

Department of the Treasury
Office of Inspector General

Congressional Budget
Justification

FY 2026

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Section I – Budget Request

A – Mission Statement

To promote the integrity, efficiency, and effectiveness in programs and operations within the Department of the Treasury and OIG’s jurisdictional boundaries.

B – Summary of the Request

The FY 2026 request for \$47,160,000 for the OIG will be used to support ongoing audit, investigative, and mission support activities and pandemic relief programs. The request maintains current services (including data analytics and information technology support staff) and supports Coronavirus State and Local Recovery Funds (SLFRF) oversight.

The request also funds activities to meet the requirements of the Inspector General Act of 1978, as amended, and other statutes including, but not limited to: the Cybersecurity Act of 2015; Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank); Federal Information Security Modernization Act of 2014 (FISMA); Federal Information Technology Acquisition Reform Act; Government Management Reform Act; Payment Integrity Information Act of 2019 (PIIA); Government Charge Card Abuse Prevention Act of 2012; Federal Deposit Insurance Act; Small Business Jobs Act of 2010; Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States Act of 2012 (RESTORE); the Coronavirus Aid, Relief, and Economic Security Act (CARES Act); the Consolidated Appropriations Act, 2021; and the American Rescue Plan Act (ARP). Specific mandates include: (1) audits of the Department’s financial statements (2) audits or evaluations of the Department’s information systems security program and practices as required by FISMA, (3) assessments of the Department’s cyber security information sharing, (4) audits of improper payments and recoveries under PIIA, (5) risk assessments and audits of charge card programs, (6) audits of air carrier pandemic payroll support programs; and (7) material loss reviews of failed insured depository institutions regulated by the Office of the Comptroller of the Currency.

The OIG will also conduct audits of the Department’s highest risk programs and operations, and respond to stakeholder requests for specific work, including: (1) new initiatives such as crypto and digital assets; (2) cyber threats; (3) Bank Secrecy Act, anti-money laundering, and anti-terrorist financing enforcement; (4) certain Treasury Pandemic Relief programs and (5) information technology acquisition and project management.

Within its jurisdictional boundaries, the OIG also conducts audits of the highest risk programs and operations of the Gulf Coast Ecosystem Restoration Council (Council) established under RESTORE. The highest risk programs and operations identified as the Council’s management and performance challenges include: (1) Federal statutory and regulatory compliance, (2) grant and interagency agreement compliance monitoring, and (3) recruiting and retaining a highly skilled workforce.

The OIG will continue its investigative work to prevent, detect, and investigate complaints of fraud, waste, and abuse impacting Treasury programs and operations. This includes the detection and prevention or deterrence of employee misconduct and fraud.

Office of Inspector General's FY 2026 Budget Request

In accordance with the requirements of Section 6(f)(1) of the Inspector General Act of 1978, as amended, the Treasury Inspector General submits the following information relating to the OIG's requested budget for FY 2026:

- The aggregate budget request for the operations of the OIG is \$47,160,000 in direct appropriations.
- The portion of this amount needed for OIG training is \$670,000; and
- The portion of this amount estimated in support the Council of the Inspectors General on Integrity and Efficiency (CIGIE) is \$213,640.

The amount requested for training satisfies all OIG training needs for FY 2026.

Table 1.1 – Appropriations Detail

Dollars in Thousands

| Appropriated Resources | | FY 2024 Operating Plan | | FY 2025 Operating Plan | | FY 2026 Request | | FY 2025 to FY 2026 % Change | |
|--|------------|---------------------------|------------|---------------------------|------------|--------------------|---------------|--------------------------------|--|
| New Appropriated Resources | FTE | AMOUNT | FTE | AMOUNT | FTE | AMOUNT | FTE | AMOUNT | |
| Audit | 190 | \$35,853 | 154 | \$35,405 | 144 | \$34,455 | -6.5% | -2.5% | |
| Investigations | 42 | \$14,025 | 49 | \$12,984 | 39 | \$12,705 | -20.4% | -2.5% | |
| Subtotal New Appropriated Resources | 232 | \$47,878 | 203 | \$48,389 | 183 | \$47,160 | -9.9% | -2.5% | |
| Other Resources | | | | | | | | | |
| Reimbursables - Annual | 3 | \$8,000 | 13 | \$12,000 | 13 | \$12,000 | 0.0% | 0.0% | |
| Resources from Other Accounts | 44 | \$10,122 | 21 | \$9,000 | 0 | \$0 | -100.0% | -100.0% | |
| Subtotal Other Resources | 47 | \$18,122 | 34 | \$21,000 | 13 | \$12,000 | -61.8% | -42.9% | |
| Total Budgetary Resources | 279 | \$66,000 | 237 | \$69,389 | 196 | \$59,160 | -17.3% | -12.2% | |

Appropriated resources were provided by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Consolidated Appropriations Act of 2021, and the American Rescue Plan Act of 2021.

