

# Department-wide Systems and Capital Investments Program

## Mission Statement

The Department-wide Systems and Capital Investments Program (DSCIP) is authorized to be used by or on behalf of the Treasury Department's bureaus, at the Secretary's discretion, to improve infrastructure, modernize business processes and increase efficiency through technology investments.

## Program Summary by Budget Activity

Dollars in Thousands

Appropriation	FY 2007	FY 2008	FY 2009		
	Enacted	Enacted	Request	\$ Change	% Change
Departmental Offices- Department-wide Systems and Capital Investments Program					
Department-wide Systems and Capital Investments Program	\$30,268	\$18,710	\$26,975	\$8,265	44.17%
<b>Total Appropriated Resources</b>	<b>\$30,268</b>	<b>\$18,710</b>	<b>\$26,975</b>	<b>\$8,265</b>	<b>44.17%</b>
<b>Total FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00%</b>

## FY 2009 Priorities

- Restore and repair the Treasury Annex Building;
- Upgrade the Treasury Secure Data Network (TSDN);
- Improve the Treasury Department's ability to secure critical infrastructure / key resources, address cyber security weaknesses, and conduct real-time security assessments;
- Continue implementation of an Enterprise Content Management (ECM) program; and
- Continue leadership in E-Government initiatives.

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## **Section 1 – Purpose**

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### **1A – Description of Bureau Vision and Priorities**

DSCIP funding is authorized to be used by or on behalf of Treasury Department bureaus, at the Secretary's discretion, to modernize business processes and increase efficiency through technology investments. Continuing investments include the Annex Repair and Renovation (ARR), Treasury Secure Data Network (TSDN), Cyber Security, Enterprise Content Management (ECM), and E-Government initiatives.

#### Top Priorities for FY 2009

- **Annex Repair and Renovation (ARR)** – The ARR project will address the immediate need to correct critical building and system deficiencies to ensure the safety and health of the occupants.
- **Treasury Secure Data Network** – This initiative will provide TSDN analysts with data search tools, which can find information more quickly and allow for faster analysis.
- **Cyber Security** - The Cyber Security program protects the security and integrity of Treasury's classified and unclassified systems, the information they process, and the services they perform.
- **Enterprise Content Management** – The ECM project will result in increased efficiencies, enhanced mission effectiveness, reduced total cost of ownership; and the retirement of legacy systems.
- **E-Government** – E-Government initiatives drive the Treasury Department to identify opportunities to leverage existing systems and services in order to reduce costs and duplication within the Treasury Department and across government.

The FY 2009 total budget for DSCIP is \$26,975,000.

### **1B – Program History and Future Outlook**

The Treasury Department utilized DSCIP funding to establish a disaster recovery site for Departmental Offices (DO) activities which support the policy and administration oversight for the Department. DO has established e-mail capabilities as well as access to user data files at the disaster site and some critical applications have also been established. Current capabilities include the ability to copy files from the production site at Main Treasury several times daily to ensure that critical files are available in the event of an emergency. This site now has the capability to bring Treasury systems back online within a couple days in the event of a disaster. Since some aspects of this system are entering into operations and maintenance (O&M) mode, the Treasury Department is requesting funding under the DO Salaries & Expenses account to provide for O&M as

well as to support developmental activities which will enable Treasury systems to come back online within hours instead of days.

The Treasury Department has designated DSCIP funding to stabilize and modernize the infrastructure of TSDN. The improvement project for TSDN will replace 500 workstations with new workstations running supported Microsoft operating systems and related office software. In addition, the cable plant is being replaced by a Protected Distribution System that meets new security requirements. Servers will be replaced with new servers running Microsoft Windows Server 2003. Additionally, all communication switches will be replaced. The system, which is currently experiencing significant performance problems, will be upgraded to support at least 800 users.

The Department of the Treasury has a three-phased approach to planning, development, and deployment of the ECM solution sets across the Department. This type of strategy recognizes and avoids the one-size fits all approach. The Department's strategy to incrementally implement the ECM solution sets using a "Lines of Business" approach with a mission emphasis will result in increased efficiencies, enhanced mission effectiveness, reduced total cost of ownership, and the orderly retirement of legacy systems.

DSCIP's major challenge is transitioning initiatives from the developmental stage to operations. DSCIP will look to identify redundant systems as the Department retires out-dated systems and migrates to E-Government approved systems. DSCIP will ensure contracted activities stay within established Earned Value Management (EVM) standards and schedules.

