

Department of the Treasury  
Departmental Offices

2024

Capital Investment Plan

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

- **FY 2022 Actuals** - Total actual obligations
- **FY 2023 Estimated Obligations** - Anticipated obligation from all budgetary resources (i.e., balances from prior years, user fees, and FY 2023 Operating Plan levels).
- **FY 2024 President's Budget** – Requested level reflecting the President’s FY 2024 budget submission.

## Standard IT Investments

### Treasury Shared Security Operations Center (TSSOC)

**Description:**

TSSOC functions as the Department wide security operations center providing security monitoring, incident coordination, incident response, and reporting. TSSOC operates 24x7x365 and actively coordinates with other federal agencies, DoD, and the IC.

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

Type	FY 2022 Actual	FY 2023 Estimated Obligations	FY 2024 President's Budget	Change in \$	% Change
Sub-Total DME Obligations (Including Internal labor (Govt. FTE))	5.03	3.80	5.82	2.03	53.33%
Sub-Total O&M Obligations (Including Internal Labor (Govt. FTE))	18.68	18.37	18.37	0.00	0.00%
Total Obligations	23.71	22.17	24.20	2.03	9.14%

**Purpose, Accomplishments, Future Objectives:**

Investments have contributed to Treasury's success in defending against cyber adversaries and provides leadership and direction in mitigating threats to Treasury systems and services. Future objectives include: collecting and storing data from all bureaus to meet M-21-31 objectives, expanding TSSOC to offer additional security operations and incident response services to bureaus, and improving communication and collaboration throughout the Department through automation.

# Major IT Investments

## Cybersecurity Enhancement Account (CEA)

### Description:

The Cybersecurity Enhancement Account was created in FY 2017 to fund investments in critical cybersecurity capabilities with a Department-wide impact. The CEA is positioned as a centralized account to support enterprise-wide cyber services and to further enhance cyber capabilities, providing a platform to enhance efficiency, communication, transparency, and accountability around the Treasury's mission.

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

Type	FY 2022 Actual	FY 2023 Estimated Obligations	FY 2024 President's Budget	Change in \$	% Change
Sub-Total DME Obligations (Including Internal labor (Govt. FTE))	41.37	100.00	207.85	107.85	107.85%
Sub-Total O&M Obligations (Including Internal Labor (Govt. FTE))	0.00	0.00	7.15	7.15	0.00%
Total Obligations	41.37	100.00	215.00	115.00	115.00%

### Purpose, Accomplishments, Future Objectives:

The CEA account focuses on an enterprise-wide investment approach to build stronger protections and further benefit the bureaus in their cybersecurity goals. This approach also unifies cyber spending across the Department. The FY 2023 President's Budget includes \$215 million for the CEA to protect and defend sensitive agency systems and information and strengthen the role of the Treasury Chief Information Officer (CIO) in identifying, responding, and protecting against cyber threats. The CEA initiatives are organized around the NIST Cybersecurity Framework as follows:

- Identify the Business Context, Resources & Cybersecurity Risk Goal: Develop an organizational understanding to manage cybersecurity risk to systems, people, assets, data, and capabilities.
- Protect the Delivery of Critical Infrastructure Services Goal: Develop and implement appropriate safeguards to ensure delivery of critical services.
- Detect Cybersecurity Events Goal: Develop and implement appropriate activities to identify the occurrence of a cybersecurity event.
- Respond to Detected Cybersecurity Incidents Goal: Develop and implement appropriate activities to take action regarding a detected cybersecurity incident.
- Recover by Maintaining Resilience and Restoration Plans Goal: Develop and implement appropriate activities to maintain plans for resilience and to restore any capabilities or services that were impaired due to a cybersecurity incident.

In FY 2022, CEA continues investment in critical cybersecurity activities to improve the effectiveness and resiliency of our operational capabilities, in alignment with the Administration's cybersecurity priorities (M-22-16). The Department has made demonstratable progress against various Executive Orders and other guidance priorities, with nearly all security monitoring in the cloud, establishing minimum operating standards for Treasury security operations centers, and significant progress against MFA and encryption objectives. Securing the cloud will be a major priority in the coming year, with a recently awarded multi-cloud contract serving as the foundation for our accelerated adoption of cloud

capabilities. Treasury will develop new approaches to security monitoring, vulnerability management, and security posture management. These cloud investments will in turn provide natively encrypted data-at-rest and in transit.

In FY 2023 and FY 2024, CEA investments will focus on accomplishing the following goals:

- Enhance Department-wide coordination of cybersecurity efforts and improve responsiveness to threats.
- Provide leadership with greater visibility into cybersecurity efforts and encourage information sharing.
- Improve identification of cyber threats and better protect information systems from attack.
- Provide platform to enhance communication, collaboration, and transparency.

