

Department of the Treasury  
United States Mint

Congressional Budget  
Justification and Annual  
Performance Report and Plan

FY 2019

# Table of Contents

<b>Section I – Budget Request</b> .....	<b>3</b>
A – Mission Statement .....	3
B – Summary of the Request.....	3
1.1 – Resource Detail Table .....	5
1.2 – Budget Adjustments Table .....	5
C – Budget Increases and Decreases Description .....	6
1.3 – Operating Levels Table .....	7
D – Appropriations Language and Explanation of Changes .....	8
E – Legislative Proposals .....	8
<b>Section II – Annual Performance Plan and Report</b> .....	<b>9</b>
A – Strategic Alignment.....	9
B – Budget and Performance by Budget Activity .....	10
2.1.1 – Manufacturing Resources and Measures.....	10
<b>Section III – Additional Information</b> .....	<b>13</b>
A – Summary of Capital Investments .....	13

## **Section I – Budget Request**

---

### **A – Mission Statement**

Enables America’s economic growth and stability by protecting assets entrusted to us and manufacturing coins and medals to facilitate national commerce.

### **B – Summary of the Request**

In Fiscal Year (FY) 2019, the Mint’s total estimated budgetary requirements for operations, metal, and capital investments are \$2.97 billion. This budget will support the production of 14.5 billion circulating coins, as well as the production of bullion and other numismatic products sufficient to meet customer demand. The Mint has one budget activity:

Manufacturing, which encompasses the bureau’s two major programs, circulating coinage and numismatic products (including bullion coins, collector coins, and national medals).

To maintain its reputation as one of the finest mints in the world, the Mint is committed to operating according to the core values of service, quality, and integrity. The Mint has three strategic goals to help fulfill its mission and values: 1) to foster a safe, flexible, diverse, and engaged workforce; 2) to improve mission critical activities and governance; and 3) to integrate technology into operations and support lines. These goals align with Treasury Strategic Goals 1 and 5: to boost U.S. economic growth and to achieve operational excellence.

In an effort to align more closely with Treasury’s strategic goal of achieving operational excellence, the Bureau of Engraving and Printing (BEP) and the Mint will streamline certain functions by migrating BEP’s online numismatic sales and marketing presence to the Mint’s recently modernized E-Commerce infrastructure and services platform and centrally coordinating non-IT procurements, creating economies of scale and reducing expenses.

Mint operations are funded through the Mint Public Enterprise Fund (PEF), 31 U.S.C. § 5136. The Mint generates revenue through the sale of circulating coins to the Federal Reserve Banks (FRB), numismatic products to the public, and bullion coins to authorized purchasers. All circulating and numismatic operating expenses, along with capital investments incurred for the Mint’s operations and programs, are paid out of the PEF. By law, all funds in the PEF are available without fiscal year limitation. Revenues determined to be in excess of the amount required by the PEF are transferred to the United States Treasury General Fund.

### **Circulating**

Circulating coin production projections are based on current economic data and forecasts of FRB coin orders. Circulating coin production for FY 2018 and FY 2019 is forecasted at 14.0 and 14.5 billion coins, respectively. This level reflects a 0.5 percent decrease for FY 2018 and three percent increase in FY 2019 in shipments of all coin denominations as compared to 14.1 billion in FY 2017. Circulating financial performance continues to be affected by the costs of the inputs for producing the coinage.

## **Numismatic Program**

The numismatic program, which includes bullion coins, is designed to prepare and distribute premium products to collectors and those who desire quality versions of coinage. Numismatic products are priced to cover metal and production costs.

### ***Bullion Coins***

The bullion coin program provides the public a means to acquire precious metal coins as part of an investment portfolio. In FY 2017, bullion demand declined to 24.7 million ounces from the 45.1 million ounces sold in FY 2016. Demand for bullion is forecasted at 36.9 million ounces in FY 2018 and 34.8 million ounces in FY 2019. Bullion revenue is forecasted to be \$2.0 billion in both FY 2018 and FY 2019.

