



Audit of the U.S. Department of Justice's  
Fiscal Year 2025 Compliance With the  
Payment Integrity Information Act of 2019  
Reporting Requirements



AUDIT DIVISION

26-063

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# Audit of the U.S. Department of Justice’s Fiscal Year 2025 Compliance with the Payment Integrity Information Act of 2019 Reporting Requirements

## Introduction

The Payment Integrity Information Act of 2019 (PIIA) (Public Law 116-117) aims to improve efforts to identify and reduce government-wide improper payments. Agencies are required to identify and review all programs and activities they administer that may be susceptible to significant improper payments based on guidance provided by the Office of Management and Budget (OMB) in OMB Memorandum M-21-19, *Transmittal of Appendix C to OMB Circular No. A-123, Requirements for Payment Integrity Improvement* (OMB Circular A-123, Appendix C). Payment integrity information is published with the Agency Financial Report (AFR) in accordance with payment integrity guidance in OMB Circular No. A-136, *Financial Reporting Requirements*, dated July 14, 2025 (OMB Circular A-136). The agency must also publish the accompanying materials to the AFR on [paymentaccuracy.gov](http://paymentaccuracy.gov).

Each agency’s Office of the Inspector General (OIG) must conduct an annual compliance review in accordance with the Council of the Inspectors General on Integrity and Efficiency Guidance for Payment Integrity Information Act OIG Compliance Reviews, dated November 2025 (CIGIE Guide).

## Audit Objective

The objective of this audit was to determine whether the Department of Justice (Department) complied with the reporting requirements of PIIA as defined in OMB A-123, Appendix C, for the fiscal year ended September 30, 2025. These PIIA reporting requirements are listed in the table on the following page. Appendix 1 contains details on our audit scope and methodology.

## Audit Results

The OIG determined that the Department met the applicable PIIA reporting requirements.

**Requirements 1a and 1b:** Publish payment integrity information in the AFR and post it to the agency website – Complied.

The Department published payment integrity information in its AFR and posted the AFR to its website.

**Requirements 2a and 2b:** Conduct a risk assessment and adequately conclude whether the program is likely to make improper and unknown payments above or below the statutory threshold – Complied.<sup>1</sup>

The Department conducted risk assessments on its five programs and adequately concluded that none of the programs were identified as being at high risk of significant improper payments.

**Requirements 3, 4, 5a, 5b, 5c, and 6:** These requirements were not applicable because the Department’s risk assessment did not identify any programs susceptible to significant improper payments and therefore did not calculate or report improper payment estimates for any of its programs for fiscal year 2025.

## Conclusion

The Department complied with the reporting requirements of PIIA as defined in OMB A-123, Appendix C, for the fiscal year ended September 30, 2025.

This report includes no recommendations for the Department. We provided a draft of this report to the Department, and the Department elected not to provide a written response.

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<sup>1</sup> PIIA defines the statutory threshold for “significant” improper payments as (1) \$10,000,000 of all program or activity payments made during the fiscal year reported and 1.5 percent of the program’s total annual outlays or (2) \$100,000,000.

**Table**  
**Department's Compliance with PIIA Reporting Requirements**

PIIA Reporting Requirements	Department Programs				
	Administrative, Technology, and Other	Litigation	Law Enforcement	State, Local, Tribal, and Other Assistance	Prisons and Detention
1a. Published payment integrity information with the AFR	Compliant	Compliant	Compliant	Compliant	Compliant
1b. Posted the AFR and accompanying materials on the Department's website	Compliant	Compliant	Compliant	Compliant	Compliant
2a. Conducted improper payment risk assessments for each program with annual outlays greater than \$10,000,000 at least once in the last 3 years	Compliant	Compliant	Compliant	Compliant	Compliant
2b. Adequately concluded whether the program is likely to make improper and unknown payments above or below the statutory threshold	Compliant	Compliant	Compliant	Compliant	Compliant
3. Published improper and unknown payments estimates for programs susceptible to significant improper payments in the accompanying materials to the AFR	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
4. Published corrective action plans for each program for which an estimate above the statutory threshold was published in the accompanying materials to the AFR	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
5a. Published improper and unknown payment reduction target for each program for which an estimate above the statutory threshold was published in the accompanying materials to the AFR	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
5b. Has demonstrated improvements to payment integrity or reached a tolerable improper and unknown payment rate	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
5c. Has developed a plan to meet the improper and unknown payments reduction target	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
6. Reported an improper and unknown payment estimate of less than 10 percent for each program for which an estimate was published in the accompanying materials to the AFR	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

Source: OIG analysis

# APPENDIX 1: Audit Scope and Methodology

## Scope and Methodology

The scope of our work was from October 1, 2024, to September 30, 2025. We conducted our audit in accordance with OMB Circular A-123, Appendix C; OMB Circular A-136; and the CIGIE Guide. We also utilized the OMB Annual Data Call Instructions and OMB Payment Integrity Questions and Answers Platform.

To accomplish our objective, we reviewed the payment integrity information in the Department's AFR and the accompanying materials, conducted interviews with Department staff, reviewed the Department's risk assessment, confirmed proper program inclusion, evaluated OMB recommended risk factors, determined if any programs were susceptible to significant improper payments as defined by statutory thresholds, and re-performed calculations for payment integrity information published in the accompanying materials to the AFR.<sup>2</sup>

Additionally, we evaluated the Department's efforts to prevent and reduce improper and unknown payments. Effective prevention requires prioritizing efforts to avoid a "pay-and-chase" approach and implementing a structured system to identify and address risks. The OIG conducted staff inquiries, reviewed policies and procedures, examined the Department's responses to the OMB data call, and evaluated the Department's use of the Treasury's Do Not Pay Initiative to mitigate improper and unknown payments before disbursement.

There are no open recommendations from the prior year's audit of the Department's compliance with the requirements of PIIA to evaluate in this audit.

## Statement on Compliance with Generally Accepted Government Auditing Standards

We conducted this performance audit in accordance with generally accepted government auditing standards. Those

standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

## Internal Controls

In this audit, we performed testing of internal controls significant within the context of our audit objective. We did not evaluate the internal controls of the Department to provide assurance on its internal control structure as a whole. The Department management is responsible for the establishment and maintenance of internal controls in accordance with PIIA and OMB Circular A-123, Appendix C. Because we do not express an opinion on the Department's internal control structure as a whole, we offer this statement solely for the information and use of the Department.<sup>3</sup>

In planning and performing our audit, we identified internal control components and underlying internal control principles that were significant to the audit objective. We met with the Department's personnel and reviewed instructions, guidance and processes.

We did not identify and therefore do not report any control deficiencies in our report. However, because our review was limited to those internal control components and underlying principles that we found significant to the objective of this audit, it may not have disclosed all internal control deficiencies that may have existed at the time of this audit.

## Computer-Processed Data

During our audit, we obtained information derived from the Department's financial management systems. We did not test the reliability of those systems as a whole.

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<sup>2</sup> The risk factors examined by the Department and its components included the following – whether the program or activity is new to the agency; recent major changes in funding, authorities, practices, or procedures; results of OMB Circular No. A-123 Appendix C assessment, OIG audits/reviews, and other external audits/reviews; results of monitoring activities; results of recapture audit activities; process complexities; volume and dollar amount of payments; inherent risk; capability of personnel; and payments or payment eligibility decisions made by non-Department entities.

<sup>3</sup> This restriction is not intended to limit the distribution of this report, which is a matter of public record.