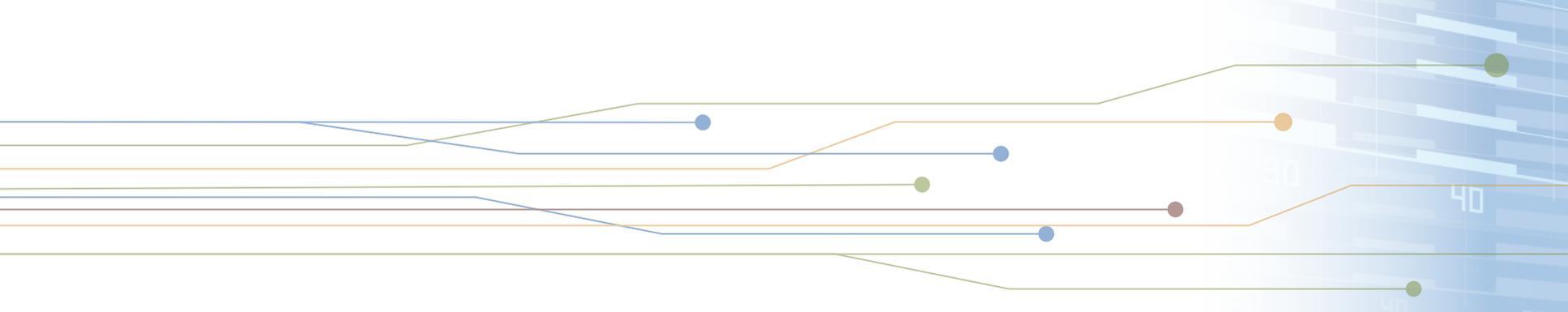




# Progress Statement 2021

The Future of Federal Financial Management



# Table of Contents

Message from the Commissioner .....	4
What Does the Bureau of the Fiscal Service Do? .....	5
Fiscal Service’s Strategic Plan 2022-2026 .....	6
Financial Management and the Pandemic .....	8
Innovation & Agility: Built on a Solid Foundation .....	10
Fiscal Service Goals .....	12
Financial Management is Changing. So is Fiscal Service. ....	20





## Americans expect that their government:

- *is an efficient steward of its financial resources;*
- *provides financial information that is accurate; and*
- *offers financial interactions that are modern, seamless, inclusive, and secure.*

**To learn more about the Future of Federal Financial Management Vision, visit [fmvision.fiscal.treasury.gov](https://fmvision.fiscal.treasury.gov).**

# Message from the Commissioner



*Bureau of the Fiscal Service  
Commissioner Tim Gribben*

The challenges of the past year have tested all federal agencies. As the continuing pandemic made public services ever more urgent for American citizens, we had to develop new ways of working: more virtual, more inclusive, more agile.

Like other federal agencies, Fiscal Service learned lessons that we will carry into the future.

