

FY 2022 EXECUTIVE SUMMARY

President's Budget Discretionary Appropriation Request

Dollars in Thousands

	FY 2020 Enacted (post IRS transfer) ³	FY 2021 Enacted ³	FY 2021 Enacted (post IRS transfer) ³	FY 2022 President's Budget
Management & Financial	\$1,538,377	\$1,554,281	\$1,554,281	\$1,841,265
Departmental Offices Salaries and Expenses	\$228,373	\$233,000	\$233,000	\$270,669
Committee on Foreign Investment in the United States (CFIUS) Fund ¹	\$20,000	\$20,000	\$20,000	\$20,000
CFIUS Fees ¹	(\$10,000)	(\$20,000)	(\$20,000)	(\$20,000)
Subtotal CFIUS Fund (non add)¹	\$10,000	\$0	\$0	\$0
Office of Terrorism and Financial Intelligence	\$169,712	\$175,000	\$175,000	\$185,192
Cybersecurity Enhancement Account	\$18,000	\$18,000	\$18,000	\$132,027
Department-wide Systems and Capital Investments Program	\$6,118	\$6,118	\$6,118	\$6,118
Office of Inspector General	\$41,044	\$41,044	\$41,044	\$42,362
Treasury Inspector General for Tax Administration	\$170,250	\$170,250	\$170,250	\$175,762
Special Inspector General for TARP	\$22,000	\$19,000	\$19,000	\$17,000
Community Development Financial Institutions Fund	\$262,000	\$270,000	\$270,000	\$330,000
Financial Crimes Enforcement Network	\$126,000	\$126,963	\$126,963	\$190,539
Alcohol and Tobacco Tax and Trade Bureau	\$119,600	\$124,337	\$124,337	\$131,330
Bureau of the Fiscal Service	\$340,280	\$345,569	\$345,569	\$360,266
Digitization of Unredeemed Matured Savings Bonds Records	\$25,000	\$25,000	\$25,000	\$0
Tax Administration²				
Taxpayer Services	\$2,535,554	\$2,555,606	\$2,587,606	\$2,940,876
Enforcement	\$4,909,500	\$5,212,622	\$5,004,622	\$5,462,823
Operations Support	\$3,885,000	\$3,928,102	\$4,104,102	\$4,448,195
Business Systems Modernization	\$180,000	\$222,724	\$222,724	\$305,032
IRS Total Excluding Program Integrity Allocation Adjustment (PIAA)	\$11,510,054	\$11,919,054	\$11,919,054	\$13,156,926
PIAA	\$0	\$0	\$0	\$416,897
IRS Total, Including PIAA Adjustment	\$11,510,054	\$11,919,054	\$11,919,054	\$13,573,823
Subtotal, Treasury Appropriations excluding PIAA and TEOAF	\$13,048,431	\$13,473,335	\$13,473,335	\$14,998,191
Treasury Forfeiture Fund Total	\$0	(\$75,000)	(\$75,000)	\$0
Temporary Rescission	\$0	\$0	\$0	\$0
Permanent Rescission	\$0	(\$75,000)	(\$75,000)	\$0
Subtotal, Treasury Appropriation including TEOAF and excluding PIAA	\$13,048,431	\$13,398,335	\$13,398,335	\$14,998,191
Treasury International Programs	\$1,736,780	\$1,890,319	\$1,890,319	\$3,278,034
Multilateral Development Banks	\$1,522,205	\$1,481,244	\$1,481,244	\$1,953,746
Food Security	\$30,000	\$32,500	\$32,500	\$43,000
IMF PRGT Load Subsidy Cost	\$0	\$0	\$0	\$2,000
IMF PRGT Grant	\$0	\$0	\$0	\$100,000
Environmental Trust Funds	\$139,575	\$139,575	\$139,575	\$1,074,288
Office of Technical Assistance	\$30,000	\$33,000	\$33,000	\$38,000
Debt Restructuring - Tropical Forest Conservation Act	\$15,000	\$15,000	\$15,000	\$15,000
Debt Service Suspension Initiative and Common Framework	\$0	\$0	\$0	\$52,000
Somalia - Bilateral Debt Relief	\$0	\$78,000	\$78,000	\$0
Sudan - Bilateral and Multilateral Debt Relief ⁴	\$0	\$111,000	\$111,000	\$0
Total, Treasury Appropriations excluding PIAA and TEOAF	\$14,785,211	\$15,363,654	\$15,363,654	\$18,276,225
Total, Treasury Appropriations excluding PIAA	\$14,785,211	\$15,288,654	\$15,288,654	\$18,276,225
Total, Treasury	\$14,785,211	\$15,288,654	\$15,288,654	\$18,693,122

1/ The overall request for Treasury's CFIUS costs is \$39.57 million, which includes \$15 million from the CFIUS Fund and \$24.57 million from Departmental Offices Salaries and Expenses. CFIUS fee estimates assume full year actual collections of \$20 million in FY 2021. The Congressional Budget Office estimated \$5 million to be collected in the Consolidated Appropriations Act, PL 116-260 due to the timing of the rulemaking final notice and other implementation factors.

2/ FY 2021 Enacted (est. post IRS Transfer) includes a proposed transfer of \$208 million from Enforcement to Taxpayer Services (\$32 million) and Operations Support (\$176 million).

3/ Excludes funding provided for COVID-19 Pandemic response.

4/ In FY 2021, Congress also appropriated \$120 million to Treasury's debt restructuring account for clearing Sudan's arrears with the IMF on an emergency basis.

MISSION STATEMENT

Maintain a strong economy and create economic and job opportunities by promoting conditions that enable economic growth and stability at home and abroad; strengthen national security by combating threats and protecting the integrity of the financial system; and manage the U.S. Government's finances and resources effectively.

OVERVIEW OF REQUEST

The Budget requests \$15.0 billion in base discretionary resources for the Department of the Treasury's domestic programs, a \$1.5 billion or 11.3 percent increase from the FY 2021 enacted level.

- Provides the IRS with \$13.2 billion from base discretionary appropriations to collect more than \$3 trillion in revenue, process more than 245 million tax returns, ensure compliance; provide new and improved online tools for taxpayers to communicate with the IRS easily and quickly; and improve telephone and in-person taxpayer customer service, including outreach and assistance to underserved communities.
 - The request provides \$305 million for multi-year modernization efforts to deliver long-term, systemic transformation of service and compliance for millions of taxpayers, small businesses, and corporations, as well as put IT operations and maintenance costs on a sustainable path. The IRS will continue developing a case management solution to replace legacy systems, new digital service options including electronic notices and live chat assistance, and new web applications to streamline taxpayer filing, payment, and authentication.
 - The request proposes \$176 million for Taxpayer First Act implementation to expand digital services, provide taxpayers with a seamless user experience, and develop and implement strategies for reaching underserved communities.
 - The request includes \$5.5 billion in the enforcement account to continue building compliance staffing and protect billions of dollars in revenue. The IRS is one of the best investments in the federal government with an overall return on investment of \$5 for every \$1 invested, not including significant deterrence effects. Every dollar invested in enforcement requires a funding increase in operations support for technology and administrative costs.
- In addition to the amounts above, the request includes a proposal to invest \$80 billion in the IRS to overhaul tax administration and provide it the information it needs to address tax evasion. This investment is split between a program integrity allocation (\$417 million in FY 2022) and a mandatory provision and is expected to yield approximately \$700 billion in total revenue over ten years including the impact of the enforcement increases and the new information reporting requirements.
- Includes \$132 million for the Department-wide Cybersecurity Enhancement Account to address Department-wide breach mitigation activities due to SolarWinds and other emerging risk areas.
- Requests \$190.5 million for the Financial Crimes Enforcement Network (FinCEN), a \$63.5 million increase over the FY 2021 enacted level. This increase will allow FinCEN to fully

implement the provisions in the Anti-Money Laundering Act of 2020 (AML Act) and the Corporate Transparency Act (CTA). This includes the design and development of an information technology database system to collect and safely secure beneficial ownership information. In addition, the budget includes resources to address the expansion of FinCEN's role in administering the Bank Secrecy Act to include innovation, regulatory reform, and industry engagement.

- Includes \$330 million for the Community Development Financial Institutions (CDFI) Fund, a \$60 million increase over FY 2021 enacted and the highest level in the history of the Fund. The request supports the need for increased capital flow to communities and geographies where access to capital is least efficient and most needed – including rural areas and persistent poverty counties, and in communities that are experiencing long term and structural impacts from historically discriminatory economic and housing policies. In addition, the budget proposes to increase funding for the Capital Magnet Fund by \$12 billion over ten years through an American Jobs Plan initiative.
- Provides \$270.7 million for Treasury Departmental Offices (including \$24.6 million for the Committee on Foreign Investment in the United States) to continue to support pandemic recovery efforts, address climate change, income equality and racial equity, and restore the Treasury Department staffing levels to support key programs and other emerging risks.
- Requests \$25 million for the Special Inspector General for Pandemic Recovery by repurposing unobligated CARES Act balances.
- Proposes legislation establishing a manufacturing financing facility to support increasing the size, competitiveness, and innovation of the U.S. manufacturing sector. The program will provide capital support including direct lending, loan guarantees, and potentially public-private risk-sharing models. Investments under the facility will attract private capital where risk otherwise precludes sufficient private market participation and will target building of long-term sustainable, globally competitive manufacturing production.

