

# Payment Integrity Scorecard

## Program or Activity

Federal Emergency Management Agency - Public Assistance - Validate as Yo..

## Reporting Period

Q4 2025

## FY 2024 Overpayment Amount (\$M)\*

**\$136**

\*Estimate based a sampling time frame starting 10/2020 and ending 9/2022



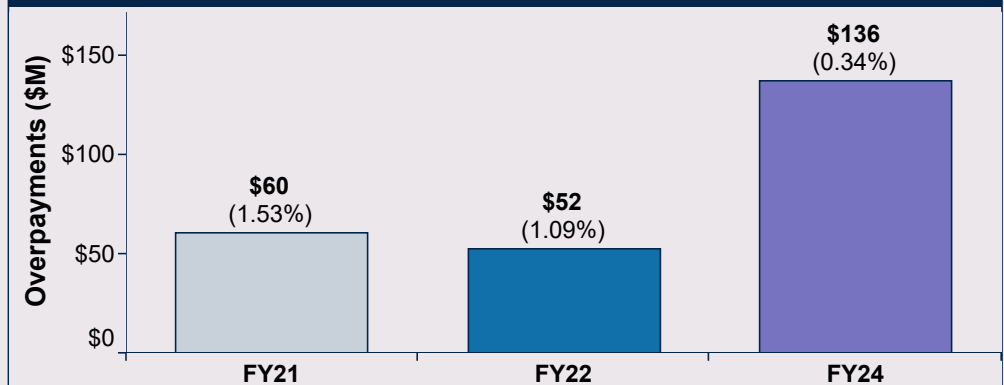
## DHS

Federal Emergency Management Agency - Public Assistance -  
Validate as You Go

### **Brief Program Description & summary of overpayment causes and barriers to prevention:**

The Federal Emergency Management Agency (FEMA) Public Assistance program provides supplemental grants to state, local, tribal, and territorial (SLTT) governments, and certain types of private non-profits for emergency response and long-term disaster recovery efforts. Due to the nature of the Public Assistance program, FEMA is reliant on additional parties, such as states, territories, etc., to oversee and execute payments on behalf of the program. The barrier related to the expansive COVID disaster size and the level of burden to collect the necessary supporting documentation serves as a limitation to FEMA in improving the prevention of improper payments due to the inability to readily match information related to financial eligibility.

### **Historical Payment Rate and Amount (\$M) (Overpayment as Percentage of Total Outlays)**



### **Discussion of Actions Taken in the Preceding Quarter and Actions Planned in the Following Quarter to Prevent Overpayments**

The Public Assistance Validate as You Go (VAYGo) Headquarters team has continued coordination with the FEMA Office of the Chief Financial Officer (OCFO) and Office of Chief Counsel (OCC) to formally establish VAYGo as a Program Office under FEMA Instruction 116-1-1, "Identification and Collection of Monies Owed from Non-Federal Entities". This alignment will authorize the Public Assistance VAYGo program to issue Notices of Potential Debt Letters (NPDs) to recipients upon completion of each testing cycle when improper payments (IPs) or compliance-related questioned costs are identified. If a FEMA region has not implemented a corrective action by the DHS reporting due date, the Public Assistance VAYGo program intends to proceed with the NPD. This significant change will ensure timely resolution and accountability of the Public Assistance VAYGo reported IPs or compliance related questioned costs.

### **Accomplishments in Reducing Overpayment**

**Date**

1	FEMA completed the review of 100% of the statistically valid samples selected from the VAYGo program's FY 2023 disbursement activity. Follow-up with SLTTs and recipients is ongoing, as needed, to obtain necessary documentation and/or to recoup overpayments.	Sep-25
2	FEMA validated over \$73 million in previously reported unknown payments (UPs) as proper while continuing recoupment efforts for those identified overpayments.	Sep-25
3	The Public Assistance Validate as You Go (VAYGo) Headquarters team has continued coordination with the FEMA Office of the Chief Financial Officer (OCFO) and Office of Chief Counsel (OCC) to formally establish VAYGo as a Program Office under FEMA Instruction 116-1-1.	Sep-25

# Payment Integrity Scorecard

## Program or Activity

Federal Emergency Management Agency - Public Assistance - Validate as Yo..