### ***Numismatic (Collector Coins and Medals)***

The numismatic program provides high-quality versions of circulating coinage, precious metal coins, commemorative coins, and national medals for sale to the public. Numismatic revenue decreased by six percent from \$413 million in FY 2016 to \$387 million in FY 2017. The decrease was driven primarily by lower customer demand for numismatic products in the fourth quarter of FY 2017. Total units decreased by six percent from 4.2 million in FY 2016 down to 3.9 million in FY 2017. FY 2018 and FY 2019 numismatic revenues are projected to be \$327 million and \$305 million, respectively, as demand for numismatic products is projected to continue to decrease to 3.8 million in FY 2018 and 3.7 million in FY 2019.

## 1.1 – Resource Detail Table

Dollars in Thousands

United States Mint Budgetary Resources	FY 2017		FY 2018		FY 2019		FY 2018 to FY 2019			
	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
<b>Revenue/Offsetting Collections</b>										
Other Income										
Circulating	0	\$871,919	0	\$840,000	0	\$882,000	0	\$42,000	NA	5.00%
Bullion/Numismatic	0	\$1,766,282	0	\$2,364,609	0	\$2,346,893	0	(\$17,716)	NA	-0.75%
<b>Total Revenue/Offsetting Collections</b>	<b>0</b>	<b>\$2,638,201</b>	<b>0</b>	<b>\$3,204,609</b>	<b>0</b>	<b>\$3,228,893</b>	<b>0</b>	<b>\$24,284</b>	<b>NA</b>	<b>0.76%</b>
<b>Expenses/Obligations</b>										
Manufacturing										
Circulating	954	\$480,405	989	\$647,852	989	\$653,461	0	\$5,608	0.0%	0.87%
Bullion/Numismatic	691	\$1,723,504	716	\$2,296,932	716	\$2,316,815	0	\$19,884	0.0%	0.87%
<b>Total Expenses/Obligations</b>	<b>1,645</b>	<b>\$2,203,909</b>	<b>1,705</b>	<b>\$2,944,784</b>	<b>1,705</b>	<b>\$2,970,276</b>	<b>0</b>	<b>\$25,492</b>	<b>0.00%</b>	<b>0.87%</b>
<b>Net Results</b>	<b>1,645</b>	<b>\$434,292</b>	<b>1,705</b>	<b>\$259,825</b>	<b>1,705</b>	<b>\$258,617</b>	<b>0</b>	<b>(\$1,208)</b>	<b>0.00%</b>	<b>-0.46%</b>

Coin Shipments (Units in Millions/Coins)	FY 2017	FY 2018	FY 2019	% Change
<b>Circulating:</b>				
One Cent	8,426	8,500	8,700	2.4%
5-Cent	1,306	1,300	1,400	7.7%
Dime	2,410	2,400	2,500	4.2%
Quarter	1,926	1,800	1,900	5.6%
Half-Dollar	-	-	-	0.0%
Dollar	-	-	-	0.0%
<b>Total Circulating</b>	<b>14,067</b>	<b>14,000</b>	<b>14,500</b>	<b>3.6%</b>

Budget Category	FY 2017 Actual	FY 2018 Estimated	FY 2019 Estimated	% Change
Administrative Operating Costs	\$375,489	\$414,284	\$419,776	1.33%
Capital Investments	\$39,099	\$40,500	\$40,500	0.0%
Metals and Materials Costs	\$1,789,321	\$2,490,000	\$2,510,000	0.8%
<b>Total Resources</b>	<b>\$2,203,909</b>	<b>\$2,944,784</b>	<b>\$2,970,276</b>	<b>0.9%</b>

Note: Total Capital Investment budget includes Statutory Limit for Circulating/Protection Capital \$30M and Numismatic Capital budget at \$10.5M.

