

Financial Crimes Enforcement Network

FY 2014

President's Budget

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Section 1 – Purpose

1A – Mission Statement

The mission of FinCEN is to safeguard the financial system from illicit use and combat money laundering and promote national security through the collection, analysis, and dissemination of financial intelligence and strategic use of financial authorities.

1.1 – Appropriations Detail Table

Dollars in Thousands

Financial Crimes Enforcement Network Resources	FY 2012		FY 2013		FY 2014		Change		% Change	
	Enacted		Annualized		Request		FY 2012 to FY 2014		FY 2012 to FY 2014	
	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
New Appropriated Resources:										
BSA Administration and Analysis	327	110,788	345	111,466	340	103,909	13	(6,879)	3.98%	(6.21%)
Subtotal New Appropriated Resources	327	\$110,788	345	\$111,466	340	\$103,909	13	(\$6,879)	3.98%	(6.21%)
Other Resources:										
Reimbursables	1	3,000	1	3,000	1	3,000	0	0	0.00%	0.00%
Recovery from Prior Years	0	500	0	500	0	500	0	0	0.00%	0.00%
Unobligated Balances from Prior Years	0	31,000	0	31,000	0	31,000	0	0	0.00%	0.00%
Subtotal Other Resources	1	\$34,500	1	\$34,500	1	\$34,500	0	\$0	0.00%	0.00%
Total Budgetary Resources	328	\$145,288	346	\$145,966	341	\$138,409	13	(\$6,879)	3.96%	(4.73%)

1B – Vision, Priorities and Context

The Financial Crimes Enforcement Network (FinCEN) is a bureau in the U.S. Department of Treasury. FinCEN directly supports the Department’s strategic goal to “protect our national security through targeted financial actions.” The Director of FinCEN reports to the Under Secretary for the Office of Terrorism and Financial Intelligence (TFI). FinCEN carries out its mission by exercising regulatory functions under the Bank Secrecy Act (BSA); targeting examination and enforcement efforts in high risk areas; receiving and maintaining financial transaction data; analyzing and disseminating that data for law enforcement purposes; and building global cooperation with counterpart organizations in other countries and with international bodies. FinCEN serves as the financial intelligence unit (FIU) of the United States, responsible for receiving, analyzing, and disseminating disclosures of financial information in order to combat money laundering and terrorism financing.

FinCEN is uniquely positioned at the intersection of financial industry, regulators, law enforcement agencies, and global partners. FinCEN is able to network these different perspectives to bring comprehensive expertise to safeguard the financial system from illicit use and combat money laundering and promote national security. This unique position allows FinCEN to develop and support multiple partnerships that have a broad national and international impact.

FinCEN’s accomplishments towards its FY 2012 priorities include:

- Enhanced proactive compliance efforts through collaboration with the Internal Revenue Service (IRS) and State regulatory agencies to increase concurrent compliance examinations, identification of State regulatory agencies on which FinCEN may be able to rely for certain non-bank financial institution examinations (focusing on money services businesses), and development of initial business rules that will leverage modernized analytical tools to identify areas of compliance risk;
- Transitioned towards a paperless reporting environment in support of Treasury's paperless initiative, through mandatory electronic filing of most FinCEN reports, release of new electronic versions of the Suspicious Activity Report, Currency Transaction Report, Registration of Money Services Business, and Designation of Exempted Persons; and consolidated the remaining processing functions from IRS to FinCEN operations and oversight;
- Included the networking business requirements in the IT Modernization program to automate some of the notifications for the networking program. The enhancement of the networking processes should expedite networking notifications to agencies, as well as increase the number of agencies networked. The rules for networking will be implemented, tested and modified to insure optimal performance;
- Designed and developed business rules for new proactive alerts to identify when new FinCEN data filings meet established rule based criteria. This capability will be part of IT Modernization and should result in increased awareness of relevant filings, and expedited detection of illicit activity documented through filings;
- Disseminated proactive intelligence reports based on FinCEN reporting to a number of foreign FIUs on possible instances of public corruption. Several jurisdictions indicated that the reports provided information that would be investigated further. FinCEN is expanding its program of proactive disclosures to FIUs in FY 2012 to include terrorism and terrorist financing;
- Completed the conversion of 11 years of FinCEN data and the transition of collection, processing, and storage from the legacy IRS system to the new FinCEN system of record; and
- Deploying FinCEN's new Portal and Query search tool to all external stakeholders and transitioning FinCEN's advanced analytical tool from the legacy technical platform to the new, modernized technical platform.