## Section 2 – Budget Adjustments and Appropriation Language

### 2.1 – Budget Adjustments Table

Dollars in Thousands

Departmental Offices- Department-wide Systems and Capital Investments Program		
	FTE	Amount
<b>FY 2008 Enacted</b>	<b>0</b>	<b>\$18,710</b>
<b>Non-Recurring Costs:</b>		
DSCIP Base		(16,986)
<b>Transfers Out:</b>		
Backup Disaster Recovery		(1,724)
<b>Total FY 2009 Base</b>	<b>0</b>	<b>\$0</b>
<b>Program Increases:</b>		
Annex Repair and Renovation		11,518
Cyber Security		3,000
Electronic Government		2,057
Enterprise Content Management		6,000
Treasury Secure Data Network		4,400
Subtotal FY 2009 Program Changes	<b>0</b>	<b>26,975</b>
<b>Total FY 2009 Request</b>	<b>0</b>	<b>\$26,975</b>

### 2A – Budget Increases and Decreases Description

**Non-Recurring Costs** .....-\$16,986,000 / +0 FTE

*DSCIP Base -\$16,986,000 / +0 FTE*

The Department-wide Systems and Capital Investment Program is a zero-based budget.

**Transfers Out** .....-\$1,724,000 / +0 FTE

*Backup Disaster Recovery -\$1,724,000 / +0 FTE*

The DO disaster recovery site was established in 2002 at another government site in West Virginia. The servers, workstations and network devices were procured and installed as part of the SEAT management contract. Thus, the systems are paid for over a three or four year period and refreshed at the end of the cycle. The equipment costs, labor costs along with the costs for the leased telecommunications lines are fixed, ongoing and are required to be paid every year.

**Program Increases** .....+\$26,975,000 / +0 FTE

*Annex Repair and Renovation +\$11,518,000 / +0 FTE*

The purpose of the Annex Repair and Renovation (ARR) project is to support Treasury's strategic goal of creating the conditions that enable program goals to be accomplished. The Treasury Annex is considered an American treasure, constructed in 1918 and 1919, and is part of the Lafayette Square National Register Historic District. The current status of upkeep and maintenance for the building is based on code compliance, failure of

equipment, and/or minimal routine maintenance. The overall program need is to repair the mechanical, electrical, plumbing and life safety systems to provide a safe, comfortable and efficient facility to house Department of the Treasury personnel and programs.

The FY 2009 proposed funding will enable Treasury to address the immediate need to correct critical building and system deficiencies to ensure the safety and health of the occupants. Substantial corrective measures are necessary to address the advanced state of erosion of building elements and replacement of infrastructure that is at the end of its life cycle. In preparation for this effort, the General Services Administration (GSA) will assist the Treasury Department in conducting an overall assessment of the Annex's condition during the second quarter of FY 2008.

FY 2009 ARR priorities include:

- Correcting failing systems, such as the HVAC and plumbing systems;
- Correcting structural elements, such as the ground level ventilation system;
- Correcting advanced state of erosion of building elements; and
- Introducing more energy efficient systems.

Cyber Security +\$3,000,000 / +0 FTE

The Cyber Security program performs a critical function in protecting the security and integrity of classified and unclassified Treasury systems, the information they process, and the vital services they perform. This funding is mission critical to support the efforts of the Department-wide cyber security program, which provides a comprehensive security policy and compliance framework to ensure the implementation and effectiveness of information security controls over cyber assets Department-wide. In doing so, the central program works with and supports the system-specific security activities of Treasury bureaus and their program officials responsible for individual systems. Furthermore, funding provides continuity of support for security policy, oversight, and compliance activities, principally including: 1) operation of the Department-wide cyber security program for unclassified systems, to include the functioning of the Treasury Computer Security Incident Response Center (TCSIRC); 2) leading the Department-wide cyber security program for national security systems; and 3) complying with the requirements of the Federal Information Security Management Act (FISMA). This support is mission-critical to securing classified and sensitive information technology at the Treasury Department and to address weaknesses identified by the Inspectors General in our overall program.

Electronic Government +\$2,057,000 / +0 FTE

The President's Management Agenda (PMA) and E-Government initiatives drive the Treasury Department to identify opportunities to leverage existing systems and services in order to reduce costs and duplication within the Department and across government. The Treasury Department provides program management oversight and coordination for each of the initiatives assuring compliance by all bureaus. E-Government enables the Treasury Department to continue to meet the implementation milestones in the OMB approved E-Government Implementation Plan, positively impacting the Treasury Department's ability to implement best practices and leverage government-wide technologies. The Treasury Department's active involvement in the Budget Formulation and Execution Line of Business – managed by the Department of Education – provides cross-agency interoperable, flexible, and cost effective solutions linking formulation and execution of the federal budget. The Treasury Department supports several other E-Government initiatives, which are discussed in the E-Government chapter of this Congressional Justification.

