

Overview

Mission Statement

To enhance U.S. national security, deter and detect criminal activity, and safeguard financial systems from abuse by promoting transparency in the U.S. and international financial systems.

Program Summary by Budget Activity

Dollars in Thousands

Appropriation	FY 2010 Enacted	FY 2011 Annualized CR Level	FY 2012 Request	FY 2010 to FY 2012 \$ Change	FY 2010 to FY 2012 % Change
BSA Administration and Analysis	\$101,694	\$101,694	\$84,297	(\$17,397)	(17.1%)
Regulatory Support Programs	\$9,316	\$9,316	\$0	(\$9,316)	(100.0%)
Total Appropriated Resources	\$111,010	\$111,010	\$84,297	(\$26,713)	(24.1%)
Transfers	\$0	\$0	\$30,000	\$30,000	-
Total Program Operating Level	\$111,010	\$111,010	\$114,297	\$3,287	3.0%
Total FTE	331	327	304	(27)	(8.2%)

In FY 2012, the Regulatory Support Program budget activity is merged into the BSA Administration and Analysis budget activity.

FY 2012 Priorities

The following priorities support the Presidential goal of encouraging economic growth by safeguarding the financial systems from abuse and promoting transparency in the U.S. and international financial systems.

- Implement the BSA IT Modernization Program, using funds transferred from the Treasury Forfeiture Fund (see Administrative Provisions Sec. 125);
- Lead efforts to coordinate federal, state, and local efforts to combat fraud;
- Enhance the BSA regulatory compliance and enforcement strategy based on risks informed by analysis and law enforcement; and
- Engage with priority countries and international bodies to strengthen mechanisms for global information exchange.

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Section 1 – Purpose

1A – Description of Bureau Vision and Priorities

The Financial Crimes Enforcement Network (FinCEN), a Treasury Department bureau reporting to the Under Secretary of the Office of Terrorism and Financial Intelligence, plays a key role in supporting the Department's strategic goal to prevent terrorism and promote the nation's security through strengthened international financial systems. This role includes ensuring safer and more transparent U.S. and international financial systems through the administration of the Bank Secrecy Act (BSA).

The BSA requires financial institutions to file reports and maintain records on certain types of financial activity and to establish appropriate internal controls to guard against financial fraud, money laundering, terrorist financing, and other types of illicit finance. These reports and records have a high degree of usefulness in criminal, tax, and regulatory matters. Documents filed by businesses pursuant to the BSA requirements are heavily used by law enforcement agencies, both domestically and internationally, to identify, detect and deter financial fraud and money laundering, whether it is in furtherance of a criminal enterprise, terrorism, tax evasion or other unlawful activity. Acts of fraud and acts of money laundering are interconnected: the financial gain of the fraudulent activity ultimately needs to be integrated into the financial system. Money laundering is often a malignant and pernicious product of fraud. FinCEN also serves as the nation's financial intelligence unit (FIU). An FIU serves as a national center to collect, analyze, disseminate, and exchange information pursuant to a country's anti-money laundering/counter-terrorist financing (AML/CFT) legislation and regulations. This includes information about suspicious or unusual financial activity reported by the financial sector. FIUs have specific authority to share lead information with their foreign counterparts to combat cross-border financial crime.

FinCEN's activities and efforts are developed in coordination with federal, state, and international partners. These bureau efforts are linked to the following strategic goals:

- Financial systems resistant to abuse by money launders, terrorists, and their financial supporters, and other perpetrators of financial crime;
- Detection and deterrence of money laundering, terrorism financing, and other illicit activity; and
- Efficient management, safeguarding, and use of BSA information.

The total resources required to support FinCEN for FY 2012 are \$117,297,000 including \$84,297,000 for direct appropriation, \$3,000,000 from offsetting collections and \$30,000,000 transferred from the Treasury Forfeiture Fund (see Administrative Provisions Sec. 125) to continue development and maintenance of the BSA Information Technology (IT) modernization program.

1B – Program History and Future Outlook

FinCEN fulfills its mission, goals and priorities by: administering the BSA; supporting law enforcement, intelligence, and regulatory agencies through sharing and analysis of financial intelligence; enhancing financial anti-fraud efforts; international anti-money laundering and

counter terrorist financing efforts and cooperation; and networking people, entities, ideas, and information.

In the regulatory area, FinCEN's policy efforts focus on efficient and effective administration of the BSA. This includes improving the consistency in the application of BSA regulations to regulated financial institutions, providing guidance regarding regulatory expectations, conducting studies to provide feedback to stakeholders, and initiating enforcement actions when appropriate.

In FY 2010, FinCEN:

- Continued an extensive financial institution outreach initiative, focusing in FY 2010 on outreach to small depository institutions, such as community banks and credit unions. FinCEN completed this outreach through visits to individual institutions and participation in several "town hall" events for larger groups. Direct financial institution outreach enables FinCEN to carry out its mission as BSA administrator in the most efficient and effective manner possible and enhances FinCEN's understanding of the operations of and challenges facing the institutions it regulates;
- Enhanced collaboration with law enforcement to identify sources of lead information and is developing analysis criteria to more effectively leverage BSA data to identify potential non-compliant institutions. This strategy should enable FinCEN to become even more proactive in identifying and taking action against non-compliant institutions as warranted. In addition, FinCEN continues to work closely with the Department of Justice to coordinate investigations in order to proceed concurrently on both civil and criminal actions, where appropriate;
- Continued to participate in the U.S. Government's coordinated attack on mortgage fraud by updating analyses of Suspicious Activity Reports (SARs) to highlight current trends in mortgage loan fraud, and in loan modification and foreclosure rescue scams. FinCEN reports showed that mortgage loan fraud SAR filings continued to increase through 2009. FinCEN also issued a report showing that after FinCEN issued an Advisory on loan modification scams, sampled SAR filings reporting such activity in every covered industry more than doubled over the entire preceding five-year period. FinCEN issued additional advisories to highlight updated scam techniques and reverse mortgage fraud schemes potentially related to the Federal Housing Administration (FHA) Home Equity Conversion Mortgage program; and
- Finalized or advanced several significant rulemakings to further strengthen the financial system's resistance to financial crime. FinCEN issued a final rule enhancing domestic and international information sharing to thwart money laundering and terrorist finance by expanding access to FinCEN's successful 314(a) program. FinCEN also issued Notices of Proposed Rulemaking that would establish a more comprehensive BSA regulatory framework to providers and sellers of prepaid access; require banks and money services businesses to report certain cross-border electronic transmittals of funds to FinCEN; and clarify foreign bank account reporting requirements.