FY 2013 and FY 2014 Priorities

FinCEN's priorities are to:

- Support the Presidential goal of encouraging economic growth by applying regulatory authorities to promote financial systems that are more transparent and resistant to financial crime;
- Advance enforcement efforts and targeted financial actions by better identifying targets and risks to identify illicit finance;
- Enhance regulatory compliance and enforcement through increased partnership with State regulatory agencies, strengthened relationships with law enforcement, and utilization of modernized technology to improve compliance risk targeting;
- Support criminal investigations and prosecutions through financial expertise and advanced

- analytical tools across large data sets;
- Engage with priority countries and international bodies to maintain global information exchange of financial intelligence in support of financial crime investigations; and
- Efficiently manage the collection, processing, and retrieval of FinCEN data under the IT Modernization program.

In order to achieve its priorities and continue to advance its strategic goals, FinCEN will improve its ability to safeguard the financial system from illicit use and combat money laundering and promote national security through the collection, analysis, and dissemination of financial intelligence and strategic use of financial authorities.

To meet these priorities, FinCEN will:

- Continue to enhance proactive compliance and enforcement through stronger coordination
- between federal and state regulatory agencies on examinations, and increased interaction with law enforcement to target potential noncompliant institutions;
- Continue to advance regulatory initiatives designed to further protect the U.S. financial
- system from abuse while balancing their impact on the financial industry. This would
- include carefully considering public comment on and weighing changes to proposed rules as appropriate;
- Continue law enforcement and private sector collaboration in the Southwest Border and in
- other high threat areas for the purpose of developing and sharing real-time or actionable
- intelligence on related money laundering patterns, trends, and methods;
- Support law enforcement efforts to combat illicit activities through the fusion of investigative data with the FinCEN data to provide complex analytical products that advance investigations and prosecutions;
- Implement the new IT capacity to create alerts on relevant BSA and other data from
- regulated financial institutions for internal and external stakeholders;
- Continue joint analytical projects with foreign FIUs, particularly in the areas of proactive and strategic analysis. Just as FinCEN receives financial intelligence from BSA reports, each FIU also receives similar reporting in their own country on financial activity. By working together, FinCEN and foreign FIUs can find connections in data streams relating to suspicious activity that otherwise would not be found;
- Target examination efforts in high-risk areas based on an intelligence-driven approach;
- Investigate and exercise the full range of FinCEN authorities to disrupt the illicit use of the financial system by priority targets; and
- Use effective and proportionate measures to enforce compliance with the BSA.

Section 2 – Budget Adjustments and Appropriation Language

2.1 – Budget Adjustments Table

Dollars in Thousands

Financial Crimes Enforcement Network	FTE	Amount
FY 2012 Enacted	327	\$110,788
FY 2013 Annualized CR Rate	345	\$111,466
Changes to Base:		
Adjustment to Request	(5)	(\$6,124)
Non-Recur CR Increase	-	(\$678)
Administrative staffing savings proposed in FY 2013	-	(\$1,501)
Program Staff Attrition	(5)	(\$1,010)
Reduction to IT MOD Investment	-	(\$1,800)
Reduction to Contractual Analytical Support	-	(\$1,135)
Maintaining Current Levels (MCLs):	-	\$1,306
Pay-Raise	-	\$407
Non-Pay	-	\$899
Efficiency Savings:	-	(\$2,739)
Contract Efficiencies	-	(\$534)
Administrative Efficiencies	-	(\$1,280)
Eliminate Information Technology Legacy Systems	-	(\$925)
Subtotal Changes to Base	(5)	(\$7,557)
Total FY 2014 Base	340	\$103,909
Program Changes:		
Program Increases:	-	-
Total FY 2014 Request	340	\$103,909

2A – Budget Increases and Decreases Description

Adjustment to Request **-\$6,124,000 / -5 FTE**

Non-Recur CR Increase -\$678,000 / +0 FTE

The across-the-board 0.612 percent increase provided in the CR through March 27, 2013 is non-recurred.

Administrative staffing savings proposed in FY 2013 -\$1,501,000 / +0 FTE

These staffing efficiencies were previously proposed in the FY 2013 President’s Budget and were achieved through absorption of workload associated with eight positions lost through attrition and using a cross service provider, where cost effective.

