Departmental Offices - S & E

2014 Capital Investment Plan

The Departmental Offices (DO) capital investments support several Treasury priorities, including:

The Department's Mobile Treasury strategy is focused on leveraging Treasury enterprise data centers to provide flexible, customized information technology support for its customers. The strategy will facilitate enterprise mobile applications and will drive long-term cost savings through data center consolidation and expanded implementation of shared services.

DO continues to strengthen its governance through department-wide investment review boards (IRBs). The IRBs are comprised of senior business and technology leaders who help ensure all technology investment decisions align with the mission and goals of Treasury and DO. The IRBs help the Chief Information Officer drive commodity Information Technology (IT) cost savings and other Treasury and administration IT priorities.

Finally, DO is committed to preserving the two Treasury-owned historical office buildings, the Main Treasury and Treasury Annex, by investing in necessary repairs and renovations.

Major IT Investment Summary

Financial Management Line of Business (FM LOB)

The scope of the Financial Management Line of Business (FM LOB) is to transform financial management across the federal government by identifying, testing, and facilitating the deployment of innovative common solutions to reduce cost, improve data quality, and create efficiencies.

The primary beneficiaries of the investment include Federal agencies, as they move to implement financial systems and related solutions at lower cost with emphasis on a "build once and use many" model. Federal agencies should also experience a reduction in the cost of their financial accounting operations. The general public will also benefit from the delivery of financial accounting information that is more timely and reliable and that is compliant with open standards.

Initiatives under this investment will assist in closing agency performance gaps by supporting the reduction or elimination of duplicative capabilities for transaction processing as well as assisting in establishing and promulgating standard financial accounting data across the Federal government.

This investment addresses the follow legislative mandates and audit findings:

- Chief Financial Officers Act of 1990;
- Government Performance and Results Act of 1993;
- Government Management Reform Act of 1994;
- Federal Managers Financial Integrity Act of 1982;
- Federal Financial Management Improvement Act of 1996;
- Clinger-Cohen Act of 1996;
- Cash Management Improvement Act of 1990;

- Prompt Payment Act of 1982, amended in 1988;
- Debt Collection Improvement Act of 1996;
- Improper Payments Elimination and Recovery Act of 2010.
- Financial Report of the U.S. Government: http://www.fms.treas.gov/fr/index.html

Immediate FY 2014 Cost:

Treasury Funding:	$0.10 million
Other Agencies:	$3.04 million
Total:	$3.14 million

Full Life Cycle Cost: FY 2011 - FY 2018: $18.50 million

The projected useful life of the current asset:
This investment represents ongoing operations with no projected end date. For planning purposes, spending is projected through BY+4.

Timeframe for the "development, modernization and enhancement" phase of the investment for FY 2014:

N/A

The anticipated benefit(s) of the investment:
FY 2013 Planned Activities:

- Centralized Receivable Management - Develop operating model and data standards for a shared service that manages billing and collection on single platform.
- Standard Core Financial Systems Delivered via Cloud - Perform alternatives analysis, develop operating model and plan for offering core financial management systems on a cloud.

FY 2014 Planned Activities:

- Model for lean Financial Management - Develop operating model for streamlined financial management processing that can be leveraged across agencies.
- Centralized General Ledger - Develop strategy to rollout Federal-level GL system that pulls trial balances from agency systems and serves as source for financial statements.
- Grants payment request portal - Develop Business Case Analysis for a common portal for automating grant payments and workflow.

How performance will be measured and evaluated:
Treasury is assuming the management of this LOB for FY 2014. Performance metrics are under development.

Remediation strategies for investments which are not meeting the stated cost, time and performance goals for FY 2012:

N/A

DO IT Infrastructure End User Systems and Support (ITI EUSS)

This investment provides the day-to-day end user products, services, and support for DO employees at headquarters and field sites. EUSS provides the basic automated IT tools and technical support needed by the DO workforce to complete its core mission. This investment provides support services for IT assets such as, but not limited to, the following:

- End user hardware (desktops, laptops, notebooks, handheld devices)
- Peripherals (local and shared printers, etc.)
- Software (operating systems, office automation suites, messaging and groupware)
- DO IT helpdesk

The risks for underfunding for EUSS are:

- Reduced helpdesk support
- Security and performance risks from untimely patching of software for desktops and laptops
- Risk to mission achievement as software and hardware refreshes will not be performed, resulting in insufficient tools to complete tasks

The annual technology refresh of approximately 30 percent of the infrastructure keeps maintenance and operations costs stable.

