reliability, and performance of core platform services that enable mission-critical applications. The investment sustains these foundational capabilities while supporting the continued evolution of platform technologies to align with cloud adoption and broader IT modernization efforts.

## Fiscal IT Security and Compliance (ITSEC)

### **Description:**

This standard BFS IT infrastructure investment encompasses security programs and services, including activities and associated costs related to IT security compliance and disaster recovery. It supports the definition, implementation, enforcement, and measurement of security, compliance, and disaster recovery readiness across the enterprise.

### **Investment Obligations: (In Millions of \$):**

Type	FY 2025 Actuals	FY 2026 Estimated Obligations	FY 2027 Estimated Obligations	Change in \$	% Change
Sub-Total DME Obligations (Including Internal labor (Govt. FTE))	0.01	0.06	0.06	0.00	-2.97%
Sub-Total O&M Obligations (Including Internal Labor (Govt. FTE))	46.79	48.04	42.01	-6.03	-12.55%
Total Obligations	46.81	48.10	42.07	-6.03	-12.54%

### **Purpose, Accomplishments, Future Objectives:**

The Fiscal IT ITSEC standard investment encompasses costs associated with enterprise IT security, including resources responsible for setting policy, establishing processes, measuring compliance, and responding to security incidents. It also includes activities related to IT compliance, such as implementing controls and ensuring adherence to legal and regulatory requirements, as well as privacy-related capabilities. This investment excludes system-specific Security Assessment and Authorization activities and Information System Security Officer support tied to individual systems, as well as non-IT mission security functions.

This investment supports the ongoing delivery and sustainment of enterprise security and compliance capabilities, enabling BFS to maintain strong security posture and operational resilience. It also supports continued advancement of security and identity assurance capabilities, ensuring alignment with evolving threats, compliance requirements, and broader IT modernization efforts.

## International Treasury Services (ITS.gov)

### **Description:**

ITS is the federal government’s solution for processing international payments and collections. It supports the BFS mission by providing centralized payment, collection, and reporting services on behalf of federal agencies. ITS also supports compliance by screening payments in accordance with Office of Foreign Assets Control (OFAC) requirements. The system enables payments in both foreign currency and U.S. dollars, based on agency needs, and supports a range of payment types, including one-time and recurring transactions such as vendor, benefit, payroll, and other payments.

### **Investment Obligations: (In Millions of \$):**

Type	FY 2025 Actuals	FY 2026 Estimated Obligations	FY 2027 Estimated Obligations	Change in \$	% Change
Sub-Total DME Obligations (Including Internal labor (Govt. FTE))	5.40	3.46	3.60	0.13	3.85%
Sub-Total O&M Obligations (Including Internal Labor (Govt. FTE))	17.38	19.62	20.21	0.58	2.98%
Total Obligations	22.77	23.09	23.81	0.72	3.11%

### **Purpose, Accomplishments, Future Objectives:**

ITS.gov is the centralized application supporting the BFS mission to provide federal international payment, collection, and reporting services. It enables federal agencies to process payments in compliance with OFAC requirements and has screened more than 3.3 million domestic Fedwire and IAT Automated Clearing House transactions, valued at over \$525 billion. ITS.gov supports payments to more than 250 foreign countries or territories in over 153 currencies for both Treasury Disbursed Offices and Non-Treasury Disbursed Offices, including agencies such as the Department of Defense, Department of Veterans Affairs, and the Social Security Administration.

As a secure, web-based platform, ITS.gov enhances payment security and integrity through encrypted access controls and separation of duties. It consolidates multiple legacy foreign payment systems, reducing redundancy and enabling cost savings, while minimizing the need for agencies to maintain large cash balances outside of Treasury. The system also provides OFAC screening as a shared service, accelerates foreign payment settlement, improves data integrity through automation, supports both manual and bulk file processing, and offers on-demand, customizable electronic reporting capabilities.