Program Staff Attrition -\$1,010,000 / -5 FTE

This reduction will be taken across several FinCEN program areas. FinCEN will evaluate open positions for possible absorption of workload associated with positions lost through attrition.

Reduction to IT MOD Investment -\$1,800,000 / +0 FTE

This reduction eliminates funding used in FY 2013 for BSA IT Modernization to expand the number of recurring rule-based ‘alert’ notifications. The BSA IT Modernization “Alerts” functionality provides the capability to proactively identify potential illicit activity for investigation. As new BSA filings are received, data is evaluated through statistical and rule-based models, allowing the system to automatically identify patterns and send alerts to analysts.

Reduction to Contractual Analytical Support -\$1,135,000 / +0 FTE

Taking into account the decrease in IT Modernization investment, this reduction eliminates funding used in FY 2013 to enhance FinCEN's advanced analytical capabilities in conjunction with IT Modernization. Specifically, this decrease eliminates contract resources (computer specialists, econometrists, and statisticians) that assisted FinCEN analysts in developing new rule-based models to identify illicit activity.

Maintaining Current Levels (MCLs)+\$1,306,000 / +0 FTE

Pay-Raise +\$407,000 / +0 FTE

The President's Budget proposes a 1 percent pay-raise for federal employees in 2014.

Non-Pay +\$899,000 / +0 FTE

Funds are requested for inflation adjustments in non-labor expenses such as GSA rent adjustments, postage, supplies and equipment, and health benefits.

Efficiency Savings-\$2,739,000 / +0 FTE

Contract Efficiencies -\$534,000 / +0 FTE

Savings are expected to result from continued re-evaluation of purchase orders for strategic sourcing opportunities and through continued efforts to negotiate more advantageous contract terms.

Administrative Efficiencies -\$1,280,000 / +0 FTE

FinCEN proposes additional reductions in FY 2014 in line with Executive Order 13589, "Promoting Efficient Spending." Specifically, FinCEN will achieve savings through a change in distribution methodology for various brochures and reports, and greater reliance on FinCEN's public website for the distribution. FinCEN will also reduce the level of support on existing management support services contracts as BSA IT Modernization moves into the sustainment phase.

Eliminate Information Technology Legacy Systems -\$925,000 / +0 FTE

This reduction eliminates funding of legacy systems replaced by BSA IT Modernization to include Secure Outreach system and Visual Links analytic tool. In 2013, FinCEN rolled out new capabilities for the BSA basic query system and new advanced analytics capabilities, allowing the elimination of this funding.

2.2 – Operating Levels Table

Dollars in Thousands

Financial Crimes Enforcement Network	FY 2012	FY 2013	FY 2014
Object Classification	Actual	Annualized CR Rate	President's Budget
11.1 - Full-time permanent	33,757	40,045	39,640
11.3 - Other than full-time permanent	292	408	408
11.5 - Other personnel compensation	570	205	205
11.9 - Personnel Compensation (Total)	34,619	40,658	40,253
12.0 - Personnel benefits	9,721	11,466	11,357
Total Personnel and Compensation Benefits	\$44,340	\$52,124	\$51,610
21.0 - Travel and transportation of persons	723	845	832
23.1 - Rental payments to GSA	5,084	4,951	5,015
23.2 - Rental payments to others	38	900	901
23.3 - Communication, utilities, and misc charges	1,284	1,595	1,587
24.0 - Printing and reproduction	184	252	258
25.1 - Advisory and assistance services	2,415	1,875	1,097
25.2 - Other services	8,338	13,641	9,018
25.3 - Other purchases of goods & serv frm Govt accounts	12,072	7,565	7,577
25.4 - Operation and maintenance of facilities	0	740	740
25.6 - Medical care	160	160	162
25.7 - Operation and maintenance of equip	12,019	18,567	18,418
26.0 - Supplies and materials	391	305	306
31.0 - Equipment	23,157	7,946	6,388
Total Non-Personnel	65,844	59,342	52,299
Total Budgetary Resources	\$110,205	\$111,466	\$103,909
Budget Activities:			
BSA Administration and Analysis	149,766	145,966	138,409
Total Budgetary Resources	\$149,766	\$145,966	\$138,409
FTE	301	346	341

