

Department-wide Systems and Capital Investment 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 2009	FY 2010	FY 2011		
	Enacted	Enacted	Request	\$ Change	% Change
Department-wide Systems and Capital Investments Program	\$26,975	\$9,544	\$22,000	\$12,456	130.5%
Total Appropriated Resources	\$26,975	\$9,544	\$22,000	\$12,456	130.5%
Total FTE	-	-	-	-	-

FY 2011 Priorities

- To continue the program management and initial deployment of the Department-wide Enterprise Content Management (ECM) Program.
- To design and implement the Financial Innovation and Transformation Program

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Section 1 – Purpose

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. A new investment for FY 2011 will be the establishment of the Financial Innovation and Transformation Program. Continuing investments include the Enterprise Content Management (ECM) Program.

Top Priorities for FY 2010

Enterprise Content Management (ECM) – A key Treasury initiative for 2011 is the reduction of paper-based processes and transactions. The ECM program is an essential element of this initiative as it will provide a common approach across Treasury to modernizing paper-based business processes. FY 2011 funding will allow the program to continue, with a focus on enhancing mission effectiveness, reducing total cost of ownership by promoting economies of scale, and enabling all Treasury bureaus to progress toward a paperless environment.

Financial Innovation and Transformation– DSCIP funding is also requested to develop and expand efforts to support shared, government-wide financial solutions associated with agency financial management services (e.g., invoice processing, cash collections, interagency agreement management). For example, the program will develop innovations available to agencies that can provide access to users and stakeholders to certain financial information or append their information without requiring the movement of data. This will also streamline processes and allow for more transparency of information to the public. This program will be coordinated through a new Office of Financial Innovation and Transformation (OFIT).

1B – Program History and Future Outlook

The Treasury Department has utilized DSCIP to fund enhancement of the Treasury Secure Data Network, meet Department wireless communications requirements, enhance the high priority, classified intelligence capabilities of the Treasury Foreign Intelligence Network, upgrade the infrastructure for Treasury's Back-up Disaster Recovery Capacity, and develop Treasury's automated Personnel System, HR Connect, which serves customers across all Treasury bureaus. Additionally, DSCIP funding has strengthened Treasury's Cyber Security program, allowing the Department to approve performance in meeting the requirements of the Federal Information Security Management Act (FISMA) and other government-wide security initiatives.

Improvements have resulted in the recent closure of the report on the Department-wide security material weakness.

During FY 2010, DSCIP funding will go toward completion of ECM program planning and the initiation phase of the ECM solution. The ECM program will be appropriately scoped, with business requirements gathered and prioritized for migration into the prospective Treasury ECM architecture, and alternatives analyses will be presented. Treasury will award

a contract for system integration (SI) of the ECM functional requirements in 2010. This independent industry assessment will constitute the basis for the design, development, and implementation of the proposed ECM solution and related changes in organizational business and technical management processes. The result will be the establishment of high-level functional and technical requirements, revised lifecycle cost estimates, and further refinements to the governance structure of the ECM program. The first phase of the ECM solution will be implemented (including the preparation of detailed design requirements, architecture, and hardware and software requirements) based on the highest ECM priorities as determined from the independent assessment. It is anticipated that one or more pilots may be deployed in the first phase to expedite deployment of the ECM solution for entities with pressing needs.

Using the requested FY 2011 funds, Treasury will utilize the contract vehicle to implement the second phase of the ECM solution, including deployment of the next set of prioritized bureau capabilities and infrastructure requirements identified during the independent assessment (such as modular hardware and virtual machine technology to enable a scalable and incremental build-out of the ECM platform). Treasury will leverage the tools, technologies, standards, processes, and lessons learned across all Treasury bureaus, and mitigate costs through shared resources. Bureau and office content management needs will be continually reviewed for provisioning on the technologically evolving ECM platform, and existing systems that continue to possess useful life will be analyzed for eventual migration and/or retirement.