In FY 2025, ITS.gov implemented Fedwire ISO 20022 compliance measures to modernize payment processes and improve global data exchange, enhancing transaction detail and structured data to support more efficient interactions between financial systems. The application was also migrated to the Fiscal Agent Production Cloud and upgraded to a modernized operating environment, addressing data center and software end-of-life risks while improving stability, security, performance, and scalability.

In FY 2026 and beyond, ITS.gov will continue to adapt to changes in international banking by updating payment formats and enhancing system flexibility to prevent disruptions. Efforts will focus on reducing technical debt, strengthening resiliency through cloud-based capabilities, and introducing new business functionality to improve

innovation and efficiency. The program will also deliver a series of system enhancements to support operations, compliance, reporting, and architecture modernization, while continuing to evaluate cloud strategies and address legacy system and security risks.

## Over the Counter Channel Application (OTCnet)

### **Description:**

OTCnet provides government wide services and support to federal agencies that process collection and deposit transactions over-the-counter. These transactions include retail transactions made at agency offices, other face-to-face collections, as well as all manner of coin, currency, card, and check deposits made at local depositories. It operates under the authority delegated to BFS by the Treasury Secretary to collect payments in accordance with 31 U.S.C. § 3720.

### **Investment Obligations: (In Millions of \$):**

Type	FY 2025 Actuals	FY 2026 Estimated Obligations	FY 2027 Estimated Obligations	Change in \$	% Change
Sub-Total DME Obligations (Including Internal labor (Govt. FTE))	5.02	13.32	19.19	5.87	44.06%
Sub-Total O&M Obligations (Including Internal Labor (Govt. FTE))	35.65	29.28	22.85	-6.43	-21.96%
Total Obligations	40.67	42.60	42.04	-0.56	-1.31%

### **Purpose, Accomplishments, Future Objectives:**

OTCnet is the federal government's single system solution for collecting approximately \$110 billion annually across all payment types, including checks, currency, credit and debit cards, and coins, at federal agency point-of-sale locations worldwide. It is a complex system that leverages a wide range of technologies, integrates with multiple external interfaces, and supports a large global user community.

The primary beneficiaries of this investment include agency end users, financial institutions, and the federal government. As a shared service, OTCnet yields substantial cost savings across the government, supporting more than 96 agencies and over 80 financial institutions.

In FY 2025, OTCnet focused on advancing its cloud migration efforts, working toward transitioning from the Treasury Web Application Infrastructure (TWAI) to a cloud-based environment. Activities included coordination with key partners to design and build the new environment on a modern cloud platform, laying the foundation for improved scalability, security, and system performance.

In FY 2026 and beyond, OTCnet will focus on migrating from the Treasury Web Application Infrastructure to the BFS Azure Cloud environment and decommissioning legacy infrastructure. The program will continue advancing modernization efforts by enhancing system integration, improving data exchange capabilities, upgrading the technology stack, transitioning the foreign currency service provider, strengthening reporting capabilities, addressing interface partner needs, and improving the user experience.

## Pay.gov

### **Description:**

Pay.gov Services (Pay.gov) enables federal agencies and consumers to complete online forms, make electronic payments, and submit payment inquiries 24 hours a day from anywhere in the world. As a web-based platform, it allows users to make payments and access their accounts from any internet-enabled device. Pay.gov provides a suite of services that supports agencies in efficiently and timely collecting payments from individuals and businesses, in accordance with Treasury’s congressional mandate to collect payments under 31 U.S.C. § 3720.