Fiscal Year Comparison of Full-Time Equivalent (FTE) Staffing (Direct and Reimbursable)

Appropriation	2020 Actual			2021 Operating Plan ¹			2022 President's Budget		
	Direct	Reimb.	Total	Direct	Reimb.	Total	Direct	Reimb.	Total
Departmental Offices Salaries and Expenses ²	638	39	677	721	39	760	836	39	875
Terrorism and Financial Intelligence	477	39	516	551	35	586	575	41	616
Cybersecurity Enhancement	4		4	6		6	10		10
Office of Inspector General	150		150	180		180	190		190
Treasury Inspector General for Tax Administration	731	2	733	760	2	762	760	2	762
Special Inspector General for TARP	80		80	74		74	68		68
Community Development Financial Institutions Fund	70		70	82		82	89		89
Financial Crimes Enforcement Network	264	1	265	300	3	303	380	3	383
Alcohol and Tobacco Tax and Trade Bureau	484	11	495	508	12	520	508	12	520
Bureau of the Fiscal Service	1,499	358	1,857	1,577	412	1,989	1,617	412	2,029
Internal Revenue Service funded from regular appropriations ³	73,240	1,179	74,419	73,409	2,359	75,768	79,348	935	80,283
Subtotal, Treasury Appropriated Level	77,637	1,629	79,266	78,168	2,862	81,030	84,381	1,444	85,825
Office of Financial Stability (Administrative Account)	14		14	11		11	10		10
Small Business Lending Fund Program	3		3	3		3	3		3
Capital Magnet Fund	5		5	5		5	6		6
Office of Financial Research	102		102	128		128	145		145
Financial Stability Oversight Council	15		15	18		18	21		21
Treasury Franchise Fund		1,945	1,945		2,154	2,154		2,219	2,219
Bureau of Engraving and Printing		1,740	1,740		1,863	1,863		1,863	1,863
United States Mint		1,539	1,539		1,671	1,671		1,671	1,671
Office of the Comptroller of the Currency		3,589	3,589		3,523	3,523		3,523	3,523
Terrorism Insurance Program	5		5	7		7	8		8
IRS Private Collection Agent Program	274		274	434		434	434		434
Special Inspector General for Pandemic Recovery	2		2	66		66	76		76
Subtotal, Treasury Non-Appropriated Level	420	8,813	9,233	672	9,211	9,883	703	9,276	9,979
Total, Treasury	78,057	10,442	88,499	78,840	12,073	90,913	85,084	10,720	95,804

^{1/} Excludes funding provided for COVID-19 Pandemic response.

^{2/} FY 2022 Direct FTE includes 18 positions funded by transfer from CFIOUS Fund.

^{3/} Amounts for the IRS include 86 FTE funded from user fees in FY 2022 and exclude the proposed \$417 million program integrity allocation adjustment that, if enacted, would increase IRS levels by an estimated 2,554 FTE in FY 2022.

Summary of FY 2022 Increases and Decreases

(Dollars in Thousands)

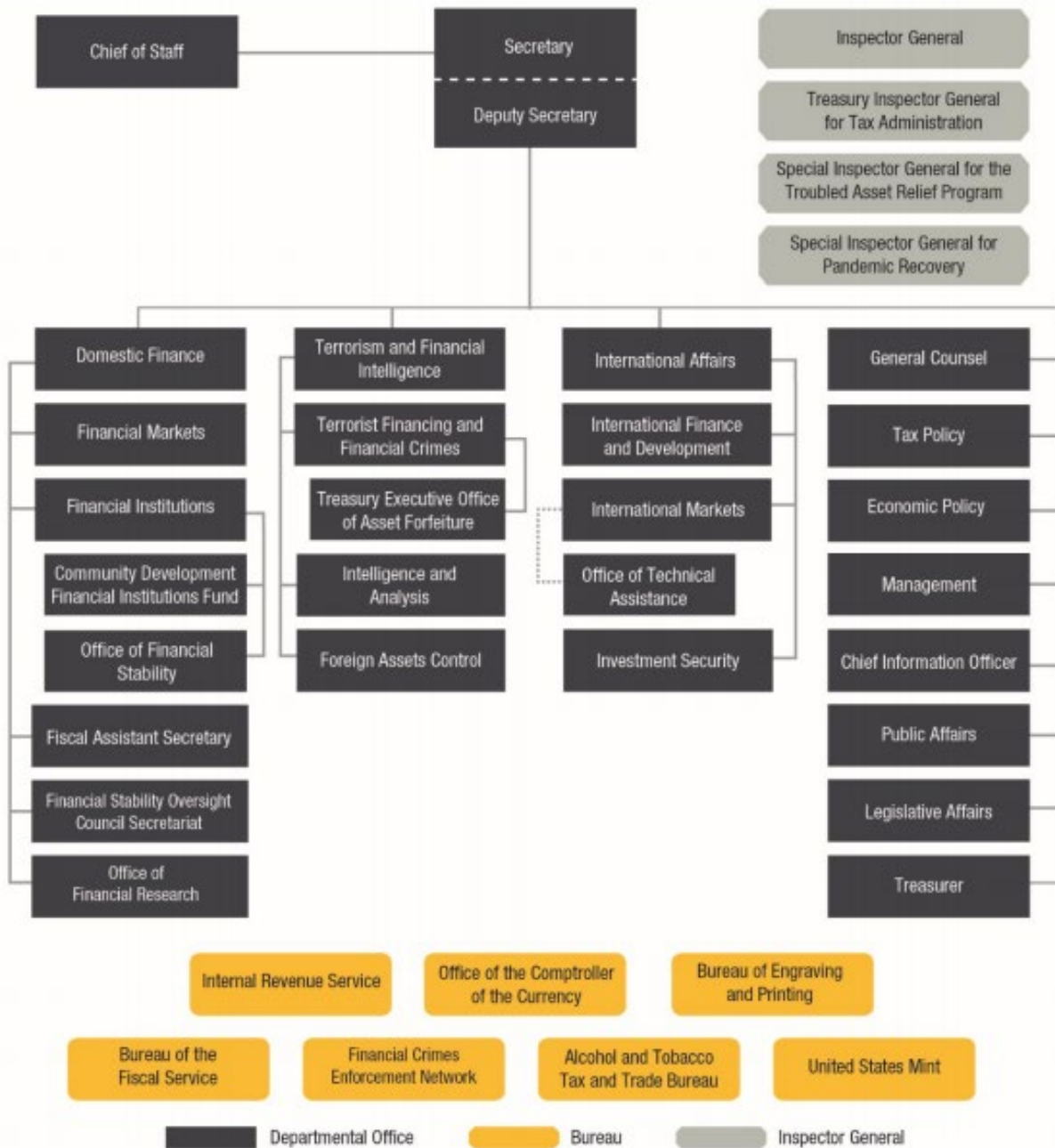
	DO	CFIUS ²	TFI	Cyber	DSCIP	OIG	TIGTA	SIGTARP	CDF	FinCEN	TTB	FS	IRS	Total
FY 2021 Operating Plan¹	\$233,000	\$20,000	\$175,000	\$18,000	\$6,118	\$41,044	\$170,250	\$19,000	\$270,000	\$126,963	\$124,337	\$370,569	\$11,919,054	\$13,493,335
Maintaining Current Levels (MCLs)	\$6,540	\$0	\$4,817	\$0	\$0	\$1,258	\$5,300	\$544	\$0	\$3,210	\$3,885	\$10,234	\$327,995	\$363,783
Pay Annualization	\$349		\$234			\$75	\$349	\$39		\$137	\$196	\$557	\$22,442	\$24,378
Pay Raise	\$3,160		\$2,119			\$677	\$3,165	\$313		\$1,109	\$1,774	\$5,049	\$182,239	\$199,605
FERS Contribution Increase	\$1,163		\$836			\$284	\$1,177	\$120		\$517	\$995	\$1,676	\$67,673	\$74,441
Non-Pay	\$1,868		\$1,628			\$222	\$609	\$72		\$1,447	\$920	\$2,952	\$55,641	\$65,359
Non-Recurring Costs	(1,390)			(\$18,000)	(\$6,118)							(\$25,000)		(\$50,508)
Efficiency Savings/Reinvestment													(\$5,428)	(\$5,585)
Other Adjustment/Initiative Annualization												\$5,428		\$5,428
Adjustments to Base	\$5,150	\$0	\$4,817	(\$18,000)	(\$6,118)	\$1,258	\$5,300	\$544	\$0	\$3,210	\$3,885	(\$14,766)	\$322,410	\$307,690
FY 2022 Base	\$238,150	\$20,000	\$179,817	\$0	\$0	\$42,302	\$175,550	\$19,544	\$270,000	\$130,173	\$128,222	\$355,803	\$12,241,464	\$13,801,025
Program Decreases						(\$1,709)		(\$2,544)						(\$4,253)
CFIUS User Fees		(\$20,000)												(\$20,000)
Program Increases/Reinvestments	\$32,519		\$5,375	\$132,027	\$6,118	1,769	212		60,000	\$60,366	\$3,108	\$4,463	\$915,462	\$1,221,419
Subtotal, Program Changes	\$32,519	(\$20,000)	\$5,375	\$132,027	\$6,118	\$60	\$212	(\$2,544)	\$60,000	\$60,366	\$3,108	\$4,463	\$915,462	\$1,197,166
FY 2022 President's Budget funded from discretionary resources	\$270,669	\$0	\$185,192	\$132,027	\$6,118	\$42,362	\$175,762	\$17,000	\$330,000	\$190,539	\$131,330	\$360,266	\$13,156,926	\$14,998,191
Program Integrity Allocation Adjustment													\$416,897	\$416,897
FY 2022 President's Budget including program integrity allocation adjustment	\$270,669	\$0	\$185,192	\$132,027	\$6,118	\$42,362	\$175,762	\$17,000	\$330,000	\$190,539	\$131,330	\$360,266	\$13,573,823	\$15,415,088

1/ Excludes funding provided for COVID-19 Pandemic response.