FinCEN's future plans in the regulatory area will improve its ability to strengthen financial system security and enhance U.S. national security. To ensure financial systems are resistant to

abuse by money launderers, terrorists and other perpetrators of financial fraud and crime, FinCEN will:

- 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 to conduct analysis in support of regulatory initiatives (such as identity theft) and further efforts to combat mortgage loan fraud, building off prior analysis efforts to identify emerging trends (such as commercial real estate fraud), and continue to consider advisories to financial institutions highlighting emerging risks or other appropriate regulatory options; and
- Continue to enhance proactive compliance and enforcement efforts by implementing further steps based on risks informed by analysis and law enforcement, including targeted steps to increase money transmitter registration. FinCEN will also continue to strengthen oversight of recently-covered industries under the BSA, by signing additional information sharing agreements with state insurance regulators and working cooperatively with the Internal Revenue Service and state regulators on consistent, risk-based examination procedures.

FinCEN's efforts in the analytical area focus on developing products and services to enhance law enforcement's detection and deterrence of domestic and international financial fraud, money laundering, terrorism financing, and other illicit activity. FinCEN intends to improve its expert analysis of BSA data to provide early warning of emerging trends of fraud and other criminal abuse. This includes information exchange with counterpart FIUs in 120 jurisdictions that are members of the Egmont Group.

In FY 2010, FinCEN:

- Leveraged the relationships and techniques developed in the mortgage fraud context to initiate similar efforts in the areas of health care fraud and securities fraud through its involvement in the Financial Fraud Enforcement Task Force. FinCEN also undertook efforts to expand information sharing across the U.S. Government in a coordinated manner, worked to enhance understanding of the value and utilization of BSA data for investigative purposes, and supported task force summit tour events with analytical targeting packages/demonstrations, through participation in committees and other working groups of the Financial Fraud Enforcement Task Force, including acting, along with the Executive Office for the U.S. Attorneys, as co-chair of the Task Force's Training and Information Sharing Committee;
- Completed a joint study with the Mexican FIU of currency flows between the U.S and Mexico. The study provides a more accurate baseline of U.S. dollar currency activity in Mexico from which the U.S. and Mexico can more effectively measure the scope of bulk cash smuggling into Mexico and the effectiveness of future AML and cash interdiction efforts. The study also developed suspected Mexican money laundering targets and referred them to U.S. and Mexican law enforcement. FinCEN continues to coordinate investigative follow-up of these targets with U.S. law enforcement and develop plans for future targeting efforts. Completion of the study has positioned FinCEN well to respond

to new Mexican regulations related to U.S. dollar transactions. FinCEN dedicated a staff member to work with the Mexican FIU to deepen cooperation;

- Created and disseminated tactical financial intelligence reports to Egmont Group FIUs and managed case exchange with FIUs on behalf of U.S. law enforcement and regulatory agencies. These intelligence products are integral to domestic and foreign investigations of money laundering, financial fraud, and terrorist financing around the world; and
- Worked closely with developing the FIU in Afghanistan, FinTRACA. As a result of FinCEN's efforts within the Egmont Group, FinTRACA was admitted to the Egmont Group in June 2010. Egmont Group membership is expected to lead to a considerably greater flow of financial intelligence between FinTRACA and other FIUs, including FinCEN. FinCEN also placed a staff member to work with the Afghanistan FIU to foster tactical information sharing between the FIU and U.S. law enforcement.

FinCEN's future plans in the analytical area will improve its ability to strengthen financial system security and enhance U.S. national security. To detect and deter financial fraud, money laundering, terrorism financing, and other illicit activity, FinCEN will:

- Continue to work with law enforcement, financial and international partners to combat Mexican cartel-related drug, gun and human smuggling operations in Mexico and along the Southwest Border by increasing and improving the sharing and analysis of related financial information;
- Support federal law enforcement efforts to combat health care fraud by initiating an advanced targeting process to identify potential health care fraud perpetrators and to provide analytical support to investigations and prosecutions;
- Expand the range of analytical products and identify more efficiencies in case management to respond to foreign FIU requests. FinCEN intends to increase the number of proactive intelligence reports sent to foreign counterpart FIUs. Proactive intelligence reports will enable foreign law enforcement agencies, to develop new cases or enhance existing ones; and
- Increase joint analytical projects with foreign FIU counterparts through intensified operational engagements with key strategic partner FIUs. FinCEN plans to replicate with other foreign FIUs a current analytical initiative involving FinCEN, the Mexican FIU, and the Internal Revenue Service's Criminal Investigation Division (IRS-CI).

FinCEN's efforts related to the efficient management, safeguarding, and use of BSA information focus on maximizing utilization by improving the overall information infrastructure and enhancing information technology management capabilities. In the past year, both currency transaction reports and SAR filings decreased for the first time ever, reflecting efforts to focus on data most needed, while data quality continues to increase. Improving data quality remains a priority for FinCEN.

In FY 2010, FinCEN:

- Introduced additional field and business rule validations to batch data at E-Filing submission to improve data quality and provide faster error notification for SARs. Filers receive an e-mail if their submitted file has errors and they are directed to a designated error page to view batch validation error details;

- Completed all of the project-level documentation defined in FinCEN's System Development Life Cycle for the BSA IT Modernization initiative. This documentation provides the necessary business requirements and architectural foundational elements to enable FinCEN to proceed to the Design phase of the Program; and
- Implemented the E-Filing Work-In-Process (WIP) database to provide additional data validations and provide feedback to financial institutions.

