



Bureau of the
Fiscal Service

Driving Integrity and Efficiency in Federal Financial Operations

CDAO GOVERNMENT

SEPTEMBER 2026

Driving Integrity and Efficiency in Federal Financial Operations

*A journey to improve financial integrity in
federal government programs with
common services.*

- 01 Who we are and what we do
- 02 The key challenges we face
- 03 Five initiatives, our approach, and outcomes
- 04 Summary of our results

Americans have trust
and confidence in the
U.S. government because
of our unwavering
protection of
federal funds.

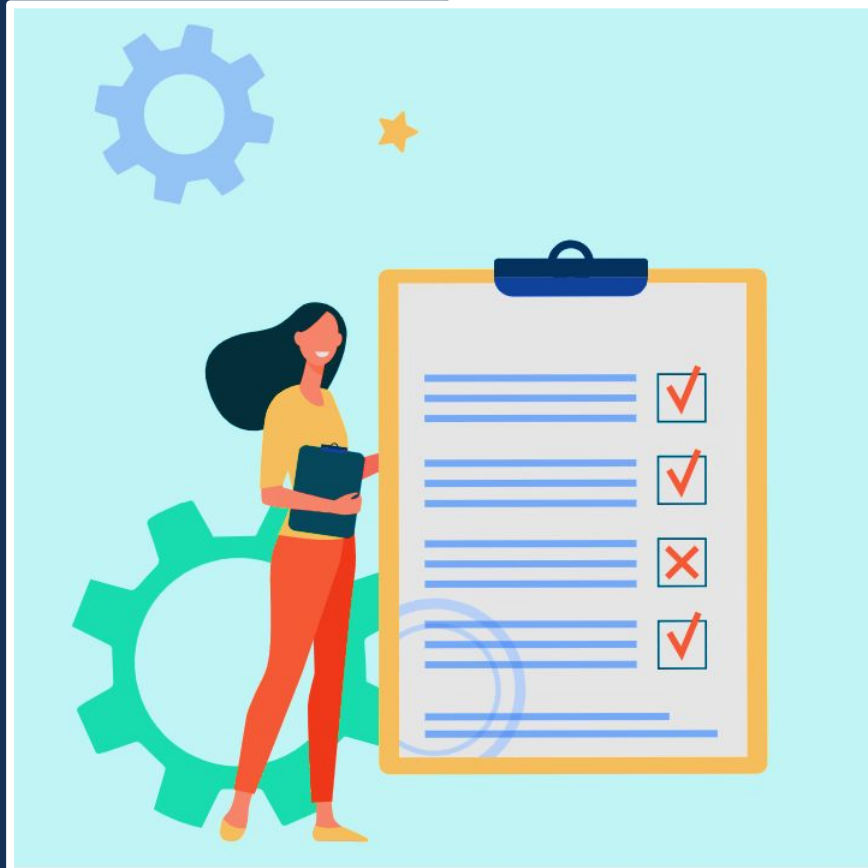
OUR VISION

Office of Financial Integrity
Bureau of the Fiscal Service



Do Not Pay

Government-wide Fraud and Improper Payment Prevention



Do Not Pay is authorized by the *Payment Integrity Information Act of 2019* and provides federal programs and states with the ability to screen payees to prevent improper payments and fraud at no cost.

Do Not Pay helps customers understand whether their payees may be eligible or ineligible to receive an award or payment and helps to verify the accuracy of information in the following categories:

- | | |
|---|---|
| ☐ Deceased | ☐ Tax-exempt |
| ☐ Disallowed to receive awards | ☐ Registered to receive awards |
| ☐ Incarcerated | ☐ Having delinquent federal debt |
| ☐ Having an open bank account | ☐ Having a known name and TIN identity |

What is the scale of the problem we are addressing?



Why has the problem of fraud and improper payments continued to persist?

We studied the challenge by conducting 10 pilots over the course of a year and found two key challenges.