2/ CFIUS Fund enacted levels are net appropriations including user fees.

ORGANIZATION

Treasury is organized into the Departmental Offices, seven bureaus, and four offices of Inspector General. The Departmental Offices are primarily responsible for headquarters operations and policy formulation, while the bureaus are the operating units of the organization.



DEPARTMENTAL OFFICES



Domestic Finance works to preserve confidence in the U.S. Treasury securities market, strengthen financial institutions and markets, and promote access to credit, in service to long-term economic strength and stability.



Terrorism and Financial Intelligence (TFI) uses unique policy, intelligence, enforcement and regulatory tools and authorities to disrupt and disable terrorists, criminals, and other national security threats while also safeguarding the financial system against abuse by illicit actors.



International Affairs protects economic prosperity and national security by working to foster a most favorable external environment for sustained jobs and economic growth.



Tax Policy develops and implements tax policies and programs, reviews regulations and rulings to administer the Internal Revenue Code, provides revenue estimates for proposals, and receipt estimates for the President's Budget.



Economic Policy reports on economic developments and assists in the determination of appropriate economic policies. It also reviews and analyzes domestic economic issues and financial market developments.



The **Treasurer of the United States** serves as a principal advisor to the Secretary and leads the Office of Consumer Policy, which provides policy leadership, research, and analysis to foster economic growth and financial security for American families in a robust consumer marketplace. The Treasurer also oversees the U.S. Mint, including advising the Secretary on coinage matters and liaising with the Federal Reserve.



The **Office of Management and Chief Financial Officer**, manages the Department's financial resources and oversees Treasury-wide programs, including human capital, organizational performance, information technology, acquisition, diversity issues, and CARES Act Operations.



Other offices within Departmental Offices include the **General Counsel**, **Legislative Affairs**, and **Public Affairs**.

INSPECTORS GENERAL



Four Inspectors General – the **Office of Inspector General (OIG)**, the **Treasury Inspector General for Tax Administration (TIGTA)**, the **Special Inspector General for the Troubled Asset Relief Program (SIGTARP)**, and the **Special Inspector General for Pandemic Recovery** – provide independent audits, investigations, and oversight of Treasury and our programs.

BUREAUS



The **Alcohol and Tobacco Tax and Trade Bureau (TTB)** collects federal excise taxes on alcohol, tobacco, firearms, and ammunition and enforces and administers laws covering the production, use, and distribution of alcohol and tobacco products.



The **Bureau of Engraving and Printing (BEP)** develops and produces U.S. currency notes, as well as secure documents for government use.



The **Financial Crimes Enforcement Network (FinCEN)** safeguards the financial system from illicit use, combats money laundering and its related crimes including terrorism; promoting national security through the strategic use of financial authorities and the collection, analysis, and dissemination of financial intelligence.



The **Bureau of the Fiscal Service (Fiscal Service)** promotes financial integrity and operational efficiency by operating the U.S. government's collections and deposit systems, and providing central payment services to the American public on behalf of federal agencies. It also manages the collection of delinquent debt, borrows funds needed

to operate the U.S. government through the sale of marketable and special-purpose U.S. Treasury securities, and accounts for the resulting debt. Additionally, it delivers administrative shared services to federal agencies and provides government-wide accounting and reporting.

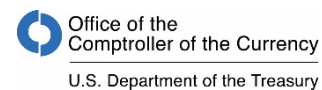


The **Internal Revenue Service (IRS)** determines, assesses, and collects U.S. tax revenue and helps taxpayers understand their tax responsibilities, while aiming to prevent tax-related fraud.



UNITED STATES MINT

The **United States Mint (U.S. Mint)** designs, mints, and issues U.S. circulating coins, as well as numismatic and bullion coins; in addition to striking Congressional gold medals and other medals of national significance. It maintains physical custody and protection of most of the nation's gold and all its silver assets.



The **Office of the Comptroller of the Currency (OCC)** charters, regulates, and supervises national banks and federal savings associations, as well as federal branches and agencies of foreign banks, to ensure that they operate in a safe and sound manner, provide fair access to financial services, treat customers fairly, and comply with applicable laws and regulations.

TREASURY STRATEGIC MANAGEMENT

FRAMEWORK

The Government Performance and Results Act (GPRA) and the GPRA Modernization Act of 2010 require agencies to identify goals, report progress against targets, and conduct data-driven reviews. These practices allow stakeholders within and outside of the organization to assess the organization's health and impact, while promoting effective decision-making, and improved strategy execution and resource allocations. In this spirit, Treasury developed a strategic framework using best-in-class organizational performance practices to help achieve our strategic goals and objectives. Currently, we are developing Treasury's FY 2022-2026 Strategic Plan.

ORGANIZATIONAL PERFORMANCE REVIEW CYCLE

Our organizational performance reviews provide a regular forum for open dialogue and coordination between bureau and Departmental Offices' management and leadership. We bring together different perspectives to set and align priorities, identify and solve problems, review agency performance, and drive results. The performance review cycle integrates statutory requirements to conduct quarterly reviews of agency results toward goals, with an annual exercise to validate our supporting objectives through our Strategic Objective Annual Review (SOAR) process. We also integrate portfolio reviews of programs within our performance review cycle activities, as required by the *Program Management Improvement Accountability Act (PMIAA)*. The SOAR process includes analyzing cross-cutting performance and identifying a set of strategic objectives as priority focus areas Treasury also leverages the strategic management framework, including the SOAR, to gather information on evidence-building activities across the department and identify agency priority questions for the learning agenda.

At designated points throughout the fiscal year, we set annual priorities, evaluate progress against goals and objectives, discuss new strategies to improve program outcomes, and assess funding options to increase results for the agency. Treasury's process and framework for managing to our strategic objectives and performance outcomes are described in Table 1 on the following page. In addition to these department-level reviews, bureaus and offices validate performance data each quarter and many run their own internal performance reviews¹.

¹ The FY 2020 Verification and Validation Report is available at: <https://home.treasury.gov/about/budget-financial-reporting-planning-and-performance/budget-requestannual-performance-plan-and-reports>

Table 1: Strategic Framework

Sessions		Fall (October – November)	Winter (February – March)	Spring (April – May)	Summer (June – July)
Focus	Chair	Organizational Performance	SOAR	Organizational Performance	Budget
	Goals/Outcomes	Assistant Secretary for Management/Performance Improvement Officer (ASM/PIO) <ul style="list-style-type: none"> Review prior year’s performance at the bureau/office level Recognize successes Set priorities for year ahead Identify shortfalls/risks; accountability; assess organizational health Deep dives on select critical programs/projects 	ASM/PIO and Deputy PIO <ul style="list-style-type: none"> Evaluate cross-agency progress toward strategic objectives Identify strategic shifts/validate Treasury priorities Outline potential topics for annual review with OMB 	ASM/PIO <ul style="list-style-type: none"> Issue-based sessions: Dive deep on cross-cutting issues identified in the SOAR with relevant leadership; surface problems and needed assistance, identify near-term improvement strategies Program-based sessions: check in on critical programs/projects identified in the SOAR as needing a deep dive with Treasury leadership; identify assistance needed 	ASM/PIO and Budget Officer <ul style="list-style-type: none"> Connect priorities to future funding Align funding to performance impacts and risk mitigation Strengthen IT acquisition, budgeting, and accountability Identify efficiencies and redundancies in request Update list of critical programs/projects based on budget requests

To close out the FY 2018-2022 Strategic Plan, Treasury used the FY 2021 SOAR to determine the final status of the FY 2018 – 2022 Strategic Objectives, designating each objective as “sunset” or “re-focused,” based on whether sufficient progress was made towards the desired outcomes and the extent to which the area remains a priority for the coming years. Additionally, Treasury completed a scan of the agency’s internal and external environment to also inform the FY 2021 SOAR, during which Treasury identified proposed goals and objectives for the FY 2022-2026 Strategic Plan (including promoting equitable economic recovery and growth, tackling climate change, and workforce equity). The Annual Performance Plan will be updated in FY 2023 to reflect the final strategic plan.

IN THE FIRST QUARTER OF FY 2021, OMB ISSUED AN UPDATED TO CIRCULAR A-11, REMOVING THE REQUIREMENT TO REPORT ON PROGRESS TOWARDS FY 2020 – FY 2021 AGENCY PRIORITY GOALS (APGs). TREASURY IS CURRENTLY IN THE PROCESS OF IDENTIFYING POTENTIAL APGs FOR FY 2022 AND FY 2023, IN ALIGNMENT WITH THE PROPOSED GOALS AND OBJECTIVES FOR THE FY 2022 – 2026 STRATEGIC PLAN.

ENTERPRISE RISK MANAGEMENT

FRAMEWORK

OMB Circular No. A-123, *Management's Responsibility for Enterprise Risk Management and Internal Control*, provides guidance to federal managers to effectively manage risks to achieve strategic objectives. Management, together with the Chief Risk Officer (CRO), is responsible for establishing a governance structure to effectively implement a robust process of risk management and internal control, as well as an enterprise-wide risk profile. Successful implementation requires us to establish and foster an open, transparent culture that encourages people to communicate information about potential risks and other concerns that impact our programs and operations.

The CRO meets regularly with senior leaders to discuss top risks to critical programs, systems, projects, and priorities, including response strategies. The Office of Risk Management (ORM) has also established an Enterprise Risk Management (ERM) Council, chaired by the Deputy CRO, which brings together risk managers from each of our bureaus and policy offices on a bi-monthly basis to share best practices, and discuss risks. ORM works with the bureaus and policy offices across Treasury to monitor and annually update our risk profile.