### **Investment Obligations: (In Millions of \$):**

Type	FY 2025 Actuals	FY 2026 Estimated Obligations	FY 2027 Estimated Obligations	Change in \$	% Change
Sub-Total DME Obligations (Including Internal labor (Govt. FTE))	15.88	13.89	14.09	0.19	1.40%
Sub-Total O&M Obligations (Including Internal Labor (Govt. FTE))	36.27	35.80	35.90	0.10	0.27%
Total Obligations	52.14	49.70	49.99	0.29	0.59%

### **Purpose, Accomplishments, Future Objectives:**

Pay.gov provides a government-wide internet collection channel that enables Federal Program Agencies to collect non-tax revenue electronically. It offers a suite of electronic financial services and interfaces that allow agencies to process collections over the internet, supporting the broader goal of an all-electronic Treasury. As a core component of BFS’s financial management mission, Pay.gov facilitates the efficient and secure collection and deposit of funds into Treasury on behalf of federal agencies. It also supports key objectives to reduce reliance on paper-based transactions, provide convenient and secure payment options, and integrate e-commerce technologies into the federal payments and collections infrastructure.

Pay.gov supports both agencies and citizens by delivering a secure, efficient, and user-friendly platform for making payments. Agencies benefit from faster, more accurate, and more secure collections compared to traditional methods, while users are able to make payments from any internet-enabled device. The platform also reduces the cost per transaction relative to paper-based payments, contributing to improved operational efficiency and financial integrity across the government.

In FY 2025, Pay.gov processed more than 246 million transactions totaling over \$384 billion in collections, while advancing efforts to modernize the platform. A key focus was the ongoing cloud migration initiative, which is transforming the infrastructure and system services that support Pay.gov through the adoption of cloud-based capabilities. This effort is designed to enhance performance, availability, and user experience for citizens, businesses, and federal agencies, while supporting a more robust and flexible platform with expanded payment options.

In FY 2026 and beyond, Pay.gov will continue its modernization efforts, with cloud migration activities progressing toward completion. These efforts will further strengthen system availability, scalability, and resilience, supporting the delivery of secure, efficient, and accessible federal collection services through an enhanced cloud-based environment.



## Payment Services

### **Description:**

Payment Services is the domestic payment disbursement engine of the federal government. The systems included in the investment are used by agencies to create and disburse all checks, EFT, and wire transfer payments in a secure manner.

### **Investment Obligations: (In Millions of \$):**

Type	FY 2025 Actuals	FY 2026 Estimated Obligations	FY 2027 Estimated Obligations	Change in \$	% Change
Sub-Total DME Obligations (Including Internal labor (Govt. FTE))	10.94	11.22	11.80	0.58	5.17%
Sub-Total O&M Obligations (Including Internal Labor (Govt. FTE))	47.61	38.85	37.88	-0.97	-2.49%
Total Obligations	58.56	50.06	49.68	-0.39	-0.77%

### **Purpose, Accomplishments, Future Objectives:**

Payment Services serves as the central platform for Federal Program Agencies to certify a wide range of payments, including ACH, check, wire transfers, International ACH Transactions, Corporate Trade Exchange, ASAP, and ITS payments. By streamlining the payment certification process, Payment Services reduces costs across the federal government by eliminating redundant tools, administrative overhead, and disparate systems used by agencies. The platform provides a high level of security assurance for payment certification and functions as the primary system for processing, settlement, and distribution of payments.

Payment Services also serves as an intermediary for screening eligible payments through Do Not Pay and the Treasury Offset Program, enabling the identification and offset of improper payments or debts owed, resulting in significant cost savings. In addition, the investment maintains a comprehensive system of record for payment voucher data, eliminating the need for agencies to manage separate infrastructures and supporting a more efficient, centralized approach to payment processing.

In FY 2025, Payment Services completed the migration of Payment Automation Manager off the mainframe, delivering a range of enhancements to improve functionality, validation, and processing efficiency. Updates included improvements to payment validation, data standards, file processing, and system interfaces, as well as efforts to support the reduction of paper-based payments. In response to an Executive Order, enhancements were implemented to strengthen payment justification requirements. Additional efforts focused on addressing security vulnerabilities, modernizing system components, and conducting cloud pilot activities to maintain functionality and security, while continuing to meet mandated security requirements.

