

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

Congressional Justification
for Appropriations and
Annual Performance
Report and Plan

FY 2018

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Section I – Budget Request

A – Mission Statement

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

B – Summary of the Request

Treasury owns and operates two historic office buildings in downtown Washington, D.C. – the Main Treasury Building and the Freedman’s Bank Building. Annually, the Department completes a condition assessment review of the infrastructure of these buildings. This year’s assessment highlights elements and infrastructure that has exceeded its expected life and has become too costly to continually repair. The Department plans to work through these accumulated needs over time. The FY 2018 request of \$4.426 million begins this process by focusing on life safety renovations, improved electrical service, and roof replacement to address systemic and mechanical failure, and building modernization, while preserving the historic fabric of the buildings.

1.1 – Appropriations Detail Table

Dollars in Thousands

Department-wide Systems and Capital Investments Program Appropriated Resources	FY 2016		FY 2017		FY 2018		FY 2017 to FY 2018				
	Enacted		Annualized CR		Request		Change		% Change		
	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	
New Appropriated Resources											
Department-wide Systems and Capital Investments Program	0	\$5,000	0	\$4,990	0	\$4,426	0	(\$564)	NA	-11.30%	
Total Budgetary Resources	0	\$5,000	0	\$4,990	0	\$4,426	0	(\$564)	NA	-11.30%	

1.2 – Budget Adjustments Table

Dollars in Thousands

Department-wide Systems and Capital Investments Program	FTE	Amount
FY 2017 Annualized CR	0	\$4,990
Changes to Base:		
Non-Recurring Costs	0	(\$4,990)
Zero based budget	0	(\$4,990)
Subtotal Changes to Base	0	(\$4,990)
Total FY 2018 Base	0	\$0
Program Changes:		
Program Increases:	0	\$4,426
Add smoke evacuation to stairwells in the Freedman's Bank Building	0	\$350
Complete delivery of new electric service to tenant spaces in Freedman's Bank Building	0	\$1,000
Phase I Main Treasury Roof Replacement	0	\$3,076
Subtotal Program Changes	0	\$4,426
Total FY 2018 Request	0	\$4,426

C – Budget Increases and Decreases Description

Non-Recurring Costs -\$4,990,000 / +0 FTE

Zero-Based Budget -\$4,990,000 / +0 FTE

In the FY 2017 Annualized Continuing Resolution, \$2,995,000 is provided for Digital Accountability and Transparency Act implementation, and \$1,995,000 is provided for renovation of Treasury buildings.

Program Increases +\$4,426,000 / +0 FTE

Add Smoke Evacuation to Freedman’s Bank Building Stairwells +\$350,000 / +0 FTE

The Freedman’s Bank Building has two existing stairwells for emergency egress. Neither stairwell is properly pressurized in order to deter smoke infiltration in the case of a fire.

Complete Delivery of New Electric Service to Freedman’s Bank Building +\$1,000,000 / +0 FTE

A renovation project in 2013 provided new electrical feeders to the building and replaced the main switchgear. The project resulted in more efficient building service, however, further renovations are required to fully take advantage of this service within the secondary electrical distribution. The building also possesses some older aluminum branch wiring that needs to be replaced to meet current codes, and there is a unit that supplies uninterrupted power to the network which is approximately 15 years old and needs to be replaced. A new primary distribution system was installed in 2013, but older transformers and distribution panels from the older service still exist and will need to be removed as the secondary distribution systems are updated as part of floor-by-floor renovation. Finally, the typical lighting fixtures do not meet current federal energy standards and will need to be replaced with LED lighting.

Phase 1 Main Treasury Roof Replacement +\$3,076,000 / +0 FTE

The Main Treasury Building roof has reached its normal life expectancy and routine maintenance can no longer prevent leaks. New roofing options are being explored including removal and replacement of the existing roof. Preliminary research suggests that a newer technology may have advantages that outweigh the current roofing system. The new technology can be applied directly over the existing roofing system at a fraction of the cost and offer the same warranty period as conventional systems. In addition to lower costs and similar warranty periods, these systems also offer shorter installation periods, reduced odors, a UL fire rating, and manageable maintenance programs.

1.3 – Operating Levels Table

Dollars in Thousands

Department-wide Systems and Capital Investments Program - Object Classification	FY 2016 Actual	FY 2017 Annualized CR	FY 2018 Request
25.1 - Advisory and assistance services	639	0	0
25.2 - Other services from non-Federal sources	401	2,995	0
31.0 - Equipment	210	0	0
32.0 - Land and structures	0	1,995	4,426
Total Non-Personnel	\$1,250	\$4,990	\$4,426
Total Budgetary Resources	\$1,250	\$4,990	\$4,426

D – Appropriations Language and Explanation of Changes

Appropriations Language	Explanation of Changes
<p style="text-align: center;">DEPARTMENT OF THE TREASURY DEPARTMENTAL OFFICES <i>Federal Funds</i> DEPARTMENT-WIDE SYSTEMS AND CAPITAL INVESTMENTS PROGRAM (INCLUDING TRANSFER OF FUNDS)</p> <p><i>For development and acquisition of automatic data processing equipment, software, and services and for repairs and renovations to buildings owned by the Department of the Treasury, \$4,426,000, to remain available until September 30, 2020: 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 2017 appropriation for this account was not enacted at the time the budget was prepared; therefore, the budget assumes this account is operating under the Further Continuing Appropriations Act, 2017 (P.L. 114–254). The amounts included for 2017 reflect the annualized level provided by the continuing resolution.</p>	

E – Legislative Proposals

The DSCIP has no legislative proposals.

Section II – Annual Performance Plan and Report

A – Strategic Alignment

The FY 2018-2022 strategic plan is currently under development. The annual performance plan will be updated in the FY 2019 budget to reflect the new priorities.

B – Budget and Performance by Budget Activity

2.1.1 Department-wide Systems and Capital Investments Program Resources and Measures

Dollars in Thousands

Department-wide Systems and Capital Investments Program	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Resource Level	Actual	Actual	Actual	Actual	Actual	Annualized CR	Request
Appropriated Resources	0	0	\$2,725	\$2,725	\$1,250	\$4,990	\$4,426
Budget Activity Total	0	0	\$2,725	\$2,725	\$1,250	\$4,990	\$4,426
FTE	0	0	0	0	0	0	0

Department-wide Systems and Capital Investments Program

(\$4,426,000 from direct appropriations):

Department-wide Systems and Capital Investments Program (DSCIP) enables the Department to make investments in capital improvements that support the missions of all Treasury bureaus and programs.

Department-wide Information Technology Systems. The FY 2016 Consolidated Appropriations Act provided \$4,350,000 to support mission-critical Treasury functions by investing in computing resources and security infrastructure. Investments were geared to meet the demand from multiple entities for the architecture needed to support big data.

Treasury Building - Repairs and Renovations. The Main Treasury Building and the Freedman’s Bank Building are owned by the Department and are Departmental Offices’ capital investments. The age and historical significance of the buildings create special conditions that do not exist in many other Federal office facilities. Continual upkeep, with close attention to historic preservation, is necessary in order to continue occupying these buildings. Funds in the amount of \$650,000 were provided in the FY 2016 Consolidated Appropriations Act to repair the South Plaza paver stones and underlying setting bed that were causing an unstable walking surface and a hazard to employees. FY 2017 funds will be used for continued repair and renovations. The FY 2018 request focuses on life safety, improved electrical service, and roof replacement.

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:

<http://www.treasury.gov/about/budget-performance/Pages/summary-of-capital-investments.aspx>

This website also contains a digital copy of this document.