FinCEN's future plans will improve its ability to strengthen financial system security and enhance U.S. national security. To ensure efficient management, safeguarding and use of BSA information, FinCEN will:

- Continue to modernize BSA information management and analysis to equip law enforcement and financial industry regulators with better decision-making abilities, increase the value of BSA information through increased data integrity and analytical tools, and move Treasury to the ultimate goal of being a "paperless" agency. FinCEN plans to continue to utilize the Bureau of Public Debt (BPD) for IT modernization hosting to achieve data center efficiencies.
- This multi-year program will:
 - Establish the production and disaster recovery infrastructure;
 - Deploy the Registered User Portal, which will provide a common user interface and authentication process for accessing BSA data;
 - Begin the development efforts to build the BSA new system of record and basic query capabilities; and
 - Implement ability to discretely enter those select forms that are only currently accepted via paper filing.

In FY 2012, FinCEN and the Administration propose a transfer of \$30M from the Treasury Forfeiture Fund (see Administrative Provisions Sec. 125) to continue development and maintenance of the BSA Information Technology (IT) modernization program.

Going Green Goals

FinCEN supports the Administration's Going Green goals. Additionally, FinCEN has a committee that routinely provides tips and suggestions to employees related to energy conservation. To improve Greenhouse Gas Reduction (GHG); FinCEN will reduce its Fleet size from four to three vehicles in FY 2011, and all vehicles are currently alternative-fuel vehicles. Further efforts include increased use of conference calls, video conferences and webinars, telework, and alternative work schedules. In addition, FinCEN has a very active and effective recycling program for paper, plastic, and aluminum, and procures paper that contains at least 30 percent postconsumer fiber. Additionally, the bureau donated over 3,900 lbs of old computer equipment to UNICOR for recycling, and donated 61 LCD monitors and 15 laptop notebook computers to Computers for Learning (CFL). Finally, FinCEN implemented a Power Management Program on all computers to save energy; purchased 100 EPEAT- Register Gold Desktop Computers, 130 LCD Monitors, and 20 Laptop Notebook computers; transferred 183 Blackberry Cell Phones to Treasury for reuse; and set up all printers for duplex printing.

Section 2 – Budget Adjustments and Appropriation Language

2.1 – Budget Adjustments Table

Dollars in Thousands

Financial Crimes Enforcement Network	FTE	Amount
FY 2010 Enacted	331	\$111,010
FY 2011 Annualized CR Level	327	\$111,010
Changes to Base:		
Adjustment to Reach Policy Level:	-	(\$11,038)
Adjustment to Reach FY 2011 President's Policy Level	-	(\$11,038)
Maintaining Current Levels (MCLs):	-	\$897
Maintaining Current Levels (MCLs)	-	\$897
Efficiencies, Savings & Base Reductions:	(5)	(\$13,570)
Base Reduction to BSA IT Modernization	-	(\$10,250)
Regulatory Support Efficiency Savings	-	(\$1,017)
Information Technology Efficiency Savings	-	(\$1,636)
Staffing Reduction from Attrition	(5)	(\$667)
Subtotal FY 2012 Changes to Base	(5)	(\$23,711)
Total FY 2012 Base	322	\$87,299
Program Changes:		
Program Decreases:	(18)	(\$3,002)
Reduce Field Law Enforcement Support	(3)	(\$683)
Reduce Intelligence Support to External Agencies	(6)	(\$968)
Consolidate State and Local Access to BSA Data	(9)	(\$1,351)
Subtotal FY 2012 Program Changes	(18)	(\$3,002)
Total FY 2012 Request	304	\$84,297
Transfers	-	\$30,000
Total FY 2012 Request (Net)	304	\$114,297

2A – Budget Increases and Decreases Description

Adjustment to Reach Policy Level-\$11,038,000 / +0 FTE

Adjustment to Reach FY 2011 President's Policy Level -\$11,038,000 / +0 FTE

Adjustment from the FY 2011 Annualized Continuing Resolution (CR) Rate to reach the FY 2011 President's Policy Level. The President's Policy Level is equal to the FY 2011 President's Budget as adjusted for the proposed pay freeze.

Maintaining Current Levels (MCLs)+\$897,000 / +0 FTE

Maintaining Current Levels (MCLs) +\$897,000 / +0 FTE

Funds are requested for inflation adjustments in non-labor expenses such as GSA rent adjustments, postage, supplies and equipment and health benefits and the increase in Federal Employee Retirement System participation. No inflation adjustment is requested for pay in FY 2012.

Efficiencies, Savings & Base Reductions-\$13,570,000 / -5 FTE

Base Reduction to BSA IT Modernization -\$10,250,000 / +0 FTE

BSA IT Modernization program will be funded with Forfeiture Fund surplus in FY 2012, thereby reducing the discretionary request by an additional \$10.250 million. Total project funding remains the same.

Regulatory Support Efficiency Savings -\$1,017,000 / +0 FTE

FinCEN will achieve efficiency savings through targeted regulatory support efforts, centralization of money services business (MSB) outreach activities, and change in distribution methodology for MSB brochure materials. The impact of these reductions will be mitigated through future consolidation of call centers; centralization of outreach activities; additional outreach support by FinCEN staff; and greater reliance on FinCEN's public website to distribute MSB materials, supporting Treasury's paperless initiative.

Information Technology Efficiency Savings -\$1,636,000 / +0 FTE

In FY 2012, the BSA IT Modernization program will roll out new capabilities for BSA E-Filing and a new analytical tool. Therefore, FinCEN proposes to eliminate development funding for stand-alone system enhancements that could be rolled into the BSA IT Modernization umbrella during FY 2012. FinCEN will also achieve efficiencies through consolidation of information technology contracts, leveraging Treasury strategic sourcing initiatives, and other related efficiencies.