## 1.2 – Budget Adjustments Table

Dollars in Thousands

United States Mint	FTE	Materials	Operating & Capital	Total
<b>FY 2018 Original Estimate</b>	<b>1,801</b>	<b>\$2,240,000</b>	<b>\$454,784</b>	<b>\$2,694,784</b>
Adjustment to Estimate - Metals Due to Forecasted Decrease in Circulating Coin Production		(\$30,000)		(\$30,000)
Adjustment to Estimate - Metals Due to Forecasted Increase in Numismatic Coin Metals Prices		\$280,000		\$280,000
Adjustment to FTE Requirements	(96)			
<b>Revised FY 2018 Estimated Resources</b>	<b>1,705</b>	<b>2,490,000</b>	<b>454,784</b>	<b>2,944,784</b>
<b>Changes to Base</b>				
Maintaining Current Levels (MCLs)			\$5,492	\$5,492
Pay Annualization			\$1,011	\$1,011
Non-Pay			\$4,481	\$4,481
Subtotal Changes to Base			\$5,492	\$5,492
<b>Total FY 2019 Base</b>	<b>1,705</b>	<b>\$2,490,000</b>	<b>\$460,276</b>	<b>\$2,950,276</b>
<b>Program Changes</b>				
Program Increases		\$20,000		\$20,000
Metals Due to Forecasted Increase in Circulating Coin Production		\$20,000		\$20,000
Subtotal Program Changes		\$20,000		\$20,000
<b>Total FY 2019 Estimated</b>	<b>1,705</b>	<b>\$2,510,000</b>	<b>\$460,276</b>	<b>\$2,970,276</b>

## C – Budget Increases and Decreases Description

**FY 2018 Revised Estimated Resources ..... +\$250,000,000 / -96 FTE**

Metal Due to Forecasted Decrease in Circulating Coin Production, -\$30,000,000 / -0 FTE

Circulating coin production for FY 2018 is forecasted at 14 billion, a 13 percent decrease from the 16 billion coins originally planned. As a result of this decrease in production levels, the amount and cost of metal to be purchased for the circulating coin program is reduced.

Metal Due to Forecasted Increase in Numismatic Coin Metal Prices, +\$280,000,000 / -0 FTE

FY 2018 forecasted increases in metal prices results in an increase in the cost of the metal to be purchased for the numismatic/bullion coin programs.

FTE Requirements, \$0 / -96 FTE

To align with the Administration’s initiative to improve Government efficiency and effectiveness, the Mint implemented staffing streamlining efforts in FY 2017. Further staffing reviews to ensure appropriate staffing levels for maximum efficiency resulted in a reduction in the estimated FTE necessary for 2018 from 1,801 to 1,705.

**FY 2019 Budget Increases and Decreases Description..... +\$25,492,000 / -0 FTE**

**Maintaining Current Levels (MCLs) ..... +\$5,492,000 / +0 FTE**

Pay Annualization +\$1,011,000 / +0 FTE

Funds are required for the annualization of the January 2018 pay raise.

Non-Pay +\$4,481,000 / +0 FTE

Funds are required for non-labor expenses such as travel, contracts, rent, supplies, and equipment.

**Program Increases .....+\$20,000,000 / +0 FTE**

Metal Due to Forecasted Increase in Circulating Coin Metal Prices, \$20,000,000 / +0 FTE

FRB demand for circulating coins is forecasted to increase slightly from FY 2018 to FY 2019 (from 14.0 to 14.5 billion coins). This increase, coupled with forecasted increases in metal prices, results in an increase in overall production costs for the circulating program.