- 1) This table includes all available resources, including annual and available multi-year appropriations, reimbursable resources, offsetting collections and user fees as shown in Table 1.1.
- 2) FY 2012 rent actuals were considerably lower than anticipated due to lower actuals for consumer price index and tax escalations. Rent estimates for FY 2013 have not been increased from the FY 2013 President's Budget submission, but rather the FY 2012 actuals were lower than anticipated

2B – Appropriations Language and Explanation of Changes

Appropriations Language	Explanation of Changes
<p style="text-align: center;">DEPARTMENT OF THE TREASURY FINANCIAL CRIMES ENFORCEMENT NETWORK</p> <p style="text-align: center;">Federal Funds</p> <p style="text-align: center;">SALARIES AND EXPENSES:</p> <p><i>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; not to exceed \$14,000 for official reception and representation expenses; and for assistance to Federal law enforcement agencies, with or without reimbursement, \$103,909,000, of which not to exceed \$34,335,000 shall remain available until September 30, 2016: Provided, That funds appropriated in this account may be used to procure personal services contracts.</i></p>	

2C – Legislative Proposals

FinCEN is proposing three technical amendments to Titles 31 and 12 that would make improvements in two important areas. The first and second amendments provide authority to rely on examinations conducted by state supervisory agencies for nonbank financial institutions lacking a federal regulator, which would capture most nonbank financial institutions currently subject to Internal Revenue Service (IRS) examination as delegated through a memorandum of understanding (MOU). The third amendment increases information sharing between FinCEN and counterpart anti-money laundering/counter-terrorist financing regulators. Specifically, this amendment provides consistency between how FinCEN shares information in its capacity as a regulator and information sharing that currently exists between federal financial regulators and their foreign counterparts. The specific changes to the amendment language are outlined below.

Sec. 119. Section 5318(a)(1) of title 31, United States Code (relating to compliance, exemptions, and summons authority), is amended by - (1) Inserting after "appropriate" the following: "federal or (in the case of financial institutions without a federal supervisor) state"; and (2) Inserting after "Service;" the following: "In lieu of delegating such authority to a state supervisory agency, the Secretary is also authorized to rely on examinations conducted by a state supervisory agency of a category of financial institution. The Secretary may only rely on such state examinations if the Secretary determines that under the laws of the state, the category of financial institution is required to comply with this subchapter and regulations prescribed under this subchapter, or the state supervisory agency is authorized to ensure that the category of financial institution complies with this subchapter and regulations prescribed under this

subchapter."

Sec. 120. Public Law 91-508, as amended (12 U.S.C. 1958 et seq.) is amended in section 128, by (1) Striking "sections 1730d (1) and" and inserting in lieu thereof "section"; (2) Striking "bank supervisory agency, or other"; (3) Inserting after "appropriate" the following: "federal or (in the case of financial institutions without a federal supervisor) state"; and (4) Inserting after "agency." the following: "In lieu of delegating such responsibility to a state supervisory agency, the Secretary is also authorized to rely on examinations conducted by a state supervisory agency of a category of financial institution. The Secretary may only rely on such state examinations if the Secretary determines that under the laws of the state, the category of financial institution is required to comply with this chapter and section 1829b (and regulations prescribed under this chapter and section 1829b), or the state supervisory agency is authorized to ensure that the category of financial institution complies with this chapter and section 1829b (and regulations prescribed under this chapter and section 1829b)."

Sec. 121. Section 310(b)(2)(E) of title 31, United States Code (relating to the Financial Crimes Enforcement Network), is amended by inserting after "Federal" the first time that it appears, the following: "and foreign".

Section 3 – Budget and Performance Plan

3A – BSA Administration and Analysis

(\$103,909,000 from direct appropriations, and \$3,000,000 from reimbursable resources):

The programs funded by this budget activity support the Treasury strategic goal to protect our national security through targeted financial actions. This activity comprises FinCEN's efforts to administer the BSA, including promulgating regulations; providing outreach and issuing guidance to the regulated industries; providing oversight of BSA compliance; and managing the information reported by the regulated industries, as well as BSA compliance of non-bank financial institutions.

Enforcement programs employ an intelligence-driven approach to target examination efforts in high-risk areas; proactively investigate and exercise the full range of FinCEN authorities to disrupt the illicit use of the financial system by priority targets; and use effective and proportionate measures to enforce compliance with the BSA. These measures may include compliance letters, civil money penalties, injunctive actions, and special measures.