## HR LoB - HRConnect

### Description:

HR Connect is a Human Resources enterprise system. It is a web-based solution built on PeopleSoft software. HR Connect transforms core back-office HR functions, moving them from a processing-centric capability to a strategic-centric capability.

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

Type	FY 2022 Actual	FY 2023 Estimated Obligations	FY 2024 President's Budget	Change in \$	% Change
Sub-Total DME Obligations (Including Internal labor (Govt. FTE))	2.10	12.03	11.43	-0.61	-5.03%
Sub-Total O&M Obligations (Including Internal Labor (Govt. FTE))	26.97	28.35	27.61	-0.74	-2.61%
Total Obligations	29.07	40.38	39.04	-1.34	-3.33%

### Purpose, Accomplishments, Future Objectives:

HRConnect is Treasury's enterprise human resources system. It is one of four federal OPM HR Lines of Business providing HR services to the federal government. HRConnect is based on a combination of (a) web-based solution built on PeopleSoft commercial-off-the-shelf software, (b) Software as a Service (SaaS) platforms (e.g., Talent Management and Career Connector), and (c) internally developed applications (e.g., Entrance on Duty System). HRConnect transforms core back-office HR functions, moving them from a processing-centric capability to a strategic-centric capability enabled through its commercial software underpinning. Additionally, self-service components of the software fundamentally transform the standard government HR service delivery model, putting additional information, services and processes (i.e., personal data, position management, requests for personnel action, recruitment, reporting, etc.) directly in the hands of managers and employees.

HRConnect supports the common HR Line of Business processes and provides core HR functionality that is interoperable, portable and scalable. This shared solution provides automated systems that are configurable to the individual organizations' needs while providing a single solution across the Department and federal landscape. HRConnect's core functions include: Personnel Action Processing, Managing Payroll, Administering Benefits, Time and Attendance and Labor Distribution. By enabling

the retirement of legacy systems and automating and streamlining many aspects of human resources, HRConnect facilitates increased efficiency and overall productivity for its customers. HRConnect is the system used by all Treasury bureaus and several other government agencies (over 22 entities) with over 200,000 employees and contractors in total.

In FY22, the Treasury Shared Service Center implemented 61 HRConnect change requests to maintain regulatory compliance, improve the employee and manager experience and provide tools to streamline and enable efficient processing for HR Specialists.

- HRConnect met a steady state of 99.98 percent availability.
- Successfully established Authority to Operate Treasury Enterprise Oracle (TEO) and PeopleTrak.
- Successfully upgraded and migrated IRS PeopleTrak system to Treasury Enterprise Oracle and establish Enterprise Applications establish security protocols and governance
- Successfully Implemented Single Sign On (SSO) for PeopleTrak leveraging existing HRConnect code and resources to deploy SSO in a very short period of time and without significant post-production issues.
- Successfully migrated all Non-Production Environments from HRC Compartment to OMCS Dev Compartment.
- Successfully Upgraded all HRConnect environments from Linux 6 to Linux 7.
- Performed a successful upgrade of Oracle database from Oracle 12c to Oracle 19c.

The team worked with the Information Systems Security Manager and Information Systems Security Officer to resolve security Plan of Action and Milestones in a timely manner.

Enterprise API Service Platform [MuleSoft]: Transition 15+ partners to the new API Service Framework. Launched integrations between USAS to DO and FinCEN Adjudication Tracker, ARC-FS Worklist API and SAM.gov integration to HRC to update vendor information.

In FY 2023: Treasury Office of the Chief Information Officer (OCIO) recently assumed responsibility for the management of the transformation of Internal Revenue Service (IRS) Human Resource Information Technology (HRIT) applications in support of the Inflation Reduction Act. This transfer of responsibility allows the IRS CIO to focus their efforts on improving the taxpayer experience leveraging the Treasury OCIO's shared services and common platforms to facilitate the modernization of IRS HRIT systems, the rationalization pillars include: HRConnect, Integrated Talent Management, USA Staffing, Enterprise Data Management, and the Employee Portal.

Certain technical improvements that are included: Nessus implementation, CAST implementation, piloted the transition of 3 environments to Oracle Managed Services compartment in Q3, improved the fire wall configurations and finalized the closure of the Memphis and Martinsburg HRC footprint.

## **Treasury Enterprise Identity, Credential and Access Management (TEICAM)**

### **Description:**

The Treasury Enterprise Identity, Credential and Access Management (TEICAM), formerly submitted as EIdM, consolidates funding of Treasury implementing the Homeland Security Presidential Directive - (HSPD) 12, E-Auth, and Federal PKI initiatives.