Beyond its work at Treasury, ORM leads an interagency ERM community of practice including officials from approximately 50 federal agencies. This group grew from ORM's efforts to support agencies in their implementation of ERM, including the July 2016 publication of the *Playbook: Enterprise Risk Management (ERM) for the U.S. Federal Government*. This government-wide working group meets on a bi-monthly basis to discuss common risks and various methods of implementing the guidelines of the Circular.

ENTERPRISE RISKS AND CHALLENGES

Through the FY 2020 SOAR and enterprise risk management process, we identified the following cross-cutting operational risks.

Evolving Cyber Climate: Treasury, the U.S. government, and the whole financial sector face growing complexities rooted in technology and the increased use of attacks from cyber criminals and state actors that threaten the confidentiality, integrity, or availability of sensitive information housed within our information systems. These malign efforts also challenge the effective operations of our financial sector firms. On December 11, 2020, Treasury was notified by a service provider of malicious activity related to services provided to the Department. Treasury is still assessing the overall impact, if any of this breach to its financial management and other systems. Based on assessments performed this far, we are not aware of any evidence that the breach impacted the accuracy of our financial information presented herein.

Significant Disruptions to Operations: Treasury could face significant disruptions to operations due to natural disasters, terrorist events, pandemics, or lapses in appropriations, resulting in the inability to successfully deliver on mission. These potential disruptions may impose challenges for employees, contractors, and taxpayers, and may constrain progress in critical areas.

Workforce Management: Treasury’s mission capability may be eroded due to operational challenges in human resources, such as: recruitment, training and development, personnel security, and diversity and inclusion. These challenges may be intensified when paired with changing mission and skill requirements.

Data Analytics Capabilities, Sharing, and Infrastructure: Treasury’s ability to support critical decisions with data may be negatively affected by a lack of data accessibility and reliability, inability to successfully use and interpret the data, or inability to process or analyze data due to insufficient or aging infrastructure.

Procurement, Acquisition, and Vendors: Treasury may be unable to acquire necessary products and services, initiate work under contracts, and effectively monitor contract execution due to supply chain vulnerabilities such as supplier risk, single vendors, lost time, and inefficient contracts. This may result in a failure to deliver on mission needs

Prioritizing Objectives to Effectively Leverage Limited Resources: Treasury maintains a variety of important programs and services, while being at the forefront of new and evolving initiatives to improve our economy and keep it on a stable footing. Due to uncertain funding amounts and timing, new or changing legislative requirements, and reduced capacity, Treasury may not be agile enough to sufficiently balance new initiatives with existing requirements or projects.

ADDITIONAL INFORMATION

HUMAN CAPITAL PLAN IMPLEMENTATION

In FY 2022, Treasury’s Human Capital Community will continue its efforts towards a competency-based management approach. In alignment with these efforts, below are some of the strategies that are the focus for FY 2022:

- Develop and implement a curriculum to aide in the development of diversity, equity, and inclusion competencies for employees at all levels. (DASHR-OCHCO, OCRD, OMWI)
- Continue the evaluation and design of Training and Development Programs (OIG)
- Implement an HR Office Performance and Accountability section (OIG)
- Continue the development and implementation of effective workforce planning processes (TTB)
- Develop a hiring plan for high-risk/critical positions (BEP)
- Implement strategies to improve the FEVS Engagement Index (BEP)
- Continue implementing enterprise Workforce Planning (IRS)
- Assess customer satisfaction and modernize the employee exit survey by collaborating with customers to identify areas for improvements. (TIGTA)
- Ensure the EEO Director and Human Capital Director meet regularly to assess whether personnel programs, policies and procedures conform to EEOC laws, instructions and management directives. (TIGTA)
- Implementation of NDAA to include the Direct Hire Authority. Hire Mission Critical and Mission Support positions using DHA. (FinCEN)

- Increase outreach by developing and/or strengthening partnerships with veteran’s organizations and Historically Black Colleges and Universities (FinCEN)
- Retention as we prepare for sunset (SIGTARP)
- Preparing employees for careers beyond SIGTARP (SIGTARP)

SUMMARY OF MANAGEMENT AND PERFORMANCE CHALLENGES

OIG and TIGTA have identified the most significant management and performance challenges facing the Department, in accordance with the Reports Consolidation Act of 2000. These challenges do not necessarily indicate deficiencies in performance; some represent inherent risks that require continuous monitoring. Refer to Section B of *Part 3, Other Information*, in the FY 2020 Treasury Agency Financial Report (AFR) for a detailed discussion of these challenges, including our progress toward addressing them.² GAO releases a government-wide high-risk list every two years. Treasury has shared responsibility for one risk area and lead responsibility in another.

OIG – IDENTIFIED MANAGEMENT CHALLENGES

- COVID-19 Pandemic Relief (New)
- Operating in an Uncertain Environment (Repeat)
- Cyber Threats (Repeat)
- Anti-Money Laundering/ Terrorist Financing and Bank Secrecy Act Enforcement (Repeat)
- Efforts to Promote Spending Transparency and to Prevent and Detect Improper Payments (Repeat)
- Information Technology Acquisition and Project Management (Repeat)

TIGTA – Identified Management Challenges

- Responding to the COVID-19 Pandemic;
- Enhancing Security of Taxpayer Data and Protection of IRS Resources;
- Implementing Tax Law Changes;
- Addressing Emerging Threats to Tax Administration;
- Supporting an Enhanced Taxpayer Experience;
- Modernizing IRS Operations;
- Improving Tax Reporting and Payment Compliance;
- Reducing Fraudulent Claims and Improper Payments;
- Increasing International Tax Compliance; and

Protecting Taxpayer Rights. GAO – Identified High-Risk Areas

- Modernizing the U.S Financial Regulatory System (OFR/FSOC/OCC/Federal Reserve); and
- Enforcement of Tax Laws (IRS).

² The FY 2020 AFR is available at <https://home.treasury.gov/system/files/266/Treasury-FY-2020-AFR.pdf>. The response letters are on pages 231-241.

GOOD ACCOUNTING OBLIGATION IN GOVERNMENT ACT (GAO-IG ACT)

The Good Accounting Obligation in Government Act (the Act) requires each Federal agency to include, in its annual budget justification, a report that identifies each public recommendation issued by the Government Accountability Office (GAO) and the agency's inspector(s) general (IGs) that has remained unimplemented for one year or more from the budget justification submission date. In compliance with the Act, Treasury has included a report listing each public recommendation issued by GAO, Treasury Office of Inspector General (OIG), and Treasury Inspector General for Tax Administration (TIGTA). For recommendations with which Treasury agreed, this report provides timelines for full implementation of the planned corrective actions (PCAs). For recommendations with completed PCAs, this report indicates the status as "Implemented and Awaiting Auditor Verification." For recommendations with which Treasury disagreed or did not implement corrective actions due to budgetary constraints or other factors, this report indicates their status as either "Rejected" or "On Hold," respectively. For recommendations where Treasury did not formally respond or take action, this report indicates "No Action Taken."

The Act also requires a reconciliation between the agency records of unimplemented recommendations and each IGs' Semiannual Report to Congress (SAR). Treasury IGs use the same system (Treasury's Joint Audit Management Enterprise System (JAMES)) for the reporting of unimplemented recommendations in the SAR. In addition, Treasury IGs have direct access to JAMES and regularly review and validate the recommendation implementation status recorded in JAMES by conducting corrective action verifications and follow-up audits. A reconciliation table is provided as part of this report to illustrate that the discrepancies between this report and the SAR are due to differences in reporting criteria.

The information used to create this report is based on JAMES and GAO's recommendations database available on www.gao.gov.

Reporting Methodology and Report Structure

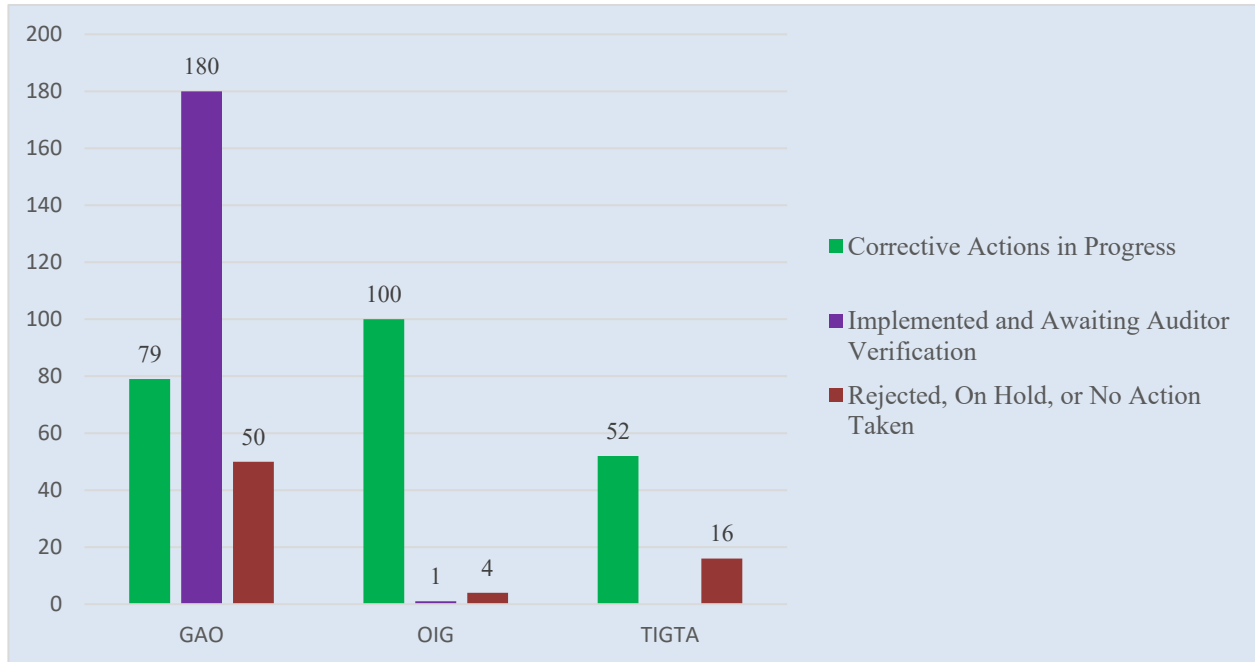
This report includes GAO, OIG, and TIGTA recommendations issued between 2/1/2013 and 1/31/2020 (7 years per Treasury's record retention policy) that remained unimplemented for one year or more from the planned fiscal year 2022 budget justification submission date.

