Bureau of the Fiscal Service

# 2026 Governmentwide Solutions Symposium

Cross-Servicing Program: Private Collection Agency (PCA) Update

August 2026

# Cross-Servicing

General Background

- Cross-Servicing is a centralized government-wide program operated by the Bureau of the Fiscal Service (Fiscal Service) to collect delinquent non-tax debts on behalf of federal agencies.
- The Cross-Servicing program was mandated by the Debt Collection Improvement Act of 1996 (DCIA). See 31 U.S.C. § 3711(g); 31 CFR 285.12; I TFM 3-5000.
- An agency should refer its delinquent debts to Fiscal Service as early as possible in the debt collection cycle. In general, referral can occur no earlier than 60 days delinquent (due to due process requirements) and no later than 121 days delinquent (though, in some cases, referral at 180 days or later is appropriate).

# Cross-Servicing

General Background

- Fiscal Service collects delinquent debts owed to Federal agencies through two major programs:
  - Treasury Offset Program (TOP)
  - Cross-Servicing
- Referral of debts to a PCA is one tool in the Cross-Servicing program.

# Cross-Servicing Portfolio

- Non-tax debts owed to Federal agencies
  - Commercial debt
  - Consumer debt
- Types of debt
  - Loans
  - Administrative debt - fines, fees, penalties, overpayments, grants, employee debt, and miscellaneous debt
  - Owed to over 800 Federal agency programs
- Value and age of debt
  - $25 to over $100 million
  - At least 60 days delinquent to over 10 years delinquent

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# Cross-Servicing Tools

- Demand Letters*
  - All PCA demand letters must be approved by Fiscal Service prior to use
- Phone Calls*
- Skip Tracing*
  - Locating debtor contact information using commercial databases
- Payment Agreements*
  - Repayment in full in installments
  - Partial repayment in installments
  - Compromise agreements
  - Compromise in installments
- Treasury Offset Program
- Credit Bureau Reporting
- Private Collection Agencies
- Administrative Wage Garnishment*
- Litigation by the Department of Justice^
- IRS Form 1099-C support
- Administrative Resolutions^

* = Indicates a tool that can be used by both Fiscal Service internally and the PCAs.
^ = Indicates the PCAs can make recommendations about the use of these tools.

# PCA Contracts Background

- History
  - Fiscal Service has successfully contracted with PCAs for 29 years (and counting)
  - Fiscal Service's first PCA contract awards were in 1997
- Current Contracts
  - Began in January 2026
  - Seamless transition for Creditor Agencies
  - 5 PCAs currently under contract
  - Extensive collection and security requirements
- Structure
  - Multiple awards
  - Fee-for-Service
  - Generally, 5-year contracts composed of base and option years

# Current PCA Contractors

| PCA Name | Primary Location | Fiscal Service Contracts |
|---|---|---|
| The CBE Group, Inc. | Cedar Falls, IA | 2007 - present |
| Coast Professional, Inc. | Geneseo, NY | 2018 - present |
| ConServe | Fairport, NY | 2012 - present |
| Pioneer Credit Recovery, Inc. | Arcade, NY | 2001 - present |
| Transworld Systems, Inc. | Fort Washington, PA | 2018 - present |

# Cross-Servicing

## General Debt Workflow

1. Agencies must allow PCA referral in their Agency Profile
2. Fiscal Service may service debts internally or refer eligible debts to PCAs at any time after referral to Cross-Servicing
3. PCA 1 – 270 days to collect or resolve debt
4. Debt will return to Fiscal Service for 45 days if unresolved
5. PCA 2 – 270 days to collect or resolve debt
6. Debt will return to Fiscal Service for 45 days if unresolved
7. Additional potential PCA referrals (up to 4), if appropriate
8. Additional workflow or pilot programs

# PCA Contract Requirements

PCAs under contract with Fiscal Service must:

- Maintain licenses, bonds, and/or all applicable insurance to collect debts in all 50 U.S. states & territories
- Comply with federal & state laws; rules & policies of agency programs
  - Fair Debt Collection Practices Act, Privacy Act of 1974, Federal Claims Collection Standards, HIPAA, etc.
- Document training on all laws and contract requirements, and provide to Fiscal Service upon request
- Obtain Personnel security approval for all contractor and subcontractor staff prior to accessing Fiscal Service data
- Direct payments to Treasury lockboxes
- Obtain approval from Fiscal Service for all PCA collection letters
- Record all collection calls, and make them accessible or provide to Fiscal Service in accordance with requirements
- Provide Fiscal Service with web access to its accounts in the PCA's collection systems

# PCA Contract Protections

Fiscal Service's PCA contracts grant Fiscal Service the authority to:

- Review collection activity on any account, at any time
- Perform on-site or remote (virtual) compliance reviews
- Perform follow up on-site or remote compliance reviews at any time, as needed, at the PCA's expense
- Perform commission adjustments
- Suspend debt referrals for compliance issues
- Recall any and all accounts, up to termination
- Exercise contract option years at the sole discretion of Fiscal Service
- Report contractor performance, including contract compliance issues, in the Contractor Performance Assessment Reporting System (CPARS)

