

Departmental Offices Salaries and Expenses

Program Summary by Budget Activity

Dollars in Thousands

Appropriated Resources	FY 2022		FY 2023		FY 2024		FY 2023 to FY 2024	
	Operating Plan		Operating Plan		Request		% Change	
New Appropriated Resources	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
Executive Direction	109	\$43,895	113	\$43,246	147	\$56,687	30.1%	31.1%
International Affairs and Economic Policy	188	\$58,298	182	\$66,979	221	\$90,099	21.4%	34.5%
Domestic Finance and Tax Policy	255	\$84,960	295	\$103,027	331	\$114,937	12.2%	11.6%
Treasury-wide Management and Programs	111	\$37,944	106	\$41,392	104	\$44,906	-1.9%	8.5%
Committee on Foreign Investment in the United States	72	\$18,012	65	\$19,238	102	\$25,570	56.9%	32.9%
Subtotal New Appropriated Resources	735	\$243,109	761	\$273,882	905	\$332,199	18.9%	21.3%
Other Resources								
Reimbursable	38	\$9,433	41	\$12,000	41	\$12,000	0.0%	0.0%
Transfers from CFIUS Fund	34	\$17,000	27	\$16,000	39	\$16,000	44.4%	0.0%
Ukraine Supplemental Funding	8	\$5,981	18	\$11,019	0	\$0	-100.0%	-100.0%
IRA Funding Usage	0	\$0	29	\$15,124	45	\$15,719	55.2%	3.9%
Subtotal Other Resources	80	\$32,104	115	\$54,143	125	\$43,719	8.7%	-19.3%
Total Budgetary Resources	815	\$275,213	876	\$328,025	1,030	\$375,918	17.6%	14.6%

Note: FY 2022 Other Resources and Full-time Equivalents (FTE) reflect actuals

Summary

The President's FY 2024 budget for Treasury Departmental Offices (DO) Salaries and Expenses (SE) provides necessary resources for the Treasury Department to address major issues confronting the U.S. economy and to rebuild Treasury's institutional capacity. Funding is requested to support a national security initiative to review investments that U.S. firms make outside of the United States; initiatives addressing generational issues, such as persistent inequality in economic opportunity and climate change; initiatives to ensure DO can sustain critical policy work needed to maintain a strong economy, develop evidence to support policymaking, and improve the customer experience for the U.S. public; support for international engagement, including continued support for Ukraine; and, sustained support for the global economic recovery from the coronavirus pandemic. In addition to these requested increases, DO anticipates transferring in and executing \$16 million from the \$21 million request of the Committee on Foreign Investment in the United States (CFIUS) Fund, discussed separately.

Budget Highlights

Dollars in Thousands

	FTE	Amount
FY 2023 Operating Plan	761	\$273,882
Changes to Base:		
Maintaining Current Levels (MCLs):	0	\$10,354
Pay Annualization (4.6% average pay raise)	0	\$1,812
Pay Raise (5.2% average pay raise)	0	\$6,216
Non-Pay	0	\$2,326
Non-Recurring Costs	(13)	(\$10,000)
Reductions to One-Time funding for Outbound Investment Review	0	(\$7,000)
Reduction to ORP Admin Funding	(13)	(\$3,000)
Other Adjustments:	56	\$11,136
Restoration of CFIUS funding reduced in FY 2023	32	\$6,000
Annualization of FY 2023 staffing initiatives	24	\$5,136
Subtotal Changes to Base	43	\$11,490
FY 2024 Current Services	804	\$285,372
Program Changes:		
Program Increases:	101	\$46,827
Outbound Investment Review	15	\$16,700
Equity Assessment and Program Evaluations	4	\$1,104
Staffing to Support Climate Initiatives	11	\$3,184
Support for Critical DO Policy Functions	37	\$8,854
Improve Hiring and Recruitment Programs	0	\$473
Global Economic Recovery and Ukraine Support	12	\$3,020
Climate Technical Assistance Center	16	\$5,000
DO Cyber Infrastructure, Facilities Infrastructure, IT Modernization	0	\$2,428
Evidence Act Implementation, and Treasury Data & CX Improvement	3	\$2,864
Treasury Attaché Program Expansion	3	\$3,200
Subtotal Program Changes	101	\$46,827
FY 2024 President's Budget Request	905	\$332,199
FY 2024 CFIUS Fund Transfer	39	\$16,000
Total FY 2024 Budgetary Resources	944	\$348,199