Analytical programs include support to U.S. law enforcement and international FIUs in combating financial fraud and crime by facilitating the exchange of investigative information; identifying foreign and domestic financial fraud, money laundering, and terrorist financing trends, patterns, and techniques; and liaison with and support of intelligence initiatives within the intelligence community and within Treasury. This activity also incorporates efforts to support large-scale, complex law enforcement investigations involving financial fraud, terrorist financing, money laundering, and other financial crimes.

Global programs include support to international initiatives to educate other jurisdictions about the BSA regulatory regime; work to establish international anti-money laundering/counterterrorist financing regulatory standards and norms; and efforts to improve the expertise and capabilities of personnel with anti-money laundering/counter-terrorist financing missions.

As administrator of the BSA, FinCEN must ensure the effective management, accessibility, dissemination, and use of the highly sensitive confidential information collected under the Act. FinCEN provides authorized law enforcement, regulatory, and intelligence agencies direct access to BSA information. The goal owner for this budget activity is the Director of FinCEN, Jennifer Shasky Calvery.

Description of Performance:

In the regulatory area, FinCEN tracks the percentage of financial regulators finding information exchanged with FinCEN under memoranda of understanding (MOUs) valuable to improve BSA consistency and compliance. For this measure, FinCEN surveys its compliance MOU holders to determine the impact of the information exchange to improve the consistency and compliance of the financial system with FinCEN's regulations implementing the BSA. In FY 2012, FinCEN surpassed its target of 88 percent with 93 percent. FinCEN was able to accomplish this performance by strengthening relationships with state regulatory agencies in a number of areas,

including support for concurrent examinations and initiating information sharing agreements with state insurance commissioners. In FY 2014, the target is 93 percent based on current resources and historical averages. To meet future targets, FinCEN must continue to effectively support regulatory partners. FinCEN has proposed legislative amendments to allow for reliance on examinations conducted by a state supervisory agency for categories of institutions not subject to a federal regulator. If implemented, this statutory amendment could expand FinCEN's relationship with state regulatory agencies.

FinCEN also measures the percentage of regulatory helpline customers understanding BSA guidance. This measure is linked to FinCEN's goal to provide financial institutions with understandable guidance and success is critical to institutions establishing anti-money laundering programs that comply with FinCEN's regulations. Easily understandable guidance will also contribute to protecting financial institutions and their customers from financial crime. In FY 2012, FinCEN's goal was to maintain a 90 percent satisfaction level, and FinCEN narrowly missed this target with 89 percent due to resource demands associated with a significant increase in call volume. Average monthly call volume has increased fivefold since the start of the fiscal year and additional volume will be added at the beginning of FY 2013 as further IRS support ends. In FY 2014, the target is 90 percent based on current resources and historical averages. Significant additions of staff beginning in early calendar year 2012, enhanced training programs for less experienced staff, and a reorganization to expand oversight and supervision of this functional area are part of FinCEN's efforts to achieve future targeted performance levels. Factors potentially affecting FinCEN's ability to achieve this goal include the planned centralization within FinCEN of all outreach and call center activities as well as operational functions relating to data quality currently performed by IRS; additional outreach support for new industries as a result of FinCEN's ongoing regulatory and informational initiatives; increased call volume concerning the mandatory electronic filing of most FinCEN reports; and expected increases in inquiries associated with FinCEN initiatives involving IT modernization and increased communication to the money services business industry.

In the analytical area, FinCEN supports domestic law enforcement and international FIU partners by providing analyses of BSA information. The percentage of domestic law enforcement finding FinCEN's analytic reports contribute to the detection and deterrence of financial crime is a survey measure. While results were down slightly in FY 2012, FinCEN still met its target of 80 percent with 83 percent of domestic law enforcement finding the reports valuable. In reviewing the survey results, FinCEN noted that the decrease is attributable to scores related to its proactive analytical products. The FY 2014 target is 83 percent based on current resources.

The second measure tracks the value of the analytic reports to foreign FIU customers. In FY 2010, FinCEN set a baseline for this measure of 90 percent. In FY 2012, 82 percent of foreign FIU customers completing the survey found the analytic reports valuable. FinCEN did not meet the target of 90 percent due to a decrease in the number of FIU customers indicating that FinCEN provided new information relevant to their investigations. Because the survey indicated a strong preference for new lead information, FinCEN will continue to seek ways to meet this demand. The FY 2014 target is 87 percent.