Immediate Cost: FY 2014: $15.00 million
Full Life Cycle Cost: FY 2011 - FY 2018: $133.79 million

The projected useful life of the current asset:
This investment represents ongoing operations with no projected end date. For planning purposes, spending is projected through BY+4.

Timeframe for the "development, modernization and enhancement" phase of the investment for FY 2014:
First half of the fiscal year; 10/01/13 to 03/31/14.

The anticipated benefit(s) of the investment:
To provide end user hardware, peripherals, software, and helpdesk support to DO employees.

How performance will be measured and evaluated:
1. Customer satisfaction results after service calls to IT helpdesk
2. Number of installs, moves, adds and changes that occur within target timeframes

Remediation strategies for investments that are not meeting the stated cost, time and performance goals for FY 2012:
Treasury is working to develop improved oversight and reporting through its new governance process.

DO IT Infrastructure Mainframes and Servers Services and Support (ITI MSSS)

This investment depicts the cost of maintenance and development of the Treasury headquarters IT systems, which deliver sophisticated and critical operational and financial solutions essential to the management of the nation's financial markets. ITI MSSS serves as infrastructure for applications that directly support DO's mission. In the view of the Treasury Department's overall infrastructure operations, DO IT MSSS has played an important role in supporting commodity IT and IT optimization.

Underfunding ITI MSSS may result in:

- Security issues due to untimely patching and upgrades for software
- A lack of software and hardware refreshes

The annual technology refresh of approximately 30 percent of the infrastructure keeps maintenance and operations costs stable.

Immediate cost: FY 2014: $16.50 million
Full life-cycle cost: FY 2010 - FY 2018: $132.76 million

The projected useful life of the current asset:
This investment represents ongoing operations with no projected end date. For planning purposes, spending is projected through BY+4.

Timeframe for the "development, modernization and enhancement" phase of the investment:
First half of the fiscal year; 10/01/13 to 03/31/14.

The anticipated benefit(s) of the investment:
Infrastructure to support the Department's headquarters IT systems including operational and financial solutions essential to management of the nation's financial markets

How performance will be measured and evaluated:
1. Disaster Recovery/Continuity of Operations (COOP): Ensure that Primary Mission Essential Functions (PMEFs) continue to be performed during a wide range of emergencies, including localized acts of nature, accidents and technological or attack-related emergencies.
2. Uptime for mainframes, servers, and network equipment: DO mainframes and server assets are up 99.99 percent of the time each day except during scheduled maintenance.
3. Server refresh: Refresh activities completed. Number of servers refreshed with operating system (OS) / total number of servers.
4. Security patches and fixes for mainframes and servers: Deploy patch within 30 days of release. In cases of urgent system vulnerability, a patch or fix is installed as soon as it is available from vendor or responsible party.

Remediation strategies for investments that are not meeting the stated cost, time and performance goals for FY 2012:

Treasury is working to develop improved oversight and reporting through its new governance process.

DO IT Infrastructure Telecommunications (ITT TSS)

This investment funds DO's data networks and telecommunications hardware and software operations, licenses, maintenance, back-up, continuity of operations, and disaster recovery. The ITI TSS investment targets cost savings/avoidance including evolving the Treasury Network (TNet) for voice and data traffic. The enhanced platforms will also provide service level efficiencies, customer services, and critical support to other productivity in other program areas.

Failure to properly fund ITI TSS increases Treasury's risk of system outage. Given that ITI TSS is the base system on which all Treasury information systems rely for data communications, an outage can impact all Treasury systems. Additionally, ITI TSS contains the system that links Treasury to the public Internet, so underfunding this investment increases our vulnerability to security breaches.

Immediate Cost: FY 2014: $38.03 million
Full Life Cycle Cost: FY 2001 - FY 2018: $264.94 million

The projected useful life of the current asset:
This investment represents ongoing operations with no projected end date. For planning purposes, spending is projected through BY+4.

Timeframe for the "development, modernization and enhancement" phase of the investment for FY 2014:
First half of the fiscal year; 10/01/13 to 03/31/14.