Treasury will also use FY 2011 funds to begin the development of new financial management solutions through the Financial Innovation and Transformation Program. This program will allow for efficiencies through the implementation of solutions for transaction processing and financial report production. Current financial systems require multiple agencies to build and maintain multiple systems. This new program will create options that will allow agencies to perform essential financial transaction processing, such as invoice processing, within a single source. These automated solutions would be web-based; require automated data and payments; have complete financial information; enable agencies and customers to append data; provide performance information; and, as appropriate, provide public access to information.

The Treasury Department has four strategic goals:

- Effectively manage U.S. government finances;
- Ensure U.S. and world economies perform at full economic potential;
- Prevent terrorism and promote the nation's security through strengthened international financial systems; and,
- Ensure management and organizational excellence.

The Department uses DSCIP funds to make investments necessary to facilitate achievement of these goals. For FY 2011, proposed investments are as follows:

Enterprise Content Management (ECM) Program: The ECM Program will allow organizations to electronically capture, store, search/analyze, and share documents from internal and external customers, including citizens, corporations, intelligence, law enforcement, and financial communities.

ECM will encourage a modern means of information sharing with those supporting the counter-terrorism, financial stability, and regulatory missions of Treasury. With a successful ECM Program, Treasury's Strategic Goals can be more effectively met. Front-line staff will be better positioned to fulfill core mission objectives (e.g., Terrorism Prevention, Law Enforcement, and Financial Stability), quickly process the continuous backlog of FOIAs, and advance casework management. ECM will also result in improved information sharing among organizations and allow Treasury to make significant progress towards a paperless environment.

Positive results will be achieved in the following business areas that are aligned with the Treasury's and the Administration's priorities for IT investments:

Transparency: Through ECM, Treasury will be able to process Freedom of Information Act (FOIA) requests from taxpayers and businesses with a faster turnaround time. The majority of the processing time is currently dedicated to manual searches for both paper and scanned documents and to review and redaction processes that are manually and paper intensive. Instituting automated workflows and establishing records repositories that are compliant with federal regulations will streamline the processes for reviewers and attorneys and make the results more readily available to the public.

Litigation Efficiencies through Paper Reduction: Implementing a NARA/DOD 5015.2 compliant database will allow Treasury to store official records electronically, rather than just in paper form. The ECM Program will ensure compliance with regulations, eliminate the time spent filing and copying paper documents, and automate the workflow process. The paper intensity of the current workflow process not only involves human resources, but also requires storage space to warehouse multiple working copies and originals of cases. ECM will deliver both cost savings and cost avoidance, and will assist in meeting e-Discovery requirements. Official electronic records management will improve litigation efficiency through paperwork reduction.

Collaboration in Sanctions Programs: Applications for exceptions to sanctions (an instrument of national security and economic power) are currently handled via paper processes. Paper applications are received in free form, requiring that the information be manually entered into a legacy database for processing and tracking. This manual entry delays sanction licensing and has the potential to adversely impact U.S. foreign policy. With a public-facing, customer-driven licensing application for specific programs, the sanctions process would become electronic, thus reducing licensing time, improving relationships with external stakeholders (e.g., the Commerce and State Departments), and fostering transparency, accountability, and effectiveness in sanctions processing.

Intelligence Reform and Terrorism Prevention - Law Enforcement: Implementation of ECM will provide the information infrastructure to comply with the Intelligence Reform and Terrorism Prevention Act, Section 1016(e) requirement by facilitating information sharing between Treasury, federal agencies, and foreign partners using industry and government standards.

Tax Enforcement: ECM will be used in investigating tax evasion cases, and when made public, the compliance impact will be many times the cost of the investigation. ECM will enable criminal investigators to reduce the cycle time of cases by improving document management, thereby increasing the amount of direct investigative time and enabling more investigative cases to be worked. This will directly help to reduce the tax gap.

End-User Benefits: End-user benefits include time savings and increases to productivity, allowing Treasury employees to focus on their core business activities. Information sharing will be improved, and accessibility to information will be expedited by providing online access to information that was formerly available only on paper, microfilm, or microfiche. ECM will achieve greater organizational accountability by: improved control over documents and document-oriented processes; security over document access and modification; reliable and accurate audit trails; reduction of paper handling, storage, lost documents, and error-prone manual processes.

