Treasury Franchise Fund

FY 2016
President's Budget

February 2, 2015

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Section 1 – Purpose

1A – Mission Statement

To assist customer agencies in meeting their mission by providing responsive, customer-focused, cost-effective administrative and information technology support services.

1.1 – Resource Detail Table

Dollars in Thousands

Treasury Franchise Fund Budgetary Resources	FY 2014 Actual		FY 2015 Estimated		FY 2016 Estimated		FY 2015 to FY 2016 $ Change		% Change	
	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
Revenue/Offsetting Collections										
Reimbursables										
Shared Services Programs (SSP)	0	170,413	0	213,558	0	211,288	0	(2,270)	.00	-1.06%
Administrative Services	0	120,995	0	140,823	0	169,084	0	28,261	.00	20.07%
Information Technology Services	0	181,252	0	167,052	0	175,404	0	8,352	.00	5.00%
Recovery from Prior Years	0	3,008	0	22,129	0	25,480	0	3,351	.00	15.14%
Unobligated Balances from Prior Years	0	97,943	0	146,970	0	171,704	0	24,734	.00	16.83%
Total Revenue/Offsetting Collections		573,611		690,532		752,960		62,428		9.04%
Expenses/Obligations										
Shared Services Programs (SSP)	209	165,421	271	213,558	277	211,288	6	(2,270)	2.21%	-1.06%
Administrative Services	816	128,904	913	140,823	1,050	169,084	137	28,261	15.01%	20.07%
Information Technology Services	435	171,608	459	164,447	459	165,972	0	1,525	N/A	0.93%
Total Expenses/Obligations	1,460	465,933	1,643	518,828	1,786	546,344	143	27,516	8.70%	5.30%
Net Results		107,678		171,704		206,616		34,912		20.33%

1B – Vision, Priorities and Context

The Treasury Franchise Fund's (TFF) vision is to be a leader in providing responsible, effective administrative services through commitment to service, efficient operations, openness to change, and values-based behavior.

The TFF is a key representative of the Administration's Management Agenda and the Cross Agency Priority Goals focused on shared services, smarter information technology (IT) delivery, and customer service. The TFF supports these goals through 1) increasing Treasury's capacity and ability to serve a broader customer base; and 2) providing low-cost, high-performing shared services for all interested agencies in the financial, Human Resources (HR), and technology areas.

The TFF authority permits a reasonable operating reserve to be maintained for shared service providers and will provide a platform for expanding Treasury's shared services programs. The balance reflected in the net results is in general alignment with TFF reserve requirements.

Main Functions

TFF, which includes the Shared Services Programs (SSP) and the Administrative Resource Center (ARC), provides financial management, procurement, travel, HR, IT, and other

administrative services to federal customers, including a majority of the Department of the Treasury bureaus, on a fully cost recoverable, fee-for-service basis.

Strategic Goals
- Establish a level of transparency and a governance process that sets the standard for government service providers.
- Maintain status as a Financial Management Federal Shared Service Provider (FSSP).
- Continually improve TFF's operational service levels.
- Implement process improvements and efficiency efforts to reduce costs to customers.
- Promote and maximize shared services benefits in support of Treasury and government-wide initiatives.
- Continue to assess and report TFF's performance and provide timely feedback to customers.

Relationship to Treasury Strategic Goals
TFF supports Treasury's Strategic Goal number 3, to "fairly and effectively reform and modernize federal financial management, accounting, and tax systems" and Strategic Goal number 5, to "create a 21st-century approach to government by improving efficiency, effectiveness, and customer interaction." Based on the Strategic Objective Annual Review process, TFF aligns specifically to Objectives 3.1, 5.3, and 5.4. Below are the objectives included in the strategic plan:

Objective 3.1 – Improve the efficiency and transparency of federal financial management and government–wide accounting.

Objective 5.3 – Promote efficient use of resources through shared services, strategic sourcing, streamlined business processes, and accountability.

Objective 5.4 – Create a culture of service through relentless pursuit of customer value.

FY 2016 Priorities
- Maintain service levels and achieve cost efficiencies wherever possible.

- Expand shared services opportunities throughout Treasury and to other agencies in the federal government, in order to reduce costs to all customers.

- Serve as a champion of the shared services initiative.

- SSP is committed to pricing transparency across business lines, showing each component of a customer's pricing and how all pricing is calculated across the customer base. SSP will continue to utilize SharePoint and customer advisory boards to share information and gather input from its customers.