### 1.3 – Operating Levels Table

Dollars in Thousands

United States Mint Object Classification	FY 2017 Actual	FY 2018 Estimated	FY 2019 Estimated
11.1 - Full-time permanent	130,392	147,165	147,165
11.3 - Other than full-time permanent	599	161	161
11.5 - Other personnel compensation	12,365	12,729	12,729
<b>11.9 - Personnel Compensation (Total)</b>	<b>143,356</b>	<b>160,055</b>	<b>160,055</b>
12.0 - Personnel benefits	49,490	51,729	52,740
13.0 - Benefits for former personnel	144	1,019	1,019
<b>Total Personnel and Compensation Benefits</b>	<b>\$192,990</b>	<b>\$212,803</b>	<b>\$213,814</b>
21.0 - Travel and transportation of persons	1,621	2,703	2,703
22.0 - Transportation of things	28,524	28,702	28,702
23.1 - Rental payments to GSA	455	450	500
23.2 - Rental payments to others	15,198	13,995	13,945
23.3 - Communication, utilities, and misc charges	13,502	17,358	17,358
24.0 - Printing and reproduction	3,551	1,550	1,550
25.1 - Advisory and assistance services	46,259	52,810	55,095
25.2 - Other services	21,448	28,797	30,052
25.3 - Other purchases of goods & serv frm Govt accounts	19,113	21,372	22,313
25.4 - Operation and maintenance of facilities	4,847	3,185	3,185
25.5 - Research and development contracts	815	1,913	1,913
25.6 - Medical care	707	460	460
25.7 - Operation and maintenance of equip	7,585	7,887	7,887
26.0 - Supplies and materials	1,805,973	2,507,928	2,527,928
31.0 - Equipment	29,423	31,057	31,057
32.0 - Land and structures	11,879	11,814	11,814
42.0 - Insurance claims and indemnities	3	0	0
43.0 - Interest and dividends	16	0	0
<b>Total Non-Personnel</b>	<b>2,010,919</b>	<b>2,731,981</b>	<b>2,756,462</b>
<b>New Budgetary Resources</b>	<b>\$2,203,909</b>	<b>\$2,944,784</b>	<b>\$2,970,276</b>
<b>FTE</b>	<b>1,645</b>	<b>1,705</b>	<b>1,705</b>

**D – Appropriations Language and Explanation of Changes**

Appropriations Language	Explanation of Changes
<p style="text-align: center;">DEPARTMENT OF THE TREASURY UNITED STATES MINT PUBLIC ENTERPRISE FUND <i>Federal Funds</i></p> <p><i>Pursuant to section 5136 of title 31, United States Code, the United States Mint is provided funding through the United States Mint Public Enterprise Fund for costs associated with the production of circulating coins, numismatic coins, and protective services, including both operating expenses and capital investments: Provided, That the aggregate amount of new liabilities and obligations incurred during fiscal year 2019 under such section 5136 for circulating coinage and protective service capital investments of the United States Mint shall not exceed \$30,000,000.</i></p> <p>Note.—A full-year 2018 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, 2018 (Division D of P.L. 115–56, as amended). The amounts included for 2018 reflect the annualized level provided by the continuing resolution.</p>	

**E – Legislative Proposals**

**Alternative Metal Composition**

This proposal would give the Secretary the authority to prescribe the compositions of the nickel, dime, and quarter-dollar coins, provided that the new metal compositions do not affect the electromagnetic signature (EMS), color, or weight of the coins.

There are two basic compositions that are under consideration. The first, 80/20 composition which is a leaner version of the cupronickel (currently in production) has a nominal composition of 77 percent copper, 20 percent nickel and 3 percent manganese as compared to the current cupronickel composition of 75 percent copper and 25 percent nickel. The 80/20 material is applicable to 5-cent, dime, and quarter production. There is minimal to no risk as this alloy has been tested internally and externally and is seamless to our current coinage. Incremental annual savings are approximately \$4 million depending on volume and metal prices at the time of production.