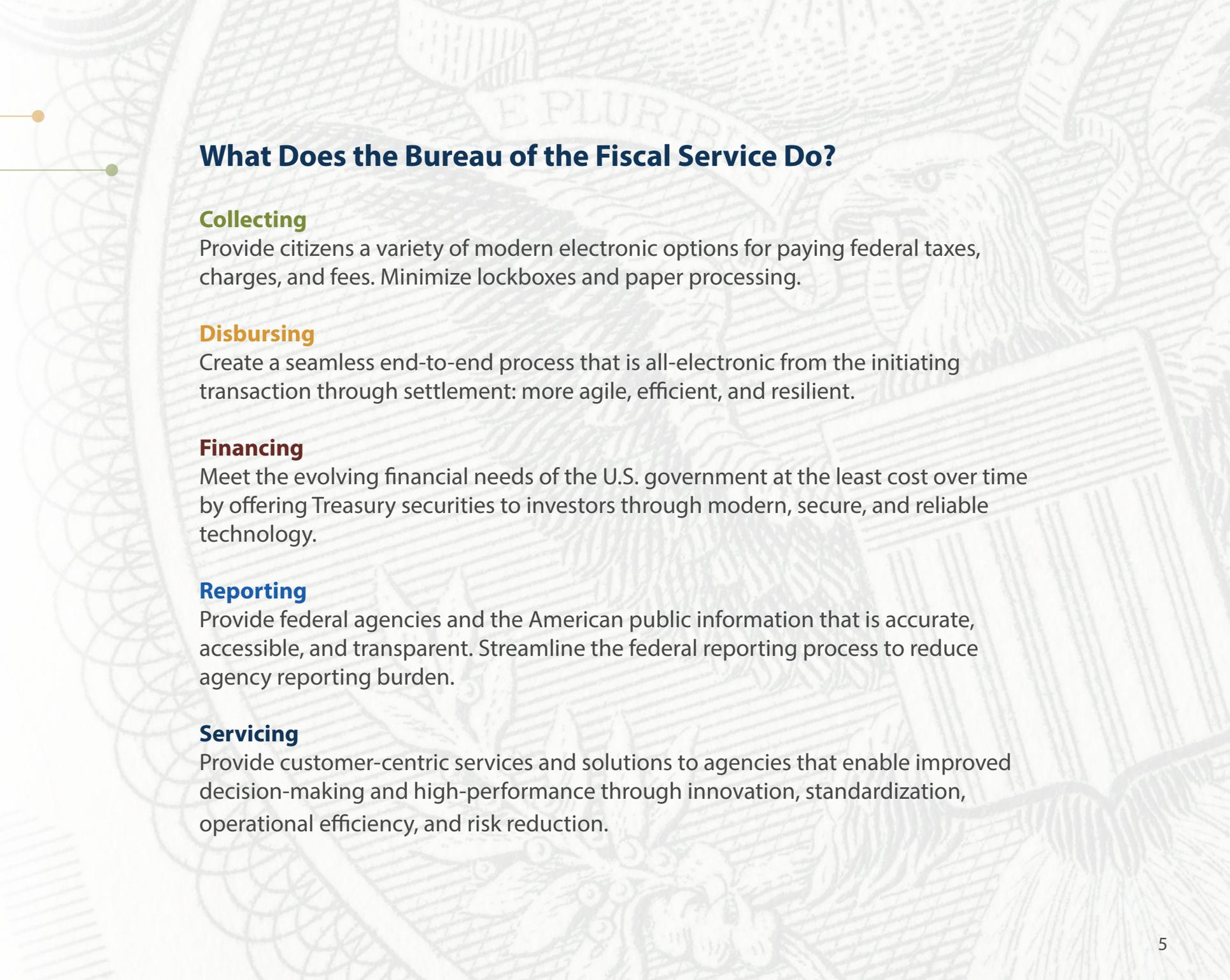
When Fiscal had to deliver relief payments to millions of Americans, we learned that reaching across multiple federal programs can improve the services we provide to citizens. We discovered where citizens already had account information on file with Treasury through other programs and utilized this information to replace slow-moving paper checks. Citizens received their payments faster — and the payments were more accurate, secure, and less expensive to deliver.

When Fiscal had to stand up a new relief program under the American Rescue Plan, we learned that the virtual workplace allows us to tap the full potential of our workforce, unhindered by geographic distances. We deployed application reviewers in West Virginia, call center specialists in Alabama, and payment technicians in Missouri, to create a seamless process that became available in weeks — not months.

The goals contained in this year's Progress Statement address the demands of the future. We continue to move toward more electronic transactions, more accessible financial data, and greater efficiency, while setting goals stretching further into the future. Included in this year's report is an update on our progress to create a modern customer experience for Americans buying Treasury securities, and for federal agencies reporting their financial status to Fiscal.

The progress described in this document is the result of partnerships among federal agencies and Fiscal Service. I value those partnerships and look forward to continuing our work together.

A handwritten signature in black ink that reads "Tim".



## What Does the Bureau of the Fiscal Service Do?

### Collecting

Provide citizens a variety of modern electronic options for paying federal taxes, charges, and fees. Minimize lockboxes and paper processing.

### Disbursing

Create a seamless end-to-end process that is all-electronic from the initiating transaction through settlement: more agile, efficient, and resilient.

### Financing

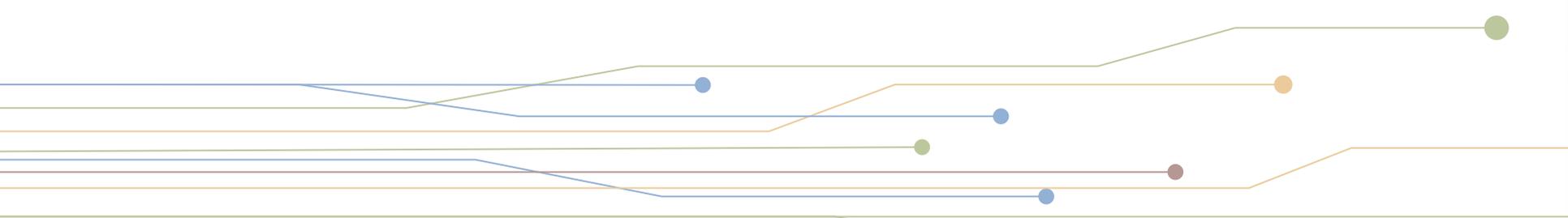
Meet the evolving financial needs of the U.S. government at the least cost over time by offering Treasury securities to investors through modern, secure, and reliable technology.

### Reporting

Provide federal agencies and the American public information that is accurate, accessible, and transparent. Streamline the federal reporting process to reduce agency reporting burden.

