

Department of the Treasury  
Bureau of Engraving and  
Printing

FY 2020

Capital Investment Plan

## Table of Contents

<b>Major IT Investments .....</b>	<b>3</b>
<b>IT Investments .....</b>	<b>3</b>
Integration & Enhancements .....	3
<b>Major Non-IT Investments .....</b>	<b>4</b>
BEP Armored Vehicles .....	4
BEP DCF Buildings.....	5
BEP WCF Building and Land.....	5
Consolidated Facility Improvements .....	6
DCF Production Facility Replacement .....	6
Manufacturing Support Equipment .....	7
Retooling .....	7
WCF Facility Expansion .....	8

The Office of Management and Budget (OMB) Capital Planning Guidance changed how certain IT Investments are categorized. The Agency IT portfolio summary consists of Part 1: IT Investments for Mission Delivery; Part 2: IT investment for Administrative Services and Support Systems, and Part 3: IT Investments for IT infrastructure, IT Security, and IT Management (so called “standard investments”). The guidance no longer requires Part 3 investments to be reported as major or non-major investments. However, the Department of the Treasury’s Capital Investment Plan will continue to report these investments.

Consistent with the corresponding Summary of Capital Investments table, the columns included in the investment tables below are defined as:

- FY 2018: Actual obligations;
- FY 2019: Estimated obligations and assumes enactment of FY 2019 appropriation law; and
- FY 2020: Estimated obligations based on the funding requested in the FY 2020 President’s Budget. The amount of new budget authority requested for a given investment can be found in the Summary of Capital Investments table (see “FY 2020 Budget Authority Request” column).

Treasury is committed to working with partners to further improve capital investment reporting and performance management. As a result, plan formatting may continue to evolve. Additional information about Treasury’s capital investments is available at the link below.

<https://itdashboard.gov/drupal/summary/015>

## **Major IT Investments**

BEP has no major IT investments under OMB guidance. However, this plan will continue to report investments from prior year plans in other categories.

## **IT Investments**

### **Integration & Enhancements**

(Previously reported as a major IT Investment but now categorized as a part 3 investment)

#### **Description:**

Upgrades to BEP’s IT infrastructure and installation of new or upgraded software to support BEP’s core manufacturing and support business processes with an integrated database.

#### **Investment Obligations: (In Millions of \$):**

Type	FY 2018	FY 2019	FY 2020	Change in \$	% Change
Sub-Total DME Obligations (Including Internal labor (Govt. FTE))	2.00	0.00	0.00	0.00	0.00%
Sub-Total O&M Obligations (Including Internal Labor (Govt. FTE))	9.74	11.04	11.59	0.55	4.98%
Total Obligations	11.74	11.04	11.59	0.55	4.98%

**Purpose, Accomplishments, Future Objectives:**

BEP has been implementing the BEP Enterprise Network (BEN) initiative. BEN is a comprehensive, technology-centric program focused on systems modernization and business transformations. BEN aims to improve overall management and automation of BEP's Currency Production and Direct Support processes. This initiative involves upgrading BEP's IT infrastructure and installing new or upgraded software functionality to support the Bureau's core manufacturing and support business processes with an integrated database. BEN is built on a Commercial Off-The-Shelf solution that utilizes Oracle's Enterprise Resource Planning (ERP) and contains several customized ERP modules.

The previous investments (Manufacturing Support System, Data Management Module, and Manufacturing Execution Console) that this investment replaces integrated multiple data source systems to improve data consistency, transparency and accountability, leading to decision making based on more accurate information. These integrated systems have improved workload planning and coordination across the Bureau by providing senior executives, chiefs and managers with near real time data. This has improved efficiency by reducing the amount of time spent searching for data to support job functions. Future objectives are to continue to increase the source data that is extracted from manufacturing equipment and improve the functionality of the applications through further enhancements.

**Major Non-IT Investments**

**BEP Armored Vehicles**

**Description:**

The Bureau of Engraving and printing owns three armored vehicles for use in transporting security products.

**Investment Obligations: (In Millions of \$):**

Type	FY 2018	FY 2019	FY 2020	Change in \$	% Change
Sub-Total DME Obligations (Including Internal labor (Govt. FTE))	0.00	0.00	0.00	0.00	0.00%
Sub-Total O&M Obligations (Including Internal Labor (Govt. FTE))	0.01	0.01	0.01	0.00	0.00%
Total Obligations	0.01	0.01	0.01	0.00	0.00%

**Purpose, Accomplishments, Future Objectives:**

The Bureau of Engraving and Printing owns three armored vehicles - two located at the facility in Washington, D.C. and one at the Western Currency Facility in Fort Worth, Texas. The vehicles are used to secure and transport security products and equipment from its facilities to local airports in support of BEP's mission critical law enforcement function. The investments were purchased over 20 years ago; only operations and maintenance funds are required.

