

Department-wide Systems and Capital Investments Program

Program Summary by Budget Activity

Dollars in Thousands

Budget Activity	FY 2025 Operating Plan	FY 2026 Enacted	FY 2027 Request	FY 2026 to FY 2027 \$ Change	% Change
Department-wide Systems and Capital Investments Program	\$11,007	\$11,007	\$22,613	\$11,606	105%
Total Budgetary Resources	\$11,007	\$11,007	\$22,613	\$11,606	105%
Total Full-time Equivalents (FTE)	0	0	0	0	0%

Summary

An icon of American architecture, the Main Treasury (MT) 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 MT building is not under the jurisdiction of the Architect of the Capitol or GSA, but rather is the direct responsibility of the Treasury Department. The bulk of funding for its care is provided through the Department-wide Systems and Capital Investments Program (DSCIP).

The MT 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 MT building into the 21st century. Now, 30 years later, the building faces a myriad of deferred maintenance issues that need to be addressed, some of which pose life-safety concerns. This includes issues related to Main Treasury and the Freedman's Bank Building's (FBB) external and internal infrastructure and security posture.

Treasury's FY 2027 request reflects a limited subset of those previously identified needs, which the Department plans to continue to work to address over time. The FY 2027 request builds on prior-year efforts to repair the MT building's exterior envelope and adds funding for major interior repairs and upgrades, supporting the Treasury's long-term strategy to maintain and modernize its owned facilities.

The FY 2027 request also includes funding to replace the chillers and cooling tower, upgrade perimeter fencing security, and address deferred maintenance and capital repairs related to electrical systems, Americans with Disabilities Act of 1990 (ADA) compliance, elevators, and overall building aesthetics.

In FY 2026, Treasury notified Congress of plans to realign \$0.6 million in FY 2025/2027 DSCIP funding and \$1.6 million in FY 2026/2028 DSCIP funding to modernize and renovate the MT Vault Café. This project was long overdue given the return-to-office mandate and increased demand for service with the increased in-office presence. The project's objective was to improve ventilation in the dining area, provide additional space reflective of increased building occupancy, and upgrade the functionality and appearance of the Vault Café. The current construction schedule is July 2026 – December 2026, with project completion expected by December 31, 2026.

Budget Highlights

Dollars in Thousands

	FTE	Amount
FY 2026 Enacted	0	\$11,007
Changes to Base:		
Non-Recurring Costs	0	(\$11,007)
Subtotal Changes to Base	0	(\$11,007)
FY 2027 Current Services	0	\$0
Program Changes:		
Program Increases:	0	\$22,613
Mechanical (HVAC)	0	\$9,807
MT Paint, Plaster, Carpet Repairs	0	\$600
Architectural and Engineering Design, Inspection, and Consultation	0	\$600
Deferred MT & FBB Capital Investment	0	\$5,706
Design Expert and Consultant Services for Perimeter Fencing	0	\$5,900
Subtotal Program Changes	0	\$22,613
FY 2027 President's Budget Request	0	\$22,613

Budget Adjustments

Non-Recurring Costs **-\$11,007,000 / -0 FTE**
 This amount represents the non-recur of investments funded within the FY 2026 Annualized CR.

Program Increases **+\$22,613,000 / +0 FTE**
Mechanical (HVAC) +\$9,807,000 /+0 FTE

FY 2025 was year one of a projected seven-year plan to replace the mechanical systems in the MT building and the FBB. The mechanical systems in the buildings range in age from over 100 years old to very recent, with most of the mechanical piping and air distribution infrastructure exceeding its useful life expectancy.

The mechanical systems are failing in many areas on both the air- and water-side equipment. The Chilled Water Distribution System is over 30 years old and has experienced numerous breakdowns and failures of valves, piping, and insulation, causing building damage, requiring extensive repairs. It is imperative that these items are repaired/replaced as there is no redundancy for the system. A system breakdown could potentially indefinitely shut down the Treasury Complex's daily operations and critical IT networks housed on site.

The MT building houses the entire chilled water plant for the MT complex. There are four central chillers totaling 1,800 tons of refrigeration in a mechanical room under the northwest lawn. The four chillers provide over 98% of the cooling required for the entire Treasury Headquarters complex; therefore, the plant is operated 24/7, 365 days per year. The FFB does not generate chilled water but rather uses chilled water from the main plant distributed by a dedicated secondary chilled water pump which serves most air handling units directly.

Replacement of the air handling units (AHU) that condition and circulate air will begin, along with Computer Room Air Conditioning (CRAC) units, and Fan Coil Units (FCU) that control temperatures in the tenant and data spaces will follow replacement of the cooling towers and chillers. This includes 27 AHU, 21 CRAC units, and hundreds of FCU.

A phased-projects approach will be implemented to ensure that the MT building and FBB will remain in service (occupied) during the improvements.

MT Paint, Plaster, Carpet Repairs +\$600,000 /+0 FTE

There is currently a backlog of damaged paint and plaster as well as frayed carpet throughout the MT building and the FBB. Some of the paint and plaster damage is due to water intrusion. These funds will supplement other funding to address the backlog in repairing these problems and implementing a regular schedule of maintenance. The damaged paint, plaster and carpets are unsightly and create a negative perception of the Department when conducting ministerial and cabinet-level engagements, as well as creating a safety hazard for distinguished guests and Treasury employees alike. This project supports the Secretary's priority to improve the appearance and condition of the facility.

Architectural and Engineering Design, Inspection, and Consultation +\$600,000 /+0 FTE

These funds will provide project technical guidance, such as structural reviewing, engineering calculations and building code review and consultation, as well as third-party inspections of MT and FBB projects. The consultation is necessary to progress on construction and repair projects and to ensure that the building maintains modern safety standards.

Deferred MT & FBB Capital Investment +\$5,706,000 /+0 FTE

These funds will be applied to deferred maintenance and capital repairs in the areas of electrical, ADA compliance, elevators, and historic preservation.

Projects include:

- Replacement or repair aged lighting fixtures and controls, remove abandoned pipes and cables (multi-year project).
- Refinishing of corridors, including decorative stair railings, damaged doors and thresholds, and repairs to match historic finishes.
- Planned repairs and upgrades to electrical infrastructure, including primary service improvements, replacement or modernization of oil-filled transformers, and upgrades to secondary service and distribution systems to address aged and obsolete panelboards, to be executed as a multi-year project.
- Updating restrooms design and fixtures for ADA compliance in FBB.
- Elevator overhaul (multi-year project).

Design and Consulting Services for Perimeter Fencing Security Upgrades +\$5,900,000 /+0 FTE

The requested funds will cover design expert and consultant services (architecture, engineering) for permanent perimeter fencing along the south end of the MT building and for an exterior screening facility in the MT building southeast lawn (between Hamilton Plaza and 15th Street).

The full project purpose is to:

- Replace and upgrade the Main Treasury Building perimeter fence (starting with the Main Treasury 15th Street section, south of the building to Alexander Hamilton Place) and gates with a heightened and strengthened fence system integrated with physical countermeasures and electronic security systems to enhance site security; and,

- Provide the MT building and the FBB security criteria compliant pedestrian screening and access control centers.

These upgrades will ensure the MT building and the FBB meet required level of protection security upgrades to the site, site perimeter, and the pedestrian screening and access control centers. This provides force protection, resiliency and mission assurance for MT/FBB personnel and systems. By providing the improved safety and resilience countermeasures to the buildings, all critical operations and missions within the buildings will have an upgraded level of protection to be able to better mitigate potential negative mission and operation impacts from realized threats.

Legislative Proposals

DSCIP has no legislative proposals.