### Servicing

Provide customer-centric services and solutions to agencies that enable improved decision-making and high-performance through innovation, standardization, operational efficiency, and risk reduction.



## Fiscal Service's Strategic Plan 2022-2026

Fiscal Service's Strategic Plan serves as a guide for decision-making that establishes priorities aligned with the Department of the Treasury's four year direction.

### **Our Operations**

Deliver modern and innovative financial management operations and services that are inclusive, efficient, sustainable, and secure.

### **Business Transformation**

Transform our businesses to generate new value and improve capabilities for our customers.

### **Emerging Technology and Business Practices**

Identify, incubate, and promote emerging technologies and business practices with the potential to transform the bureau and financial management capabilities.

### **Operational Integrity**

Improve security, resiliency, and controls of operations and services.

### **Our Data**

Increase the value, availability, and quality of our data for decision making and insights.

### **Data Quality and Transparency**

Improve the quality, completeness, and availability of data that is consumable for insights.

### **Data Analytics**

Increase analytics practices and capabilities to support decision-making.



## **Our Customers**

Improve the customer experience throughout their journey with Fiscal Service.

### **Customer Experience Practices**

Create a customer-centric culture that incorporates customer needs and expectations into the design and provision of services to improve the customer experience.

### **Agency Engagement**

Engage with federal CFOs and the broader financial management community to understand agencies' needs, and how best to provide unified, seamless solutions which meet those needs.

### **Marketplace Solutions**

Provide the financial management community with access to innovative, proven, and standards-based solutions.

## **Our Workforce**

Recruit, retain, develop, and engage a diverse, high-performing workforce to meet our customers' needs.

### **Diversity, Equity, Inclusion, & Accessibility**

Foster a culture where Bureau practices integrate the principles of Diversity, Equity, Inclusion, & Accessibility to attract, develop, and retain a diverse and inclusive workforce.

### **Workforce of the Future**

Identify and develop the skillsets required to meet the demands of tomorrow.

### **Workplace of the Future**

Transform our work routines, facilities, and infrastructure to adapt to mission and workforce needs.

# Financial Management and the Pandemic

For the past two years, the federal government's response to the economic impact of the pandemic illustrated the importance of agile financial management. In 2020 and 2021, Fiscal Service was called on to support many programs of the Coronavirus Aid, Relief, and Economic Security (CARES) Act, Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA), and the American Rescue Plan (ARP). Fiscal Service's high-volume disbursing processes enabled the government to implement the law and provide relief to millions of Americans affected by the pandemic.

This included:

- Nearly \$829 billion of Economic Impact Payments — totaling more than 489 million payments — were delivered to Americans, including more than 16 million pre-paid debit cards directly to families, helping them put food on the table, care for their children, and stay in their homes.
- \$395 billion in emergency funding was disbursed to state, local, and tribal governments to meet immediate pandemic response needs and to make long-term investments in the recovery, equity, and prosperity of communities.
- \$92 billion in Advance Child Tax Credit payments were made to families with children for food, clothing, other expenses.
- \$64 billion was disbursed to critical industries including airlines, motor coaches, school buses, and passenger vessels that faced unprecedented challenges during the pandemic.
- \$42 billion was delivered to local governments to support housing and rental assistance programs to help families to avoid evictions and stay in their homes.



# Innovation & Agility:

## Built on a Solid Foundation

To implement key sections of the CARES Act, CRRSA, and the ARP, Fiscal needed to adapt in a rapidly changing environment to distribute trillions of dollars to millions of Americans. Fiscal Service's proven ability to deliver served as a critical foundation upon which to take on new challenges.

### Pre-paid debit cards to reduce check payments

By re-purposing the existing US Debit Card program, Fiscal issued over 16 million pre-paid debit cards to replace paper checks for Economic Impact Payments (EIP) in 2020 and 2021. Citizens got their relief payments securely and avoided check cashing fees.



### Faster relief payments using data analysis

Collaborating with other agencies, Fiscal was able to convert 70.2 million EIP and ACTC payments from check to direct deposit at a 99.7% accuracy rate. The faster, safer, and more secure electronic payments saved the government \$33 million in check production costs.



### New controls that reduced improper payments

Fiscal used a new service to confirm bank account information of EIP and Advance Child Tax Credit (ACTC) recipients to ensure payments were delivered accurately. This service resulted in over \$129M in prevented improper payments caused by administrative errors or potential fraud.





### **Transparency into trillions of relief spending with USAspending.gov**

By consolidating inputs from all federal agencies, USAspending.gov allowed citizens to view how and where over \$3 trillion in relief spending has reached communities in need. During 2021, 1.8 million people visited the site.

### **Processed relief applications with existing resources**

Vendor payment and travel reimbursement services that Fiscal provides to other agencies were re-engineered to handle application review, disbursing, and accounting for new relief programs. This creative use of Fiscal's shared service capacity has disbursed more than \$500 billion in relief for the transportation industry, American homeowners and renters, and state, local and tribal governments.