The anticipated benefit(s) of the investment:
Secure network capacity to support the data and voice transfer needs of DO

How performance will be measured and evaluated:
1. Availability of Long Distance Telephone Services: Percent Available = [Minutes in Period - ATB Minutes] / [Minutes in Period]
2. Internet Access Availability: Percent Available = [Minutes in Period - Minutes when Internet Access is not accessible] / [Minutes in Period]
3. Availability of WAN (Wide Area Network): Percent Available = [Minutes in period - Minutes when WAN is not accessible] / [Minutes in Period]
4. The project manager of ITT TSS is working to develop cost and performance metrics that will improve visibility into ongoing and planned optimization and cost saving activities.

Remediation strategies for investments which are not meeting the stated cost, time and performance goals for FY 2012:
This investment met its FY 2012 goals

Treasury Enterprise Identity Credential and Access Management (TEICAM)

This investment addresses requirements set by Office of Management and Budget (OMB), National Institute of Standards and Technology (NIST), and other government entities with respect to Homeland Security Presidential Directive 12 (HSPD-12) and Identity and Access Management. The TEICAM phased implementation provides Treasury with a trusted identity process, increased security (by decreasing data breaches and trust violations), compliance with laws regulations and standards, improved interoperability, and the elimination of redundant processes. To increase cost-savings, the Department utilizes interagency resources to authenticate users and data, including Treasury Enterprise Directory Services (TEDS) and US ACCESS, to procure and maintain enterprise-wide compliant Personal Identity Verification (PIV) credentials.

Without the required funding, Treasury will not be able to do the work necessary to attain compliance with Federal Identity, Credential, and Access Management (FICAM) requirements.

Immediate Cost: FY 2014: $55.79 million
Full Life Cycle Cost: FY 2007 - FY 2018: $649.93 million

The projected useful life of the current asset:
This investment represents ongoing operations with no projected end date. For planning purposes spending is projected through BY+4.

Timeframe for the "development, modernization and enhancement" phase of the investment:

Physical Access Controls (PACS) Rollout	(10/1/2011 - 9/30/2016)
Logical Access Controls (LACS) PIV Enabled Access	(10/1/2011 - 9/30/2015)
PIV Card Management	(10/1/2012 - 9/30/2015)

The anticipated benefit(s) of the investment:
Planned accomplishments include maintaining 90 percent card issuance; making progress in PACS to meet 100 percent PACS rollout by FY 2015; integrating all bureaus into PIV Data Synchronization by the end of FY 2013; reaching goal of 75 percent logical access which is targeted for FY 2013 and continue to work toward 50 percent remote access targeted for FY 2013.

How performance will be measured and evaluated:
1. Implement PIV data synchronization project for all Treasury bureaus
2. Percentage of Treasury facilities (nationwide) upgraded with HSPD-12 compliant PACS.
3. Percentage of PIV card holders with the capability to access the network remotely via the PIV card.
4. Percentage of PIV card holders with the capability to access the network locally via the PIV card.
5. Percentage of eligible employees/contractors/affiliates that have been issued PIV cards.

Remediation strategies for investments which are not meeting the stated cost, time and performance goals for FY 2012:

This investment met its FY 2012 goals

HR LoB - HR Connect

HR Connect is Treasury's enterprise web-based, human resources solution built on PeopleSoft commercial-off-the-shelf (COTS) software. The Treasury Department realizes its strategic goals by building a strong institution that is staff-centered, results-oriented, and efficient, while actively promoting innovation. Gaps in this area included disparate and duplicative systems, inefficient or manual processes, work-arounds and lack of strategic planning. HR Connect provides automated systems that are configurable to individual organizations' needs, while providing a single solution across the Department and external federal agency customer base. As HR Connect continues to add new functionality such as the inService Portal, the self-service portal for HR data, old systems and processes are retired and the customer organizations see savings and efficiencies.

Failing to fully fund this program will result in an inability to accommodate Treasury's changing needs for its HR system.

Immediate Cost: FY 2014: $35.08 million
Full Life Cycle Cost: FY 2001 - FY 2018: $503.95 million

The projected useful life of the current asset:
As one of the Office of Personnel Management's (OPM) six federal designated HR Lines of Business, HR Connect's central mission is to provide on-going Human Capital services to agencies within the federal government. Therefore, there is no defined end date to this program. For planning purposes spending is projected through BY+4.