Financial Innovation and Transformation Program: OMB and the Department have partnered to transform the government's financial management. This partnership will help to reduce costs and improve quality in financial management across government.

At present, the processes that government agencies use to conduct financial transactions and to prepare associated financial reports are fragmented, expensive, and inefficient. Improvements can be made to the current approach to financial management, and now is the time to make necessary improvements and offer solutions to the way that government agencies conduct financial operations. Under the new partnership between the Department and OMB, the Fiscal Service would develop innovative solutions for transaction processing and financial report production that could offer efficiencies to agency customers. These automated solutions will be web-based; require automated processing of data; contain necessary financial information; enable agencies and customers to add data; provide performance information; and, as appropriate, provide public access to information. The objective is to reduce the paper flow for financial transactions and to reduce the submission, capture, and movement of data from system to system.

Promoting innovative methods is important to improving the federal financial process. As part of the Financial Innovation and Transformation Program, OMB and the Department will actively research potential system solutions, such as the FMS web-based system—the Internet Payment Platform (IPP). An IPP-like system could improve the way the government deals with vendors, by automating the invoice submission and review process, as well as making all payments electronic. Another possible initiative the Financial Innovation Program may evaluate is developing a central solution to support interagency transactions. Currently,

this process is inefficient and prone to error as well as being material weaknesses for the Federal government.

This program will be run by a new Office of Financial Innovation and Transformation (OFIT) and funded by the government-wide CFO Council.

Section 2 – Budget Adjustments and Appropriation Language

2.1 – Budget Adjustments Table

Dollars in Thousands

Department-wide Systems and Capital Investments Program	FTE	Amount
FY 2010 Enacted	-	9,544
Changes to Base:		
Non-Recurring Costs:		
Zero Base DSCIP	-	(\$9,544)
Subtotal FY 2011 Changes to Base	-	(\$9,544)
Total FY 2011 Base	-	-
Program Changes:		
Program Increases:		
Enterprise Content Management Program	-	\$22,000
Financial Innovation and Transformation Program	-	5,000
Subtotal FY 2011 Program Changes	-	17,000
Total FY 2011 Budget Request	-	\$22,000

2A – Budget Increases and Decreases Description

Non-Recurring Costs-\$9,544,000 / +0 FTE

Zero Base DSCIP -\$9,544,000 / +0 FTE

DSCIP is a zero-based budget.

Program Increases+\$22,000,000 / +0 FTE

Enterprise Content Management Program +\$5,000,000 / +0 FTE

Using the requested FY 2011 funds, Treasury will utilize the systems integration contract vehicle to implement the second phase of the ECM solution, including deployment of the next set of prioritized bureau capabilities and infrastructure identified during the independent assessment (such as modular hardware and virtual machine technology to enable a scalable and incremental build-out of the ECM platform). Using the FY 2011 funding, the Department plans to procure the services of an SI vendor to design, develop, and implement ECM through integration of the necessary hardware and software into a solution that meets Treasury/bureau business needs. Examples of ECM solutions that are utilized by multiple bureaus and offices include: FOIA; correspondence management; e-Discovery; records management; and law enforcement and financial stability document management.

Financial Innovation and Transformation Program +\$17,000,000 / +0 FTE

Treasury will use FY 2011 funds to begin the development of financial management solutions through the Financial Innovation and Transformation Program. This program will develop innovative methods, made available to agencies, for improving the efficiency of native financial transactions. These automated solutions would be web-based; require automated data and payments; have complete financial information; enable agencies and customers to append data; provide performance information; and, as appropriate, provide public access to information.