### **Response to customer needs with quick call center set ups**

Fiscal re-purposed its delinquent debt collection call center to answer questions from applicants for six new relief programs. Since June, the center has handled over 15,000 emails and 3,000 phone calls from state, local and tribal governments, housing authorities, airlines, and transportation providers.

# 2022

## Services

### Fiscal Service Goals

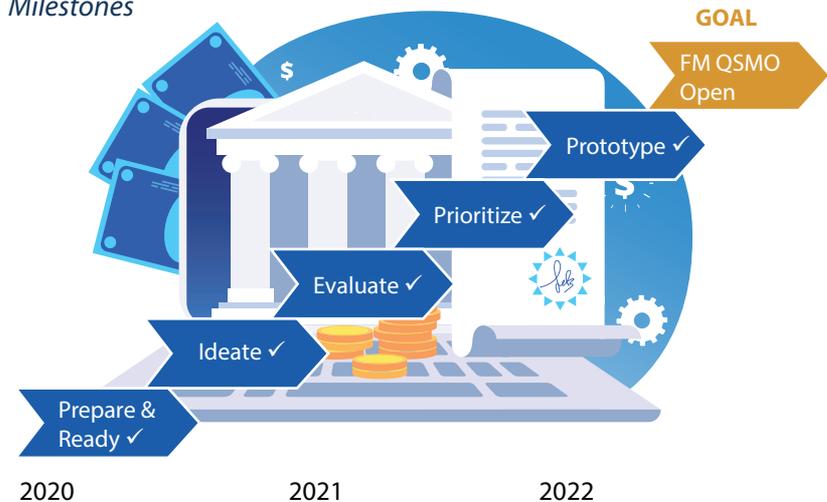
Each year, Fiscal Service sets clear goals to advance federal financial management into the future, one step at a time.

#### Financial Management (FM) Marketplace

Establish a marketplace of commercial and federal providers offering standards-based solutions by 2022.

##### Establishment of FM Marketplace

*Milestones*



*Quality Service Management Office, or QSMO, is a Treasury initiative designated by the Office of Management and Budget that will establish a marketplace of financial management services for federal agencies that promotes automation, standardization, best practices, and policy compliance.*

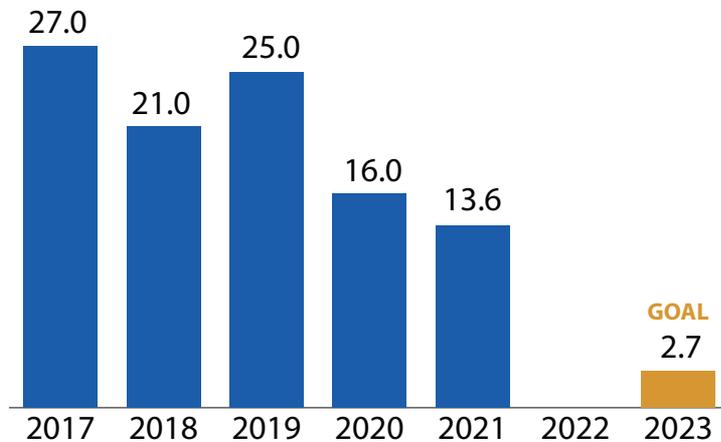
# 2023

## Reporting

### Strengthen Financial Accuracy

Reduce buy/sell intragovernmental differences by 90% by 2023.

Reduction in intragovernmental buy/sell differences  
\$/Billions



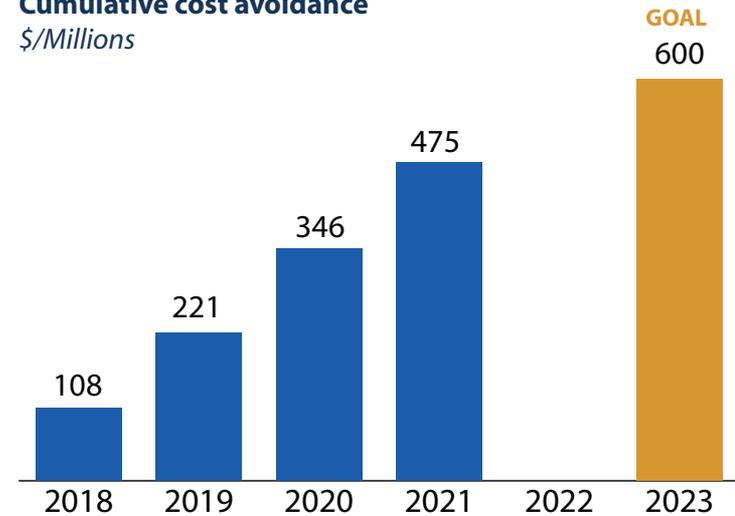
Reporting buy/sell transactions among agencies accurately is essential for the government's financial statement. Fiscal's G-Invoicing solution allows agency buyers and sellers to negotiate and accept terms, broker orders, exchange information, and validate settlement requests online, creating transparency and reducing intragovernmental differences.