Staffing Reduction from Attrition -\$667,000 / -5 FTE

Reductions were identified from efficiencies achieved in administrative staffing support and absorption of workload associated with positions lost through attrition.

Program Decreases -\$3,002,000 / -18 FTE

Reduce Field Law Enforcement Support -\$683,000 / -3 FTE

Reductions are identified from discontinuance of a liaison position at the Federal Law Enforcement Training Center (FLETC), and from decreases in field positions located in High Intensity Financial Crime Areas (HIFCAs). FinCEN will continue to support law enforcement from its headquarters.

Reduce Intelligence Support to External Agencies -\$968,000 / -6 FTE

This reduction will reduce analytical support to external customers in support of their national security, counter terrorism financing, and law enforcement matters. FinCEN will continue to carry-out limited case support and support to FinCEN's analytical initiatives that require national security information. FinCEN will also provide access to BSA information for external agencies through appropriate information sharing protocols.

Consolidate State and Local Access to BSA Data -\$1,351,000 / -9 FTE

This reduction will limit direct access to BSA data to only state coordinators, canceling 142 current state and local BSA direct access agreements for law enforcement and regulators. The state coordinators and FinCEN analysts would then be asked to provide access to the BSA by fulfilling query requests from those customers that previously had direct access. These actions allow FinCEN to reduce training, investigative and administrative support to state and local users, and inspections and monitoring of BSA data for appropriate use.

Transfers +\$30,000,000 / +0 FTE

Proposed Transfer from TFF to Support BSA IT Modernization Continuing Efforts

+\$30,000,000 / +0 FTE

The BSA IT Modernization will be funded using a transfer from Treasury Forfeiture Fund (see

Administrative Provisions Sec. 125) to support continuing development and maintenance. This transfer allows Treasury to use asset forfeiture to support the development of a tool that will support law enforcement's anti-money laundering and counter-terrorism financing efforts.

2.2 – Operating Levels Table

Dollars in Thousands

Financial Crimes Enforcement Network	FY 2010 Enacted	FY 2011 Annualized CR Level	Proposed Reprogram mings	FY 2011 Proposed Operating Level	FY 2012 Request
FTE	331	327	-	327	304
Object Classification					
11.1 - Full-time permanent	\$36,108	\$37,130	\$0	\$37,130	\$34,314
11.3 - Other than full-time permanent	\$294	\$304	\$0	\$304	\$287
11.5 - Other personnel compensation	\$545	\$564	\$0	\$564	\$526
12 - Personnel benefits	\$9,420	\$9,597	\$0	\$9,597	\$8,986
21 - Travel and transportation of persons	\$1,153	\$844	\$0	\$844	\$758
23.1 - Rental payments to GSA	\$5,380	\$5,379	\$0	\$5,379	\$5,424
23.2 - Rental payments to others	\$71	\$71	\$0	\$71	\$71
23.3 - Communication, utilities, and misc charges	\$1,399	\$1,415	\$0	\$1,415	\$1,313
24 - Printing and reproduction	\$454	\$459	\$0	\$459	\$263
25.1 - Advisory and assistance services	\$1,829	\$1,849	\$0	\$1,849	\$1,865
25.2 - Other services	\$13,178	\$13,064	\$0	\$13,064	\$7,969
25.3 - Other purchases of goods and services from Govt. accounts	\$14,545	\$14,595	\$0	\$14,595	\$14,415
25.4 - Operation and maintenance of facilities	\$968	\$737	\$0	\$737	\$0
25.6 - Medical care	\$155	\$156	\$0	\$156	\$158
25.7 - Operation and maintenance of equip	\$5,056	\$5,118	\$0	\$5,118	\$5,166
26 - Supplies and materials	\$449	\$450	\$0	\$450	\$431
31 - Equipment	\$20,006	\$19,278	\$0	\$19,278	\$2,351
Total Budget Authority	\$111,010	\$111,010	\$0	\$111,010	\$84,297
Budget Activities					
BSA Administration and Analysis	\$101,694	\$111,010	\$0	\$101,694	\$84,297
Regulatory Support Programs	\$9,316	\$0	\$0	\$9,316	\$0
Total Budget Authority	\$111,010	\$111,010	\$0	\$111,010	\$84,297

2.3 – Appropriations Detail Table

Dollars in Thousands

Resources Available for Obligation	FY 2010 Obligations		FY 2010 Enacted		FY 2011 Annualized CR Level		FY 2012 Request		% Change FY 2010 to FY 2012	
	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
Appropriated Resources:										
Collect the Revenue	329	\$93,494	331	\$101,694	327	\$101,694	304	\$84,297	-8.16%	-17.11%
Protect the Public		8,716		9,316		9,316				-100.00%
Subtotal New Appropriated Resources	329	\$102,210	331	\$111,010	327	\$111,010	304	\$84,297	-8.16%	-24.06%
Other Resources:										
Offsetting Collections - Reimbursable	2	14,200	1	20,000	1	20,000	1	3,000	0.00%	-85.00%
Available multi-year/no-year funds		15,526		20,526		25,420		15,000		-26.92%
Transfers In/Out								30,000		
Recoveries		20		500		500		500		0.00%
Subtotal Other Resources	2	29,746	1	41,026	1	45,920	1	48,500	0.00%	18.22%
Total Resources Available for Obligation	331	\$131,956	332	\$152,036	328	\$156,930	305	\$132,797	-8.13%	-12.65%

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>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, including for course development, 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, \$84,297,000 of which not to exceed \$15,835,000 shall remain available until September 30, 2014: Provided, that funds appropriated in this account may be used to procure personal services contracts.</i></p>	<p>To simplify the fund availability structure, FinCEN is proposing to eliminate the two-year fund. The funding available for three years (i.e., until September 30, 2014) is required due to the longer lead-time needed to execute information technology efforts and special analytical, regulatory, or international partnership efforts. This allows these projects to be executed in a single appropriation regardless of lead-time for acquisition.</p>

2C – Legislative Proposals

FinCEN is proposing five technical amendments to Titles 31 and 12 that would make improvements in four important areas. The first amendment provides 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. The second 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 remaining amendments expand the universe of individuals covered by the prohibition on SAR disclosures and explicitly exempt all BSA data from disclosure under any state law or regulation providing public access to information. The specific changes to the amendment language are outlined below.

