

## Office of Financial Research

### *Program Summary by Budget Activity*

Dollars in Thousands

Budget Activity	FY 2024 Actual	FY 2025 Revised Estimate	FY 2026 Estimate	FY 2025 to FY 2026 \$ Change	FY 2025 to FY 2026 % Change
Data Center	\$24,051	\$22,296	\$18,752	-\$3,544	-15.9%
Technology Center	\$50,863	\$39,830	\$30,051	-\$9,779	-24.6%
Research and Analysis Center	\$17,471	\$20,895	\$13,239	-\$7,656	-36.6%
Leadership, Operations, and Support Services	\$26,678	\$27,651	\$23,462	-\$4,189	-15.2%
<b>Total Program Operating Level</b>	<b>\$119,063</b>	<b>\$110,672</b>	<b>\$85,504</b>	<b>-\$25,168</b>	<b>-22.7%</b>
<b>Total Full-time Equivalents (FTE)</b>	<b>162</b>	<b>196</b>	<b>72</b>	<b>-124</b>	<b>-63.3%</b>

FY 2024 Full-time Equivalents (FTE) reflect actuals.

### *Summary*

The Office of Financial Research (OFR or Office) is estimating a fiscal year (FY) 2026 funding level of \$85.504 million, which is \$25.168 million below its FY 2025 revised operating level. To align with the Administration's initiative to improve government efficiency and effectiveness, Treasury/OFR is implementing a staffing streamlining effort with a focus on maximum efficiency. The Office's FY 2026 priorities are:

- collecting, standardizing, and protecting data on behalf of the Council
- performing applied research and analysis, and
- providing risk measurement and monitoring tools

In FY 2024, the Office advanced insights into financial stability through long-term research and short-term analysis; risk measurement and monitoring tools; provision and collection of data; and engagements related to financial data standards. The Office disseminated research and analysis through publications, reports, speaking engagements, and hosting conferences. Monitoring tool enhancements included the release of our new Hedge Fund Monitor (HFM) and updates to the Short-Term Funding Monitor (STFM), Bank Systemic Risk Monitor (BSRM), and Money Market Fund Monitor (MMFM). The Joint Analysis Data Environment (JADE) onboarded more users across Council member agencies and made additional datasets available in support of Council-approved research projects.

In FY 2024, the Office published the Final Rule on Non-centrally Cleared Bilateral Repurchase (NCCBR) agreement transactions, which will provide more insight into this corner of the financial market, provide high-quality data on NCCBR transactions, and remove a significant blind spot for financial regulators. The Office engaged in many financial data standards working groups, including the Regulatory Oversight Committee (ROC), International Organization for Standardization (ISO), Accredited Standards Committee X9 Inc. (X9), and Financial Data Transparency Act (FDTA) interagency implementation working group. Technological enhancements were made to the cloud environment and cybersecurity capabilities, which, alongside an independent assessment of our cybersecurity and Zero Trust maturity, enabled the Office to meet an increased demand for advanced analytic systems that support complex data analysis and visualizations.

## Budget Highlights

Dollars in Thousands

	FTE	Amount
<b>FY 2025 Estimate</b>	<b>231</b>	<b>\$124,627</b>
<b>Program Changes:</b>		
<b>Program Decreases</b>	(35)	(\$13,955)
Data Center	(4)	(\$981)
Technology Center	(10)	(\$2,473)
Research and Analysis Center	(11)	(\$2,700)
Leadership, Operations, and Support Services	(10)	(\$2,430)
Non-Pay	0	(\$5,371)
<b>FY 2025 Revised Estimate</b>	<b>196</b>	<b>\$110,672</b>
<b>Changes to Base:</b>		
Maintaining Current Levels (MCLs):	0	\$210
Pay Annualization	0	\$210
Efficiency Savings	0	(\$210)
Absorption of MCLs	0	(\$210)
Program Decreases	(50)	(\$5,095)
Data Center	(8)	(\$1,310)
Technology Center	(20)	(\$2,625)
Research and Analysis Center	(7)	(\$84)
Leadership, Operations, and Support Services	(15)	(\$1,076)
Subtotal Changes to Base	(50)	(\$5,095)
<b>FY 2026 Current Services</b>	<b>146</b>	<b>\$105,577</b>
<b>Program Changes:</b>		
<b>Program Decreases</b>	(74)	(\$20,073)
Data Center	(11)	(\$1,513)
Technology Center	(31)	(\$3,031)
Research and Analysis Center	(10)	(\$96)
Leadership, Operations, and Support Services	(22)	(\$1,243)
Non-Pay	0	(\$14,190)
Subtotal Program Changes	(74)	(\$20,073)
<b>FY 2026 Estimate</b>	<b>72</b>	<b>\$85,504</b>

Note: OFR will implement a restructuring plan to achieve a final end-state staffing level of 70 OFR employees with legal support services provided by 2 Departmental Offices staff from the Office of General Counsel. Due to the timing of the restructuring plan's implementation, actual regular straight-time hours worked in FY 2026 may include up to an additional 33,930 hours of employee worktime, potentially resulting an additional 16 FTEs in FY 2026.

## Budget Adjustments

**FY 2025 Program Decreases..... -\$13,955,000 / -35 FTE**

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

Staffing Decreases -\$8,584,000 / -35 FTE

- Data Center, -\$981,000 / -4 FTE
- Technology Center, -\$2,473,000 / -10 FTE
- Research and Analysis Center, -\$2,700,000 / -11 FTE
- Leadership, Operations, and Support Services, -\$2,430,000 / -10 FTE

Non-Pay Decreases -\$5,371,000 / -0 FTE

The Office is reducing data procurements, partnerships, contractors, and proportionate technology to fulfill the minimum statutory requirements of the Office.

**FY 2026 Maintaining Current Levels (MCLs) .....+\$210,000 / +0 FTE**

Pay Annualization (2.0% in 2025) +\$210,000 / +0 FTE

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

**Efficiency Savings ..... -\$210,000 / -0 FTE**

Absorption of MCLs -\$210,000 / -0 FTE

Program will absorb costs for the annualization of the January 2025 average pay raise.

**FY 2026 Program Decreases ..... -\$25,168,000 / -124 FTE**

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

Staffing Decreases -\$10,978,000 / -124 FTE:

- Data Center, -\$2,823,000 / -19 FTE
- Technology Center, -\$5,656,000 / -51 FTE
- Research and Analysis Center, -\$180,000 / -17 FTE
- Leadership, Operations, and Support Services, -\$2,319,000 / -37 FTE

Non-Pay Decreases -\$14,190,000 / -0 FTE

- The Office is reducing data procurements, partnerships, contractors, and proportionate technology to fulfill the minimum statutory requirements of the Office. This budget decommissions the Joint Analysis Data Environment.

**Legislative Proposals**

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The Office has no legislative proposals.