## Services

### Improve Federal Financial Management Efficiency

Through the use of shared financial management systems, generate more than \$600 million in cost avoidance by 2023.

Cumulative cost avoidance  
\$/Millions



Fiscal Service's Administrative Resource Center (ARC) provides financial management, procurement, human resources, and travel services to more than 80 federal agencies. By sharing a single license for accounting software, ARC's agency customers can reduce the cost of purchasing multiple licenses.

# 2024

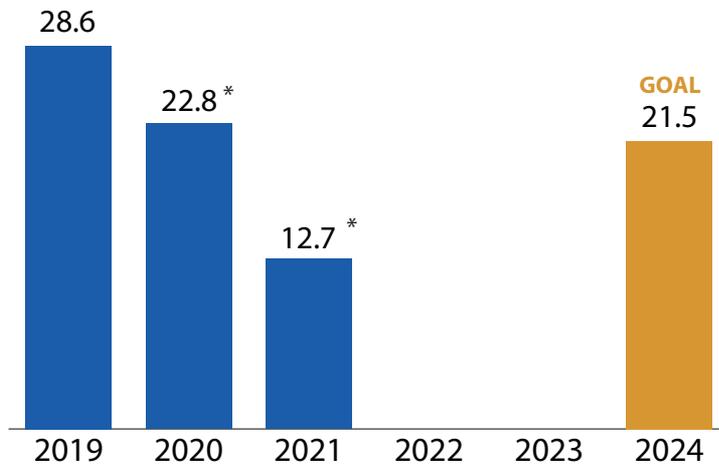
## Collections

### Increase Digitization of Paper Collections

Reduce paper volume processed through the General Lockbox Network by 25% by 2024.

#### General Lockbox transactions

Number of paper transactions/Millions



Treasury Lockboxes collect and process checks and paper forms for federal government agencies. To improve efficiency, Fiscal Service consolidated lockbox operations and automated manual processes. Fiscal is now working with federal agencies to replace paper checks and forms with modern on-line options for citizens making payments to the government.

\* General Lockbox Network transaction volume decreased during the pandemic (FY 2020 and FY 2021) because some agency billing obligations were suspended.

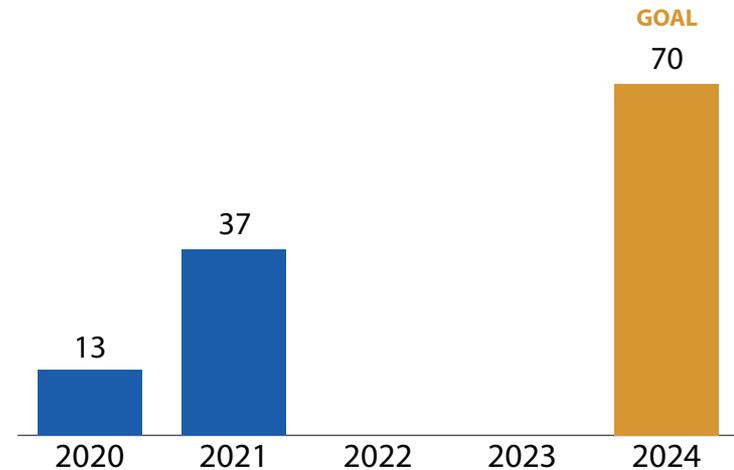
## Reporting

### Modern, Useful Data

Migrate 70 Fiscal Service datasets from legacy formats and locations to Treasury's Fiscal Data by 2024.

#### Datasets migrated

Cumulative number



Fiscal Service is adding and consolidating legacy datasets in commonly used formats and interfaces, ensuring data is accessible to the public. This data is available to the public for free at [FiscalData.treasury.gov](https://FiscalData.treasury.gov).

# 2025

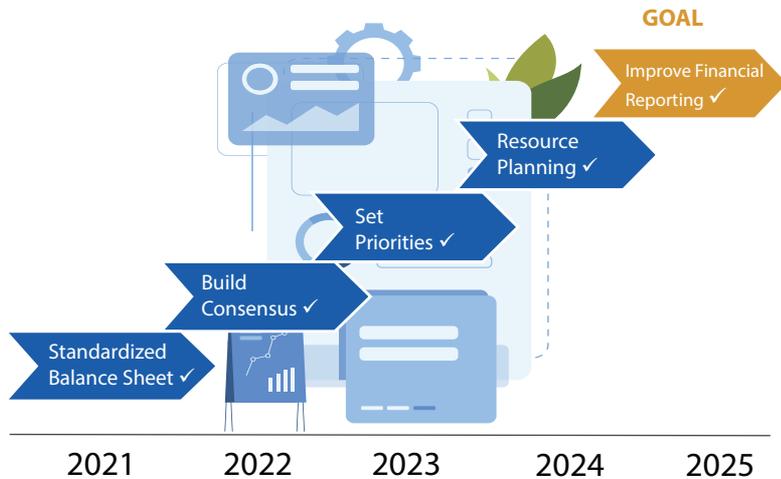
## Reporting

### Reduce Agency Reporting Burden

Streamline and improve the current financial reporting and audit processes for federal agencies by 2025.