In FY 2026 and beyond, Payment Services will focus on advancing cloud migration efforts, including transitioning key applications to a cloud-based environment and exiting legacy data centers. The program will continue refining its cloud strategy, initiating additional migration activities, and supporting efforts to reduce or eliminate paper-based payment processing. Ongoing priorities also include maintaining compliance with security requirements and addressing vulnerabilities across all applications within the investment.

## Post Payment Services

### **Description:**

Post Payment Services provides record keeping for all government payments, including reconciliation, accounting support, agency reporting, online inquiries, and other services that support payment reconciliation and recordation. The investment includes both the maintenance of legacy post-payment systems and the development of solutions designed to enhance efficiency, data accuracy, and security in post-payment processing for Federal Program Agencies. By streamlining reconciliation activities, improving information exchange, and reducing reliance on paper-based processes, Post Payment Services strengthens financial oversight, mitigates risk, and supports agencies in ensuring timely and accurate financial transactions.

### **Investment Obligations: (In Millions of \$):**

Type	FY 2025 Actuals	FY 2026 Estimated Obligations	FY 2027 Estimated Obligations	Change in \$	% Change
Sub-Total DME Obligations (Including Internal labor (Govt. FTE))	11.16	10.63	0.54	-10.09	-94.96%
Sub-Total O&M Obligations (Including Internal Labor (Govt. FTE))	34.57	26.96	19.92	-7.04	-26.11%
Total Obligations	45.73	37.59	20.46	-17.13	-45.58%

### **Purpose, Accomplishments, Future Objectives:**

Post Payment Services serves as the official record of government payments and supports the modernization of post-payment business processes to improve efficiency and productivity across federal financial operations. The investment focuses on enhancing and streamlining reconciliation activities, improving information exchange, and reducing reliance on paper-based processes through system modernization and integration. These efforts support greater financial oversight, reduce improper payments, and enable more responsive and accurate service delivery. Benefits are realized through cost avoidance and savings, improved system reliability, reduced duplication of data and interfaces, enhanced scalability, and the development of reusable services that support enterprise needs.

In FY 2025, Post Payment Services achieved key milestones that advanced system modernization, strengthened data integrity, and improved the reliability and accuracy of financial systems. These efforts reflect continued progress toward enhancing service delivery and supporting the evolving needs of Federal Program Agencies and the public.

In FY 2026 and beyond, Post Payment Services will continue advancing enhancements across key post-payment business functions, with a focus on improving efficiency, reliability, and overall service delivery. The investment will support the strategic planning and execution of legacy system decommissioning, ensuring continued support throughout the transition until full retirement is achieved. It will also maintain a strong emphasis on system resilience and operational readiness through ongoing participation in disaster recovery activities and continued focus on reliability and preparedness.

## Retail Securities Systems (RSS)

### **Description:**

RSS is a collection of systems and applications that support the Retail program's two primary missions: selling and servicing U.S. Treasury securities held directly by individuals and organizations and managing the Judgment Fund appropriation used to pay most court and Justice Department compromise settlements against the United States.

### **Investment Obligations: (In Millions of \$):**

Type	FY 2025 Actuals	FY 2026 Estimated Obligations	FY 2027 Estimated Obligations	Change in \$	% Change
Sub-Total DME Obligations (Including Internal labor (Govt. FTE))	7.90	6.52	3.96	-2.57	-39.36%
Sub-Total O&M Obligations (Including Internal Labor (Govt. FTE))	127.49	105.22	94.31	-10.91	-10.37%
Total Obligations	135.39	111.74	98.26	-13.48	-12.06%

### **Purpose, Accomplishments, Future Objectives:**

The mission of the Retail program is to offer Americans simple and accessible Treasury securities to support savings and promote financial confidence. To achieve this mission, the program maintains public-facing applications that enable the sale and servicing of U.S. Treasury securities directly to individuals. In addition, the program is responsible for managing the Judgment Fund appropriation used to pay most court settlements and Justice Department compromise settlements against the United States. This mission aligns with BFS goals to deliver innovative financial management solutions that provide a modern, seamless customer experience and supports Treasury's broader objectives of transforming government-wide financial stewardship and achieving operational excellence.