Enterprise Content Management +\$6,000,000 / +0 FTE

The requested funding will enable the Department of the Treasury to continue with the phased implementation of an ECM solution in FY 2009. The Treasury Department processes a massive volume of data (e.g., documents, records, and case files) and much of this information is subject to statutory/regulatory handling and storage requirements. The Department of the Treasury currently has an array of disparate and incompatible systems used for information tracking, management, retention and storage. The Treasury Department is unable to quickly and, with a high level of certainty, retrieve information from across all bureaus and organizations related to a specific subject matter without a considerable amount of staff hours dedicated to coordinating and verifying that the correct information is going forward and that only those with the need to know have access to this information. The Treasury Department concluded that there is an urgent need for an ECM system to minimize duplication of effort and infrastructure investments, to address workflow, document and case management, and reporting challenges. The enterprise-wide approach, under the oversight of the Treasury Department's Chief Information Officer, will ensure that all Department-wide ECM efforts map to consistent standards, are aligned with related government-wide initiatives, such as the Case Management Line of Business, and leverage commonalities in requirements among Treasury Department components, thereby achieving economies of scale and efficiencies in information sharing.

Treasury Secure Data Network +\$4,400,000 / +0 FTE

The TSDN was established in 2000 to serve as a secure network for the Office of International Affairs and the bureaus. The applicability of TSDN expanded with the creation of the Office of Terrorism and Financial Intelligence (TFI). This initiative will provide TSDN analysts with data searching tools to mine information more quickly and allow for more immediate trend analysis and review. These trends are currently difficult

and time consuming to follow due to the lack of an automated storage and retrieval system and are now done manually using paper copies of files. The initiative will also provide funds to begin the establishment of a disaster recovery capability for the TSDN system, which is extremely vulnerable now due to the lack of said disaster recovery capability. With the establishment of TFI in FY 2004, the Treasury Department's requirement for a secure and classified network has increased considerably, as TFI has a role in coordinating responses from Treasury Department offices such as Office of Foreign Assets Control (OFAC), Financial Crimes Enforcement Network (FinCEN), and Office of Intelligence and Analysis (OIA), which all make major contributions to Treasury Department's support of the IC and the national and international finance and banking communities.



## 2.2 – Operating Levels Table

Operating Levels  
(Dollars in Thousands)

Bureau: DSCIP	FY 2007 Enacted	FY 2008 Enacted	Cong. Action including Rescission	Proposed Reprogrammings	FY 2009 Requested Level
<b>FTE</b>	-	-			-
<b>Object Classification:</b>					
11.1 Full-Time Permanent Positions.....	\$0	\$0			\$0
11.1 Other than Full-Time Permanent Positions...	0	0			0
11.5 Other Personnel Compensation.....	0	0			0
11.8 Special Personal Services Payments.....	0	0			0
<b>11.9 Personnel Compensation (Total).....</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
12.0 Personnel Benefits.....	0	0			0
13.0 Benefits to Former Personnel.....	0	0			0
21.0 Travel.....	81	40			5
22.0 Transportation of Things.....	0	0			0
23.1 Rental Payments to GSA.....	467	200			0
23.2 Rent Payments to Others.....	0	0			0
23.3 Communications, Utilities, & Misc.....	0	0			0
24.0 Printing and Reproduction.....	0	0			0
25.1 Advisory & Assistance Services.....	2,769	1,000			1,000
25.2 Other Services.....	20,803	14,000			11,527
25.3 Purchase of Goods/Serv. from Govt. Accts..	3,738	1,970			2,000
25.4 Operation & Maintenance of Facilities.....	0	0			0
25.5 Research & Development Contracts.....	0	0			0
25.6 Medical Care.....	0	0			0
25.7 Operation & Maintenance of Equipment.....	787	500			400
25.8 Subsistence & Support of Persons.....	0	0			0
26.0 Supplies and Materials.....	292	200			25
31.0 Equipment.....	1,331	800			500
32.0 Lands and Structures.....	0	0			11,518
33.0 Investments & Loans.....	0	0			0
41.0 Grants, Subsidies.....	0	0			0
42.0 Insurance Claims & Indemn.....	0	0			0
43.0 Interest and Dividends.....	0	0			0
44.0 Refunds.....	0	0			0
<b>Total Budget Authority.....</b>	<b>\$30,268</b>	<b>\$18,710</b>	<b>\$0</b>	<b>\$0</b>	<b>\$26,975</b>

## 2.3 – Appropriations Detail Table

Appropriation Detail Table  
(Dollars in Thousands)