#### Establish Financial & Budgetary Reporting Vision

*Milestones*



*Preparing financial reports should not overly burden federal agencies. Fiscal is working with the government's CFO Council to eliminate redundant federal financial reports by leveraging data already reported to Treasury through the existing adjusted trial balance system, and standardizing reporting requirements.*

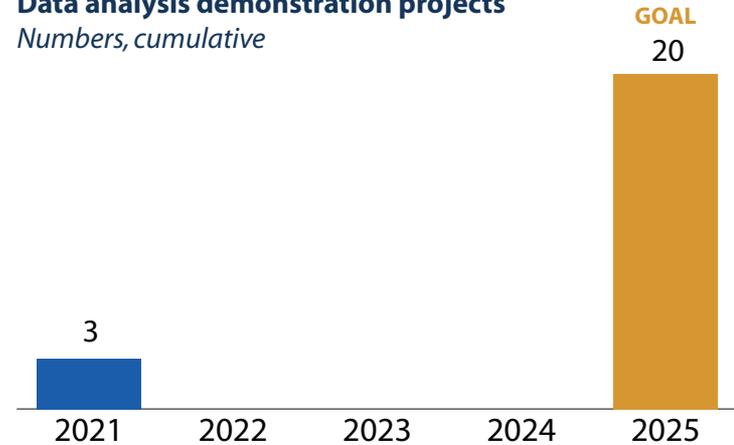
## Reporting

### Modern, Useful Data

Build and deploy enterprise data solutions that improve our performance, reduce costs, and deliver what the financial management community needs to advance data-driven decision making by 2025.

#### Data analysis demonstration projects

*Numbers, cumulative*



*The Fiscal Service holds vast amounts of financial data that has the potential to improve the operations of the federal government. With actual use cases, we will showcase predictive analytics, model building, and artificial intelligence to inform the federal community of the power of data in creating a government that is more efficient, transparent and delivers better service to its citizens.*

# 2025

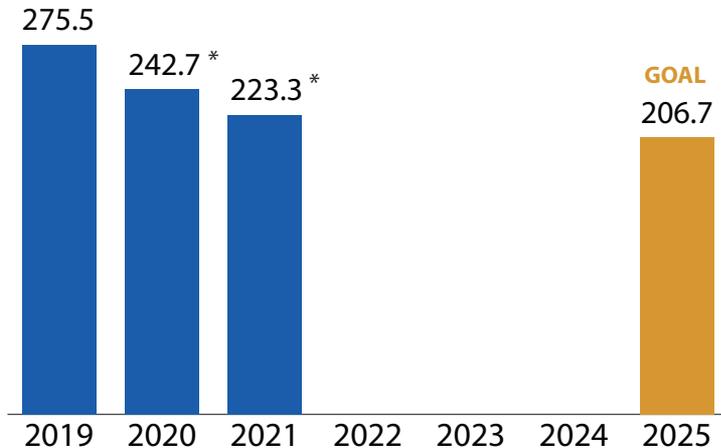
## Collections

### Increase Digitization of Paper Collections

Convert 25% of Treasury General Account Network transactions from cash and check bank deposits to electronic by 2025.

#### TGA Network cash and check transactions

Number/Thousands



The Treasury General Account Network provides banking services to federal agencies around the world, including deposits of cash and checks. Fiscal Service is converting paper processes to electronic solutions to better meet customer agency needs while maintaining operational stability.

\* Treasury General Account Network transaction volume decreased during the pandemic (FY 2020 and FY 2021) because COVID 19 impacts led to fewer customer over-the-counter transactions.

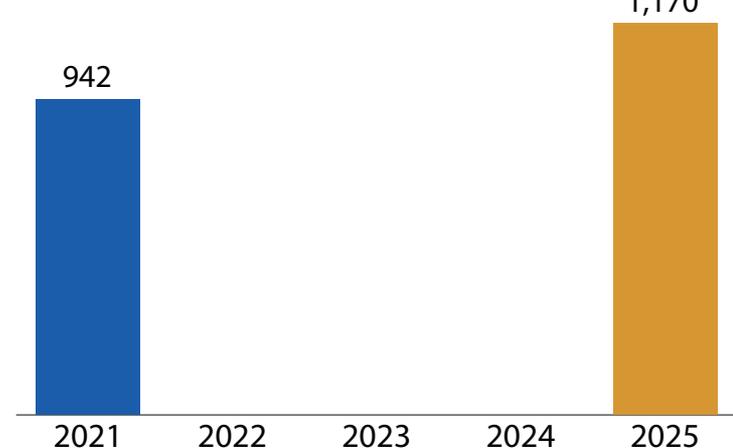
## Services

### Expand Adoption of Services

Increase the number of agency subcomponents\* using common financial management solutions by 25% by 2025.