The Retail program also services older Treasury debt instruments that have matured but remain unredeemed, supporting the Treasury's commitment to uphold the full faith and credit of the U.S. government by honoring all debt obligations regardless of age. To carry out these responsibilities, the program relies on a collection of IT applications that support the sale and servicing of its products. These systems include both modern, internet-based platforms and legacy mainframe systems hosted across multiple environments. Over time, the program has leveraged advances in technology and digital services to enhance its offerings, expand self-service capabilities, and improve overall customer experience, while continuing to efficiently support legacy obligations.

In FY 2025, the Retail investment continued development of the myTreasury application, which is intended to replace the current primary public-facing solution, TreasuryDirect. The investment also partnered with IT service providers, including establishing a new relationship with U.S. Bank, to plan for the modernization of its aging IT architecture.

In FY 2026 and beyond, the Retail investment will focus on improving customer experience through the deployment of myTreasury and modernization of its customer relationship management capabilities. Efforts will also continue to strengthen security in alignment with federal Zero Trust Architecture guidelines, modernize the overall IT architecture, and reduce reliance on the enterprise mainframe. Additionally, the investment will

support the development of technical solutions to enable data sharing related to certain matured, unredeemed debt in accordance with the SECURE Act.

## Revenue Collections Support Services (RCSS)

### **Description:**

RCSS is a suite of systems that supports the management of revenue data and related information, including collateral management, in accordance with 26 U.S.C. § 6302(h), 31 U.S.C. §§ 3301–3303, and 31 U.S.C. § 3720. These systems play a critical role in supporting the broader revenue collection business line by ensuring that collection processes are efficient, accurate, and well-organized. By providing essential infrastructure and data management capabilities, RCSS enables the government to maintain fiscal responsibility, support public service programs, and effectively carry out revenue collection activities.

### **Investment Obligations: (In Millions of \$):**

Type	FY 2025 Actuals	FY 2026 Estimated Obligations	FY 2027 Estimated Obligations	Change in \$	% Change
Sub-Total DME Obligations (Including Internal labor (Govt. FTE))	16.03	10.70	9.58	-1.12	-10.49%
Sub-Total O&M Obligations (Including Internal Labor (Govt. FTE))	51.06	48.33	47.39	-0.94	-1.94%
Total Obligations	67.09	59.03	56.97	-2.06	-3.49%

### **Purpose, Accomplishments, Future Objectives:**

RCSS supports the collection of revenue and management of related information essential to federal government operations and its ability to serve the public. These systems play a supporting role within the broader revenue collection framework, helping ensure processes are efficient and well-coordinated. RCSS continues to provide critical support to the government's revenue collection functions.

In FY 2025, RCSS advanced key modernization efforts aligned with agency priorities, including continued progress on cloud migration and preparations to support the ISO 20022 format for Fedwire payments.

In FY 2026 and beyond, RCSS will continue aligning with strategic goals through ongoing cloud migration activities, including system upgrades, data migration, and optimization, followed by user migration. The investment will also advance efforts to consolidate functionality into a more streamlined solution to reduce redundancy and operational costs, supporting improved efficiency and modernization across the revenue collection environment.

## Stored Value Card (SVC)

### **Description:**

SVC is a cash management IT investment that leverages Europay, Mastercard, and Visa (EMV) payment standards to deliver an integrated enterprise payment platform and secure infrastructure supporting electronic commerce operations. The solution enables the transition from manual, cash-based transactions to standardized, interoperable electronic payment capabilities across geographically dispersed and operationally constrained environments. SVC smartcard technology provides a secure and scalable payment mechanism that replaces cash, checks, and other non-electronic methods, reducing operational risk, administrative burden, and financial handling costs. The investment supports BFS's objective to modernize payment delivery and strengthen financial accountability within controlled environments.