2.2 – Operating Levels Table

Department-wide Systems and Capital Investments Program	FY 2009 Enacted	FY 2010 President's Budget	Congressional Action Including Rescission	FY 2010 Enacted Level	Proposed Reprogrammings	FY 2010 Proposed Operating Level	FY 2011 Requested Level
FTE	0	0	0	0	0	0	0
Object Classification:							
21 - Travel and transportation of persons	5	0	0	0	0	0	0
25.1 - Advisory and assistance services	1,000	5,000	0	5,000	0	5,000	0
25.2 - Other services	11,527	0	0	0	0	0	22,000
25.3 - Other purchases of goods and services from Govt. accounts	2,000	0	0	0	0	0	0
25.7 - Operation and maintenance of equip	400	0	0	0	0	0	0
26 - Supplies and materials	25	0	0	0	0	0	0
31 - Equipment	500	0	0	0	0	0	0
32 - Land and structures	11,518	4,544	0	4,544	0	4,544	0
Total Budget Authority	\$26,975	\$9,544	\$0	\$9,544	\$0	\$9,544	\$22,000
Budget Activities:							
Department-wide Systems and Capital Investments Program	26,975	9,544	0	9,544	0	9,544	22,000
Total Budget Authority	\$26,975	\$9,544	\$0	\$9,544	\$0	\$9,544	\$22,000

2.3 – Appropriations Detail Table

Dollars in Thousands

Appropriation Detail Table (Dollars in Thousands)								
Resources Available for Obligation	FY 2009 Obligations		FY 2009 Enacted		FY 2010 Enacted		FY 2011 Request	
	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
New Appropriated Resources:								
Department-wide Systems and Capital Investments Programs			0	\$26,975	0	\$9,544	0	\$22,000
New Appropriated Resources			0	\$26,975	0	\$9,544	0	\$22,000
Other Resources:								
Subtotal Other Resources			0	\$0	0	\$0	0	\$0
Total Resources Available for Obligation			\$0	\$26,975	\$0	\$9,544	0	\$22,000

2B – Appropriations Language and Explanation of Changes

Appropriations Language	Explanation of Changes
<p style="text-align: center;">DEPARTMENT-WIDE SYSTEMS AND CAPITAL INVESTMENTS PROGRAM</p> <p style="text-align: center;">Federal Funds</p> <p>GENERAL AND SPECIAL FUNDS:</p> <p>For development and acquisition of automatic data processing equipment, software, and services for the Department of the Treasury, [\$9,544,000] \$22,000,000, to remain available until September 30, [2011] 2013: [Provided That \$4,544,000 is for repairs to the Treasury Annex Building] <i>Provided</i>, 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: <i>Provided further</i>, 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".] (<i>Department of the Treasury Appropriations Act, 2008</i>)</p>	<p>The legislative language change requested will allow the Department-wide Systems and Capital Investments Program to implement the Enterprise Content Management Program Department-wide, by striking the language prohibiting funding for the Internal Revenue Service Business Systems Modernization and Operations Support.</p>

2C – Legislative Proposals

DSCIP has no legislative proposals for FY 2011.

Section 3 – Budget and Performance Plan

This table lists all FY 2011 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 Outcome	FY 2010 Enacted	FY 2011 Request	Percent Change
Accountability & trans	-	3,500	100.00%
Aligned organization	4,544	17,000	274.12%
National security	2,000	500	-75.00%
U.S. & Intl financial sys	3,000	1,000	-66.67%
Total	\$9,544	\$22,000	130.51%

3A – Department-wide Systems and Capital Investments Program (\$22,000,000 from direct appropriations): The purpose of DSCIP funds is to modernize business processes and increase 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 2011.

Enterprise Content Management - ECM encourages critical information sharing in support of the counter-terrorism, financial stability, and regulatory responsibilities of the Treasury Department. ECM will support Treasury's IT goals by reducing the cost of infrastructure operations and increasing bureau productivity and collaboration. The enterprise-wide approach will provide the technology foundation and core capabilities to ensure that all Treasury ECM efforts map to consistent standards, are aligned with related government-wide initiatives, and leverage tools, technologies, licenses, standards, processes, lessons learned, and commonalities in requirements among Departmental components, thereby achieving economies of scale and efficiencies in information sharing.