Timeframe for the "development, modernization and enhancement" phase of the investment for FY 2014:

Department of Labor Deployment	(10/01/2011 - 10/01/2014)
Department of Commerce Deployment	(01/01/2011 - 09/30/2014)

The anticipated benefit(s) of the investment:
Treasury continues to scale and expand HR Connect products and services to new federal agency customers. In FY 2014, the new customer project deployment teams are on track to implement the following products to the Department of Labor:

- HR Connect core including:
  - Employee Self-Service
  - Manager Self-Service
  - Personnel Action Processing
  - Payroll Administration
  - Benefits Administration
  - Position Budget Management
  - Priority Placement
- Common Government-wide Accounting Codes (CGAC)

- WebTA time and attendance
- inService Portal
- Workforce Analytics, and
- Entrance on Duty System

The Department of Labor will be transitioning from an internally maintained HR System to the HR Connect enterprise system. Labor estimated annual savings of $10 million and a six year cost avoidance of $83 million based on not maintaining its own system.

Additionally, Treasury will complete deployment to the Department of Commerce with the final two bureau implementations, NIST and the National Oceanic and Atmospheric Administration (NOAA).

The Department of Commerce is transitioning from a paper-based manual process to the HR Connect enterprise system. Commerce estimated a four year cost savings of $23.5 million and a four year cost avoidance of $24.6 million beginning with the initial deployments in FY 2012.

How performance will be measured and evaluated:

1. Helpdesk availability by phone or email during business operating hours
2. Percent of critical and high severity tickets resolved at the tier 2 level within 14 calendar days of being opened.
3. Automated identification, collection, and validation of HR Connect hardware inventory including virtual machines.
4. Percentage of inbound and outbound interface files delivered and/or made available to other Shared Service Customers (SSCs) in accordance with the established schedule.
5. System availability not including scheduled maintenance.

Remediation strategies for investments which are not meeting the stated cost, time and performance goals for FY 2012:
This investment met its FY 2012 goals

Major Non-IT Investment Summary

Treasury Buildings

The Main Treasury Building and Treasury Annex are the recipients of DO's major non-IT capital investments. The Treasury Building is the oldest departmental building, and the third oldest federally occupied building in Washington, preceded only by the Capitol and the White House. The Main Treasury Building covers five stories and a raised basement and sits on five acres of ground. It was dedicated as a National Historic Landmark on October 18, 1972. The Treasury Annex building, owned by the Department, is part of the Lafayette Square National Register Historic District.

The age and historical significance of the Main Treasury Building and the Treasury Annex Building 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.

In FY 2011, four Annex projects commenced. Three of the projects focused on increasing energy efficiency through the installation of a new electric power distribution system, gas boilers, and new windows. One additional project modernized the fire alarm system and added a new public address system, updating the Treasury Annex Building's Life Safety infrastructure. All of these projects were completed in FY 2012, except the new electric power distribution project. While all of the electric power distribution equipment has been installed, Treasury plans to energize these components in FY 2013, pending Pepco (electric service provider to the Washington DC metropolitan area) inspection, approvals, and actions.

The proposed FY 2014 projects will reduce the amount of energy consumed in the Main Treasury and Treasury Annex Buildings. Replacing deteriorating steam radiators with new fan coil units will allow the Annex building to generate heat more efficiently. Replacing existing light fixtures with new energy-efficient LED fixtures in most of the Annex and Main Treasury buildings is estimated to save approximately $30,000 annually in electrical costs.

Immediate Cost: No annual funding is appropriated for building repairs and renovations. $1.225 million is requested in DSCIP funding for energy efficiency renovations.
Life Cycle Cost: Life cycle costs are not available at this time for this investment, as there is no projected useful life end date.

The projected useful life of the current asset: The Main Treasury and Treasury Annex buildings are recognized historic landmarks, woven into the federal government's history. There are currently no plans to decommission these assets, but unique renovation and preservation work is necessary to maintain them as functioning offices.

Timeframe for the "development, modernization, and enhancement" phase of the investment: This work is expected to take place over the duration of FY 2014.

The anticipated benefit(s) of the investment: A functioning office building and historic landmark. The current requested DSCIP funds will improve energy efficiency.