### **Investment Obligations: (In Millions of \$):**

Type	FY 2025 Actuals	FY 2026 Estimated Obligations	FY 2027 Estimated Obligations	Change in \$	% Change
Sub-Total DME Obligations (Including Internal labor (Govt. FTE))	15.48	12.26	7.39	-4.87	-39.73%
Sub-Total O&M Obligations (Including Internal Labor (Govt. FTE))	58.56	45.27	39.60	-5.67	-12.53%
Total Obligations	74.03	57.53	46.99	-10.54	-18.32%

### **Purpose, Accomplishments, Future Objectives:**

The SVC program has replaced more than \$2 billion in coins, currency, and checks that historically circulated across military bases worldwide with secure electronic payment capabilities, significantly reducing the operational costs and risks associated with securing, transporting, and reconciling physical cash. Since inception, over 81.1 million Electronic Funds Transfer transactions in excess of \$11.3 billion have been processed through the SVC e-commerce program.

SVC directly supports BFS's responsibility to implement government-wide electronic commerce solutions in alignment with Presidential and federal modernization mandates. The program has successfully replaced or reduced cash usage at more than 50 military bases and installations in 20 countries, including the United States, and across more than 170 naval vessels, strengthening financial accountability and operational efficiency in both deployed and garrison environments.

The SVC portfolio is currently undergoing a targeted modernization and partial decommissioning of legacy components while maintaining its core mission - to provide a secure, cost-effective electronic cash management solution for the U.S. Armed Forces. As part of this modernization effort, SVC continues to implement a universal One-Card solution designed to streamline operations, reduce system duplication, improve interoperability, and achieve economies of scale through the reuse of shared enterprise services across military branches. The customer-facing side of the consolidation is complete. The final phase is to aggregate the SVC-back offices into a single, unified, cloud-enabled solution.

SVC's primary customers are U.S. military personnel operating in deployed land-based and maritime environments who require reliable access to secure electronic payment capabilities to support mission readiness

and daily operations. Key stakeholders supporting program execution include military service branches, financial management partners, and financial institutions, all of which play critical roles in delivering secure, compliant, and mission-aligned financial services to service members worldwide.

In FY 2025, SVC made significant progress toward its modernization and operational objectives. Efforts to enable cloud-based capabilities advanced substantially, with key milestones achieved to support system scalability, performance, and customer experience. Enhancements included the implementation of a cloud-based contact center solution and the deployment of upgraded end-user devices to support mobile operations in remote environments. The program also finalized transition planning and cleanup activities for legacy systems in preparation for decommissioning, including resolving outstanding balances and ensuring financial accuracy. Deployment of modernized capabilities continued to expand across operational environments, with the system now deployed to over 50 ships, and the program completed key governance, risk, and compliance activities to establish a secure foundation for ongoing cloud migration and operations.

In FY 2026 and beyond, SVC will focus on completing cloud migration efforts, finalizing the decommissioning of legacy systems, and continuing the deployment of modernized capabilities across supported environments. Additional priorities include advancing system integration, enhancing infrastructure and platform capabilities, and maintaining compliance with security and operational requirements. These efforts will position the program for improved efficiency, scalability, and long-term sustainability.

## Tax Collection Services (TCS)

### **Description:**

TCS encompasses the Electronic Federal Tax Payment System (EFTPS) and enables both business and individual taxpayers to pay federal taxes electronically in accordance with the congressional mandate for Treasury to process government collections electronically under 26 U.S.C. § 6302(h).