## Reporting Period

Q4 2025

Goals towards Reducing Overpayments		Status	ECD	Recovery Method	Brief Description of Plans to Recover Overpayments	Brief Description of Actions Taken to Recover Overpayments
1	In fiscal year (FY) 2025, Public Assistance Validate as You Go (VAYGo) drafted a new VAYGo Guide 2.0 to enhance the testing environment for all VAYGo stakeholders. A significant change requires all VAYGo corrective actions to be implemented prior to reporting testing results to DHS, with the goal of lowering the Improper Payment (IP) and Unknown Payment (UP) error rates. The Guide is scheduled for publication in FY 2026 Q1.	On-Track	Dec-25	1 Recovery Activity	Advise recipients of requirements to recover overpayments as outlined in following FEMA Instruction (FI) 116-1-1 - Identification and Collection of Monies Owed from Non-Federal Entities.	Mandate required documentation from recipients to substantiate claimed costs, reducing the likelihood of unsupported expenditures and updated policy documentation, as applicable. FEMA continued to provide comprehensive training to recipients on compliance requirements and proper fund utilization to prevent overpayments.
2	The Public Assistance Validate as You Go (VAYGo) Headquarters team has continued coordination with the FEMA Office of the Chief Financial Officer (OCFO) and Office of Chief Counsel (OCC) to formally establish VAYGo as a Program Office under FEMA Instruction 116-1-1, "Identification and Collection of Monies Owed from Non-Federal Entities". This change is tentatively planned for early fiscal year (FY) 2026.	On-Track	Mar-26	2 Recovery Activity	Provide technical assistance to recipients on overpayment recovery methods and best practices and find opportunities to streamline state overpayment recovery efforts	FEMA continues to seek recovery for identified monetary loss through interactions with SLTTs and recipients.

Amt(\$)	Root Cause of Overpayment	Root Cause Description	Mitigation Strategy	Brief Description of Mitigation Strategy and Anticipated Impact
\$136M	Overpayments within agency control that occurred because of a Failure to Access Data/Information Needed.	Administrative processing issues and inadequate data / information collection primarily related to the financial related information.	Change Process – altering or updating a process or policy to prevent or correct error.	Areas for potential improvement and enhancement are continuously sought. Upon review, planned improvements are captured in iterative updates to the VAYGo processes and documented in the VAYGo Guide providing clear instruction and guidance for regions, SLTTs, and recipients.
			Training – teaching a particular skill or type of behavior; refreshing on the proper processing methods.	Training for staff will continue related to execution of proper procedures for reviewing documentation and approval of payments. External training directly focused on regional contacts and SLTTs will continue via workshops, roadshows, and the Emergency Management Institute.
		Requests for information is broad, and barriers specifically related to the expansive disaster size increased the inability to readily collect information in a timely manner and match data related to financial eligibility as outlined in FEMA policies and federal regulations.	Automation - automatically controlled operation, process, or system.	FEMA Grants Manager has workflows to support the request for information as well as the recipients' ability to upload documentation. As an ongoing effort heavily focused through September 2026, FEMA will continue to identify potential enhancements to the Grants Manager.

The Public Assistance program faced an unprecedented impact due to the COVID pandemic which disrupted traditional processes and led to delays in documentation availability. Due to the nature of the Public Assistance program, FEMA is reliant on additional parties, such as states, territories, etc., to oversee and execute payments on behalf of the program. The barrier related to the expansive COVID disaster size and the level of burden to collect the necessary supporting documentation serves as a limitation to FEMA in improving the prevention of improper payments due to the inability to readily match data and information related to financial eligibility. For the 24-month disbursement period, fiscal year (FY) 2021 and FY 2022, that was reported in FY 2024, the program reported \$136 million in projected monetary loss as well as an additional \$1,396 million in unknown payments. Since publishing the FY 2024 reporting, FEMA has continued to work through unknown payments to validate while also working to recover known overpayments. In FY 2025 thus far, FEMA recouped over \$22 million and continues to seek recover for other monetary loss through interactions with SLTTs and recipients. To mitigate future overpayments, FEMA has prioritized remediation efforts associated with automation, training, and change process to enhance documentation collection, enforce payment review processes, and reduce burden for recipients while enhancing Public Assistance payment integrity.