Sec. 120. Section 5318(a)(1) of Title 31, United States Code (relating to compliance, exemptions, and summons authority), is amended by - (1) Inserting after "appropriate" "federal or (in the case of financial institutions without a federal supervisor) state"; and (2) Inserting after "Service." , "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. 121. 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" inserting in lieu thereof "section"; (2) Striking "bank supervisory agency, or other"; (3) Inserting after "appropriate" , "federal or (in the case of financial institutions without a federal supervisor) state"; and (4) Inserting after "agency." "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. 122. 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, "and foreign".

Sec. 123. Section 5318(g)(2)(A) of Title 31, United States Code (relating to reporting of suspicious transactions), is amended by - (1) Inserting after "employee." at the end of paragraph (ii) "; and"; and (2) Inserting after "; and" "(iii) no other person that the Secretary may prescribe by regulation, who has knowledge that such report was made, may disclose to any person involved in the transaction that the transaction has been reported."

Sec. 124. Section 5319 of Title 31, United States Code (relating to availability of reports), is amended by inserting after "title 5", ", or any State law having or intended to have a similar effect."

Section 3 – Budget and Performance Plan

This table lists all FY 2012 resources by strategic goal, objective and outcome outlined in the FY 2007-2012 Treasury Department Strategic Plan. The Treasury Strategic Plan provides a description of what the agency intends to accomplish over the next five years.

For detailed information about the FY 2007-2012 Treasury Strategic Plan, please go to: <http://www.treasury.gov/about/budget-performance/strategic-plan/Pages/index.aspx>

3.1 – Budget by Strategic Outcome

Dollars in Thousands

Treasury Strategic Outcome	FY 2010 Enacted	FY 2011 Annualized CR Level	FY 2012 Request	% Change FY10 to FY12
Safer and more transparent U.S. and international financial systems	131,010	131,010	117,297	-10.47%
Total	\$131,010	\$131,010	\$117,297	-10.47%

3A - BSA Administration and Analysis (\$84,297,000 from direct appropriations, \$30,000,000 from transfers, and \$3,000,000 from reimbursable programs): 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, initiating enforcement actions, and, with the IRS, managing the information reported by the regulated industries, as well BSA compliance of non-bank financial institutions. 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, including with foreign counterpart FIUs; 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.

FinCEN works closely with federal and state regulatory agencies that examine financial institutions for BSA compliance to ensure consistency across regulated industries. Through these efforts and direct outreach, FinCEN also assists regulated financial institutions in establishing risk-based anti-money laundering programs with appropriate policies, procedures, and internal controls and maintaining records and filing reports on certain types of financial activity pursuant to the BSA. As appropriate, FinCEN investigates alleged violations by financial institutions, issues letters of caution or warning, and seeks injunctions; additionally, when required, FinCEN imposes civil monetary penalties for egregious BSA violations, typically in conjunction with partner federal and state agencies.

FinCEN supports law enforcement agencies, intelligence agencies, and foreign FIUs investigating financial fraud and crimes by providing specialized and unique analysis of BSA data along with information from law enforcement, intelligence, and commercial sources. FinCEN's analysis also supports regulatory and other policy decisions. The analysis includes development of threat assessments, industry reports, and technical guides describing financial

transaction mechanisms. Additionally, FinCEN identifies individuals and networks involved in suspicious financial activity, referring that information to appropriate law enforcement agencies.

In the global arena, FinCEN's activities include: supporting international initiatives to educate other jurisdictions about the BSA regulatory regime; working to establish international anti-money laundering/counter-terrorist financing regulatory standards and norms; and improving information exchange among FIUs through substantial engagement with the Egmont Group.

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.

Other Resources: Offsetting collections totaling \$3,000,000 are collected to support joint activities with other agencies. In addition, \$30,000,000 will be transferred from Treasury Forfeiture Fund (TFF) (see Administrative Provisions Sec. 125) to continue development and maintenance of the BSA IT modernization program.

3.2.1 BSA Administration and Analysis Budget and Performance Plan

BSA Administration and Analysis Budget Activity					
Resource Level	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
	Obligated	Obligated	Enacted	Annualized CR Level	Request
Appropriated Resources	\$68,606	\$82,287	\$101,694	\$101,694	\$84,297
Reimbursable Resources	\$4,310	\$6,000	\$20,000	\$20,000	\$3,000
Total Resources	\$72,916	\$88,287	\$121,694	\$121,694	\$87,297
Transfers	\$0	\$0	\$0	\$0	\$30,000
Total	\$72,916	\$88,287	\$121,694	\$121,694	\$117,297
Budget Activity Total	\$72,916	\$88,287	\$121,694	\$121,694	\$117,297

Measure	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
	Actual	Actual	Actual	Target	Target
Percentage of Customers Satisfied with the BSA E-Filing (Oe)	93.0	94.0	96.0	90.0	92.0
Percentage of Domestic Law Enforcement and Foreign Financial Intelligence Units Finding FinCEN's Analytical Reports Highly Valuable	83.0	81.0	80.0	80.0	80.0
Percentage of Federal and State Regulatory Agencies with Memoranda of Understanding/Information Sharing Agreements (Ot)	41.0	43.0	46.0	46.0	50.0
Percentage of FinCEN's Compliance MOU Holders Finding FinCEN's Information Exchange Valuable to Improve the BSA Consistency and Compliance of the Financial System (Oe)	64.0	82.0	86.0	86.0	86.0
Percentage of FinCEN's Regulatory Resource Center Customers Rating the Guidance Received as Understandable (Oe)	94.0	94.0	92.0	90.0	90.0

Key: Oe - Outcome Measure, E - Efficiency Measure, Ot - Output/Workload Measure, M - Management/Cust. Satisfaction, DISC - Discontinued, and B - Baseline

Description of Performance: In the regulatory area, FinCEN continues to increase activities to monitor financial institutions examined for BSA compliance by state and federal regulators through the establishment of MOUs to exchange compliance information. In 2010, FinCEN met its target of 46 percent of federal and state regulatory agencies with MOU/information sharing agreements. FinCEN achieved its target by finalizing four additional MOUs with state regulatory agencies. FinCEN will continue collaborating with state insurance agencies and other regulatory agencies to sign additional agreements to meet future targets. In FY 2012, FinCEN expects to meet the target of 50 percent.

