

Department of the Treasury
Department-wide Systems and
Capital Investments Program

Congressional Budget
Justification and Annual
Performance Report and Plan

FY 2023

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Section I – Budget Request

A – Mission Statement

Improve infrastructure, modernize business processes, and increase efficiency through technology and capital investments that support the missions of Treasury bureaus and programs.

B – Summary of the Request

An icon of American architecture, the Main Treasury Building is the third oldest in use Federal building in Washington, after the Capitol and the White House. Unlike the Capitol or the White House, the Main Treasury Building is not under the jurisdiction of the Architect of the Capitol or GSA respectfully, but rather is the direct responsibility of the Treasury Department. The bulk of funding for its care through capital investments is provided through DSCIP.

The Main Treasury Building was built with Congressional appropriations from 1836 to 1869. From 1909 to 1910, the building received a special appropriation to modernize its infrastructure, which helped to bring the building into the 20th century. A major fire in 1996 resulted in a series of Congressional appropriations that ushered the Treasury Building into the 21st century. Now, 26 years later, the building faces a magnitude of issues that need to be addressed, some of which pose life safety concerns, including issues related to Treasury and the Freedman’s Bank Buildings’ external and internal infrastructure and security posture.

Treasury’s FY 2023 request reflects a limited subset of those previously identified needs, which the Department plans to continue to work to address over time. The FY 2023 request builds on prior year efforts (which included requests in FY 2021 and 2022) to repair the outer envelope of the Main Treasury building, and also includes funding to address major repairs within the interior of the Main Treasury building. This request reflects Treasury’s three-step long-term strategy to continue to maintain and modernize its owned spaces: (1) secure the building’s outer envelope; (2) conduct a condition assessment to identify additional needs associated with the buildings’ continual aging and deferred maintenance; and (3) based on this assessment, conduct a holistic modernization of the building’s systems and infrastructure. The last facility condition assessment Treasury conducted was in 2016 which found a range of needs to be addressed. In 2021 Treasury began a new assessment in an effort to update the list of outstanding projects to be addressed.

Additionally, the request includes \$5 million for the leasing of zero-emission vehicles and the purchase of associated charging infrastructure in support of the Administration’s goal of achieving 100 percent zero-emission vehicle acquisitions by 2035 for the Federal vehicle fleet by 2035.

1.1 – Appropriations Detail Table

Dollars in Thousands

Appropriated Resources	FY 2021		FY 2022		FY 2023		FY 2022 to FY 2023	
	Operating Plan		Annualized CR		Request		% Change	
New Appropriated Resources	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
Department-Wide Systems and Capital Investments Program	0	\$6,118	0	\$6,118	0	\$11,118	NA	81.7%
Subtotal New Appropriated Resources	0	\$6,118	0	\$6,118	0	\$11,118	NA	81.7%
Total Budgetary Resources	0	6,118	0	\$6,118	0	\$11,118	NA	81.7%

1.2 – Budget Adjustments Table

Dollars in Thousands

	FTE	Amount
FY 2022 Annualized CR	0	\$6,118
Changes to Base:		
Non-Recurring Costs	0	(\$6,118)
Main Treasury Exterior Repairs	0	(\$6,118)
Subtotal Changes to Base	0	(\$6,118)
FY 2023 Current Services	0	\$0
Program Changes:		
Program Increases:	0	\$11,118
Interior Repairs: includes elevator overhaul and basement wall waterproofing	0	\$2,118
Main Treasury Exterior Repairs	0	\$4,000
Electric Vehicle Leases and Infrastructure	0	\$5,000
FY 2023 President's Budget Request	0	\$11,118

C – Budget Increases and Decreases Description

Non-Recurring Costs **-\$6,118,000 / + 0 FTE**

This amount represents the non-recur of investments funded within the FY 2022 annualized CR

Program Increases **+\$11,118,000 / +0 FTE**

Interior Repairs: includes elevator overhaul and basement wall waterproofing +\$2,118,000 / +0 FTE

Elevators- rebuild/overhaul- design, \$500,000, +0 FTE

Funding is requested for the Main Treasury elevators that were last renovated approximately 20 years ago and are approaching the end of their useful life. Recently these elevators have experienced a higher level of failure issues including trapped building occupants. Failing elevators pose a significant danger to Main Treasury employees and visitors and hold Treasury back from being compliant with life safety codes. This request will also fund an assessment of the elevators and the renovation planning and design.