Budget Adjustments

Maintaining Current Levels (MCLs)+\$10,354,000 / +0 FTE

Pay Annualization (4.6%) +\$1,812,000 / +0 FTE

Funds are requested for annualization of the January 2023 4.6 percent average pay raise.

Pay Raise (5.2% in FY 2024) +\$6,216,000 / +0 FTE

Funds are requested for a 5.2 percent average pay raise in January 2024.

Non-Pay +\$2,326,000 / +0 FTE

Funds are requested to support inflationary costs for non-labor expenses, such as travel, contracts, rent, supplies, and equipment.

Non-Recurring Costs-\$10,000,000 / -13 FTE

Reductions to One-Time Funding for Outbound Investment Review -\$7,000,000 / -0 FTE

As a result of larger-than-expected CFIUS carry-over funding and hiring delays in FY 2023, DO Salaries and Expenses included \$7 million as a one-time repurposing of CFIUS unobligated balances and other labor costs in FY 2023 to fund labor costs for drafting regulations and the buildout of an IT system to support soon-to-be-proposed national security reviews of investments made outside of the United States by U.S. firms. In FY 2024, funding will need to be restored to support CFIUS anticipated workloads and hiring in various DO offices.

Reduction to ORP Administrative Funding -\$3,000,000 / -13 FTE

Treasury requests \$9 million for the administration of financial assistance programs within the Office of Recovery Program (ORP), a reduction of \$3 million from the FY 2023 enacted level. The requested discretionary funding for ORP within DO SE, in combination with the FY 2023 enacted flexibility for use of other mandatory administrative funding, remains necessary to sustain programs through their authorized period, allowing ORP to take a data-centric, risk-based approach to providing accountability and stewardship for pandemic recovery programs. These resources will continue to support efforts to improve access to capital for small businesses and in underserved communities, including rural and low-income areas.

Other Adjustments.....+\$11,136,000 / +56 FTE

Restoration of CFIUS funding reduced in FY 2023 +\$6,000,000 / +32 FTE

DO Salaries and Expenses funding used in FY 2023 on efforts related to the national security reviews of investments made outside of the United States by U.S. firms will be restored to support CFIUS program activities in FY 2024.

Annualization of FY 2023 staffing initiatives +\$5,136,000 / +24 FTE

Due to hiring delays, some staff that were brought onboard in the latter half of FY 2023 were not full-year FTE. Funding will be used in FY 2024 to support the annualization of costs for DO staff funded through new appropriations provided in FY 2023.

Program Increases+\$46,827,000 / +101 FTE

Outbound Investment Review +\$16,700,000 / +15 FTE

The Consolidated Appropriations Act, 2023, P.L. 117-328, included language that encouraged Treasury to identify the resources needed to establish a targeted outbound investment review mechanism. This funding would allow Treasury to establish a program to address national security concerns arising from outbound investments from the United States into sensitive technologies that could enhance the technological capabilities of countries of concern in ways that threaten U.S. national security. As currently contemplated, the program would be implemented and administered by Treasury and focus on investments that result in the advancement of military and dual-use technologies by countries of concern but are of a nature that they are not presently captured by export controls, sanctions, or other related authorities. This FY 2024 request builds on one-time funding within DSCIP and is temporarily realigned from CFIUS in FY 2023, which provide for initial hiring efforts and critical investments in new IT systems.