FinCEN surveys its compliance MOU holders to determine the impact of the information exchange to improve the BSA consistency and compliance of the financial system. In FY 2010 FinCEN surpassed its target of 68 percent rating the information exchange valuable with 86 percent. FinCEN attributes a portion of this success to the distribution of analytic information to the MOU holders throughout the fiscal year. To achieve future targets, FinCEN will continue to facilitate routine discussions with the MOU holders. In FY 2012, FinCEN expects to meet the target of 86 percent.

FinCEN's goal to provide financial institutions with understandable guidance through the BSA Resource Center is critical to institutions establishing anti-money laundering programs that comply with the BSA. The FY 2010 goal was to maintain a 90 percent satisfaction level for customers rating the guidance as "understandable," and FinCEN surpassed its goal with 92 percent. FinCEN attained this success by responding timely (within 24 hours of the inquiry), providing a high level of service. In order to achieve future targets, FinCEN will continue to make guidance available on the Internet, accept and analyze customer feedback, and conduct surveys to measure customer satisfaction. In FY 2012, FinCEN expects to continue to meet the target maintaining a consistently high satisfaction level of at least 90 percent.

FinCEN also works closely with its regulatory partners to take enforcement action against financial institutions that systemically and egregiously violate the provisions of the BSA, including through imposition of civil money penalties when appropriate. Timely enforcement action is essential to deter non-compliance with the BSA. In fiscal year 2010, FinCEN met its target for the average time to process enforcement matters in one year with an average time of 0.8 year. FinCEN will continue to actively manage casework to meet future targets. In FY 2012, FinCEN expects to continue to meet the target of 1.0 years.

In the analytical area, FinCEN supports domestic law enforcement and international FIU partners by providing analyses of BSA information, and measures the percentage of customers finding FinCEN's analytic reports highly valuable. The measure closely ties to how BSA information is used by law enforcement and international FIUs to identify, investigate, and prevent abuse of the financial system. In FY 2010, 80 percent of the respondents rated the analytic products as highly valuable. FinCEN narrowly missed its target of 81 percent. FinCEN attributes this to a need to enhance communication with and understanding of law enforcement partners' needs. FinCEN has developed a strategy to increase communication with law enforcement partners and will continue efforts to ensure its products and services meet those needs. In FY 2012, FinCEN expects to meet its target of 80 percent.

In the efficient management, safeguarding, and use of BSA information, FinCEN conducts a survey of the users of the BSA E-Filing system to determine the overall satisfaction level and to identify where improvements are needed. The FY 2010 target was to maintain at least a 90 percent satisfaction level, and FinCEN exceeded its target with 96 percent. FinCEN attributes this to a result of continued outreach, the implementation of a more industry-friendly forms submission software (Adobe), and the receipt/acknowledgements and data validations specific to Suspicious Activity Reports now available to the filing community. FinCEN will continue outreach to E-Filers and ensure the technology supports the demand to achieve future targets. In FY 2012, FinCEN expects to meet the target of 92 percent.

FinCEN also began tracking the value of the BSA information to law enforcement and regulatory agency users with direct access to the BSA data. This is a composite measure compiled from survey results. The survey looks at the value of BSA 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. The FY 2010 baseline for the percentage of direct access users finding the BSA data provides valuable information toward the detection and deterrence of financial crime and the transparency and protection of the financial systems was 87 percent.

3B - Regulatory Support Programs (No funding): FinCEN is proposing to eliminate the Regulatory Support Program budget activity along with the related two year fund availability. This program has matured and is now an integrated part of FinCEN’s activities, thus the separate identification and extended funding availability is no longer required.

3.2.2 Regulatory Support Programs Budget and Performance Plan

Regulatory Support Programs Budget Activity					
Resource Level	FY 2008 Obligated	FY 2009 Obligated	FY 2010 Enacted	FY 2011 Annualized CR Level	FY 2012 Request
Appropriated Resources	\$8,941	\$9,178	\$9,316	\$9,316	\$0
Reimbursable Resources	\$0	\$0	\$0	\$0	\$0
Total Resources	\$8,941	\$9,178	\$9,316	\$9,316	\$0
Budget Activity Total	\$8,941	\$9,178	\$9,316	\$9,316	\$0

For detailed information about each performance measure, including definition, verification and validation, please go to: <http://www.treasury.gov/offices/management/dcfo/accountability-reports/>

Section 4 – Supporting Materials

4A – Human Capital Strategy Description

FinCEN's Human Capital Strategy is best described by its organizational vision outlined in the 2008-2012 Strategic Plan (http://www.fincen.gov/about_fincen/wwd/strategic.html). That vision is to have a well-managed environment where expert staff act swiftly, creatively, and collaboratively to address the threats posed to the domestic and international financial system by money launders, terrorists and their financial supporters, other threats to national security and perpetrators of financial crime.

FinCEN continues to work to improve its employee satisfaction results. The bureau recently received the results of the 2010 Employee Viewpoint Survey and found that its scores have continued to improve, resulting in an overall Bureau rating above the government average. FinCEN realized significant improvement in those areas where it most focused attention (i.e., performance management, communication, training, telework and leadership) in terms of steps for improvement from the 2008 survey. The bureau is finalizing its 2010 – 2011 action plan for improvement from the 2010 survey.