Basement wall waterproofing - study/design – repair, \$1,618,000, +0 FTE

Leaks in the basement level of the Freedman’s Bank Building have impacted the use of secure office spaces due to safety and health concerns. To address the water intrusion issues and prevent increased future damage, an excavation along the south side of the building will need to be conducted. Additionally, below-grade area waterproofing, backfill, and restoration of the

surrounding area would be required to permanently address the water intrusion issues. Ongoing water intrusion will eventually undermine the structure. This request will support the study to complete the design as well as partial repairs of the space.

Main Treasury Exterior Repairs +\$4,000,000 / +0 FTE

Treasury’s request continues critical renovations and maintenance of the outer shell of the Main Treasury (MT) and Freedman’s Bank Building (FBB) facilities, with the primary goals of preventing continued water intrusion and repairing key structural components. Work items include repairs to masonry and windowsills (see figures 1 and 2 below).

Fig 1: Open Joints, Failing Masonry



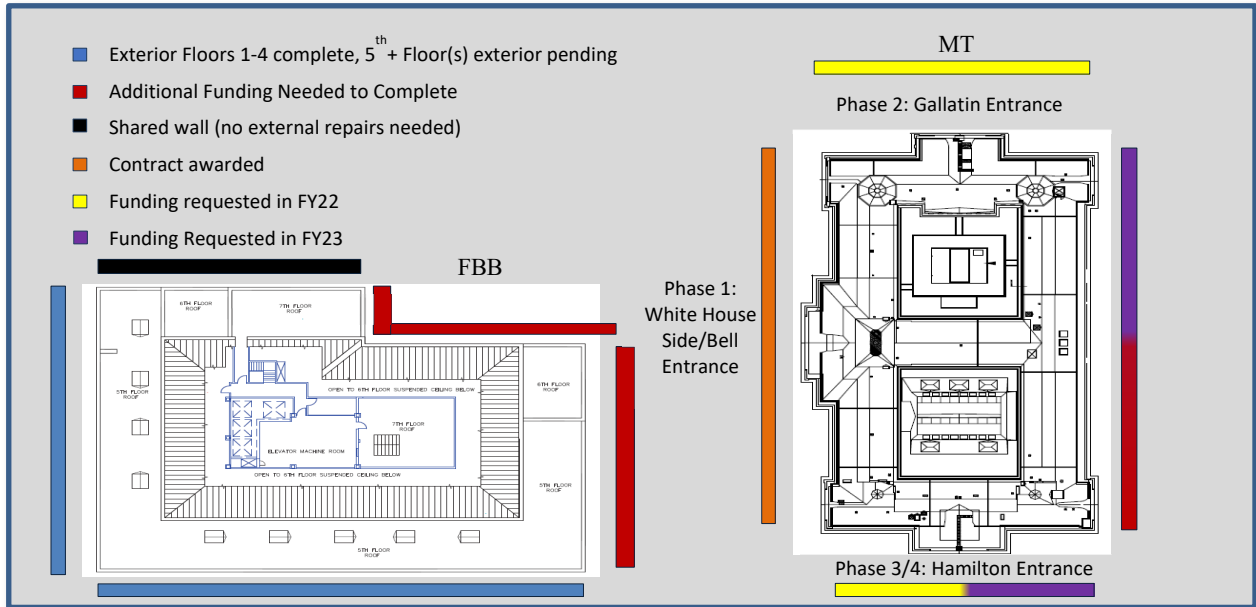
Fig 2: Typical Rotten Windowsill



Figure 1: Repairing failed masonry joints to protect from moisture penetration, cleaning the stone surfaces, and repairing damaged stone.

Figure 2: Repairing or replacing window frames suffering varying degrees of damage after years of weather exposure. Window work will require scaffolding which is expensive to rent/contract.