Key Challenges Preventing Progress on Eliminating Fraud and Improper Payments

1. Lack of Usage

Federal agencies didn't fully use the products that we offered at Treasury.

2. Limited Detection

We didn't have all the right products to tackle the root causes of fraud and improper payments.

Five Priority Initiatives in 2026 for Treasury's Financial Integrity Program

EO 14249 and M-25-32
set a clear policy
direction:

**All agencies need to
use Do Not Pay
pre-award and
pre-payment.**

We've been working towards a
goal of onboarding the large
CFO Act agencies by
September 30, 2026.

LACK OF USAGE: INITIATIVE 1

Our Strategy to Onboard 23 CFO Act Agencies in FY 2026

Simplifying Access

We overhauled onboarding, and the Treasury Secretary waived the need for matching agreements.

Government Alignment

OMB set a clear goal for CFO Act agencies to fully onboard to be able to use Do Not Pay by 9/30/26.

Community Building

We helped to create a robust community of CFO, Privacy, Legal, and Technical teams in agencies.

All of the Above

We wrote onboarding guides, hosted webinars, held 1-on-1 meetings, met with leadership, and more.

INITIATIVE 1

As a result of our prioritization of agency onboarding, 23 of 23 CFO Act agencies have signed data sharing agreements with Treasury to use Do Not Pay.

Those same agencies have completed 86% of all steps to fully onboard and access all of Do Not Pay's data sources.

EO 14249 also introduced a new requirement called **Payment Verification.**

EO 14249 requires Treasury to perform 9 different checks on payment requests, of which three require screening each payment record against external databases:

- (1) Preventing payments to deceased persons;
- (2) ensuring valid bank account information; and
- (3) ensuring a proper TIN is present.

LACK OF USAGE: INITIATIVE 2

How we built and deployed technology to screen Treasury-disbursed payments

Soft Launch all Features First

Prior to introducing any “payment returns,” or instances where Treasury does not process a payment, we introduced screening techniques for agencies in evaluate mode.

Allow an Exemption Process

For agencies that do not collect TIN or that are allowed or required to make payments to deceased persons, we developed a way for their payments to be exempt.

Easy-to-use Override Function

Knowing that there will be some level of false positives, we built two approaches to allow agencies to override our payment returns if there is an error.

INITIATIVE 2

As a result of our payment verification, we have stopped 10,000 payments worth \$150 million that would have gone to deceased persons.