## BEP DCF Buildings

### Description:

The BEP occupies and uses buildings (Main and Annex) and land owned by the Department of the Treasury. The BEP is not charged for the use of the buildings or land, but is responsible for maintenance and repair of all buildings and land improvements.

### Investment Obligations: (In Millions of \$):

Type	FY 2018	FY 2019	FY 2020	Change in \$	% Change
Sub-Total DME Obligations (Including Internal labor (Govt. FTE))	0.00	0.00	0.00	0.00	0.00%
Sub-Total O&M Obligations (Including Internal Labor (Govt. FTE))	34.90	35.60	36.60	1.00	2.81%
Total Obligations	34.90	35.60	36.60	1.00	2.81%

### Purpose, Accomplishments, Future Objectives:

The BEP occupies and uses buildings (Main and Annex) and land owned by the Department of the Treasury. The BEP is not charged for the use of the buildings or land, but is responsible for maintenance and repair of all buildings and land improvements.

## BEP WCF Building and Land

### Description:

BEP occupies/uses buildings and land owned by the Treasury Department and is responsible for maintenance/repairs of all buildings and land improvements. The land and building shell for the Western Currency Facility were donated by the City of Fort Worth, TX.

### Investment Obligations: (In Millions of \$):

Type	FY 2018	FY 2019	FY 2020	Change in \$	% Change
Sub-Total DME Obligations (Including Internal labor (Govt. FTE))	0.00	0.00	0.00	0.00	0.00%
Sub-Total O&M Obligations (Including Internal Labor (Govt. FTE))	14.73	16.30	17.00	0.70	4.29%
Total Obligations	14.73	16.30	17.00	0.70	4.29%

### Purpose, Accomplishments, Future Objectives:

BEP occupies/uses buildings and land owned by the Department of the Treasury and is responsible for maintenance/repairs of all buildings and land improvements. The land and building shell for the Western Currency Facility were donated by the City of Fort Worth, Texas to the Department, which holds the title. The facility houses manufacturing equipment, manufacturing and information technologies, equipment and human resources used to support the manufacture of United States Currency and other secure printing documents.

## Consolidated Facility Improvements

### Description:

The consolidated facility improvement projects include minor office renovations and structural upgrades to the Washington, D.C. and Fort Worth, TX facilities.

### Investment Obligations: (In Millions of \$):

Type	FY 2018	FY 2019	FY 2020	Change in \$	% Change
Sub-Total DME Obligations (Including Internal labor (Govt. FTE))	5.05	3.00	5.00	2.00	66.67%
Sub-Total O&M Obligations (Including Internal Labor (Govt. FTE))	0.00	0.00	0.00	0.00	0.00%
Total Obligations	5.05	3.00	5.00	2.00	66.67%

### Purpose, Accomplishments, Future Objectives:

Consolidated facility improvement projects include minor renovations, safety and infrastructural upgrades to BEP facilities.

## DCF Production Facility Replacement

### Description:

Construction of a new more efficient currency production facility to replace aging infrastructure at the BEP's current Washington, D.C. facility in order to achieve increased efficiencies and reduced annual operating costs.

### Investment Obligations: (In Millions of \$):

Type	FY 2018	FY 2019	FY 2020	Change in \$	% Change
Sub-Total DME Obligations (Including Internal labor (Govt. FTE))	0.00	50.00	32.00	-18.00	-36.00%
Sub-Total O&M Obligations (Including Internal Labor (Govt. FTE))	0.00	0.00	0.00	0.00	0.00%
Total Obligations	0.00	50.00	32.00	-18.00	-36.00%

### Purpose, Accomplishments, Future Objectives:

The current BEP currency production facility in Washington, D.C. (DCF) is comprised of two multi-level, multi-wing buildings, the Main building and Annex building. Both buildings, constructed in the early 1900s, are costly to maintain and are obsolete in relation to modernized currency printing technology. The current building layout results in increased time, cost and spoilage for delivery, transport and storage of raw materials and inventories of currency products throughout the manufacturing process. The aging infrastructure exposes the DCF to vulnerabilities relating to potential facility systems failures and inefficiencies such as HVAC, electrical and plumbing, code compliance, and physical and product security.