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

Type	FY 2022 Actual	FY 2023 Estimated Obligations	FY 2024 President's Budget	Change in \$	% Change
Sub-Total DME Obligations (Including Internal labor (Govt. FTE))	46.41	43.07	43.17	0.10	0.24%
Sub-Total O&M Obligations (Including Internal Labor (Govt. FTE))	91.74	128.76	130.42	1.67	1.29%
Total Obligations	138.15	171.83	173.60	1.77	1.03%

**Purpose, Accomplishments, Future Objectives:**

The TEICAM Business Case consolidates funding that supports Treasury’s implementation of HSPD-12, FICAM and PKI requirements. This investment supports the target vision of, "One Treasury One Card" to provide universal access. Availability and use of a PIV/identity management standard within Treasury provides a mechanism for Physical and Logical access to Treasury-wide assets. The TEICAM phased implementation provides all of Treasury:

- Trusted identity processes for both Federal and public users of Treasury applications
- Enhanced security (by decreasing data breaches and trust violations)
- Compliance with laws, regulations, and standards
- Improved interoperability
- Expanded use of PIV encryption and digital signature certificates (ensuring adoption of multi-factor authentication)
  - Elimination of redundancy

Treasury/TEICAM has achieved many of the defined goals for PIV card issuance, physical access, logical access, data synchronization, enterprise single sign-on, federation, and PIV required for both privileged and unprivileged users. These goals have helped the Department align with the required OMB and FICAM goals.

Additionally, TEICAM has updated the Department strategic roadmap & planned for the following investment goals:

- 1) CDM II-PRIV/CRED Management
  - Continue working with the Managed Service Bureaus and Non-Managed Service Bureaus on implementation of Credential and Privileged Access Management (PAM)
  - On-board new bureaus, such as IRS and DO Orbit Organizations (TSSOC, OFR, etc.), to the enterprise CDM Managed Service Offering (MSO)
  - Continue working with DHS CISA on the integration activities for the Federal Dashboard for Treasury’s CDM Data reporting
- 2) Plan, test, and implement the issuance of version 8.1 PIV cards (PIV V8.1) across the enterprise in FY 2021-FY 2024
- 3) Expand usage of the Enterprise Derived Credential issuance capability to support authentication to Treasury services/infrastructure from mobile devices across Treasury in FY 2021-FY 2024
- 4) As part of the PIV-I solution, implement an application programming interface (API) connection between a Fiscal Service application used to capture applicant data and HRConnect in FY 2021-FY 2024
- 5) Implement an enterprise Hardware Security Module (HSM) as a service in FY 2022-FY 2024
- 6) Enterprise solution for tracking and monitoring the Only Locally Trusted (OLT) PKI certificates generated and in use within each bureau

- 7) Plan, design, and implement a modernized Treasury Enterprise Federation Service (TEFS) solution that enforces multifactor authentication and aligns with the Treasury Zero Trust Architecture (ZTA)

In an effort to improve cost-savings, the Department utilizes interagency resources to authenticate users, synchronize data, and to procure and maintain enterprise-wide compliant PIV credentials (USAccess). As a mixed life-cycle investment, the TEICAM Operations and Maintenance tasks includes OMB, FISMA, and Cyber reporting specific to identity, credential and access management.

Planned objectives and accomplishments include:

- Maintaining above 95 percent PIV card issuance rate and providing replacements for the PIV in time sensitive activities;
- Maintained 100 percent PIV required privileged account access and 97 percent PIV required unprivileged access;
- CDM II privileged access management is operating with a cloud infrastructure and production at four bureaus performing O&M functions; we have commenced technical work on bringing the IRS on as the fifth and largest managed service customer;
- Treasury Enterprise Federation Service (TEFS) onboarded 12 new customers and integrated with third-party identity providers to expand citizen services and access;
- Executed a Treasury-wide BPA for citizen authentication services access to the entire enterprise, allowing for secure and fast public access to Treasury systems;
- Developed an alternative authentication solution and deployed it within 6 weeks to ensure continuity of government during the pandemic;
- Implemented a hardware security module (HSM) as a service for the Derived PIV solution and DO; and
- Implementation of the department-wide PKI OLT monitoring solution.

## Major Non-IT Investments

### DO Electric Vehicle Fleet

#### **Description:**

Treasury requested \$5 million in FY 2024 in the Department-wide Systems and Capital Investments Program account for leasing of EVs and purchasing associated charging and supply equipment. Funding will be used for the replacement of traditional internal combustion vehicle leases with zero-emission vehicles across the Department. Where possible, electric vehicles (EVs) will replace traditionally powered leased vehicles as well. Additional charging station infrastructure will be installed to support fleet electrification. Some existing charging stations will require updates or replacement.