In FY 2010, FinCEN continued several successful work life programs to improve employee morale including: Fitness Center Reimbursement, Student Loan Repayment, Alternate Work Schedule, and telework. Participation in the Fitness Center Reimbursement Program increased from 70 employees (22 percent) to 84 employees (26 percent). Twenty-nine employees have participated in the Student Loan Repayment Program since its implementation and FinCEN has facilitated the repayment of six employee loans in full. Informal feedback showed increased employee satisfaction and retention since a three year service agreement is completed upon entering the program. FinCEN offers employees flexibility with both Alternate Work Schedules (AWS) and telework programs. Currently, 56 percent of FinCEN employees participate in the telework program. To round out work life program offerings, FinCEN promotes the Employee Assistance Program (EAP) and Worklife4You, a Resources and Referral Service. Both EAP and WorkLife4You offer free services to employees, informational emails, and seminars on physical and mental health and wellness issues.

FinCEN's continued focus on work life programs netted improved results when comparing surveys across years. In the 2010 survey, 85 percent of FinCEN employees indicated satisfaction with AWS and 80 percent felt that their manager supported their need to balance work and other life issues. Further, 58 percent felt that senior leaders demonstrate support for the Worklife Program. Specifically, 63 percent were satisfied with the telework program, up from 30 percent in 2008. Seventy six percent of the workforce is satisfied with the Health and Wellness programs offered and 60 percent with the EAP program. In addition, the FinCEN Worklife Coordinator is a Certified Worklife Professional. Currently, there are only 13 of these individuals in Federal Government and two are employed by Treasury.

FinCEN continues to build a results-oriented, high performing workforce. FinCEN's current five tier performance management system requires that each manager place employees on performance standards that include individual commitments linked directly to the strategic plan. This performance management system enables managers to differentiate performance levels

among employees and establish employee's expectations and accountability for meeting specified performance goals and targets. To further develop each employee, managers and employees collaboratively develop and agree upon an annual individual development plan to identify areas for career growth and development.

Based upon OPM and employee feedback, FinCEN developed a new Performance Management Program and Awards and Recognition System for implementation in FY 2011. In the first two quarters of FY 2010, FinCEN reviewed the current policy, surveyed employees, launched an employee feedback/steering group, identified themes and areas requiring adjustment, and drafted a policy and supporting handbook that capture these themes combined with OPM input. This new policy has been approved and training was provided. Any award program developed will feature the extremely popular Annual Director's Awards and Recognition Program. This program celebrates FinCEN employee achievements in leadership, visionary, customer service, team work, and diversity and is a highlight of the fall season.

FinCEN continues to offer a comprehensive leadership development program, expand leader programs/resources, implement strategic on-boarding, review retention data, expand rotational assignments, build upon inter and intra divisional activities, and improve communication.

The Associate Directors who lead FinCEN's five divisions have fostered team building and expanded cross-divisional activities. The 2008 Human Capital Survey results were the first time that the data was available by division, and FinCEN was able to develop division specific initiatives. Analysts across the bureau now meet periodically to build and strengthen relationships, and share analytical tips and processes. This team building effort continues and the organization continues to benefit from the sharing of information and the fostering of a greater understanding of incoming data and its impact on further analysis.

Leadership and Workforce Planning

Although the bureau's overall average age and average years of service is low as compared to other Treasury bureaus and the federal government, FinCEN continues to assess and develop its future workforce. FinCEN offers a wealth of leadership opportunities, both formal and informal, extensive leader resources, a formal mentoring program, a formal rotational assignment program, and extensive skill assessments and training development planning to engage employees.

In FY 2010, FinCEN continued its aggressive leadership development plan to strengthen the skills of its current leaders and promote leadership skills at all levels. Implementation included 360 assessments for executives and supervisors, mandatory training for new supervisors, and annual completion of 24 hours of supervisory or leadership-focused continuing education. To meet these goals, FinCEN conducted in-house training for supervisors that included coaching and mentoring skills, relationship building, performance management, and change management. In FY 2010, FinCEN's executive team started receiving individual and team executive coaching.

To serve both supervisors and potential leaders, FinCEN's new Leadership Webinar Series made a range of topics available to all employees on a biweekly basis. In FY 2010, FinCEN launched a Mentoring Program, pairing twenty individuals together for a year-long plan for training and development. FinCEN also initiated its Thought Leader Series. The goal of the series is to bring

acclaimed authors to FinCEN to provoke employees' thinking and offer new perspectives on leadership. FinCEN also delivered in-house instruction to develop leadership skills in non-supervisors and to empower all employees in accomplishing the bureau's mission.

FinCEN expanded resources to all leaders by creating a Supervisor's Toolkit designed for both new and experienced supervisors to facilitate understanding of non-HR topics. This on-line resource is a fresh approach and shortcut to specific information supervisors need to perform their jobs and includes checklists, summary charts, explanations, and links.

FinCEN continues to monitor its skills mix and perform comprehensive skill assessments to design training programs. FinCEN is committed to ensuring that employees possess the skills and knowledge needed to perform their jobs, keep their skills current and prepare for advancement. FinCEN continues to assess skills for its mission critical occupations: Intelligence Research Specialists, Regulatory Specialists, and Law Enforcement Liaison Specialists. In FY 2009, results of those skills gap assessments prompted revisions to the corresponding training development plans, identified and prompted delivery of essential in-house training to close skill gaps, accelerated the frequency at which FinCEN's BSA Training Program is offered, and identified the need for a new Advanced Strategic and Complex Analysis training course, which is scheduled to start at the end of FY 2010. In FY 2010, technical skills training courses were brought in-house for FinCEN's analysts and regulatory specialists. Those courses focused on high level analysis, writing, communication and assessment of written products.