- ARC will continue to expand use of Business Process Management and Lean Six Sigma principles throughout the Administrative business line. ARC will align the budgets and staff resources of organizations consolidated into the Information Technology business line with the services provided to internal and external customers.

Key Accomplishments and Challenges

- *SSP Realignment* – In FY 2015, SSP did a thorough review of services within the TFF to determine if a service was best provided through the TFF or should be transferred to Treasury-wide management within the Departmental Offices (DO). As a result, in FY 2015 the following programs were transferred from the TFF into DO: Treasury-wide Procurement Systems Support; Information Management; the Office of HR Policy, Performance & Learning; and Security Programs.

- *Achieving program savings through modernization* –
  o The Treasury Enterprise Voice (TEV) Program provides digital voice, data, and Voice over Internet Protocol (VoIP) telecommunications. Legacy voice systems were decommissioned by the end of FY 2014 after discontinuing the Digital Telecommunications System (DTS). This resulted in savings for TFF customers. In addition, some customers moved to a separate voice solution, further reducing the TEV program budget. To replace the DTS system, the VoIP system was used for a portion of FY 2014, and the full-year costs in FY 2015 overlapped with some of the DTS savings. Overall, the TEV program experienced an operational cost decrease from FY 2014 to FY 2015. Moving forward, some of the services being offered through this program are: local/long distance calling, audio conferencing and video support, automatic call distribution, and related support/maintenance.

  o Bureau-wide Messaging and Collaboration (M&C) within ARC is expected to be fully implemented by FY 2016. The M&C will provide a shared email and file management system, as well as enhanced tools for collaboration including online meetings and document sharing.

- *New Cyber Contract Savings* – In FY 2015, there will be significant efficiencies due to the new Government Secure Operations Center (GSOC) contract. There will be fewer contractors included on this contract as TFF expects to federalize some positions to gain savings. This will allow Treasury to staff key management and technical positions, which have historically been contractors. This will also result in greater flexibility and knowledge retention during future contract transitions.

- *Maintaining Cost Levels in growing programs* – For FY 2015, ARC continues implementing process improvement and efficiency efforts to reduce costs to customers. In addition to the ongoing challenge of minimizing prices, another key challenge for the ARC is maintaining services and customer satisfaction levels while pursuing cost reduction and containment initiatives, such as transitioning customers to the standardized service delivery model and balancing service levels with customer demand and funding levels.

- *Modernizing customer communication and internal financial management* – The SSP website has moved to a modernized SharePoint platform. Customer benefits include easier navigation through the site, automated email messaging of important customer updates, user access to fund information, and interactive workflows for various fund activities. Additionally, the program has adopted and implemented an automated system of billing, providing the SSP the ability to update financial planning forms in real-time, and will be

adopting an automated budget loading system to allow for centralized access to funding levels of each of SSP's programs and to track its records electronically.

- *Expansion of HR Connect Line of Business* – HR Connect has expanded its customer base to include the Department of Labor and the Department of Commerce, and expects to add the Architect of the Capitol and a number of customers in a full-service HR partnership with ARC. The result of bringing these customers onto the shared platform has been a net decrease in costs for all customers as the cost of services is spread out among more customers.

- *TNet Circuits: Consolidation, Program Management, & Transparency* – Beginning in FY 2015, SSP will include approximately $51.9 million of telecommunications circuits within the TNet program budget. The TNet program will add 1.5 FTE who will be responsible for managing the payments and general finances of these circuits for all bureaus, which were previously paid to the vendor directly by the bureaus. In addition to a more efficient, centralized management structure, this move to SSP will create more transparency on TNet circuit costs for bureaus, and will allow bureau personnel previously responsible for this work to focus more on mission-specific work.

- *Expansion of Enterprise Content Management (ECM)* – Customer adoption of the ECM program is expanding rapidly. The ECM product line now includes 17 applications. In FY 2015, ECM will onboard 2 FTE primarily focusing on providing full time customer training and support of the existing and newly expanded product applications to all ECM customers.