Staffing to Support DEIA +\$1,104,000 / +4 FTE

This request would allow the recently created Office of Diversity, Equity, Inclusion, and Accessibility (ODEIA) to expand. These four additional FTEs will provide Department-wide support to help Treasury advance equity in its policies, procedures, and practices, and would support the DO's efforts to center issues of equity within policy discussions to achieve a more equitable economy. In addition, these resources will support Department-wide efforts to improve the diversity of Treasury's workforce, ensure civil rights compliance, and help oversee the DEIA work across the Department.

Staffing to Support Climate Initiatives +\$3,184,000 / +11 FTE

The Administration is targeting cuts to greenhouse gas (GHG) emissions by 50% - 52% from 2005 levels by 2030 and has outlined an ambitious plan to double international climate finance and triple international adaptation finance by 2024, to support communities transitioning away from coal and to encourage the private sector to disclose climate risk. The Administration has tasked Treasury with playing a key role in these efforts, but as currently staffed, Treasury is limited in its ability to contribute to crucial elements of the climate agenda. Treasury's unique responsibilities on a range of programs related to climate change – including economic, financial sector, and climate-related government policies – are reflected in an ambitious climate strategy program. This request would build policy strength in key climate functions, including international economists who can support bilateral and multilateral efforts outlined in the International Climate Finance Strategy, domestic finance experts responsible for understanding climate risks on the financial system, and economists responsible for conducting economic analyses related to the impacts of domestic and international climate policies on US energy markets.

Support for Critical DO Policy Functions +\$8,854,000 / +37 FTE

The gradual reduction of FTE levels across DO policy offices in combination with the absorption of new workstreams and lack of adequate funding for inflationary increases over the last several years has eroded DO's capacity to maintain support to fundamental DO mission areas, including maintaining the public debt, setting Treasury Department strategy, and performing legal analysis on issues related to Treasury equities. Funding is needed to ensure that DO can sustain critical policy work needed to maintain a strong economy and create economic growth and financial stability.

As some examples of impacts this funding would have within Domestic Finance (DF), resources are not currently available to hire a full range of subject matter experts necessary to build broad institutional expertise in digital assets, housing finance, insurance, and other critical areas. This request would allow DF to hire staff with the necessary expertise to support the timely development and execution of a digital assets policy framework and near-term work related to the Treasury Digital Assets Working Group. This request would also provide for additional staffing in key national security priorities such as the Office of Cybersecurity and Critical Infrastructure Protection (OCCIP), in addition to funding fundamental mission areas for DF that are critical to maintaining the integrity of the financing operations of the United States, including within the Office of Debt Management (ODM), the Office of Fiscal Projections (OFIP), and in the areas of insurance and financial markets.

This request would also support additional staffing for General Counsel (OGC) in the areas of enforcement and intelligence (E&I) General Law, Ethics, and Regulation, Banking and Finance, and in the OGC front office. OGC E&I staff support the TFI mission from within DO SE. Despite a significant increase in sanctions actions from 2017 to present, E&I counsel staff have seen no substantial staffing growth while the complexity of sanctions authorities managed by the Office of Foreign Assets Control has increased significantly. Counsel staff are also needed to assist with FOIA administration and improve responsiveness to Congressional oversight requests Treasury views its role in responding to FOIAs as a critical responsibility of the Department.

Improve Hiring and Recruitment Programs +\$473,000 / +0 FTE

DO completed a comprehensive time to hire review over the past several months. Since this assessment, DO has made a number of adjustments to its hiring support, including: 1) improving long-term workforce planning, 2) emphasizing the importance of finalizing Position Descriptions and Job Analysis and Assessments prior to recruit requests, 3) encouraging usage of the variety of recruitment methods available to DO staff (Sched A, Pathways, merit promotion, etc.), and 4) devoting additional resources to the security/adjudication process to improve security clearance process times. In order to properly tackle these issues, DO needs additional staffing in Human Resources and Human Capital.