The second composition represents the leanest composition that provides a seamless EMS, comparable color and feasibility of large scale production. It is a nominal composition of 50.75 percent copper, 14 percent nickel, 33 percent zinc and 2.1 percent manganese. This leaner alloy is clad to a copper core for the 10-cent and 25-cent. This contains less of the more expensive nickel and copper than the current coinage material. While there is some risk associated with this composition, testing and adjustments continue in order to mitigate risk. Incremental savings (depending on volume and metal prices) are projected at \$16.6 million annually.

By authorizing the Secretary the flexibility to implement small changes to the copper-nickel circulating coin metal compositions, the Mint could realize incremental material savings with little or no impact to the vending industry or general public.



## **Section II – Annual Performance Plan and Report**

---

### **A – Strategic Alignment**

The Mint aligns with the following Department of the Treasury’s Strategic Plan for FY 2018-2022 goals:

- Goal 1: Boost U.S. Economic Growth
  - Objective 1.3 Trusted Currency and Services: Deliver trusted currency and services that enable citizens and businesses to participate in the economy.
- Goal 5: Achieve Operational Excellence
  - Objective 5.1 Workforce Management: Deliver trusted currency and services that enable citizens and businesses to participate in the economy.
  - Objective 5.2 Treasury Infrastructure: Better enable mission delivery by improving the reliability, security, and resiliency of Treasury’s infrastructure.
  - Objective 5.3 Delivering customer value: Improve customer value by increasing the quality and lowering the cost of Treasury’s products and services.

Initiatives to support the goals outlined in Treasury’s strategic plan include the Mint and BEP partnering to streamline certain functions by migrating BEP’s online numismatic sales and marketing presence to the Mint’s recently modernized E-Commerce infrastructure and services platform and centrally coordinating non-IT procurements, creating economies of scale and reducing expenses.

### **Circulating Coinage Program**

Circulating coinage includes the minting and issuing of pennies, nickels, dimes, and quarter-dollars. The Mint delivers circulating coinage to the FRBs in quantities to support their service to commercial banks and other financial institutions. These financial institutions then meet the coinage needs of retailers and the public. The Mint recognizes revenues from the sale of circulating coins at face value when they are shipped to the FRBs.

The Mint will continue to mint and issue circulating quarter-dollar coins honoring America’s national parks and other national sites, in accordance with the America the Beautiful National Parks Quarter Dollar Coin Act of 2008 (Public Law 110-456). In 2018, the Mint will release quarters honoring Pictured Rocks National Lakeshore (Michigan), Apostle Islands National Lakeshore (Wisconsin), Voyageurs National Park (Minnesota), Cumberland Island National Seashore (Georgia), and Block Island National Wildlife Refuge (Rhode Island). In 2019, the Mint will release quarters honoring Lowell National Historical Park (Massachusetts), American Memorial Park (North Mariana Islands), War in the Pacific National Historical Park (Guam), San Antonio Missions National Historical Park (Texas), and Frank Church River of No Return Wilderness (Idaho).

### **Numismatic Program**

#### ***Bullion Coins***

The Mint produces and issues gold, silver, platinum, and palladium bullion coins to authorized purchasers through the American Eagle, American Buffalo, and America the Beautiful Silver Bullion Coin Programs to fulfill investor demand. The authorized purchasers agree to maintain an open, two-way market for these coins, ensuring their availability for consumers who desire

them for investment portfolios. Demand for bullion coins is greatly influenced by the performance of other investment options, such as equities or currency markets, and therefore is highly unpredictable. The content and purity of the precious metal in the bullion coins are backed by the United States Government.

### ***Other Numismatic Products***

The Mint’s numismatic program provides high-quality versions of circulating coinage, precious metal coins, commemorative coins, and national medals for sale directly to the public. For some numismatic products, authorizing legislation specifies program requirements, such as design theme, mintage level, and duration of product availability. Other programs are structured by law to grant the Secretary of the Treasury discretion in determining product specifications.

The Mint will continue to mint and issue \$1 coins commemorating the important contributions made by Indian tribes and individual Native Americans to the development and history of the United States in accordance with the Native American \$1 Coin Act (Public Law 110-82).