### **Investment Obligations: (In Millions of \$):**

Type	FY 2025 Actuals	FY 2026 Estimated Obligations	FY 2027 Estimated Obligations	Change in \$	% Change
Sub-Total DME Obligations (Including Internal labor (Govt. FTE))	32.43	57.35	54.76	-2.59	-4.52%
Sub-Total O&M Obligations (Including Internal Labor (Govt. FTE))	169.83	178.05	180.60	2.54	1.43%
Total Obligations	202.25	235.40	235.35	-0.05	-0.02%

### **Purpose, Accomplishments, Future Objectives:**

TCS enables both business and individual taxpayers to pay federal taxes electronically through multiple channels, including phone, internet, Fedwire, Automated Clearing House credit, credit cards, and third-party providers. Managed by a designated Treasury financial agent under authority delegated by the Secretary of the Treasury, TCS supports the secure and efficient collection of federal tax revenue. In FY 2025, TCS collected approximately \$4 trillion through its various collection channels.

This investment directly supports the BFS mission by maximizing the percentage of tax collections received electronically, reducing the time required for taxpayers to complete payments, and lowering the cost of processing federal tax payments through a 24/7/365 collection capability. TCS operates as a partnership with the Internal Revenue Service and is supported through a permanent and indefinite appropriation authorized by Congress to provide critical banking services for the federal government, including tax collection.

In FY 2025, EFTPS continued activities to migrate from its existing platform to a cloud environment, implement Zero Trust Architecture logging and security requirements, support annual IRS updates, expand tax types associated with the Inflation Reduction Act, comply with NACHA mandates, and maintain existing infrastructure in parallel with migration efforts.

In FY 2026 and beyond, EFTPS will continue cloud migration activities, complete remaining security and compliance requirements, and decommission legacy infrastructure following the transition.

## Wholesale Securities Services (WSS)

### **Description:**

WSS effectively finances government operations through the announcement, auction, and issuance of marketable Treasury bills, notes, bonds, Treasury inflation-protected securities (TIPS), and floating rate notes (FRN) through the Treasury Automated Auction Processing System (TAAPS).

### **Investment Obligations: (In Millions of \$):**

Type	FY 2025 Actuals	FY 2026 Estimated Obligations	FY 2027 Estimated Obligations	Change in \$	% Change
Sub-Total DME Obligations (Including Internal labor (Govt. FTE))	22.40	23.34	0.41	-22.94	-98.26%
Sub-Total O&M Obligations (Including Internal Labor (Govt. FTE))	67.15	71.37	81.24	9.87	13.82%
Total Obligations	89.54	94.72	81.65	-13.07	-13.80%

### **Purpose, Accomplishments, Future Objectives:**

The WSS investment effectively finances government operations by offering Treasury securities through reliable, accurate, and secure electronic systems. Treasury auctions are high dollar volume, high transactions volume, time critical operations, and include a broad range of bidders participating in each auction. To execute this important role, the investment leverages TAAPS, which handles the announcement, auction, and issuance of Treasury securities.

In FY 2025, WSS operated and maintained TAAPS while continuing efforts to reduce technical debt and strengthen system security and resiliency. This included deploying multiple system maintenance releases with no defects, enabling the successful execution of 445 auctions, the awarding of more than \$30 trillion in securities, and the receipt of over 2.9 million auction bids. WSS also implemented Zero Trust Architecture enhancements and developed contingency plans to extend and re-platform TAAPS if needed. Progress continued on the Financing Modernization effort, with more than 85 percent of business capabilities delivered, including all core auction functionality, and an expected implementation in Q3 FY 2026. Additionally, 64 buyback operations were conducted during the year.

In FY 2026 and beyond, WSS will continue efforts to maintain the security and reliability of TAAPS through infrastructure upgrades, ongoing Zero Trust Architecture initiatives, and remediation of technical debt. The program will also focus on cybersecurity activities, including assessments and vulnerability management, as well as contingency preparedness efforts. A key priority will be completing the Financing Modernization effort and ensuring operational readiness to transition from TAAPS to the new Debt Financing System.