Resources Available for Obligation	FY 2007 Obligations		FY 2007 Enacted		FY 2008 Enacted		FY 2009 Request		% Change FY 2008 to FY 2009	
	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
New Appropriated Resources:										
Department-wide Systems & Capital Investment Program	0	\$24,608	0	\$30,268	0	\$18,710	0	\$26,975	0.00%	44.17%
<b>Subtotal New Appropriated Resources</b>	<b>0</b>	<b>\$24,608</b>	<b>0</b>	<b>\$30,268</b>	<b>0</b>	<b>\$18,710</b>	<b>0</b>	<b>\$26,975</b>	<b>0.00%</b>	<b>44.17%</b>
Other Resources:										
<b>Subtotal Other Resources</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0.00%</b>	<b>0.00%</b>
<b>Total Resources Available for Obligation</b>	<b>0</b>	<b>\$24,608</b>	<b>0</b>	<b>\$30,268</b>	<b>0</b>	<b>\$18,710</b>	<b>0</b>	<b>\$26,975</b>	<b>0.00%</b>	<b>44.17%</b>

## 2B – Appropriations Language and Explanation of Changes

Appropriations Language	Explanation of Changes
<p style="text-align: center;"><b>DEPARTMENT-WIDE SYSTEMS AND CAPITAL INVESTMENTS PROGRAM</b></p> <p style="text-align: center;">Federal Funds</p> <p><b>GENERAL AND SPECIAL FUNDS:</b></p> <p>For development and acquisition of automatic data processing equipment, software, and services for the Department of the Treasury, [\$18,710,000] \$26,975,000, to remain available until September 30, [2010] 2011: <i>Provided, That \$11,518,000 is for repairs to the Treasury Annex Building: Provided further, 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 shall be used to support or supplement ``Internal Revenue Service, Operations Support'' or ``Internal Revenue Service, Business Systems Modernization". (Department of the Treasury Appropriations Act, 2008.)</i></p>	<p>No legislative changes requested.</p>

## 2C – Legislative Proposals

DSCIP does not have any pending legislative proposals.

## Section 3 – Budget and Performance Plan

This table lists all FY 2009 resources by strategic goal, objective and outcome outlined in the FY 2007-2012 Treasury Department Strategic Plan. The Treasury Strategic Plan is a corporate level plan for the Department that provides a description of what the agency intends to accomplish over the next five years.

For detailed information about the FY 2007-2012 Treasury Strategic Plan, please go to: <http://www.treas.gov/offices/management/budget/strategic-plan/>

### 3.1 – Budget by Strategic Outcome

Dollars in Thousands

TREASURY Strategic Goal	FY 2008	FY 2009	Percent
TREASURY Strategic Objective	Enacted	Request	Change
TREASURY Strategic Outcome	AMOUNT	AMOUNT	AMOUNT
Accountability & trans	6,000	6,000	0.0%
Aligned organization	2,466	13,575	450.5%
National security	8,000	4,400	-45.0%
U.S. & intl financial sys	2,244	3,000	33.7%
<b>Total</b>	<b>\$18,710</b>	<b>\$26,975</b>	<b>44.2%</b>

**3A – Department-wide Systems and Capital Investments Program (\$26,975,000 from direct appropriations):** DSCIP funding improved infrastructure, modernizes business processes, and increases efficiencies through IT investment. All of the DSCIP efforts provide tangible benefits in their specific areas to produce an improved overall IT environment for the Department of the Treasury. The following section describes what the Treasury Department expects to accomplish with the requested DSCIP funding and the specific benefits each program will provide at the completion of FY 2009.

### 3.2.1 – Department-wide Systems and Capital Investments Program Budget and Performance Plan

Department-Wide Systems and Capital Investments Program  
(Dollars in Thousands)

Department-Wide Systems and Capital Investments Program						
Resource Level	FY 2005	FY 2006	FY 2007	FY 2007	FY 2008	FY 2009
	Obligations	Obligations	Obligations	Enacted	Enacted	Request
Appropriated Resources	\$31,931	\$20,635	\$24,608	\$30,268	\$18,710	\$26,975
Reimbursable Resources	0	0	0	0	0	0
<b>Total Resources</b>	<b>\$31,931</b>	<b>\$20,635</b>	<b>\$24,608</b>	<b>\$30,268</b>	<b>\$18,710</b>	<b>\$26,975</b>

Annex Repair and Renovation - The FY 2009 proposed funding for the Annex Repair and Renovation (ARR) project will enable Treasury to address the immediate need to correct critical building and system deficiencies to ensure the safety and health of the occupants. Substantial corrective measures are necessary to address the advance state of erosion of building elements and replacement of infrastructure that is at the end of its life

cycle. FY 2009 ARR priorities include correcting failing systems, such as the HVAC and plumbing systems; correcting structural elements, such as the ground level ventilation system; correcting the advanced state of erosion of building elements; and introducing more energy efficient systems. A comprehensive project plan will be developed that will address issues of cost, schedule, and performance. A project manager will be appointed who will provide senior management with in-process reviews for the express purpose of monitoring milestones and deliverables while ensuring that costs and schedules are met.

