

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

Congressional Budget  
Justification and Annual  
Performance Plan and Report

FY 2027

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## **Section I – Budget Request**

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### **A – Mission Statement**

Improve infrastructure, modernize business processes, and increase resiliency and efficiency through technology and capital investments that support the missions of Treasury bureaus and mission-essential functions.

### **B – Summary of the Request**

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.

## 1.1 – Appropriations Detail Table

Dollars in Thousands

Appropriated Resources	FY 2025 Operating Plan		FY 2026 Enacted		FY 2027 Request		FY 2026 to FY 2027 % Change	
	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
<b>New Appropriated Resources</b>								
Department-wide Systems and Capital Investments Program	0	\$11,007	0	\$11,007	0	\$22,613	NA	105.4%
<b>Subtotal New Appropriated Resources</b>	<b>0</b>	<b>\$11,007</b>	<b>0</b>	<b>\$11,007</b>	<b>0</b>	<b>\$22,613</b>	<b>NA</b>	<b>105.4%</b>
<b>Total Budgetary Resources</b>	<b>0</b>	<b>\$11,007</b>	<b>0</b>	<b>\$11,007</b>	<b>0</b>	<b>\$22,613</b>	<b>NA</b>	<b>105.4%</b>

## 1.2 – Budget Adjustments Table

Dollars in Thousands

	FTE	Amount
<b>FY 2026 Enacted</b>	<b>0</b>	<b>\$11,007</b>
<b>Changes to Base:</b>		
Non-Recurring Costs	0	(\$11,007)
Subtotal Changes to Base	0	(\$11,007)
<b>FY 2027 Current Services</b>	<b>0</b>	<b>\$0</b>
<b>Program Changes:</b>		
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
<b>FY 2027 President's Budget Request</b>	<b>0</b>	<b>\$22,613</b>

## C – Budget Increases and Decreases Description

**Non-Recurring Costs** .....-\$11,007,000 / - 0 FTE

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.

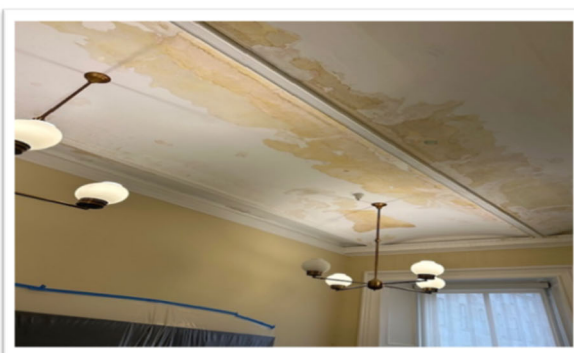
The MT building houses the entire chilled water plant for the MT complex. There are four central chillers totaling 1,800 tons of refrigeration in a mechanical room under the northwest lawn. The four chillers provide over 98 percent of the cooling required for the entire Treasury Headquarters complex; therefore, the plant is operated 24/7, 365 days per year. The FBB 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 following the replacement of the cooling towers and chillers. This includes 27 AHU, 21 CRAC units, and hundreds of FCU.

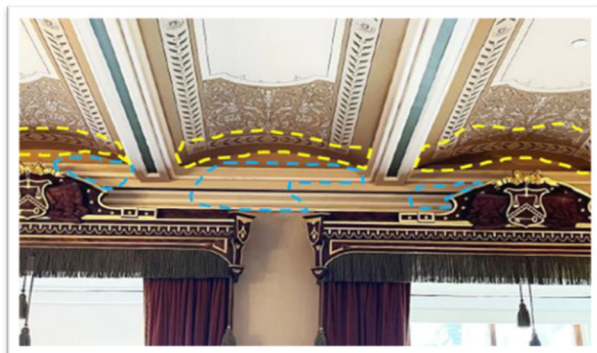
A phased-projects approach will be implemented to ensure that the MT building and FBB will remain in service (occupied) during the improvements.

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.



Paint and Plaster Repair, MT room 2124



\*Historic Paint Repair/Replication Diplomatic Reception Room MT

*\* Yellow dash identifies wall and ceiling with canvas delamination.  
Blue identifies paint and plaster issues repairs*

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).



277/480 V SUB-PANELS



BROKEN AND CRACKED TERRAZZO  
TILES IN CORRIDOR C131



CRACKED HISTORICAL MARBLE  
TILES IN CORRIDOR

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 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.