1. \$6.5 million for oversight, monitoring, and recoupment of the Emergency Rental Assistance program.
2. \$3 million for oversight of the Emergency Rental Assistance program.
3. \$2.6 million for oversight of the Homeowner Assistance Fund.
4. \$35 million for oversight of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) (Funding received in FY 2020)
5. Offsetting Collections includes \$1 million for SBCI Reimbursable Authority (Supporting the Small Business Jobs Act of 2010).

Table 1.2 – Budget Adjustments

Dollars in Thousands

| | FTE | Amount |
|--|------------|-----------------|
| FY 2025 Enacted | 203 | \$48,389 |
| Changes to Base: | | |
| Maintaining Current Levels (MCLs): | 0 | \$172 |
| Pay Annualization (FY 2025 2.0% average pay raise) | 0 | \$172 |
| Other Adjustments: | (20) | (\$1,401) |
| Technical FTE Adjustment | (9) | \$0 |
| Workforce Reshaping | (11) | (\$1,401) |
| Subtotal Changes to Base | (20) | (\$1,229) |
| FY 2026 Current Services | 183 | \$47,160 |
| FY 2026 President's Budget Request | 183 | \$47,160 |

C – Budget Increases and Decreases Description

Maintaining Current Levels (MCLs)+\$172,000,000 / +0 FTE

Pay Annualization (2.0% in 2025) +\$172,000 / +0 FTE

Funds are requested for annualization of the January 2025 2.0% average pay raise.

Other Adjustments-\$1,401,000 / -20 FTE

Technical FTE Adjustment -\$0 / -9 FTE

Adjustment to ensure the staffing level will be fully funded in the base budget.

Workforce Reshaping -\$1,401,000 / -11 FTE

To align with the Administration’s initiative to improve Government efficiency and effectiveness, the Department of the Treasury and the OIG are implementing a staffing streamlining effort with a focus on maximum efficiency.

Table 1.3 – Object Classification (Schedule O) Obligations

Dollars in Thousands

| Object Classification | FY 2024 Actual Obligations | FY 2025 Estimated Obligations | FY 2026 Estimated Obligations |
|---|----------------------------------|-------------------------------------|-------------------------------------|
| 11.1 - Full-time permanent | 25,745 | 23,920 | 24,000 |
| 11.3 - Other than full-time permanent | 10 | 10 | 0 |
| 11.5 - Other personnel compensation | 1,750 | 1,764 | 2,000 |
| 11.9 - Personnel Compensation (Total) | 27,505 | 25,694 | 26,000 |
| 12.0 - Personnel benefits | 9,770 | 8,751 | 9,000 |
| 13.0 - Benefits for former personnel | 15 | 15 | 0 |
| Total Personnel and Compensation Benefits | \$37,290 | \$34,460 | \$35,000 |
| 21.0 - Travel and transportation of persons | 598 | 1,026 | 1,000 |
| 22.0 - Transportation of things | 2,306 | 2,490 | 2,203 |
| 23.3 - Communications, utilities, and miscellaneous charges | 761 | 1,026 | 1,000 |
| 24.0 - Printing and reproduction | 10 | 11 | 0 |
| 25.2 - Other services from non-Federal sources | 2,240 | 3,175 | 2,600 |
| 25.3 - Other goods and services from Federal sources | 4,427 | 5,329 | 4,600 |
| 25.6 - Medical care | 77 | 83 | 77 |
| 25.7 - Operation and maintenance of equipment | 60 | 65 | 60 |
| 26.0 - Supplies and materials | 300 | 324 | 300 |
| 31.0 - Equipment | 320 | 400 | 320 |
| Total Non-Personnel | \$11,099 | \$13,929 | \$12,160 |
| Total Obligations | \$48,389 | \$48,389 | \$47,160 |
| Full-time Equivalents (FTE) | 232 | 203 | 183 |

Note: Resources from Other Accounts include Pandemic Funds and FY 2023 Full-time Equivalents reflect actuals.

Appropriated resources were provided by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Consolidated Appropriations Act of 2021, and the American Rescue Plan Act of 2021.

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4. \$35 million for oversight of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) (Funding received in FY 2020)

5. Offsetting Collections includes \$1 million for SSBCI Reimbursable Authority (Supporting the Small Business Jobs Act of 2010).

D – Appropriations Language and Explanation of Changes

| Appropriations Language | Explanation of Changes |
|--|-------------------------------|
| <p>DEPARTMENT OF THE TREASURY OFFICE OF INSPECTOR GENERAL <i>Federal Funds</i></p> <p>SALARIES AND EXPENSES <i>For necessary expenses of the Office of Inspector General in carrying out the provisions of chapter 4 of title 5, United States Code, \$47,160,000, 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, 2027, 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.</i></p> <p>Note.—This account is operating under the Full-Year Continuing Appropriations and Extensions Act, 2025 (Division A of Public Law 119–4).</p> | |

E – Legislative Proposals

OIG has no legislative proposals.

Section II – Additional Information

A – Summary of Capital Investments

The OIG has no capital investments. Capital investments that support the OIG are included in the Departmental Offices plan.

A summary of capital investment resources, including major information technology and non-technology investments can be found at: <https://www.treasury.gov/about/budget-performance/Pages/summary-of-capital-investments.aspx>.