The report has five parts:

- Appendix 1: A report listing GAO recommendations and their implementation status.
- Appendix 2: A report listing OIG recommendations and their implementation status.
- Appendix 3: A report listing TIGTA recommendations and their implementation status.
- Appendix 4: A reconciliation of this report and the IGs' SARs.
- Appendix A: A listing of acronyms used throughout this report.

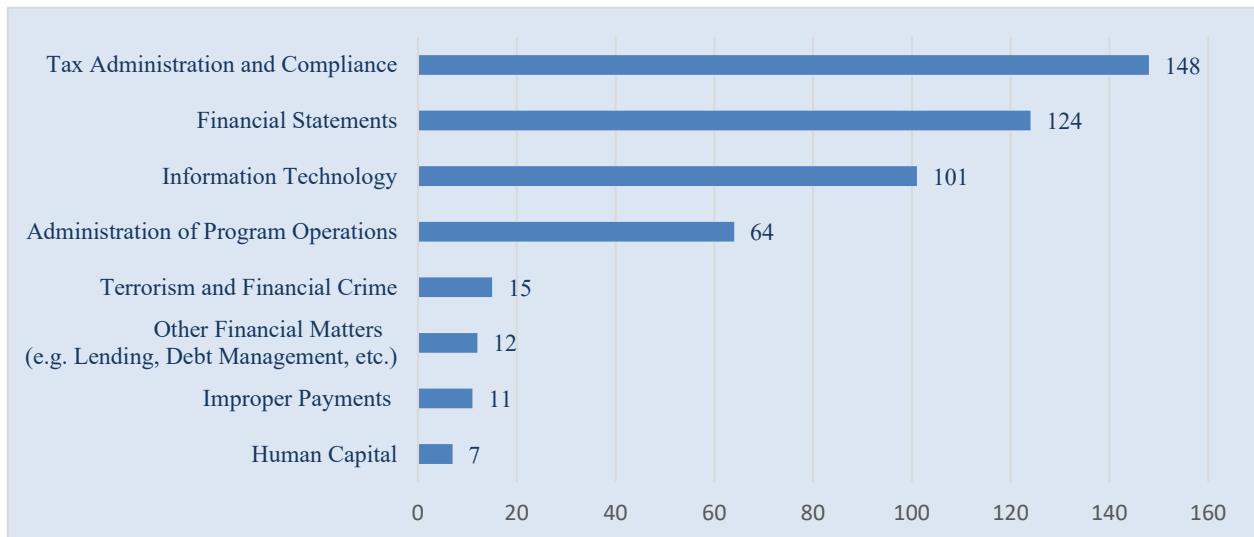
Status of Unimplemented Recommendations

Out of a total of 482 unimplemented recommendations, 231 have corrective actions in progress, 181 have been implemented and are awaiting auditor verification, and 70 are in “rejected,” “on hold,” or “no actions taken” status.



Unimplemented Recommendations By Audit Area

Out of a total of 482 unimplemented recommendations, the top audit areas of Tax Administration and Compliance, Financial Statements, Information Technology, and Administration of Program Operations account for 90% of all unimplemented recommendations.



EVIDENCE ACT

The Foundations for Evidence-Based Policymaking Act ("Evidence Act"), Public Law 115-435, takes steps to advance evidence-building functions in the Federal government. The law builds on existing Federal policies and data infrastructure investments to support information quality, access, and use. The Evidence Act challenges agencies to rethink how they are currently using and organizing evidence. An evidence-building activity section is provided in the Annual Performance Plan and Report section of each budget chapter (Section II, part D). This section provides an overview of the major evidence-building activities currently taking place and planned for the following fiscal year. Additionally, this section describes the estimated level of resources, relative level of effort devoted to each type of evidence-building activity. Finally, the evidence tables highlight the various ways in which evidence generated within Treasury is used in key policymaking and decision-making processes, and by internal and external stakeholders.

Prior to the passage of the Evidence Act, Treasury did not have an agency-wide evidence or evaluation community or governance structure. Treasury's components have varying levels of maturity in evidence-building practices, with some bureaus having long-standing research or analytics functions, and others having minimal resources devoted to evidence-building. Additionally, the institution of the Data Governance Board, chaired by the Chief Data Officer, has provided a forum for the coordination of evidence and data issues at the enterprise level. Across the four types of evidence-building activities, Treasury's bureaus and offices spend the most time and resources on analysis and research. Evidence generated through evaluation, research, analysis, and statistical activities is integrated into key policymaking and decision-making processes throughout the department. Evidence is used by stakeholders within Treasury and by external partners including other federal agencies and unaffiliated academic researchers.

IDEA ACT

As required by section 3(b)(2) of Public Law 115-336, 132 Stat. 5025-5028, the 21st Century Integrated Digital Experience Act (21st Century IDEA or the Act), Treasury will provide a report to Congress highlighting progress across the enterprise and an integrated approach to modernize agency websites and digital services. This report will include major accomplishments and continued progress in design standardization, bureau website and application modernization, and IDEA compliance for recovery efforts. As required in Section 4(d), Treasury will also continue to digitize all paper-based forms related to serving the public and centralize access to these forms. Please see <https://home.treasury.gov/system/files/286/2020-Treasury-Report-to-OMB-21st-Century-IDEA-FINALv.pdf> for more information.

MACHINE READABLE SUMMARY TABLES

Treasury has developed, for online posting, machine-readable files of the budget summary tables in the executive summary chapter of the FY 2022 Congressional Justification. Please see <https://home.treasury.gov/about/budget-financial-reporting-planning-and-performance/budget-requestannual-performance-plan-and-reports> for more information.

Summary of FY 2022 Appropriations Language

Below is a summary of proposed Treasury appropriations language changes from the FY 2021 enacted bill. Please note that brackets indicate which material will be deleted, and italics indicate which material will be inserted.

DEPARTMENTAL OFFICES

SALARIES AND EXPENSES

For necessary expenses of the Departmental Offices including operation and maintenance of the Treasury Building and Freedman's Bank Building; hire of passenger motor vehicles; maintenance, repairs, and improvements of, and purchase of commercial insurance policies for, real properties leased or owned overseas, when necessary for the performance of official business; executive direction program activities; international affairs and economic policy activities; domestic finance and tax policy activities, including technical assistance to State, local, and territorial entities; and Treasury-wide management policies and programs activities, [~~\$233,000,000~~] *\$270,669,000*: Provided, That of the amount appropriated under this heading— (1) not to exceed \$350,000 is for official reception and representation expenses; (2) not to exceed \$258,000 is for unforeseen emergencies of a confidential nature to be allocated and expended under the direction of the Secretary of the Treasury and to be accounted for solely on the Secretary's certificate; and (3) not to exceed [~~\$24,000,000~~] *\$34,000,000* shall remain available until September 30, [~~2022~~] *2023*, for— (A) the Treasury-wide Financial Statement Audit and Internal Control Program; (B) information technology modernization requirements; (C) the audit, oversight, and administration of the Gulf Coast Restoration Trust Fund; (D) the development and implementation of programs within the Office of Cybersecurity and Critical Infrastructure Protection, including entering into co-operative agreements; (E) operations and maintenance of facilities; and (F) international operations.

OFFICE OF TERRORISM AND FINANCIAL INTELLIGENCE

SALARIES AND EXPENSES

For the necessary expenses of the Office of Terrorism and Financial Intelligence to safeguard the financial system against illicit use and to combat rogue nations, terrorist facilitators, weapons of mass destruction proliferators, human rights abusers, money launderers, drug kingpins, and other national security threats, [~~\$175,000,000,~~] *\$185,192,000* of which not less than \$3,000,000 shall be available for addressing human rights violations and corruption, including activities authorized by the Global Magnitsky Human Rights Accountability Act (22 U.S.C. 2656 note): *Provided*, That of the amounts appropriated under this heading, up to \$10,000,000 shall remain available until September 30, [~~2022~~] *2023*.

CYBERSECURITY ENHANCEMENT ACCOUNT

For salaries and expenses for enhanced cybersecurity for systems operated by the Department of the Treasury, [~~\$18,000,000~~] *\$132,027,000*, to remain available until September 30, [~~2023~~] *2024*: *Provided*, That such funds shall supplement and not supplant any other amounts made available to the Treasury offices and bureaus for cybersecurity: *Provided further*, That of the total amount

made available under this heading [\$1,000,000] \$4,000,000 shall be available for administrative expenses for the Treasury Chief Information Officer to provide oversight of the investments made under this heading: *Provided further*, That such funds shall supplement and not supplant any other amounts made available to the Treasury Chief Information Officer.