ECM Program Performance will be measured through the identification of performance metrics. Measures and results to be achieved include reduced paper costs, increased efficiency/productivity of staff, reduced time required to share information, reduced management reporting burden, and retirement of legacy systems.

There are a number of benefits to the bureaus and government at large to be realized:

- Enhanced security for records and documents

- Improved regulatory compliance
- Improved data collection and quality
- Improved information sharing
- Quicker and more accurate management reporting
- Development of Treasury-wide standards for enterprise content management

Financial Innovation and Transformation Program - This developmental program will improve government-wide financial management, streamline processes, and provide better service through the development and implementation of state-of-the-art information technology solutions made available to agency customers that will reduce financial operations costs.. The first initiative under this program will be an E-Gov pilot slated for September 2010 in which agencies can use the services of a Treasury web-based system that encompasses electronic payment transactions—from submission of the vendor invoice, through review and approval, to notification and payment to the vendor.

This initial project will analyze government financial operations and implement improvements that modernize and harmonize government vendor payments through a web-based, resource-pooling technology. This pilot project will pool resources and automate financial transaction processing in one place using a developmental Treasury, web-based “Cloud Computing” system.

Performance will be measured by assessing the costs and performance of the government’s current financial management. Expected results are:

- Reduced costs and elimination of duplicative efforts.
- Streamlined processes between vendors and government agencies.
- Improvements in agency and government-wide financial data.
- Financial reports that support policy making and management decision making.
- Transparency of information.

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

Department-wide Systems and Capital Investments Program Budget Activity					
Resource Level	FY 2007 Obligated	FY 2008 Obligated	FY 2009 Obligated	FY 2010 Enacted	FY 2011 Request
Appropriated Resources	\$30,268	\$10,546	\$26,975	\$9,544	\$22,000
Reimbursable Resources	\$0	\$0	\$0	\$0	\$0
Total Resources	\$30,268	\$10,546	\$26,975	\$9,544	\$22,000
Budget Activity Total	\$30,268	\$10,546	\$26,975	\$9,544	\$22,000

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

<http://treas.gov/offices/management/budget/>

4B – Information Technology Strategy

As the steward of the United States government's finances, the Treasury Department plays a critical role in U.S. and global economies. We effectively manage the government's finances, promote economic opportunity at home and abroad through sound fiscal policy, work for entitlement reform, strengthen trade and investment policies, and maximize voluntary tax compliance. Comprised of thirteen bureaus, each with at times very disparate missions, the Treasury Department collects over \$2 trillion annually, manages over \$8 trillion in debt and performs more than \$58 billion in daily cash transactions. Successfully executing this mission requires not only an extreme focus on protecting the security of our nation's monetary assets, but also on stimulating U.S. economic growth and strengthening our financial institutions and markets. None of this could be done today without Information Technology.

As Treasury's goals and objectives shift to address new economic challenges, so must its IT capabilities. In developing our Information Technology Strategy it is the Department's goal to provide an enterprise-wide set of information technology capabilities that are effective, efficient, flexible and elastic. In summary, Treasury's IT Strategy is built on four major tenets:

- 1) The Department will seek to continually transform Treasury's IT organization to further enhance our enterprise efficiency and effectiveness. This will be done through an even tighter focus on expense optimization, even greater leverage of business and IT capabilities across the Department, and by further enabling an agile, delivery focused IT organization.
- 2) The Department will continually provide innovative solutions to its business needs while also ensuring the long term viability of our core systems. Treasury will enable this by becoming an information centric organization, by ensuring its core platforms are operating as efficiently and effectively as possible, by further enabling its mobile workforce and by delivering solutions that promote greater transparency to, and collaboration with its customers.
- 3) The Department will ensure all of its IT capabilities are adequately secure, robust and reliable enough to serve department-wide needs. In support of this, the Department will establish even tighter control and protection of its information assets and it will continually enhance its information and communication services to make them as reliable and robust as economically viable.
- 4) The Department will provide high quality solutions by being diligent in its focus on enabling its people, improving our processes, managing risk and meeting its customers' needs.