To determine the success of the goal to provide useful data, FinCEN measures the percentage of customers finding the FinCEN data provides valuable information towards the detection and deterrence of financial crime. This measure tracks the value of the FinCEN information to law enforcement and regulatory agency users with direct access to the FinCEN data. This is a composite measure compiled from survey results. The survey looks at the value of FinCEN data, such as whether the data provided unknown information, supplemented or expanded known information, verified information, helped identify new leads, opened a new investigation or examination, supported an existing investigation or examination, and provided information for an investigative or examination report. In FY 2012, FinCEN surpassed its target of 86 percent with 90 percent of customers finding the FinCEN data provides valuable information. FinCEN was able to surpass this target through outreach and training that emphasizes the value of the data and provides concrete examples of utilization. The FY 2014 target is 90 percent based on current resources historical averages. The modernized technical environment aims to further enhance the performance of this measure by maximizing data integrity and providing more robust and flexible query tools. The new BSA technical foundation will provide additional data quality checks and validations and more feedback to the filing community to continue FinCEN's goal of improving the quality of information.

3.1.1 – BSA Administration and Analysis Budget and Performance Plan

Dollars in Thousands

BSA Administration and Analysis Budget Activity								
Resource Level	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
	Enacted	Enacted	Enacted	Enacted	Enacted	Enacted	Annualized CR Rate	Request
Appropriated Resources	\$64,780	\$68,606	\$82,287	\$93,494	\$96,133	\$110,788	\$111,466	\$103,909
Reimbursable Resources	\$1,541	\$1,541	\$6,000	\$20,000	\$26,843	\$3,000	\$3,000	\$3,000
Budget Activity Total	\$66,321	\$70,147	\$88,287	\$113,494	\$122,976	\$113,788	\$114,466	\$106,909

Measure	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
	Actual	Actual	Actual	Actual	Actual	Actual	Target	Target
Percentage of customers finding the FinCEN data provides valuable information towards the detection and deterrence of financial crime	N/A	N/A	N/A	87.0	89.0	90.0	90.0	90.0
Percentage of domestic law enforcement finding FinCEN's analytic reports contribute to the detection and deterrence of financial crime	N/A	N/A	N/A	80.0	86.0	83.0	83.0	83.0
Percentage of financial regulators finding information exchanged with FinCEN under MOUs valuable to improve BSA consistency and compliance	N/A	64.0	82.0	86.0	92.0	93.0	93.0	93.0
Percentage of foreign FIUs finding FinCEN's analytic reports provide valuable information towards the detection and deterrence of financial crime	N/A	N/A	N/A	90.0	92.0	82.0	85.0	87.0
Percentage of regulatory helpline customers understanding BSA guidance	91.0	94.0	94.0	92.0	92.0	89.0	90.0	90.0

Key: N/A - Not in Effect; DISC - Discontinued; B - Baseline

Section 4 – Supplemental Information

4A – Summary of Capital Investments

As the administrator of the BSA, FinCEN receives valuable information reported and collected under BSA requirements, which totaled approximately 17.9 million filings in FY 2012. The bureau's mission is to safeguard the financial system from illicit use and combat money laundering and promote national security through the collection, analysis, and dissemination of financial intelligence and strategic use of financial authorities. FinCEN's mission supports Treasury's strategic goal to protect our national security through targeted financial actions. To successfully fulfill its mission, FinCEN relies on secure, advanced information technology (IT) to manage the collection, processing, storage, and dissemination of BSA information that contributes to the soundness and confidence in America's financial system.

FinCEN's IT strategy takes into account the growing need for financial institutions to meet obligations as efficiently as possible, while ensuring that FinCEN and law enforcement agencies receive accurate, timely, and reliable BSA information to track money trails, identify money laundering, and unravel terrorist financing networks. FinCEN's IT strategy focuses on the critical need to improve the quality and accessibility of its data and increase responsiveness to stakeholders by introducing flexible and innovative technical solutions. FinCEN officially launched the BSA IT Modernization four-year development Program when it began using investment funds in May 2010. The BSA IT Modernization application investment full life cycle cost (10 years) is \$286.510 million (including FTE) and the FY 2014 costs are \$23.89 million (including FTE). Steady state for this investment begins in 2014.

[A summary of capital investment resources, including major information technology and non-technology investments](#) is available.