#### Cases of federal agencies using solutions

Number



Fiscal Service provides common financial solutions, such as Centralized Receivables, Cross-Servicing, eCommerce, ARC Financial Management, G-Invoicing, e-Invoicing, Pay.gov, Centralized Disbursing, Do Not Pay, and Payment Integrity. These services allow government entities to focus attention and resources on their core missions, instead of redundant financial management tasks.

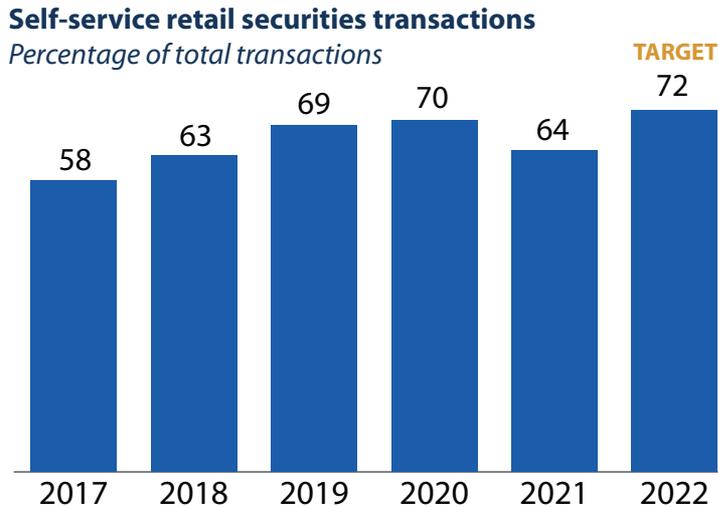
\* A subcomponent is a subordinate organization within a larger federal agency (e.g. bureau within a department).

# 2025

## Financing

### Modern Securities Experience

Improve the retail customer experience by enabling customers to purchase, manage, and redeem their Treasury security holdings through one platform by 2025.



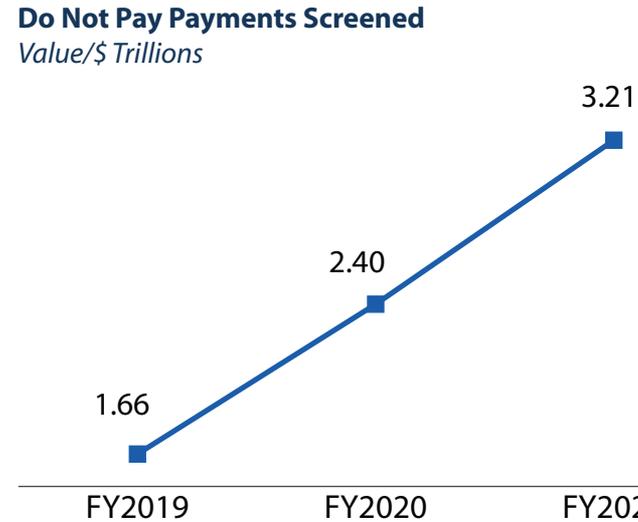
*Fiscal is transforming TreasuryDirect.gov by making it easier for investors to buy, sell, and manage Treasury securities seamlessly and efficiently, at no cost, without the need of a broker or bank.*

# 2026

## Disbursing

### Preventing Improper Payments

Offer the capability to stop improper payments prior to disbursement in accordance with legal authorities by 2026.



*By using data, Fiscal can assess whether a federal payment may be fraudulent or incorrect before it's sent out. Working with other agencies, Fiscal is dedicated to solving federal payment integrity challenges by advancing the tools, services, and data available to identify and stop improper payments.*

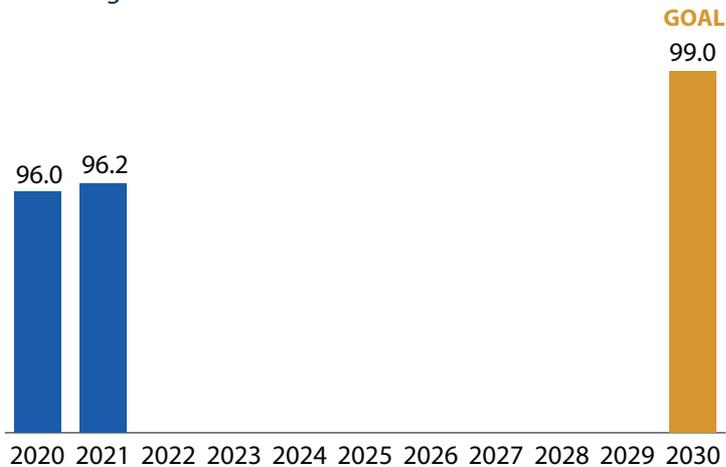
# 2030

## Disbursing

### Electronic Disbursing

By leveraging innovative, alternative payment options, deliver 99% of eligible Treasury-disbursed payments electronically by 2030.