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

Type	FY 2022 Actual	FY 2023 Estimated Obligations	FY 2024 President's Budget	Change in \$	% Change
Sub-Total DME Obligations (Including Internal labor (Govt. FTE))	0.00	0.00	5.00	5.00	0.00%
Sub-Total O&M Obligations (Including Internal Labor (Govt. FTE))	0.00	0.00	0.00	0.00	0.00%
Total Obligations	0.00	0.00	5.00	5.00	0.00%

**Purpose, Accomplishments, Future Objectives:**

Treasury is committed to supporting the Administration’s goals of combatting the impacts of climate change and achieving 100 percent zero emission vehicle acquisition by 2035. Treasury is accelerating the conversion of its vehicle fleet to EVs as a part of strategic objective 4.4 (Sustainable Treasury Operations). Electrifying the Treasury fleet will support environmental and energy sustainability and will make Treasury more adaptive and resilient to the impacts of climate change.

Treasury requested \$5 million in FY 2024 in the Department-wide Systems and Capital Investments Program account for leasing of EVs and purchasing associated charging and supply equipment. Funding will be used for the replacement of traditional internal combustion vehicle leases with zero-emission vehicles across the Department. Where possible, electric vehicles will replace traditionally powered leased vehicles as well. Additional charging station infrastructure will be installed to support fleet electrification. Some existing charging stations will require updates or replacement.

**Main Treasury Building and Freedman's Bank Building**

**Description:**

Correct life safety and code issues, reduce building systems risk, and maintain the buildings. Absent full funding to perform a complete repair and renovation, Treasury is utilizing available funding to correct the most severe issues.

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

Type	FY 2022 Actual	FY 2023 Estimated Obligations	FY 2024 President's Budget	Change in \$	% Change
Sub-Total DME Obligations (Including Internal labor (Govt. FTE))	8.88	9.65	6.12	-3.53	-36.60%
Sub-Total O&M Obligations (Including Internal Labor (Govt. FTE))	0.00	0.00	0.00	0.00	0.00%
Total Obligations	8.88	9.65	6.12	-3.53	-36.60%

**Purpose, Accomplishments, Future Objectives:**

This request will pay for design studies, project planning, cost estimating, schedule, and inspections that DO no longer has in house capabilities due to previous funding cuts. This will provide project specific technical guidance, building code review and consultation, and third-party inspections where

necessary. Some work, such as third-party inspections, are required to be performed by outside sources. This funding sets the groundwork for step three of Treasury's three-part long term owned spaces strategy, as it will kickstart engineering work needed to begin a holistic approach to system modernization.

Treasury's three-step long-term strategy to continue to maintain and modernize its owned spaces: (1) secure the building's outer envelope; (2) conduct a condition assessment to identify additional needs associated with the buildings' continual aging and deferred maintenance; and (3) based on this assessment, conduct a holistic modernization of the building's systems and infrastructure. Targeted investments address life safety and code compliance issues, reduce building systems risk by upgrading outdated systems, and bring both facilities into alignment with current building standards. Absent full funding to perform a complete repair and renovation of these historical buildings, available funding will be used to correct the most urgent issues. These investments are being executed with the expectation that were Treasury to pursue a full renovation and modernization, recent investments could be largely retained, achieving cost savings over the long term. These investments support a safe and healthy work environment that meets Treasury operational requirements. Project needs are mission focused and prioritized based on life-safety, security, code discrepancies, and needs that pose significant financial risk if not addressed in a timely manner.

Treasury Operations has continued to strategically focus on restoring the health of the building envelope (shell), in an effort to correct the deteriorating building structure and infrastructure. Components of the Main Treasury building that have been repaired, replaced, or funded include new roofs (FY 2019/2021) and repairs to 40 percent of the windows (FY 2015/2017). The Freedman's Bank Building components that have been repaired, replaced, or funded/planned include new roofs (FY 2017/2019), domestic water line (FY 2020/2022), and replacement of all windows (FY 2009/2011). Funding and completion of these exterior items represent significant progress towards the preservation of the two buildings, maintaining a safe and healthy workplace, and reducing damage to the interior plaster and paint. The contract for the first phase of the Main Treasury exterior restoration was awarded late in FY 2021 and completed in FY22. Phase II began in March of 2023 and III will be funded in FY2023. FY 2024 requests will fund phase IV of the exterior restoration.

While waterproofing to the exterior of the building is ongoing, it is equally important for staff health and safety to remediate water damage and prevent/eliminate mold and mildew where identified. Water intrusion and leaking pipes has resulted in damage to plaster and paint throughout the Main Treasury building. Additionally, carpet within MT & FBB is close to 20 years old, while projected life expectancy is typically 7-10 years. In many places carpet has become significantly worn, which and creates the potential for safety hazards.