Commemorative coins are authorized by law to recognize and honor people, places, events, institutions, and other subjects of historic or national significance. Each coin is minted and issued by the Mint in a limited quantity and is available only for a limited time. Included in the price is a surcharge that is authorized to be paid to the designated recipient organizations, assuming all legal requirements have been met. Recipient organizations must use the proceeds for the purposes specified in the enabling legislation. In 2018, the Mint has authorization to mint commemorative coins for two programs: the World War I American Veterans Centennial Commemorative Coin (Public Law 113-212) and the Breast Cancer Awareness Commemorative Coin (Public Law 114-148). In 2019, the Mint has authorization to mint commemorative coins for two programs: the Apollo 11 50<sup>th</sup> Anniversary Commemorative Coin (Public Law 114-282) and the American Legion 100<sup>th</sup> Anniversary Commemorative Coin (Public Law 115-65).

## **B – Budget and Performance by Budget Activity**

### **2.1.1 Manufacturing Resources and Measures**

Dollars in Thousands

Resource Level	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2018 Estimated	FY 2019 Estimated
Expenses/Obligations	\$3,525,178	\$2,861,632	\$2,937,553	\$3,272,106	\$2,203,909	\$2,944,784	\$2,970,276
<b>Budget Activity Total</b>	<b>\$3,525,178</b>	<b>\$2,861,632</b>	<b>\$2,937,553</b>	<b>\$3,272,106</b>	<b>\$2,203,909</b>	<b>\$2,944,784</b>	<b>\$2,970,276</b>
<b>FTE</b>	<b>1,705</b>	<b>1,661</b>	<b>1,657</b>	<b>1,695</b>	<b>1,645</b>	<b>1,705</b>	<b>1,705</b>

Measure	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Actual	FY 2017 Target	FY 2018 Target	FY 2019 Target
Customer Satisfaction Index (%)	92.6	89.8	89.5	91	91.7	90	90	90
Numismatic Sales Units (Million Units)	5.5	5.7	5.4	4.2	3.9	4.4	3.5	3.5
Safety Incident Recordable Rate	2.9	3.31	3.42	2.53	1.96	2.83	2.75	2.75
Seigniorage per Dollar Issued (\$)	0.24	0.37	0.49	0.52	0.45	0.48	0.49	0.43

## **Manufacturing Budget and Performance**

*(\$2,970,276,000 from offsetting collections)* The Mint will mint and issue circulating coins and produce numismatic products, including bullion, to meet demand.

### *Description of Performance:*

Several key performance measures are used to gauge the bureau's progress in achieving its strategic goals and to assess its Manufacturing Budget Activity performance.

## **Customer Satisfaction Index (CSI)**

The Mint conducts a quarterly survey of a random sample of active numismatic customers. The survey is intended to capture customer satisfaction with the Mint's service performance as a coin products supplier and with the quality of specific products. The CSI metric is a quantitative score summarizing the survey's results into one consolidated value. This metric gauges performance results in the effort to achieve the Mint's internal strategic plan goal, "Improve mission critical activities and governance," and the strategic objective linked to this goal, "Drive a customer-centric organization."

By the end of FY 2017, the CSI reached 91.7 percent, exceeding its 90.0 percent target. The Mint anticipates the FY 2018 and 2019 CSI ratings will remain steady. The performance target for CSI remains at 90.0 percent for both FY 2018 and FY 2019.

## **Numismatic Sales Units**

The numismatic sales unit metric measures public demand for coin products sold from numismatic operations. This metric also measures performance results achieving the Mint's internal strategic plan goal, "Improve mission critical activities and governance," as well as the strategic objective linked to this goal, "Drive a customer-centric organization."

In FY 2017, the Mint sold 3.9 million units, 11 percent below the fiscal year target of 4.4 million units. The primary drivers for the lower than anticipated results was a shortfall in sales of annual precious metal coins, partially due to an overabundance of coin products available on the secondary market, and the conclusion of the Presidential \$1 Coin program. A lack of market enthusiasm for the FY 2017 commemorative coins also contributed to the shortfall.