FinCEN's Rotational Assignment Program is another important method for skills enhancement and sharing expertise within and outside the bureau. Since its launch in FY 2009, qualified and motivated employees have continued to further their own learning and career development, while elevating communication and knowledge in their own rotational destinations. Several FinCEN rotational assignments were posted on Treasury's Virtual Career Center portal and two Treasury employees accepted rotations into FinCEN.

Recruitment and Diversity

FinCEN utilizes various hiring authorities and flexibilities. Annually, FinCEN hires a number of students under the Student Temporary Employment Program (STEP). In addition, FinCEN often utilizes the Veterans Employment Opportunity Act (VEOA) and Schedule A Disability Appointment authority. FinCEN continued to reduce the amount of time it takes to hire employees from 45 days to less than 32 days during the last four quarters.

FinCEN continued to take steps to attract a diverse workforce, which included partnering with diverse academic groups to attract student interns of diverse background and establishing contacts with special interest groups to attract applicants from diverse populations. FinCEN continued a mandatory Equal Employment Opportunity (EEO)/Diversity element in all supervisory performance plans to address EEO principles, workplace conflict, EEO plans, and diversity hiring requirements.

FinCEN continues to offer a Diversity Day Training conference for all employees. The 2009 activities focused on "Communicating Across Differences." Noted leadership expert Warren Blank led a workshop on personal responsibility and leadership. In 2010, FinCEN held its 9th

Diversity Day and featured a workshop led by Mr. Howard Ross. Mr. Ross is an expert in diversity, inclusion and unconscious bias, and helps organizations understand how individuals and organizations must develop strategies to unmask unconscious preconceptions regarding team members.

4.1 – Summary of IT Resources Table

Dollars in Thousands

Major IT Investments / Funding Source	Budget Activity	FY 2009 Enacted	FY 2010 Enacted	% Change from FY 2009 to FY 2010	FY 2011 Annualized CR Level	FY 2012 Request	% Change from FY 2010 to FY 2012
BSA Information Technology Modernization*	BSA Administration and Analysis	\$0	\$31,487	N/A	\$32,200	\$32,200	2.3%
Subtotal, Major IT Investments	BSA Administration and Analysis	\$0	\$31,487	N/A	\$32,200	\$32,200	2.3%
Non-Major IT Investments	BSA Administration and Analysis	\$18,108	\$12,535	-30.8%	\$11,290	\$9,718	-22.5%
Infrastructure Investments	BSA Administration and Analysis	\$9,800	\$11,374	16.1%	\$10,621	\$10,647	-6.4%
Enterprise Architecture	BSA Administration and Analysis	\$385	\$250	-35.1%	\$453	\$457	82.8%
Enterprise Identity and Access Management	BSA Administration and Analysis				\$299	\$304	
Total IT Investments	BSA Administration and Analysis	\$28,293	\$55,646	96.7%	\$54,863	\$53,326	-4.2%

* BSA IT Modernization project includes a transfer of \$30 million funding from Treasury Forfeiture Fund.

4B – Information Technology Strategy

As the administrator of the BSA, FinCEN receives valuable information reported and collected under BSA requirements, which totaled approximately 17 million filings in FY 2009. The bureau's mission is to enhance U.S. national security, deter and detect criminal activity, and safeguard financial systems from abuse by promoting transparency in the U.S. and international financial systems. FinCEN's mission supports Treasury's strategic goal to prevent terrorism and promote the nation's security through strengthened financial systems. 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 national and global 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.

A major component of FinCEN's IT Strategy is the bureau's information technology modernization vision and strategy (IT MV&S) and resulting Enterprise Transition Strategy, which serves as the roadmap for aligning its IT portfolio with its business objectives and processes and has resulted in the multi-year BSA IT Modernization program. By establishing an enterprise-wide information management and analysis framework, law enforcement and financial industry regulators will be equipped with better decision-making abilities and increased value of BSA information through enhanced data integrity and analytical tools. BSA IT Modernization will help FinCEN move away from custom coded legacy applications which are complex and difficult to maintain to a more modern environment based on Commercial Off the Shelf (COTS) products and standardized data formats. FinCEN is supporting Treasury/OMB's goal of data center consolidation by hosting its production environments at the Bureau of Public Debt (BPD). In addition, FinCEN is working with OMB to develop National Information Exchange Model standards for data exchange with law enforcement and intelligence communities.

The BSA IT Modernization effort helps move Treasury towards a "paperless" environment by increasing electronic filing and enabling future Treasury savings in paper-processing costs, while enabling industry savings due to the reduction of filing complexity. Increasing the automated collection of BSA data also decreases the amount of time it takes to make critical information available to FinCEN's stakeholders. Providing more reliable and valid data in pre-defined formats enables a higher confidence in the data and reduces the time to decipher and interpret data.

FinCEN is employing a System Development Life Cycle (SDLC) methodology and proven Program Management methodologies, such as the Project Management Body of Knowledge, to manage the BSA IT Modernization program. Before FinCEN can proceed through each phase of the program, it must demonstrate completion of all requisite activities and receive approval from the Modernization Executive Group, the highest level of Governance comprised of the Treasury CIO, FinCEN Director, and IRS Deputy Commissioner for Operations and Maintenance.

FinCEN utilizes an Integrated Master Schedule (IMS) to depict all project activities, including cross project dependencies and resource loading. The IMS also serve as the foundation for conducting Earned Value Management, which effectively integrates the program's scope of work with schedule and cost elements for optimum project planning and control. The IMS will allow FinCEN to perform wellness analysis to help ensure adherence to "best practices", qualitative analysis to help ensure appropriate content, and performance analysis, such as critical path, schedule variance, and schedule trend analysis. These various analysis tools will help the bureau stay abreast at any given time of the cost and schedule for the program and take timely remedial actions as necessary.

In FY 2010, FinCEN completed the project-level work to base-line the requirements and technical architecture. FinCEN obtained approval from the Modernization Executive Group to begin the design phase in May 2010. FinCEN has subsequently awarded the necessary task orders under the Indefinite Delivery/Indefinite Quantity contract for IT services support and launched the design effort.