DEPARTMENT-WIDE SYSTEMS AND CAPITAL INVESTMENTS PROGRAM

For development and acquisition of automatic data processing equipment, software, and services and for repairs and renovations to buildings owned by the Department of the Treasury, \$6,118,000, to remain available until September 30, [2023] 2024: *Provided*, That these funds shall be transferred to accounts and in amounts as necessary to satisfy the requirements of the Department's offices, bureaus, and other organizations: *Provided further*, That this transfer authority shall be in addition to any other transfer authority provided in this Act: *Provided further*, That none of the funds appropriated under this heading shall be used to support or supplement "Internal Revenue Service, Operations Support" or "Internal Revenue Service, Business Systems Modernization".

OFFICE OF THE INSPECTOR GENERAL

SALARIES AND EXPENSES

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, [\$41,044,000] \$42,362,000, including hire of passenger motor vehicles; of which not to exceed \$100,000 shall be available for unforeseen emergencies of a confidential nature, to be allocated and expended under the direction of the Inspector General of the Treasury; of which up to \$2,800,000 to remain available until September 30, [2022] 2023, shall be for audits and investigations conducted pursuant to section 1608 of the Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States Act of 2012 (33 U.S.C. 1321 note); and of which not to exceed \$1,000 shall be available for official reception and representation expenses.

COMMITTEE ON FOREIGN INVESTMENT IN THE UNITED STATES

For necessary expenses of the Committee on Foreign Investment in the United States, \$20,000,000, to remain available until expended: *Provided*, That the chair-person of the Committee may transfer such amounts to any department or agency represented on the Committee (including the Department of the Treasury) subject to advance notification to the Committees on Appropriations of the House of Representatives and the Senate: *Provided further*, That amounts so transferred shall remain available until expended for expenses of implementing section 721 of the Defense Production Act of 1950, as amended (50 U.S.C. 4565), and shall be available in addition to any other funds available to any department or agency: *Provided further*, That fees authorized by section 721(p) of such Act shall be credited to this appropriation as offsetting collections: *Provided further*, That the total amount appropriated under this heading from the general fund shall be reduced as such offsetting collections are received during fiscal year [2021] 2022, so as to result in a total appropriation from the general fund estimated at not more than [\$15,000,000] \$0.

TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Treasury Inspector General for Tax Administration in carrying out the Inspector General Act of 1978, as amended, including purchase and hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services authorized by 5 U.S.C. 3109, at such rates as may be determined by the Inspector General for Tax Administration; [~~\$170,250,000~~] *\$175,762,000*, of which \$5,000,000 shall remain available until September 30, [2022] 2023; of which not to exceed \$6,000,000 shall be available for official travel expenses; of which not to exceed \$500,000 shall be available for unforeseen emergencies of a confidential nature, to be allocated and expended under the direction of the Inspector General for Tax Administration; and of which not to exceed \$1,500 shall be available for official reception and representation expenses.

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND PROGRAM ACCOUNT

Act of 1994 (subtitle A of title I of Public Law 103–325), including services authorized by section 3109 of title 5, United States Code, but at rates for individuals not to exceed the per diem rate equivalent to the rate for EX-III, [~~\$270,000,000~~] *\$330,000,000*. Of the amount appropriated under this heading—(1) not less than [~~\$167,000,000~~] *\$217,383,000*, notwithstanding section 108(e) of Public Law 103–325 (12 U.S.C. 4707(e)) with regard to Small and/or Emerging Community Development Financial Institutions Assistance awards, is available until September 30, [2022] 2023, for financial assistance and technical assistance under subparagraphs (A) and (B) of section 108(a)(1), respectively, of Public Law 103–325 (12 U.S.C. 4707(a)(1)(A) and (B)), of which up to \$1,600,000 may be available for training and outreach under section 109 of Public Law 103–325 (12 U.S.C. 4708), of which up to [~~\$2,374,500~~] *\$3,153,750* may be used for the cost of direct loans, of which up to \$6,000,000, notwithstanding subsection (d) of section 108 of Public Law 103–325 (12 U.S.C. 4707 (d)), may be available to provide financial assistance, technical assistance, training, and outreach to community development financial institutions to expand investments that benefit individuals with disabilities, and of which not less than \$2,000,000 shall be for the Economic Mobility Corps to be operated in conjunction with the Corporation for National and Community Service, pursuant to 42 U.S.C. 12571: *Provided*, That the cost of direct and guaranteed loans, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed \$25,000,000: *Provided further*, That of the funds provided under this paragraph, excluding those made to community development financial institutions to expand investments that benefit individuals with disabilities and those made to community development financial institutions that serve populations living in persistent poverty counties, the CDFI Fund shall prioritize Financial Assistance awards to organizations that invest and lend in high- poverty areas: *Provided further*, That for purposes of this section, the term "high- poverty area" means any census tract with a poverty rate of at least 20 percent as measured by the 2011–2015 5-year

data series available from the American Community Survey of the Bureau of the Census for all States and Puerto Rico or with a poverty rate of at least 20 percent as measured by the 2010 Island areas Decennial Census data for any territory or possession of the United States; (2) Not less than [\$16,500,000]\$21,500,000, notwithstanding section 108(e) of Public Law 103–325 (12 U.S.C. 4707(e)), is available until September 30, [2022] 2023, for financial assistance, technical assistance, training, and outreach programs designed to benefit Native American, Native Hawaiian, and Alaska Native communities and provided primarily through qualified community development lender organizations with experience and expertise in community development banking and lending in Indian country, Native American organizations, Tribes and Tribal organizations, and other suitable providers; (3) not less than \$26,000,000 is available until September 30, [2022] 2023, for the Bank Enterprise Award program; (4) not less than \$23,000,000, notwithstanding subsections (d) and (e) of section 108 of Public Law 103–325 (12 U.S.C. 4707(d) and (e)), is available until September 30, [2022] 2023, for a Healthy Food Financing Initiative to provide financial assistance, technical assistance, training, and outreach to community development financial institutions for the purpose of offering affordable financing and technical assistance to expand the availability of healthy food options in distressed communities; (5) not less than \$8,500,000 is available until September 30, [2022] 2023, to provide grants for loan loss reserve funds and to provide technical assistance for small dollar loan programs under section 122 of Public Law 103–325 (12 U.S.C. 4719): Provided, That sections 108(d) and 122(b)(2) of such Public Law shall not apply to the provision of such grants and technical assistance; up to [\$29,000,000] \$33,617,000 is available until September 30, [2021]2022, for administrative expenses, including administration of CDFI Fund programs and the New Markets Tax Credit Program, of which not less than \$1,000,000 is for the development of tools to better assess and inform CDFI investment performance and CDFI Fund program impacts, and up to \$300,000 is for administrative expenses to carry out the direct loan program; and (7) during fiscal year [2021] 2022, none of the funds available under this heading are available for the cost, as defined in section 502 of the Congressional Budget Act of 1974, of commitments to guarantee bonds and notes under section 114A of the Riegle Community Development and Regulatory Improvement Act of 1994 (12 U.S.C. 4713a): Provided, That commitments to guarantee bonds and notes under such section 114A shall not exceed \$500,000,000: Provided further, That such section 114A shall remain in effect until December 31, [2021] 2022: Provided further, That of the funds awarded under this heading, except those provided for the Economic Mobility Corps, not less than 10 percent shall be used for awards that support investments that serve populations living in persistent poverty counties: Provided further, That for the purposes of this paragraph and paragraph (1), the term "persistent poverty counties" means any county, including county equivalent areas in Puerto Rico, that has had 20 percent or more of its population living in poverty over the past 30 years, as measured by the 1990 and 2000 decennial censuses and the 2011–2015 5-year data series available from the American Community Survey of the Bureau of the Census or any other territory or possession of the United States that has had 20 percent or more of its population living in poverty over the past 30 years, as measured by the 1990, 2000 and 2010 Island Areas Decennial Censuses, or equivalent data, of the Bureau of the Census.

SPECIAL INSPECTOR GENERAL FOR THE TROUBLED ASSET RELIEF PROGRAM

SALARIES AND EXPENSES

For necessary expenses of the Office of the Special Inspector General in carrying out the provisions of the Emergency Economic Stabilization Act of 2008 (Public Law 110-343), [\$19,000,000] *\$17,000,000*.

FINANCIAL CRIMES ENFORCEMENT NETWORK

SALARIES AND EXPENSES

For necessary expenses of the Financial Crimes Enforcement Network, including hire of passenger motor vehicles; travel and training expenses of non-Federal and foreign government personnel to attend meetings and training concerned with domestic and foreign financial intelligence activities, law enforcement, and financial regulation; services authorized by 5 U.S.C. 3109; not to exceed [\$12,000] *\$45,000* for official reception and representation expenses; and for assistance to Federal law enforcement agencies, with or without reimbursement, [\$126,963,000] *\$190,539,000*, of which not to exceed [\$34,335,000] *\$94,600,000* shall remain available until September 30, [2023] *2024 for information technology and to implement Division F of the William M. (Mac) Thornberry National Defense Authorization Act for Fiscal Year 2021 (Public Law 116-283)*.

BUREAU OF THE FISCAL SERVICE

SALARIES AND EXPENSES

For necessary expenses of operations of the Bureau of the Fiscal Service, [\$345,569,000] *\$360,266,000*; of which not to exceed \$8,000,000, to remain available until September 30, [2023] *2024*, is for information systems modernization initiatives; and of which \$5,000 shall be available for official reception and representation expenses. In addition, \$165,000, to be derived from the Oil Spill Liability Trust Fund to reimburse administrative and personnel expenses for financial management of the Fund, as authorized by section 1012 of Public Law 101-380.