The 2019 appropriations law provided BEP with authority to purchase land/construct a production facility. In addition, the Agriculture Improvement Act of 2018 included a provision that authorized the Secretary of Agriculture to transfer to the Secretary of the Treasury administrative jurisdiction of a parcel of property at the Beltsville Agriculture Research Center for establishing a BEP production facility. Treasury and USDA plan to enter into an agreement to implement the property transfer.

## **Manufacturing Support Equipment**

### **Description:**

To purchase equipment to support the manufacturing of U.S. currency.

### **Investment Obligations: (In Millions of \$):**

Type	FY 2018	FY 2019	FY 2020	Change in \$	% Change
Sub-Total DME Obligations (Including Internal labor (Govt. FTE))	19.80	15.00	37.00	22.00	146.67%
Sub-Total O&M Obligations (Including Internal Labor (Govt. FTE))	0.00	0.00	0.00	0.00	0.00%
Total Obligations	19.80	15.00	37.00	22.00	146.67%

### **Purpose, Accomplishments, Future Objectives:**

The project is a multi-year project that replaces older, fully depreciated manufacturing support equipment at both BEP's facilities. Replacing out of date equipment regularly allows BEP to be more cost effective and efficient in meeting customer requirements for the production of currency notes. New manufacturing support equipment is typically more energy efficient, eco-friendly and reduces machine down time. In addition, new support equipment acquired by BEP has the technical capability of producing the next generation of advanced counterfeit deterrence features for future design enhancements. The performance of this investment will be evaluated through the following two measures: 1. Comparison of productivity of new equipment with existing equipment. 2. Comparison of spoilage rates of new equipment with rates of existing equipment.

FY 2019 and FY 2020: Award Barcoding RFID implementation; Banknote Test; WCF Plating Line Notation Press.

## **Retooling**

### **Description:**

Retooling is a multi-year project that replaces older, fully depreciated production equipment at both BEP's facilities. Replacing out of date equipment on a regular basis allows BEP to more cost effective and efficient.

**Investment Obligations: (In Millions of \$):**

Type	FY 2018	FY 2019	FY 2020	Change in \$	% Change
Sub-Total DME Obligations (Including Internal labor (Govt. FTE))	58.67	39.00	93.00	54.00	138.46%
Sub-Total O&M Obligations (Including Internal Labor (Govt. FTE))	0.00	0.00	0.00	0.00	0.00%
Total Obligations	58.67	39.00	93.00	54.00	138.46%

**Purpose, Accomplishments, Future Objectives:**

Retooling is a multi-year project that replaces older, fully-depreciated production equipment at both BEP's facilities. Replacing out of date equipment on a regular basis allows BEP to be more cost effective and efficient in meeting customer requirements for the production of currency notes. New equipment is typically more energy efficient, eco-friendly, and machine down-time is reduced. In addition, new equipment acquired by BEP has the technical capability of producing the next generation of advanced counterfeit deterrence features for future design enhancements. The performance of this investment will be evaluated through the following two measures: 1. Comparison of productivity of new equipment with existing equipment. 2. Comparison of spoilage rates of new equipment with rates of existing equipment.

FY 2019 and FY 2020: Awards are planned for the following equipment: LEPE, \$100 Product Line; Hot Foil Lamination machines; OCIS Inspection upgrade; QED-2 development.

**WCF Facility Expansion****Description:**

An expansion to the Western Currency Facility (WCF) in Fort Worth, TX, adding about 250,000 sq. ft. of new space, to support additional production capabilities required for the currency redesign of the \$5, \$10 and \$20 notes.

**Investment Obligations: (In Millions of \$):**

Type	FY 2018	FY 2019	FY 2020	Change in \$	% Change
Sub-Total DME Obligations (Including Internal labor (Govt. FTE))	162.00	47.00	2.00	-45.00	-95.74%
Sub-Total O&M Obligations (Including Internal Labor (Govt. FTE))	0.00	0.00	0.00	0.00	0.00%
Total Obligations	162.00	47.00	2.00	-45.00	-95.74%

**Purpose, Accomplishments, Future Objectives:**

This project is an expansion to the Western Currency Facility (WCF) in Fort Worth, TX. The expansion will add approximately 250,000 square feet to the existing facility, which will accommodate additional production capabilities to support the next family of currency design, including space for up to five Hot Foil presses, two LEPEs, tactile feature equipment, undefined future production machineries, reclamation efforts, new plating line, additional vault/ work-in process (WIP) space, enclosed truck cells, production support, and central utility plant upgrade. The expansion will include structural enhancements to provide better protection against severe weather and possible security threats. The scope includes the security-



related requirements and construction of an additional parking area to accommodate increased staffing necessary for the new equipment.

Major construction activity begins in FY 2019 and continues throughout FY 2020.