- *Continued Customer Expansion* – The ARC will transition the Department of Housing and Urban Development (HUD), an immense expansion, including executive level collaboration and integration, into all service lines (Financial Management, Procurement, Human Resources and Travel). All service line implementations began in FY 2013 and will be fully converted and operational in FY 2015. Completion of this project will improve HUD's compliance with the Federal Financial Management Improvement Act as well as improve decision making capabilities with the full integration of services in a core financial system. Additional benefits will be improved functionality by leveraging on-demand financial and analytical information to measure effectiveness and efficiency of the program initiatives. Challenges include resource utilization and the magnitude of hiring and provisioning qualified talent to support a customer of this size while continuing to maximize efficiency and reduce costs.

- *Designated Federal Shared Service Provider (FSSP) for Financial Management* – In FY 2014, ARC completed the lengthy multi-stage application process to become a designated FSSP. One of only four designated FSSPs, ARC will work with OMB and the Office of Financial Innovation and Transformation (OFIT) to implement OMB M-13-08 and successfully transition federal agencies as they require upgrades or significant investments to their existing financial management system.

- *Oracle Release 12 (R12) Conversion* –TFF completed the Oracle Release 12 (R12) Conversion for all customers on the shared core financial system and the manufacturing core

financial system during FY 2012-2014. The upgrade to system functionality in the areas of reporting and workflow improved the services offered to current and prospective customers. Additionally, the TFF complied with Common Government-wide Accounting Classification requirements. Through cost sharing, current customers also derived significant cost avoidance benefit for this technology refresh and upgrade. The Office of Management and Budget's (OMB) Financial System Advisory Board reviewed these modernization efforts and found them to be in compliance with the guiding principles outlined in OMB Memorandum M-10-26.

- *Invoice Processing Platform (IPP) Transition* – During FY 2013, ARC completed the transition of all financial management customers to the new IPP business process for eligible vendor invoices. TFF is now compliant with Treasury's FY 2014 vendor invoicing mandate and has adopted a similar policy for non-Treasury customers. In addition, the TFF continues working to enhance the system's functionality and controls to enable realization of its full cost savings potential.

- *E-Gov Travel Service system (ETS2) Implementation* – The President's E-Gov Travel initiative committed to employ the latest technology over the next fifteen years to create a more efficient and effective federal government travel service. ARC and the Internal Revenue Service served as Treasury's representatives on the ETS2 contract renewal awarded to Concur. ARC completed migration to this system in FY 2014. This upgrade provides a Federal Travel Regulations (FTR) compliant government-wide travel system while retaining functionality and integration with the core financial management system.

- *Attestation Engagement & Financial Statement Audit Updates* – TFF-ARC undergoes an annual *Type II Statements on Standards for Attestation Engagements (SSAE) 16* review. SSAE 16 is an attestation engagement of internal controls, in which management is attesting, in writing, the fair presentation and design of controls. TFF-ARC has received 10 consecutive unqualified opinions for these types of engagements. The SSAE 16 results enhance customer confidence and reduce annual financial statement audit costs. TFF has received 16 consecutive unqualified financial statement audit opinions.

Larger Operating Environment
In FY 2016, TFF will maintain its commitment to excellence and continue to meet all strategic and financial goals and benchmarks. TFF continues to strive for growth opportunities to expand existing service lines and provide other valuable in-demand administrative services in an era of budget reductions. In order to meet the goal of reducing costs to customers, TFF will maximize shared service value and continue to look for opportunities to improve the efficiencies in business processes and technologies used in service delivery.

The governance structure for the TFF is composed of three major governing bodies:
1. Assistant Secretary for Management – Responsible for the corporate management and oversight for the TFF.

2. Shared Services Council (SSC) – Serves as an advisory body for all TFF programs and ensures customers' perspectives are included in the decision-making process. The SSC plans to align and enhance shared services across the Department.

3. Financial Management Oversight Committee – Functions as a due diligence working group that performs preliminary reviews of new shared services and financial and budgetary policies and procedures prior to any new activities being considered and presented to the SSC.

In addition to the creation of the Shared Services Council, the TFF strives to incorporate the customer perspective into the decision-making process. Customer involvement and input will provide an opportunity for the SSC to obtain constructive and directed feedback and ensure customer concerns are addressed.