ALCOHOL AND TOBACCO TAX AND TRADE BUREAU

SALARIES AND EXPENSES

For necessary expenses of carrying out section 1111 of the Homeland Security Act of 2002, including hire of passenger motor vehicles, [\$124,337,000] *\$131,330,000*; of which *\$5,000,000 shall remain available until September 30, 2023*; of which not to exceed \$6,000 shall be available for official reception and representation expenses; and of which not to exceed \$50,000 shall be available for cooperative research and development programs for laboratory services; and provision of laboratory assistance to State and local agencies with or without reimbursement[: *Provided*, That of the amount appropriated under this heading, \$5,000,000 shall be for the costs of accelerating the processing of formula and label applications: *Provided further*, That of the amount appropriated under this heading, \$5,000,000, to remain available until September 30,

2022, shall be for the costs associated with enforcement of and education regarding the trade practice provisions of the Federal Alcohol Administration Act (27 U.S.C. 201 et seq.).

UNITED STATES MINT PUBLIC ENTERPRISE FUND

Pursuant to section 5136 of title 31, United States Code, the United States Mint is provided funding through the United States Mint Public Enterprise Fund for costs associated with the production of circulating coins, numismatic coins, and protective services, including both operating expenses and capital investments: *Provided*, That the aggregate amount of new liabilities and obligations incurred during fiscal year [2021] 2022 under such section 5136 for circulating coinage and protective service capital investments of the United States Mint shall not exceed \$50,000,000.

INTERNAL REVENUE SERVICE

TAXPAYER SERVICES

For necessary expenses of the Internal Revenue Service to provide taxpayer services, including pre-filing assistance and education, filing and account services, taxpayer advocacy services, and other services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner, [\$2,555,606,000] \$2,940,876,000, of which not less than \$11,000,000 shall be for the Tax Counseling for the Elderly Program, of which not less than \$13,000,000 shall be available for low-income taxpayer clinic grants, of which not less than \$30,000,000, to remain available until September 30, [2022] 2023, shall be available for the Community Volunteer Income Tax Assistance Matching Grants Program for tax return preparation assistance, and of which not less than

\$211,000,000 shall be available for operating expenses of the Taxpayer Advocate Service: *Provided*, That of the amounts made available for the Taxpayer Advocate Service, not less than \$5,500,000 shall be for identity theft and refund fraud casework.

ENFORCEMENT

For necessary expenses for tax enforcement activities of the Internal Revenue Service to determine and collect owed taxes, to provide legal and litigation support, to conduct criminal investigations, to enforce criminal statutes related to violations of internal revenue laws and other financial crimes, to purchase and hire passenger motor vehicles (31 U.S.C. 1343(b)), and to provide other services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner, [\$5,212,622,000] \$5,462,823,000, of which not to exceed \$250,000,000 shall remain available until September 30, [2022] 2023; of which not less than \$60,257,000 shall be for the Interagency Crime and Drug Enforcement program; and of which not to exceed [\$15,000,000] \$21,000,000 shall be for investigative technology for the Criminal Investigation Division: *Provided*, That the amount made available for investigative technology for the Criminal Investigation Division shall be in addition to amounts made available for the Criminal Investigation Division under the "Operations Support" heading. *In addition, \$287,452,000, for an additional amount to meet the terms of a concurrent resolution on the budget for tax enforcement activities under this heading, including tax compliance to address the Federal tax gap:*

Provided, That such additional amounts may not be transferred or reprogrammed for any other activity.

OPERATIONS SUPPORT

For necessary expenses of the Internal Revenue Service to support taxpayer services and enforcement programs, including rent payments; facilities services; printing; postage; physical security; headquarters and other IRS-wide administration activities; research and statistics of income; telecommunications; information technology development, enhancement, operations, maintenance, and security; the hire of passenger motor vehicles (31 U.S.C. 1343(b)); the operations of the Internal Revenue Service Oversight Board; and other services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner; [\$3,928,102,000] \$4,448,195,000, of which not to exceed \$275,000,000 shall remain available until September 30, [2022] 2023; of which not to exceed \$10,000,000 shall remain available until expended for acquisition of equipment and construction, repair and renovation of facilities; of which not to exceed \$1,000,000 shall remain available until September 30, [2023] 2024, for research; of which not less than \$10,000,000, to remain available until expended, shall be available for establishment of an application through which entities registering and renewing registrations in the System for Award Management may request an authenticated electronic certification stating that the entity does or does not have a seriously delinquent tax debt; and of which not to exceed \$20,000 shall be for official reception and representation expenses: *Provided*, That not later than 30 days after the end of each quarter, the Internal Revenue Service shall submit a report to the Committees on Appropriations of the House of Representatives and the Senate and the Comptroller General of the United States detailing major information technology investments in the Internal Revenue Service Integrated Modernization Business Plan portfolio, including detailed, plain language summaries on the status of plans, costs, and results; prior results and actual expenditures of the prior quarter; upcoming deliverables and costs for the fiscal year; risks and mitigation strategies associated with ongoing work; reasons for any cost or schedule variances; and total expenditures by fiscal year: *Provided further*, That the Internal Revenue Service shall include, in its budget justification for fiscal year [2022] 2023, a summary of cost and schedule performance information for its major information technology systems. *In addition*, \$129,445,000, for an additional amount to meet the terms of a concurrent resolution on the budget for tax enforcement activities under this heading, including tax compliance to address the Federal tax gap: *Provided*, That such additional amounts may not be transferred or reprogrammed for any other activity.

BUSINESS SYSTEMS MODERNIZATION

For necessary expenses of the Internal Revenue Service's business systems modernization program, [\$222,724,000] \$305,032,000, to remain available until September 30, [2023] 2024, for the capital asset acquisition of information technology systems, including management and related contractual costs of said acquisitions, including related Internal Revenue Service labor costs, and contractual costs associated with operations authorized by 5 U.S.C. 3109: *Provided*, That not later than 30 days after the end of each quarter, the Internal

Revenue Service shall submit a report to the Committees on Appropriations of the House of Representatives and the Senate and the Comptroller General of the United States detailing major information technology investments in the Internal Revenue Service Integrated Modernization Business Plan portfolio, including detailed, plain language summaries on the status of plans, costs, and results; prior results and actual expenditures of the prior quarter; upcoming deliverables and costs for the fiscal year; risks and mitigation strategies associated with ongoing work; reasons for any cost or schedule variances; and total expenditures by fiscal year.

ADMINISTRATIVE PROVISIONS— INTERNAL REVENUE SERVICE

SEC. 101. Not to exceed 4 percent of the appropriation made available in this Act to the Internal Revenue Service under the "Enforcement" heading, and not to exceed 5 percent of any other appropriation made available in this Act to the Internal Revenue Service, may be transferred to any other Internal Revenue Service appropriation upon [the] advance [approval of] *notice to the Committees on Appropriations of the House of Representatives and the Senate.*

SEC. 102. The Internal Revenue Service shall maintain an employee training program, which shall include the following topics: taxpayers' rights, dealing courteously with taxpayers, cross-cultural relations, ethics, and the impartial application of tax law.

SEC. 103. The Internal Revenue Service shall institute and enforce policies and procedures that will safeguard the confidentiality of taxpayer information and protect taxpayers against identity theft.

SEC. 104. Funds made available by this or any other Act to the Internal Revenue Service shall be available for improved facilities and increased staffing to provide sufficient and effective 1–800 help line service for taxpayers. The Commissioner shall continue to make improvements to the Internal Revenue Service 1–800 help line service a priority and allocate resources necessary to enhance the response time to taxpayer communications, particularly with regard to victims of tax-related crimes.

SEC. 105. The Internal Revenue Service shall issue a notice of confirmation of any address change relating to an employer making employment tax payments, and such notice shall be sent to both the employer's former and new address and an officer or employee of the Internal Revenue Service shall give special consideration to an offer-in-compromise from a taxpayer who has been the victim of fraud by a third party payroll tax preparer.

SEC. 106. None of the funds made available under this Act may be used by the Internal Revenue Service to target citizens of the United States for exercising any right guaranteed under the First Amendment to the Constitution of the United States.

SEC. 107. None of the funds made available in this Act may be used by the Internal Revenue Service to target groups for regulatory scrutiny based on their ideological beliefs.

SEC. 108. None of funds made available by this Act to the Internal Revenue Service shall be obligated or expended on conferences that do not adhere to the procedures, verification processes, documentation requirements, and policies issued by the Chief Financial Officer, Human Capital Office, and Agency-Wide Shared Services as a result of the recommendations in the report published on May 31, 2013, by the Treasury Inspector General for Tax Administration entitled "Review of the August 2010 Small Business/Self-Employed Division's Conference in Anaheim, California" (Reference Number 2013–10–037).

SEC. 109. None of the funds made available in this Act to the Internal Revenue Service may be

obligated or expended (1) to make a payment to any employee under a bonus, award, or recognition program; or (2) under any hiring or personnel selection process with respect to re-hiring a former employee; unless such program or process takes into account the conduct and Federal tax compliance of such employee or former employee.

SEC. 110. None of the funds made available by this Act may be used in contravention of section 6103 of the Internal Revenue Code of 1986 (relating to confidentiality and disclosure of returns and return information).