This request funds phase four of the multiyear effort to maintain the building and to prevent more expensive repair work, as deterioration continues, to include weather intrusion that is impacting interior spaces that require remediation and can cause mold, which impacts air quality and creates a health and safety risk to staff. Phase four covers the remainder of the Hamilton/South entrance and the East/15th St. façade of the MT building. This funding covers



exterior repairs, but it is possible the repairs will uncover additional unanticipated structural issues that could require additional funding requests.

Electric Vehicle Leases and Infrastructure +\$5,000,000 / +0 FTE

Treasury is committed to supporting the Administration’s goals of combatting the impacts of climate change. The Department of the Treasury is accelerating the conversion of its vehicle fleet to electric vehicles (EVs) as a part of strategic objective 4.4 (Sustainable Treasury Operations). In order to facilitate this transition, \$5 million is being requested by Treasury in FY 2023 in the Department-wide Systems and Capital Investments Program account for leasing of EVs and purchasing associated charging and supply equipment. Funding will be used for the replacement of traditional internal combustion vehicle leases with zero-emission vehicles across the Department. Where possible, electric vehicles will replace traditionally powered leased vehicles as well. Additional charging station infrastructure will be installed to support fleet electrification. Some existing charging stations will require updates or replacement. Electrifying the Treasury fleet will support environmental and energy sustainability and will make Treasury more adaptive and resilient to the impacts of climate change.

1.3 – Object Classification (Schedule O) Obligations

Dollars in Thousands

Object Classification	FY 2021 Actual Obligations	FY 2022 Estimated Obligations	FY 2023 Estimated Obligations*
23.3 - Communications, utilities, and miscellaneous charges	0	0	5,000*
25.1 - Advisory and assistance services	321	1,286	0
25.7 - Operation and maintenance of equipment	186	0	0
31.0 - Equipment	1,842	0	0
32.0 - Land and structures	6,528	8,364	6,118
Total Non-Personnel	\$8,877	\$9,650	\$11,118
Total Obligations	\$8,877	\$9,650	\$11,118

Full-time Equivalents (FTE)	0	0	0
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Amounts reflect obligations of annually appropriated resources, carryover balances, reimbursables, and transfers.

*Amounts for electric vehicles in FY 2023 likely to be transferred to other bureaus, exact amounts to be transferred are to be determined.

D – Appropriations Language and Explanation of Changes

Appropriations Language	Explanation of Changes
<p style="text-align: center;">DEPARTMENT OF THE TREASURY DEPARTMENT-WIDE SYSTEMS AND CAPITAL INVESTMENTS PROGRAM</p> <p><i>For development and acquisition of automatic data processing equipment, software, and services; for the hire of zero emission passenger motor vehicles and for supporting charging or fueling infrastructure; and for repairs and renovations to buildings owned by the Department of the Treasury, \$11,118,000, to remain available until September 30, 2025: Provided, That these funds shall be transferred to accounts and in amounts as necessary to satisfy the requirements of the Department’s offices, bureaus, and other organizations: Provided further, That this transfer authority shall be in addition to any other transfer authority provided in this Act: Provided further, That none of the funds appropriated under this heading shall be used to support or supplement “Internal Revenue Service, Operations Support” or “Internal Revenue Service, Business Systems Modernization.”</i></p> <p>Note. --A full-year 2022 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Continuing Appropriations Act, 2022 (Division A of P.L. 117-43, as amended). The amounts included for 2022 reflect the annualized level provided by the continuing resolution.</p>	<p>Provides authority to DSCIP to spend funding on electric vehicles and associated charging infrastructure.</p>

E – Legislative Proposals

DSCIP has no legislative proposals.

Section II – Annual Performance Plan and Report

A – Strategic Alignment

The DSCIP account provides a mechanism for Treasury to fund capital investments that have complex contracts with projects that span several fiscal years. Through the DSCIP account, the Treasury has been able to develop a Treasury-wide human resources information technology solution as well as fund the continual repair and restoration of the Main Treasury Building and the Freedman’s Bank Building.