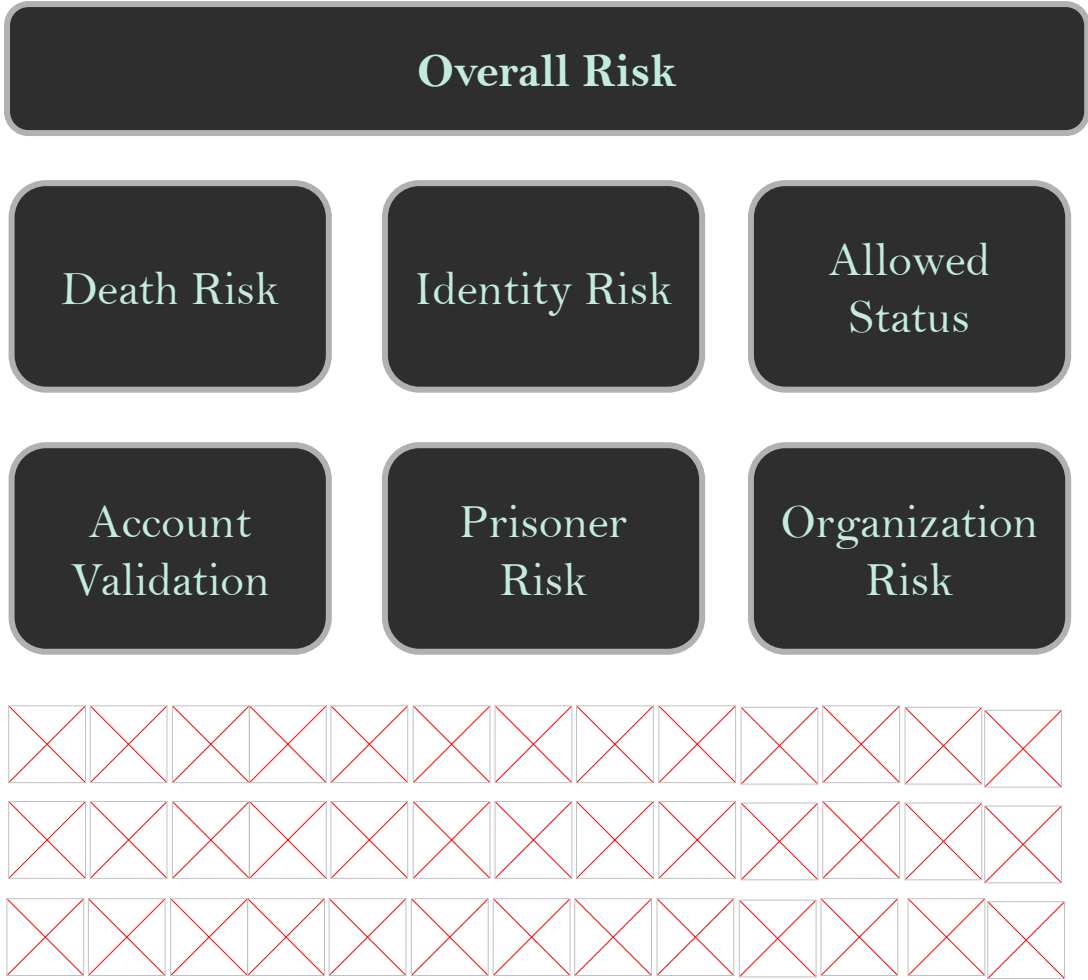
We are also on track to fully deploy bank account screening and TIN validation for all payments by September 30.

Introducing a Risk Engine as the Core of our Product Offerings.

We have re-designed our services from basic data matching to providing customers with an overall risk to determine whether each entity under consideration for an award or payment could constitute an improper payment.

LIMITED DETECTION: INITIATIVE 3

Conceptual Structure of the Composite Risk Model



Adding 10 new data sources to our risk products.

These additional data sources will help to provide more complete coverage of the root causes of fraud and improper payments.

LIMITED DETECTION: INITIATIVE 4

Data Sources that Power Our Risk Model

Death Risk

- American InfoSource (AIS)
- Death Master File Full
- Department of Defense Death Data
- Department of State Death Data
- DNE Do Not Pay Adjudication Data
- Payments, Claims, and Enhanced Reconciliations

Identity Risk

- Payment history data
- SSA Numident (for benefit programs only)
- Lexis Nexis Instant ID

Allowed Status Risk

- List of Excluded Individuals and Entities
- System for Award Management (SAM) Entity Registration Records
- System for Award Management (SAM) Exclusion Records
- [USAspending.gov](https://www.usaspending.gov)
- HHS' National Plan and Provider Enumeration System

Debt Risk

- Treasury Offset Program Data
- Credit Alert Verification Reporting System

Account Validation

- Account Verification Service
- Payment history data
- Payee Name Verification (used in Payment Verification only)

Prisoner Risk

- Bureau of Prisons data
- State and local prison data

Organization Risk

- IRS Tax Exempt Revocations
- IRS Tax Exempt Organizations
- IRS Non-profit Organizations
- [USDA National Disqualified List](#)
- [OpenCorporates](#)
- [Federal Audit Clearinghouse](#)

Other

- [VA Veterans' Status \(used by FFSAs only\)](#)

 Data source added since EO
 Data source coming soon

As a result of our risk model implementation, in just two months, our users have screened over 84 million records and received risk-based results.