Global Economic Recovery and Ukraine Support +\$3,020,000 / +12 FTE

This funding would allow DO to more proactively engage on key global economic issues that matter to the United States. This would include more forward leaning engagement with the International Financial Institutions, through multilateral fora such as the G20, and bilaterally on critical economic and national security issues, such as spillover effects from Russia's invasion of Ukraine, global economic recovery from the coronavirus pandemic, debt transparency, and climate change. Without adequate staff to support multilateral and bilateral engagements and perform critical macroeconomic analysis, DO will not be able to make further progress on all of the Department's objectives and would need to sacrifice opportunities to advance U.S. national goals or cede leverage. Funding would support workstreams in the areas of health, development, food security, digital assets, macroeconomic modeling, and in support of Ukraine.

Climate Technical Assistance Center +\$5,000,000 / +16 FTE

Funding is requested for the establishment of a Climate-Related Financial Risk Technical Support Center to develop, conduct, and integrate assessments of climate-related financial risk exposure from across the Federal government and to facilitate climate financial risk data sharing. This initiative is intended to improve the Federal Government's ability to understand the potential impact of climate-related financial risks to Federal assets and programs.

DO Cyber Infrastructure, Facilities Infrastructure, and IT Modernization +\$2,428,000 / +0 FTE

As foreign and domestic actors threaten the American economy and national security, Treasury must strengthen its cybersecurity posture, leverage its existing processes and tools, and strengthen bi-lateral and multi-lateral partnerships to protect the financial sector. With Treasury's increasing involvement in combatting cybercrime, DO faces increasing risk against the IT systems that support its authorities. DO is a primary target for nation state sponsored cyber criminals who seek to disrupt our capabilities and destroy our reputation. DO must invest in

cyber protections commensurate with the risks incurred in our efforts to safeguard the financial sector, U.S. economy and in combating cybercrime.

This request also provides funding for a repairs and improvements (R&I) account within DO for noncapital investments within Main Treasury (MT) and Freedman's Bank Building (FBB). While the major repairs to the exterior of the Main Treasury Building are being funded in Department-wide Systems and Capital Investments Program account (DSCIP), ad hoc repairs and maintenance are usually completed in CTAS because 1) emergency repairs cannot be planned for, and 2) many of the repairs are operational in nature and must-do fixes. By not keeping up with maintenance and repair needs, the building systems and infrastructure will typically not have a full life expectancy and the resulting higher replacement costs place an even higher burden on Treasury facilities.

Evidence Act Implementation, and Treasury Data & CX Improvement +\$2,864,000 / +3 FTE

The Administration has set the expectation that agencies improve their collection and use of evidence. At current staffing levels, Treasury has significant challenges in meeting this goal. Treasury has not been funded to hire program evaluators centrally who can conduct cross-cutting and priority program evaluations. Likewise, while appointments have been made for a Treasury Chief Data Officer and Deputy Chief Data Officer who would be responsible for setting organizational strategy and participating in cross-agency data councils, the Office of the Chief Data Officer (OCDO) has no staff to support specific data priorities within the Department.

This request would fund FTEs with program evaluation expertise and non-labor in the Office of Strategic Planning and Performance Improvement (OSPPI) and OCDO to support rigorous program evaluations of priority programs and research questions and support DO-related priority data initiatives.

These additional staff and funding would allow the Department to conduct 1-3 evaluations annually (depending on scope), enable Treasury to coordinate development and sharing of evidence products for high priority evaluations/studies, establish and manage 1-2 additional external partnerships to further increase Treasury's capacity to conduct high priority and rigorous evaluations/studies, build and manage the enterprise data inventory, establish data governance policies and programs, and identify and pursue priority data sharing opportunities. It would also enable staff to lead analytics efforts for high priority projects/programs, including long-range analytic studies aligned to Administration and Learning Agenda priorities.

The CX budget will coordinate an enterprise-based approach to a Voice of Customer program, building off of existing efforts and platforms operated by individual High Impact Service Providers that can further enable the public reporting of customer feedback data for designated services and support customer experience measurement of services across Treasury.