Treasury Secure Data Network – Funding for the continued improvement of the Treasury Secure Data Network (TSDN) operating system and hardware components will assure continued functionality throughout FY 2009. As a consequence, the Treasury Department will continue to have reliable access to the SIPRNET and the Department of Defense classified communications network, which will ensure ongoing communications with officials in law enforcement as well as the Departments of Defense and State. These activities will help ensure that the department is able to assist in reducing the threat posed by terrorism and associated activities to interdict terrorism, the proliferation of weapons of mass destruction (WMD), and narcotics trafficking.

Cyber Security – Cyber Security funds will be used to ensure that all Treasury Department's Critical Infrastructure / Key Resources (CI/KR) are identified and, furthermore, to protect these systems against possible terrorist attack by ensuring that strong security requirements are established and monitored. This program will provide greater protection against network intrusions, which can result in significant disruptions and delays in its business activities. Funding in this area will also support reviews of selected bureau security programs, and will support the Treasury Department in improving its overall compliance with FISMA. This funding will also support enhanced protection of the Department's classified systems, thus directly support the goal of better protecting the national security, by reducing the risk to those systems.

Enterprise Content Management – Funding for the Enterprise Content Management (ECM) program will be used to continue implementation of an enterprise-wide ECM project for the Department of the Treasury. The ECM project will address the critical and urgent business needs of the Office of Foreign Asset Control (OFAC) and the Financial Crimes Enforcement Network (FinCEN), both of which are struggling under an increasingly burdensome paper-based system of operations. This approach to ECM will minimize duplication of effort and infrastructure investments by capitalizing on Department and government-wide efforts. By the end of FY 2009, the Treasury Department will have significantly improved the workflow processes for both OFAC and FinCEN, as well as positioned the Department for a full transition to a Department-wide ECM solution. The Treasury's ECM program will directly support the department's goal to reduce the threat to national security from terrorist related financial activities by enhancing and developing the ability of related offices to quickly access and assess department-wide records and files in a centralized manner.

E-Government Initiatives – The Treasury Department funds 14 of the 27 E-Government initiatives and six of the nine E-Government Lines of Business, which includes funding

from the DSCIP account. More information on the benefits of each E-Government initiative can be found in the E-Government chapter of this budget request. Overall, funding for the E-Government initiative will allow the Treasury Department to execute all required memoranda of understanding with Presidential E-Government Managing Partners. E-Government activities enable a more citizen-centered, results-oriented environment across government.

For detailed information about each performance measure, including definition, verification and validation, please go to:

<http://www.treasury.gov/offices/management/dcfo/accountability-reports/2007-par.shtml>

## **Section 4 – Supporting Materials**

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### **4B – Information Technology Strategy**

DSCIP supports a broad range of IT programs and initiatives which are critical to improving Treasury's IT security capabilities, protecting its critical infrastructure and achieving enterprise-wide benefits through E-Government, ECM, and other Department-wide initiatives. These program areas are aligned with and support OCIO and Departmental IT strategic goals and objectives.

Treasury's work to improve its E-Government PMA status continues to be a top priority. Improving Treasury's PMA performance requires a concerted effort across the Department to strengthen multiple program areas such as Cyber Security and E-Government. These initiatives support the Department's focus on business and technical modernization, strengthening its IT security posture, ensuring a resilient IT environment, and migrating to common solutions when appropriate. Performance and success for these initiatives is measured by Treasury's E-Government PMA score from OMB, FISMA metrics, compliance with OMB direction and guidance regarding consolidating and leveraging existing capabilities and investments, and meeting project-specific cost, schedule, and performance goals.

DSCIP's telecommunications activities include enhancements to the TSDN. This initiative will provide TSDN analysts with data search tools to allow for more rapid and immediate trend analysis and review.

DSCIP activities are developmental and designed to maximize and leverage technology to achieve efficiencies and improved performance. Activities associated with DSCIP projects are normally contracted and we rigorously apply Earned Value Management (EVM) techniques to the management of these contracted vehicles, ensuring that the services provided are within expectations for cost and schedule and other EVM measurements.