At an annualized rate, we are expecting to see over 500 million queries against the risk model, not accounting for additional customers to onboard.

EO 14247 requires the federal government to **cease issuing most paper checks.**

EO 14247 also requires Treasury to process all payments to the Federal government electronically, as soon as practicable.

Paper checks are 16x more likely to be lost, stolen, or forged. Electronic payments are a fraction of the cost of paper checks.

CROSS CUTTING - INITIATIVE 5

Treasury executed a strategy to increase electronic disbursements and receipts

We partnered with Federal agencies to update business processes and communicate with payees.	Gathered public feedback through a May 2025 Request for Information.
Launched a nationwide public awareness campaign with mailings, notices, call center support, and community outreach.	Updated check inserts for benefit recipients and vendors with detailed information on transitioning to electronic payments.
Piloted innovative payment options to better meet customer needs.	Scaled back check operations as electronic payments expanded.

INITIATIVE 5

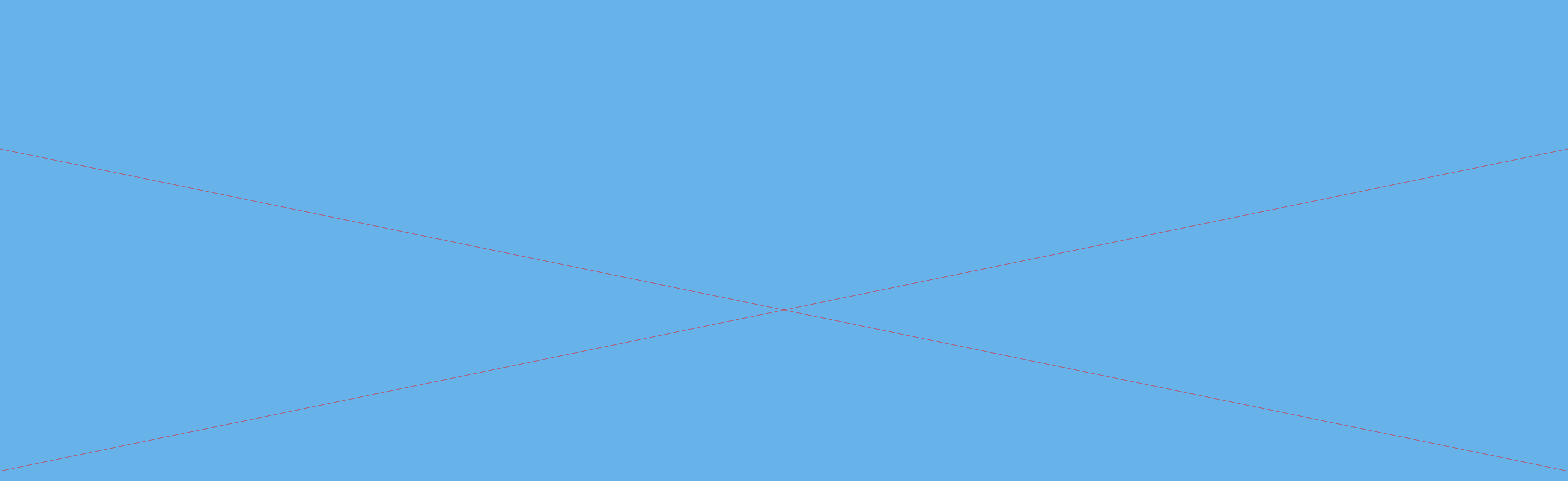
As a result of EO 14247 implementation, check volume has decreased by 33%, or 12.8 million checks, through the end of August compared to last year.

IRS, the government's largest check producer, has reduced its check volume for individual payees by ~38.5% (5.4M checks) so far this tax season.

Results from Treasury's government-wide services.

We have focused on driving adoption to Do Not Pay and pre-payment screening tools, as well as building anti-fraud tools to detect problems with Treasury checks.





Contact us!

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