Accordingly, numismatic unit sales performance targets have been established at 3.5 million units for both FY 2018 and FY 2019. To meet these targets, the Mint plans to continue to provide high-quality products and maintain outstanding customer service.

## **Safety Incident Recordable Rate**

The safety incident recordable rate is the number of injuries and illnesses meeting the Occupational Safety and Health Administration recording criteria per 100 full-time workers. It measures the occurrence of work-related incidents involving death, lost-time and restricted work, loss of consciousness, and medical treatment. The safety incident recordable rate indicates performance results in the effort to achieve the Mint's internal strategic plan goal, "Foster a safe, flexible, diverse, and engaged workforce," and the corresponding strategic objective linked to this goal, "Continue to cultivate a safe working environment."

By the end of FY 2017, the total recordable case rate reached 1.96, well below the Mint's 2.82 FY 2017 target, and significantly below the most recent industry average rate of 5.2 published in 2015 by the U.S. Bureau of Labor Statistics for the Non-Automotive Metal Stamping industry. During FY 2017, the Mint continued implementing and updating risk management guidelines to prioritize resources, mitigating risks in advance of injuries or catastrophic events at each plant. Mint facility leadership and employees continue to interact on a daily basis on the importance of safety.

The performance targets for the safety incident recordable rate are 2.75 for both FY 2018 and FY 2019.

### **Seigniorage per Dollar Issued**

Seigniorage per dollar issued is the financial return on circulating operations, calculated as seigniorage divided by the total face value of circulating coins shipped to the FRBs. It measures the cost effectiveness of minting and issuing the United States' circulating coinage. It also measures performance results achieving the Mint's internal strategic plan goal, "Improve mission critical activities and governance," as well as the strategic objective linked to the goal, "Achieve operational advancements in lines of operations."

At the end of FY 2017, Seigniorage per dollar issued was \$0.45, below the FY 2017 performance target of \$0.48. FY 2017 results fell below targeted and prior year performance as a result of a 14 percent decrease in circulating shipment volumes, combined with a four percent increase in the cost of metal.

The United States Mint expects production volumes to remain low and per-unit metal prices to increase as market prices are expected to escalate in FY 2018. The seigniorage per dollar issued performance targets are set at \$0.43 in FY 2018 and FY 2019 each year.

### **Performance Measure Changes**

With the publication of Treasury's Strategic Plan for FY 2018-2022, Mint will work this year to baseline performance against the new strategic objectives. This could result in changes to performance measures in the FY 2020 budget.

## **Section III – Additional Information**

---

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

The Mint's capital investment requirements are predominantly for manufacturing-type equipment. Capital investments, along with its operating expenses, are paid out of the Mint's PEF. Legislation caps the aggregate amount of new liabilities and obligations incurred during a fiscal year for capital investments in circulating coinage operations and protective service.

The Mint's manufacturing capital investment projects focus on safety, equipment replacement, protection, and facility improvements.

In addition, the Mint's capital investments encompass a robust information technology (IT) portfolio of investments and programs that modernize and secure the bureau's infrastructure. The bureau's governance structures ensure that the IT portfolio is managed in accordance with cost, schedule, risk, and performance goals, and that expected results and benefits are achieved. Enterprise architecture reviews assess and reinforce alignment to the bureau's strategic plan and the strategic enterprise direction of the Department of the Treasury.

In accordance with the Statement of Federal Financial Accounting Standard (SFFAS) No. 6, the Condition Index and the Deferred Maintenance assessments for purposes of Federal Real Property Profile, the Mint has no deferred maintenance for its equipment. Maintenance is scheduled and performed regularly to keep the manufacturing equipment operating at optimal levels.

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

This website also contains a digital copy of this document.