**Electronic Treasury-disbursed payments\***  
Percentage



*Electronic payments are faster, more secure, and less costly than paper checks. Fiscal will continue to deploy alternative methods of electronic payment, such as debit cards, Same Day ACH, and emerging real-time solutions, to provide Americans with options to paper checks.*

*\* Does not include pandemic-related payments.*

# Financial Management Vision Goals at a Glance

## DISBURSING

### Electronic Disbursing

By leveraging innovative, alternative payment options, deliver 99% of eligible Treasury-disbursed payments electronically by 2030.

### Preventing Improper Payments

Offer the capability to stop improper payments prior to disbursement in accordance with legal authorities by 2026.

---

## COLLECTING

### Increase Digitization of Paper Collections

Reduce paper volume processed through the General Lockbox Network by 25% by 2024.

Convert 25% of Treasury General Account Network transactions from cash and check bank deposits to electronic by 2025.

---

## REPORTING

### Strengthen Financial Accuracy

Reduce buy/sell intragovernmental differences by 90% by 2023.

### Reduce Agency Reporting Burden

Streamline and improve the current financial reporting and audit processes for federal agencies by 2025.

### Modern, Useful Data

Migrate 70 Fiscal Service datasets from legacy formats and locations to Treasury's Fiscal Data by 2024.

Build and deploy enterprise data solutions that improve our performance, reduce costs, and deliver what the financial management community needs to advance data-driven decision making by 2025.

---

## SERVICING

### Financial Management Marketplace

Establish a marketplace of commercial and federal providers offering standards-based solutions by 2022.

### Improve Federal Financial Management Efficiency

Through the use of shared financial management systems, generate more than \$600 million in cost avoidance by 2023.

### Expand Adoption of Services

Increase the number of agency subcomponents using common financial management solutions by 25% by 2025.

---

## FINANCING

### Modern Securities Experience

Improve the retail customer experience by enabling customers to purchase, manage, and redeem their Treasury security holdings through one platform by 2025.



# Financial management is changing. So is Fiscal Service.

## A changing landscape

New technology is changing how Americans move money. Real-time payments will disrupt familiar end-of-day processes. Americans will rely less on traditional banks for their financial services.

This is changing citizens' expectations. They want instant access to information, immediate service, and a seamless customer experience.

Our employees will have higher expectations, too. They want satisfying work with a purpose and increased flexibility and growth opportunities.

## The voice of our customer

We asked our agency customers, Fiscal and Financial Agent partners, and employees how Fiscal could best prepare for the future. Some agencies would like more centralized financial services so they can focus on their citizen-facing programs. Others suggested that Fiscal could provide a more uniform experience for our customers by better coordinating initiatives that cut across multiple services.

## Building an organization for the future

Fiscal's current organization is built around stable processes and systems. The future will require a different set of organizational capabilities.

Fiscal must become more aware of our customers' total requirements, more attuned to business process innovation, more informed of developments in financial technology, and more agile in integrating this information into the delivery of service.

## Enabling our workforce

Fiscal is aligning its organizational structure to better enable our workforce to meet the challenges of the future. We will align programs to allow our employees to see how the full range of Fiscal's services appear to our customers.

Employees will have the opportunity to develop skills with broad application across the enterprise — and not be limited to a specific system. Strategic workforce development will create a more diverse and inclusive workforce. As leaders in federal financial management, our employees will shape solutions that improve how government works.

# Follow us



**WEBSITE** [fmvision.fiscal.treasury.gov](http://fmvision.fiscal.treasury.gov)



**FACEBOOK** Bureau of the Fiscal Service



**TWITTER** @FiscalService



**LINKEDIN** Bureau of the Fiscal Service



**EMAIL** [FMVision@fiscal.treasury.gov](mailto:FMVision@fiscal.treasury.gov)



THE TREASURY DEPARTMENT

ALBERT GALLATIN  
SECRETARY OF THE TREASURY  
CHIEF OF FINANCE  
NEGOTIATOR AND REPRESENTATIVE  
SIGNATOR FOR THE TREATY OF AMITY  
MINISTERS TO FRANCE AND GREAT BRITAIN  
AND STRASBURG  
CHAMPION OF DEMOCRACY  
1761 - 1849