SEC. 111. *Notwithstanding any Congressional notification requirements for a reprogramming of funds in this Act, funds provided in this Act for the Internal Revenue Service shall be available for obligation and expenditure through a reprogramming of funds that augments or reduces existing programs, projects, or activities by up to \$10,000,000 without prior Congressional notification of such action.*

SEC. 112. *There is hereby established the Internal Revenue Service Working Capital Fund (Fund), which shall be available without fiscal year limitation, for expenses necessary for facility services, technology, and other centralized services that the Commissioner of Internal Revenue, subject to prior notice to the Office of Management and Budget, deems appropriate and advantageous to provide on a reimbursable basis: Provided, That amounts deposited in the Fund shall be in addition to funds otherwise available for such purposes, and shall remain available until expended: Provided further, That the Fund may receive advances and reimbursements from funds available to the business units and offices of the Internal Revenue Service for which such centralized services are performed at rates which will return in full all expenses of operation: Provided further, That unobligated balances of expired amounts appropriated or otherwise made available for this or any succeeding fiscal year to the Internal Revenue Service may be transferred and merged into the Fund no later than the end of the fifth fiscal year after the last fiscal year for which such funds are available for the purposes for which appropriated: Provided further, That no funds may be transferred pursuant to the previous proviso unless advance notification is provided to the Committees on Appropriations of the House of Representatives and the Senate.*

ADMINISTRATIVE PROVISIONS—DEPARTMENT OF THE TREASURY

SEC. 111. Appropriations to the Department of the Treasury in this Act shall be available for uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901), including maintenance, repairs, and cleaning; purchase of insurance for official motor vehicles operated in foreign countries; purchase of motor vehicles without regard to the general purchase price limitations for vehicles purchased and used overseas for the current fiscal year; entering into contracts with the Department of State for the furnishing of health and medical services to employees and their dependents serving in foreign countries; and services authorized by 5 U.S.C. 3109.

SEC. 112. Not to exceed 2 percent of any appropriations in this title made available under the headings "Departmental Offices—Salaries and Expenses", "Office of Inspector General", "Special Inspector General for the Troubled Asset Relief Program", "Financial Crimes Enforcement Network", "Bureau of the Fiscal Service", and "Alcohol and Tobacco Tax and Trade Bureau" may be transferred between such appropriations upon the advance [approval] notification of the Committees on Appropriations of the House of Representatives and the Senate: *Provided*, That no transfer under this section may increase or decrease any such

appropriation by more than 2 percent.

SEC. 113. Not to exceed 2 percent of any appropriation made available in this Act to the Internal Revenue Service may be transferred to the Treasury Inspector General for Tax Administration's appropriation upon the advance [approval] *notification* of the Committees on Appropriations of the House of Representatives and the Senate: *Provided*, That no transfer may increase or decrease any such appropriation by more than 2 percent.

SEC. 114. None of the funds appropriated in this Act or otherwise available to the Department of the Treasury or the Bureau of Engraving and Printing may be used to redesign the \$1 Federal Reserve note.

SEC. 115. The Secretary of the Treasury may transfer funds from the "Bureau of the Fiscal Service—Salaries and Expenses" to the Debt Collection Fund as necessary to cover the costs of debt collection: *Provided*, That such amounts shall be reimbursed to such salaries and expenses account from debt collections received in the Debt Collection Fund.

SEC. 116. None of the funds appropriated or otherwise made available by this or any other Act may be used by the United States Mint to construct or operate any museum without the [explicit approval] *prior notification* of the Committees on Appropriations of the House of Representatives and the Senate, the House Committee on Financial Services, and the Senate Committee on Banking, Housing, and Urban Affairs.

SEC. 117. None of the funds appropriated or otherwise made available by this or any other Act or source to the Department of the Treasury, the Bureau of Engraving and Printing, and the United States Mint, individually or collectively, may be used to consolidate any or all functions of the Bureau of Engraving and Printing and the United States Mint without the [explicit approval] *prior notification* of the House Committee on Financial Services; the Senate Committee on Banking, Housing, and Urban Affairs; and the Committees on Appropriations of the House of Representatives and the Senate.

SEC. 118. Funds appropriated by this Act, or made available by the transfer of funds in this Act, for the Department of the Treasury's intelligence or intelligence related activities are deemed to be specifically authorized by the Congress for purposes of section 504 of the National Security Act of 1947 (50 U.S.C. 414) during fiscal year [2021] 2022 until the enactment of the Intelligence Authorization Act for Fiscal Year [2021] 2022.

SEC. 119. Not to exceed \$5,000 shall be made available from the Bureau of Engraving and Printing's Industrial Revolving Fund for necessary official reception and representation expenses.

SEC. 120. The Secretary of the Treasury shall submit a Capital Investment Plan to the Committees on Appropriations of the House of Representatives and the Senate not later than 30 days following the submission of the annual budget submitted by the President: *Provided*, That such Capital Investment Plan shall include capital investment spending from all accounts within the Department of the Treasury, including but not limited to the Department-wide Systems and Capital Investment Programs account, Treasury Franchise Fund account, and the Treasury Forfeiture Fund account: *Provided further*, That such Capital Investment Plan shall include expenditures occurring in previous fiscal years for each capital investment project that has not been fully completed.

SEC. 121. Within 45 days after the date of enactment of this Act, the Secretary of the Treasury shall submit an itemized report to the Committees on Appropriations of the House of

Representatives and the Senate on the amount of total funds charged to each office by the Franchise Fund including the amount charged for each service provided by the Franchise Fund to each office, a detailed description of the services, a detailed explanation of how each charge for each service is calculated, and a de-scription of the role customers have in governing in the Franchise Fund.

SEC. 122. During fiscal year [2021] 2022— (1) none of the funds made available in this or any other Act may be used by the Department of the Treasury, including the Internal Revenue Service, to issue, revise, or finalize any regulation, revenue ruling, or other guidance not limited to a particular taxpayer relating to the standard which is used to determine whether an organization is operated exclusively for the promotion of social welfare for purposes of section 501(c)(4) of the Internal Revenue Code of 1986 (including the proposed regulations published at 78 Fed. Reg. 71535 (November 29, 2013)); and (2) the standard and definitions as in effect on January 1, 2010, which are used to make such determinations shall apply after the date of the enactment of this Act for purposes of determining status under section 501(c)(4) of such Code of organizations created on, before, or after such date.

SEC. 123. (a) Not later than 60 days after the end of each quarter, [the Office of Financial Stability and] *the Office of Financial Research* shall submit reports on their activities to the Committees on Appropriations of the House of Representatives and the Senate, the Committee on Financial Services of the House of Representatives and the Senate Committee on Banking, Housing, and Urban Affairs. (b) The reports required under subsection (a) shall include— (1) the obligations made during the previous quarter by object class, office, and activity; (2) the estimated obligations for the remainder of the fiscal year by object class, office, and activity; (3) the number of full-time equivalents within each office during the previous quarter; (4) the estimated number of full-time equivalents within each office for the remainder of the fiscal year; and (5) actions taken to achieve the goals, objectives, and performance measures of each office. (c) At the request of any such Committees specified in subsection (a), [the Office of Financial Stability and] the Office of Financial Research shall make officials available to testify on the contents of the reports required under subsection (a).

[SEC. 124. In addition to the amounts otherwise made available to the Department of the Treasury, \$25,000,000, to remain available until expended, shall be for expenses associated with digitization and distribution of the Department's records of matured savings bonds that have not been redeemed.]

SEC. 124. *Of the amounts appropriated in section 4027(a) of the Coronavirus Aid, Relief, and Economic Security Act (15 U.S.C. 9061) that are available for obligation as a result of the deobligation of amounts that were, as of January 9, 2021, obligated for the credit subsidy cost of loans and loan guarantees that the Secretary of the Treasury had committed under paragraphs (1) through (3) of section 4003(b) of the Coronavirus Aid, Relief, and Economic Security Act (15 U.S.C. 9042(b)(1)-(3)), \$25,000,000 shall be available to the Special Inspector General for Pandemic Recovery to carry out section 4018 of the Coronavirus Aid, Relief, and Economic Security Act (15 U.S.C. 9053): Provided, That such amounts shall be in addition to any other amounts available for such purpose.*

SEC. 125. *Notwithstanding any other provision of law, the unobligated balances from amounts*

made available to the Secretary of the Treasury for administrative expenses pursuant to sections 4003(f) and 4112(b) of the Coronavirus Aid, Relief, and Economic Security Act (Public Law 116–136); section 421(f)(2) of Division N of the Consolidated Appropriations Act, 2021 (Public Law 116–260); sections 3201(a)(2)(B), 3206(d)(1)(A), and 7301(b)(5) of the American Rescue Plan Act of 2021 (Public Law 117–2); and section 602(a)(2) of the Social Security Act, as added by section 9901 of the American Rescue Plan Act of 2021 (Public Law 117–2), shall be available for any administrative expenses determined by the Secretary of the Treasury to be necessary to respond to the coronavirus, including but not limited to expenses necessary to implement any provision of the Coronavirus Aid, Relief, and Economic Security Act (Public Law 116–136), Division N of the Consolidated Appropriations Act, 2021 (Public Law 116–260), the American Rescue Plan Act (Public Law 117–2), or title VI of the Social Security Act: Provided, That such un-obligated balances shall be available in addition to any other appropriations provided for such purposes.

SEC. 126. *Section 121 of the Emergency Economic Stabilization Act of 2008 (12 U.S.C. 5231) is amended in subsection (e)(1)(B)(ii) by striking "subparagraph" and all that follows through the period at the end and inserting "subparagraph, the Special Inspector General may not make any appointment that exceeds 24 months or that extends beyond the date on which the Special Inspector General terminates under subsection (k)."*