DSCIP’s work aligns with the following new objectives in the Treasury FY 2022 – 2026 Strategic Plan:

Strategic Goal 4, to Combat Climate Change:

- Objective 4.4: Sustainable Treasury Operations. Improve Treasury’s overall environmental and energy sustainability and invest in Bureaus’ adaptation and resiliency efforts to address climate change impacts on operations and services.

Strategic Goal 5, to Modernize Treasury Operations:

- Objective 5.4: Customer Experience Practices. Mature and embed strong customer experience practices across the Department, establishing Treasury’s reputation for consistently positive experiences.

B – Budget and Performance by Budget Activity

2.1 – DSCIP Resources and Measures

Dollars in Thousands

Resource Level	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022 Annualized CR	FY 2023 Request
Department-wide Systems and Capital Investments Program (DSCIP)	\$3,000	\$4,426	\$4,000	\$6,118	\$6,118	\$6,118	\$11,118
Budget Activity Total	\$3,000	\$4,426	\$4,000	\$6,118	\$6,118	\$6,118	\$11,118
Full-time Equivalents (FTE)	0	0	0	0	0	0	0

Note: Funding levels reflect actual appropriation levels for FY 2017 – FY 2021 as reflected in the annual operating plan.

Department-wide Systems and Capital Investments Program Fund Budget and Performance

(\$11,118,000 from direct appropriations):

Treasury Owned Buildings - Repairs and Renovations

Treasury Operations has continued to strategically focus on restoring the health of the building envelope (shell), in an effort to correct the deteriorating building structure and infrastructure. Components of the Main Treasury building that have been repaired, replaced, or funded include new roofs (FY 2019/2021) and repairs to 40 percent of the windows (FY 2015/2017). The Freedman’s Bank Building components that have been repaired, replaced, or funded/planned include new roofs (FY 2017/2019), domestic water line (FY 2020/2022), and replacement of all windows

(FY 2009/2011). Funding and completion of these exterior items represent significant progress towards the preservation of the two buildings, maintaining a safe and healthy workplace, and reducing damage to the interior plaster and paint. The contract for the first phase of the Main Treasury exterior restoration was awarded late in FY 2021. Completion of the first phase is expected (restoration of the west façade) during FY 2022.

The FY 2021 contract award of the expanded Facility Condition Assessment (FCA) will provide an update and validation to the immediate repair needs that will identify long-term capital expenses based on the expected useful life of building systems and components. The FCA will also allow Treasury to identify ways to modernize Treasury facilities to improve energy efficiency and sustainability. Treasury Operations has enlisted non-reimbursable staffing resources to identify ways to improve Treasury's sustainability and decrease Treasury's carbon footprint, and the FCA will be invaluable in establishing a baseline from which Treasury can identify areas where sustainability or energy efficiency can be improved (e.g., legacy mechanical systems, more efficient building envelope, etc.) consistent with strategic objective 4.4. Work on the expanded FCA began in December 2021.

In addition to immediate repairs and long-term needs, the expanded FCA will provide feedback on code and Americans with Disabilities Act compliance. In doing so, it will also allow Treasury to provide a safer, more inclusive, and more comfortable environment for Treasury staff, which should contribute to the productivity and morale of employees within these buildings consistent with strategic objective 5.4. After the onset of the pandemic and the loss of activity in the Washington, DC Central Business District, Treasury owned spaces experienced a significant increase in rodent activity. Shortly after that, a water line leak led to the collapse of an interior basement wall in the FBB. In January 2022 a broken water pipe on the fifth floor of MT flooded all the floors below it, compromising workstations, walls, ceilings, and carpeting. Situations like these make it difficult for Treasury to support its staff within Treasury DO. The FCA will allow DO to identify and develop action plans to solve problems like these before they can occur, driving better, safer, and more inclusive experiences for Treasury staff.

SolarWinds Response

Due to the large scope of the SolarWinds incident remediation, in May 2021 Treasury realigned \$3.7M from the FY 2021 DSCIP appropriation to address immediate cybersecurity requirements.

Section III – Additional Information

A – Summary of Capital Investments

A summary of capital investment resources, including major information technology and non-technology investments can be found at:

<https://home.treasury.gov/about/budget-financial-reporting-planning-and-performance/budget-requestannual-performance-plan-and-reports/summary-of-capital-investments>