### 1.3 – Object Classification (Schedule O) Obligations Table

Dollars in Thousands

Object Classification	FY 2025 Actual Obligations	FY 2026 Estimated Obligations	FY 2027 Estimated Obligations
25.1 - Advisory and assistance services	0	0	600
25.3 - Other goods and services from Federal sources	1,123	0	0
32.0 - Land and structures	13,851	11,007	22,013
<b>Total Non-Personnel</b>	<b>\$14,974</b>	<b>\$11,007</b>	<b>\$22,613</b>
<b>Total Obligations</b>	<b>\$14,974</b>	<b>\$11,007</b>	<b>\$22,613</b>
<b>Full-time Equivalents (FTE)</b>	<b>0</b>	<b>0</b>	<b>0</b>

Amounts reflect obligations of annually appropriated resources, carryover balances, reimbursables, and transfers.

### D – Appropriations Language and Explanation of Changes

Appropriations Language	Explanation of Changes
<p>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 and for repairs, security improvements, and renovations to buildings owned by the Department of the Treasury, \$22,613,000, to remain available until September 30, 2029: 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>	

### E – Legislative Proposals

DSCIP has no legislative proposals.

## Section II – Annual Performance Plan and Report

### A – Budget and Performance

Treasury carries a great responsibility for fostering prosperity and security for the American people. We play a critical role both in the U.S. economy and globally to meet the needs of the nation. The [Treasury Strategic Plan 2026–2030](#) charts a course to guide meeting the responsibilities to the public. As the Bureau Strategic Plans are finalized, more information on measures such as validation and verification of data and explanations of results will be developed.

### 2.1 – Budget Activities Table

Dollars in Thousands

Resource Level	FY 2021 Actual	FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Actual	FY 2026 Enacted	FY 2027 Request
Department-wide Systems and Capital Investments Program	\$8,877	\$5,288	\$10,743	\$7,684	\$14,974	\$11,007	\$22,613
<b>Budget Activity Total</b>	<b>\$8,877</b>	<b>\$5,288</b>	<b>\$10,743</b>	<b>\$7,684</b>	<b>\$14,974</b>	<b>\$11,007</b>	<b>\$22,613</b>

### 2.2 – Performance Summary

#### **Treasury Owned Buildings: FY 2025 Results**

Exterior Repairs and Restoration - Throughout FY 2025, Treasury Operations continued its strategic focus on restoring the building envelope to address deteriorating structures and infrastructure. Steady progress in the multi-year preservation of the MT building has successfully prevented the need for more extensive repairs. Contracts awarded 2021-2025 led to the completion of façade repair and preservation with phase 4 (the east side of the building) completing in December 2025 and 25% of Phase 5 north and south courtyards. The west and north elevations in the south courtyard finished in December 2025.

Paint, Plaster, and Carpet Repairs - Efforts to address the backlog of paint, plaster, and carpet repairs in the MT and FBB continued throughout FY 2025. These projects mitigated safety hazards and supported the Secretary’s priority to improve overall facility conditions. Key accomplishments included over 56 completed and ongoing projects to repair damaged plaster and aged and discolored paint in the MT building.

FY 2025 was the launch year of a seven-year plan to replace aged mechanical systems in the MT and FBB. This was a design year for the system and sub-systems. The design drawings for the four new cooling towers were completed on schedule.

Also launching in FY 2025 was the study and design for modernization of the MT fire alarm system with integration of mass notification system.

#### **Treasury-Owned Buildings: FY 2026 – 2027 Priorities**

Consistent with the November 2025 National Security Strategy to ensure Resiliency of key governmental installations and functions and Treasury Strategic Plan Objective 4.4 (Reduction of Backlog of Mission-Critical Infrastructure), Treasury Operations will continue a phased approach to replacing aging mechanical systems, ensuring the MT building and FBB remain

occupied and fully operational during the modernization. Replacement of the cooling towers will increase reliability of cooling plant.

Phase 2 of the modernization will include a competitive contract for design and replacement of the chillers. Performance metrics include % of schedule met, efficiencies in design, and reduction of plant outages.

New projects include design and planning for increase security measures at MT and the reductions of deferred maintenance at MT and FBB. Performance metrics include percent of schedule met, efficiency of design, reduction of service disruption to customer base.

This DSCIP strategy represents a prudent investment to avoid critical system failures, maintain Treasury's operational resilience, meet OMB/GSA utilization mandates, and preserve irreplaceable historic assets. The plan demonstrates fiscal discipline: phased modernization, risk-based prioritization, and measurable outcomes in utilization, footprint reduction, and backlog reduction.

### **Section III – Additional Information**

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#### **A – Summary of Capital Investments**

A summary of capital investments, including major information technology and non-technology investments, can be accessed at <https://www.treasury.gov/about/budget-performance/Pages/summary-of-capital-investments.aspx>.