Treasury Attaché Program Expansion +\$3,200,000 / +3 FTE

The 2021 National Defense Authorization Act (NDAA) authorized and required the expansion of the program by no fewer than six positions. This request is for 3 FTEs—or half of the positions needed to meet the requirements of the 2021 NDAA.

Treasury financial attachés are posted at U.S. Embassies in foreign countries important to U.S. domestic and foreign economic and financial policy and the international fight against terrorism, money-laundering, and other illicit finance activities. The attachés complement the Ambassador in outreach to foreign finance ministries, international financial institutions, central banks, and other agencies, and supply the embassy and Treasury with detailed information and focused analysis of foreign economic and financial policies. Their unique perspectives are critical to the policy development and implementation and crisis management work at Main Treasury and in the U.S. interagency.

Legislative Proposals

DOSE has no legislative proposals.

Performance Highlights

Budget Activity	Performance Measure	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
		Actual	Actual	Actual	Target	Target
International Affairs and Economic Policy	OTA - Program Engagement	3.3	3.6	3.5	3.6	3.6
Treasury-wide Management and Programs	Treasury-wide Leaders Lead Index of the Federal Employee Viewpoint Survey (FEVS)	75	74	74	75	77
Treasury-wide Management and Programs	Percent of Procurement Dollars Spent on Small Business	46%	39%	38%	40%	40%

Description of Performance

Office of Technical Assistance (OTA) Program Engagement (Traction): Measures the degree to which foreign counterparts are engaging proactively and constructively with OTA advisors at the working and policy levels. A five-point scale is used to measure traction, with scores ranging from a low of 1, indicating there is little if any counterpart involvement, to a high score of 5, indicating that OTA advisors have regular and frequent meetings with counterparts and counterparts display high levels of involvement. Counterpart engagement is critical to OTA efforts to structure and execute effective technical assistance projects that support host country ownership and drive project outcomes. The result for FY 2022 is 3.5, a slight decrease of 0.1 from the FY 2021 result. The FY 2022 traction score, although marginally lower than the FY 2021 score, reflects continued strong traction with OTA counterparts globally.

Treasury-wide “Leaders Lead” Index of Federal Employee Viewpoint Survey (FEVS): As part of its overall effort to increase Employee Engagement, Treasury had set a multi-year goal to increase the “Leaders Lead” index. This involved statistically analyzing FEVS data to identify opportunities for improvement. Treasury’s score for the Leaders Lead Index decreased from 66 percent in FY 2021 to 64 percent in FY 2022, dropping below OPM’s 65 percent benchmark for an indicator of organizational strength. Treasury’s score in FY 2022 exceeded the average score for very large agencies by five percent. The target is 67 percent for FY 2024, to place the Leaders Lead index back among those of relative strength for the Department.

Percentage of Procurement Dollars Spent on Small Business:

Based on preliminary data in FY 2022, Treasury met and exceeded four out of five small business prime contracting goals. Treasury did not meet its overall small business goal. Treasury did not meet any small business subcontracting goals. All Treasury bureaus were included in the goaling report, with no exclusions. The FY 2022 overall small business goal was set for 39

percent, and Treasury achieved 37.89 percent. The FY 2024 target small business goal is 40 percent. One overarching challenge in FY 2022 to meet the overall small business goal was that had preliminarily planned for a 32% small business. Particularly noteworthy is that Treasury far exceeded the forecasted goal of 32% and achieved over 37%. Also, in FY 2022, Treasury's small disadvantaged business (SDB) goal was raised from 5% to 10% to meet OMB Directive to raise the SDB goal incrementally each year to reach a goal of 15% by FY 2025.

Treasury exceeded the small business contracting goals for the following socioeconomic groups:

- Small Disadvantaged Business – goal 10.0 percent, achieved 10.46 percent;
- Women Owned Small Business – goal 5.0 percent, achieved 7.21 percent; and
- Service-Disabled Veteran Owned Small Business – goal 3.0 percent, achieved 3.5 percent.
- Historically Under-utilized Business Zone (HUBZone) – goal 3.0 percent, achieved 4.09 percent.