# Benefits of Using PCAs

| Requirement | PCA Services for Fiscal Service & Creditor Agencies |
|---|---|
| Capacity & Flexibility | • Flexible staffing- can onboard/offboard quickly, less expense to government<br>• Send series of demand letters<br>• Mail large volumes of letters at PCAs' expense<br>• Multiple shifts- take calls from 8:00 AM – 9:00 PM & weekends |
| Customer Service | • Specialized debtor phone lines based on debt type, creditor agency, etc.<br>• Little to no hold wait times |
| Collection Tools | • Collector specialization and training<br>• Large calling capacity<br>• Targeted calling campaigns<br>• Multiple skip tracing tools |
| Technology | • Multiple systems tied together – automation & efficiency<br>• Internal compliance monitoring – real time with voice analytics<br>• Email and text messaging with debtors<br>• Debtor self-servicing portals and other web-based technology |

# PCA Contract Monitoring and Oversight

General

- A dedicated staff in Fiscal Service's GWS performs PCA monitoring and oversight
  - Contracting Officer's Representatives (CORs)
  - PCA Monitors
  - Fiscal Service operations staff notify CORs and/or PCA Monitors of any concerns
- Daily, remote monitoring
  - Fiscal Service regularly reviews collection activity
  - Remote access to PCA's call recordings and collection systems
  - Daily interactions between PCAs, Creditor Agencies, and Fiscal Service
  - Regular reviews of PCA payment agreements
- Artiva Access
  - Fiscal Service grants access to approved PCA personnel only
  - PCAs can only view debts assigned to their PCA in Artiva

# PCA Contract Monitoring and Oversight

Compliance Reviews

- Fiscal Service uses remote and/or on-site compliance reviews as one tool to review PCA's adherence with contract requirements.
- Fiscal Service:
  - Reviews PCA documentation through email and the PCA's collection systems, and performs on-site reviews, when possible;
  - Documents any findings of non-compliance;
  - Presents findings to the PCA; and
  - Sends a formal compliance review findings memo to PCA management.
- The PCA is required to respond to each finding in writing and explain its corrective action(s).
- Fiscal Service determines if the PCA's response is acceptable and tracks completion of corrective actions.
- Findings may result in debt recalls, follow-up reviews at the PCA's expense, suspension of future referrals, contract termination, and/or negative CPARS reporting.

# PCA Contract Monitoring and Oversight

PCA Complaints

- Complaint review process:
  - Fiscal Service logs, reviews, and tracks all complaints against the PCAs
  - Fiscal Service listens to call recordings on all accounts with a complaint
  - PCAs must respond to Fiscal Service in writing
  - The CORs will notify the PCA when corrective action is required
  - PCAs must provide proof of corrective action, which may include retraining or removal of PCA staff from the contract
- Complaints against Fiscal Service's PCAs are rare
  - In FY 2026 to date (October 1, 2025 – August 10, 2026):
    - Fiscal Service distributed 3M debts to the PCAs
    - Received complaints against 349 (0.01% of debts distributed)
    - 2 complaints were substantiated (0.00% of total debts distributed)
- Fiscal Service can recall debts from a PCA at any time, including for concerns about complaints.

# Pricing and Compensation

- Cross-Servicing fees
  - Several laws authorize Fiscal Service to charge Creditor Agencies a fee for its collection services.
  - Most agencies are required to charge debtors for the costs of processing and handling a delinquent debt, including fees charged by Fiscal Service.
  - Fiscal Service assesses the fee at the time a debt is referred to Cross-Servicing.
- PCA Compensation
  - The PCA fee is part of the Cross-Servicing fee, not an additional cost.
  - Tiered compensation structure for PCAs, based on the debt placement level
    - For example, the commission fee for collections at the second PCA is slightly higher than at the first PCA.
- Higher performing PCAs receive a greater percentage of new debts for the next period, which is generally quarterly.

# PCA Program Highlights

- PCAs collected nearly $3.2B for Creditor Agencies since program inception.
- During the 29-year history of Fiscal Service's PCA contracts:
  - Highest number of debts referred to PCAs in a FY:
    - 1st - 3.0M in FY26 (as of July 31, 2026)
    - 2nd -2.4M in FY25
  - Highest value of debts referred to PCAs in a FY:
    - 1st - $93.2B in FY26 (as of July 31, 2026)
    - 2nd -$20.3B in FY24
  - Highest collection totals by PCAs in a FY:
    - 1st - $377.5M in FY26 (as of July 31, 2026)
    - 2nd -$236.7M in FY24
  - Highest value of debts resolved administratively by PCAs in a FY:
    - 1st - $5.3B in FY26 (as of July 31, 2026)
    - 2nd- $3.0B in FY24

# Inquiries to or from Creditor Agencies

- Please direct debtor inquiries to:
  - the servicing PCA (if known), or
  - the Cross-Servicing Unified Call Center at 1-800-289-7388
- For information about PCAs:
  - Please check Fiscal Service's website for PCA contact information:

    https://fiscal.treasury.gov/cross-servicing/private-collection-agencies.html
  - Debtors may verify that the PCA contacting them is under contract with Fiscal Service and verify contact information
- Creditor Agency inquiries
  - Creditor Agencies should not contact PCAs directly
  - Agencies may contact:
    - Fiscal Service's PCA Compliance and Policy Branch at PCA.Branch@fiscal.treasury.gov or
    - Cross-Servicing Agency Liaison Staff at 1-800-858-0725