

Office of Terrorism and Financial Intelligence

Program Summary by Budget Activity

Dollars in Thousands

Budget Activity	FY 2025 Operating Plan	FY 2026 Enacted	FY 2027 Request	FY 2026 to FY 2027	
				\$ Change	% Change
Terrorism and Financial Intelligence	\$226,862	\$237,662	\$252,852	\$15,190	6%
TFI / Supplemental appropriation through the Further Continuing Appropriations Act, 2025, P.L. 118-83	\$908	\$0	\$0	\$0	0%
Subtotal, Terrorism and Financial Intelligence	\$227,770	\$237,662	\$252,852	\$15,190	6%
Reimbursables	\$18,289	\$16,000	\$16,000	\$0	0%
Transfer from Technology Modernization Fund	\$437	\$0	\$0	\$0	0%
Subtotal Other Resources	\$18,726	\$16,000	\$16,000	\$0	0%
Total Budgetary Resources	\$246,496	\$253,662	\$268,852	\$15,190	6%
Direct FTE	662	659	665	6	1%
Reimbursable FTE	46	50	50	0	0%
Total Full-time Equivalents (FTE)	708	709	715	6	1%

FY 2025 Other Resources and Full-time Equivalents (FTE) reflect actuals.

Summary

The Office of Terrorism and Financial Intelligence (TFI) requests \$252.9 million for fiscal year (FY) 2027. Funding at this request level would enhance TFI's ability to protect the United States and international financial systems from both foreign and domestic abuse. Resources would be utilized to increase transparency in the domestic and international financial systems and to facilitate the detection of illicit financial activity. These actions are essential to reaffirming Treasury's global leadership in combating financial abuse. Resources would also be used to advance the Administration's foreign policy and national security priorities through the application of targeted financial measures. TFI's request prioritizes efforts to modernize the development, implementation, enforcement, and maintenance of U.S. sanctions to ensure that sanctions remain a streamlined and effective foreign policy and national security tool. Resources also will support further development of Treasury's sanctions expertise and expand Treasury's external engagement and outreach on sanctions with key interagency and international partners. Additionally, the FY 2027 request provides resources that are essential to the Department's intelligence information systems, funds the Office of Foreign Assets Control's (OFAC) IT modernization efforts to replace the OASIS system, and supports Treasury Security Operations.

Budget Highlights

Dollars in Thousands

	FTE	Amount
FY 2026 Enacted	659	\$237,662
Changes to Base:		
Maintaining Current Levels (MCLs):	0	\$338
Pay Annualization (2026 1.0% average pay raise)	0	\$338
Subtotal Changes to Base	0	\$338
FY 2027 Current Services	659	\$238,000
Program Changes:		
Program Increases:	6	\$14,852
Intelligence Information Systems	4	\$10,569
OFAC IT modernization: OASIS replacement	0	\$3,719
Sustain Security Operations	2	\$564
Subtotal Program Changes	6	\$14,852
FY 2027 President's Budget Request	665	\$252,852

Budget Adjustments

Maintaining Current Levels (MCLs)+\$338,000 / +0 FTE

Pay Annualization (1.0% in 2026) +\$338,000 / +0 FTE

Funds are requested for annualization of the January 2026 1.0% average pay raise.

Program Increases+\$14,852,000 / +6 FTE

Intelligence Information Systems +\$10,569,000 / +4 FTE

This request is for the final planned investment needed to sustain critical operational improvements and cyber defense capabilities to the Department's intelligence information systems (IIS). Lack of funding will limit TFI's ability to invest in essential infrastructure and capabilities required to ensure the operational readiness and security of Treasury's IIS, making the Department vulnerable to cyberattacks and unauthorized disclosures, while impeding Treasury's ability to execute its national security mission.

OFAC IT modernization: OASIS replacement. +\$3,719,000 / +0 FTE.

Economic sanctions are one of the United States' most powerful foreign policy tools—and OFAC is responsible for executing them with speed, precision, and accountability. Yet the technology powering this mission is approaching end-of-life. As the annual rate of new sanctions has increased more than 1,000% since 9/11, OFAC's legacy case management system (OASIS) can no longer keep pace with national security demands or the expectations of a digital-first public.

Today, the majority of OFAC's IT budget is consumed by legacy maintenance and fixed enterprise services, leaving limited capacity for innovation. To meet growing mission demands and to reduce the maintenance costs of its IT systems and increase interoperability with other capabilities, OFAC seeks \$3.719 million in new annual funding. In April 2025 OFAC began development of a strategic IT modernization effort to replace OASIS with STARS, a low-code

sanctions management platform engineered for interoperability, automation, and rapid response. This investment will retire technical debt and enable OFAC to improve public-facing services, increase the productivity of OFAC's employees, and enhance collaboration across the U.S. government and financial sector.

Funds will accelerate the full build-out of STARS along a 3-year roadmap, support the transition off legacy systems, and enable essential capabilities including classified and unclassified case management, data analytics integration, and AI-enabled workflows.

Modernization directly enhances mission delivery. STARS will reduce processing times through automation, improve the accuracy and speed of sanctions targeting, streamline licensing and enforcement workflows, and provide real-time metrics that strengthen decision-making and Congressional reporting. For the public, banks, and global stakeholders, modernization means faster responses, more reliable systems, and transparent electronic interactions.

Failing to invest now risks slowing U.S. foreign policy execution, degrading interoperability with interagency partners, and weakening public trust. Legacy systems require specialized support, limit innovation, and create requirement backlogs. This technology upgrade will create efficiencies in mission delivery while increasing OFAC's ability to attract, develop and retain top talent. Without this investment, funds will need to be diverted from other critical priorities across the office.

Sustain Security Operations, +\$564,000 / +2 FTE

TFI's Office of Intelligence Analysis (OIA), Office of Security Programs (OSP) is responsible for critical Department-wide security functions to include security intake/onboarding for Departmental Offices employees; adjudicative suitability for employment of Department hires; and assists bureaus in implementing national and Department personnel security policies. This request is for two security specialists to support timely personnel security processing. Without the additional resources, personnel security processing timelines will lengthen, increasing the risk of onboarding delays and mission disruptions.

E – Legislative Proposals

The Office of Terrorism and Financial Intelligence has no legislative proposals.

Performance Highlights

Budget Activity	Performance Measure	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Target	FY 2027 Target
Terrorism and Finance Intelligence	Regulatory documents published in the Federal Register within four months of publication of an Executive order or Congressional mandate during the fiscal year (%)	0	75	75	75	75
Terrorism and Finance Intelligence	Designations and identifications released on time to the public without errors (%)	100	98	99	90	90
Terrorism and Finance Intelligence	Respond to de-confliction requests received from law enforcement (%)	98	93	99	93	93

Description of Performance

TFI continued to advance Treasury’s national security mission by deploying its policy, enforcement, intelligence, and regulatory tools and authorities against foreign and domestic adversaries. It has done this through strategic use of targeted financial measures, including financial sanctions to counter threats, while also strengthening the integrity of the financial system. TFI took several key actions in 2025, coordinated with our law enforcement partners, to stop threats like narcotics trafficking from crossing our borders. In addition, TFI has had a key role in addressing cyber threats, helping to ensure resilience of critical financial infrastructure while also ensuring that Treasury’s financial tools remain effective and adaptable to increasingly complex global risks.

Building on this performance, TFI’s FY 2027 request supports sustained pressure on U.S. adversaries, enhanced financial system integrity, and continued investment in the capabilities required to address emerging risks.