Section 2 – Budget Adjustments and Appropriation Language

2.1 – Budget Adjustments Table

Dollars in Thousands

Treasury Franchise Fund	FTE	Amount
FY 2015 Estimated	**1,643**	**$518,828**
Changes to Base:		
Maintaining Current Levels (MCLs):	-	$8,060
Pay-Raise	-	$1,444
Pay Annualization	-	$481
FERS Contribution Increase	-	$629
Non-Pay	-	$5,506
Subtotal Changes to Base	-	$8,060
Total FY 2016 Base	**1,643**	**$526,888**
Program Changes:		
Program Decreases:	4	($6,850)
Reduction in ECM Enhancement Costs & HR Connect Deployment (SSP)	4	($1,118)
Infrastructure Operational Costs & Gen Salary & Non-Salary Savings (SSP & ARC)	-	($5,732)
Program Increases:	139	$26,306
Customer Growth (ARC)	137	$26,015
Treasury Operations Excellence Investment (SSP)	2	$291
Total FY 2016 Estimated	**1,786**	**$546,344**

2A – Budget Increases and Decreases Description

Maintaining Current Levels (MCLs) .... $8,060,000 / +0 FTE
Pay-Raise +$1,444,000 / +0 FTE
Funds are required for the proposed January 2016 pay-raise.

Pay Annualization +$481,000 / +0 FTE
Funds are required for annualization of the January 2015 pay-raise.

FERS Contribution Increase +$629,000 / +0 FTE
Funds are required for increases in agency contributions to the Federal Employee Retirement System based on updated actuarial estimates.

Non-Pay +$5,506,000 / +0 FTE
Funds are required for inflation adjustment in non-labor costs such as travel, contracts, rent, supplies, and equipment.

Program Decreases ……………………………………………….. -$6,850,000 / +4 FTE
Reduction in ECM Enhancement Costs & HR Connect Deployment (SSP) - $1,118,000/ + 4 FTE
As ECM deploys new applications, the need to enhance the applications for customers to include new functionality occurs. Over time, however, the need to enhance these applications decreases creating savings. HR Connect continues to solicit new customers. As these customers are deployed onto the HR Connect system, the overall unit costs of operating the system will decrease, thus creating savings for the customers and the program as a whole.

Reduction in Infrastructure Operational Costs (SSP) and General Salary and Non-Salary Savings (ARC and SSP) -$5,732,000 / +0 FTE
Infrastructure operational savings under the TEV program are expected in FY 2015 as the program office completes the implementation of Voice over IP (VoIP) services. The general salary and non-salary savings include the decreases in the National Finance Center's payroll resulting in a decrease of employee debt and in the concomitant costs of managing the debt.

Program Increases ....+$26,306,000 / +139 FTE
Administrative Services Customer Growth (ARC) +$26,015,000 / +137 FTE
Customer growth is expected within the Administrative Services budget activity. Expanding services to additional customers allows the Fund's fixed costs to be distributed across a greater base. In addition to the economic benefits, customers will receive professional services that are consistent in both quality and cost. These benefits strongly align with Treasury's goals of fiscal responsibility and the further standardization of systems and business processes through shared services employed across the government.

Treasury Operations Excellence program (SSP) +$291,000 / +2 FTE
Current staffing levels have severely limited the Treasury Operations Excellence (TROPEX) program's ability to support major projects while maintaining the Treasury-wide Lean Six Sigma (LSS) education and certification programs. In order to support major efforts in strategic planning and organizational development and design, and also provide full service LSS certification, the TROPEX program will require additional dedicated resources with a background in data analysis, process improvement, and organizational diagnoses.

2.2 – Operating Levels Table

Dollars in Thousands

Treasury Franchise Fund Object Classification	FY 2014 Actual	FY 2015 Estimated	FY 2016 Estimated
11.1 - Full-time permanent	116,804	140,665	153,448
11.3 - Other than full-time permanent	1,095	922	1,078
11.5 - Other personnel compensation	3,293	2,178	2,562
11.6 - Overtime	0	1,513	1,513
11.7 - Other Personnel Compensation	0	497	497
11.9 - Personnel Compensation (Total)	**121,192**	**145,775**	**159,098**
12.0 - Personnel benefits	37,656	36,404	41,048
13.0 - Benefits for former personnel	131	6	6
Total Personnel and Compensation Benefits	**$158,979**	**$182,185**	**$200,152**
21.0 - Travel and transportation of persons	1,218	2,177	2,394
22.0 - Transportation of things	20	41	44
23.1 - Rental payments to GSA	0	4,666	4,618
23.2 - Rental payments to others	75	305	305
23.3 - Communication, utilities, and misc charges	42,155	66,657	67,090
24.0 - Printing and reproduction	0	1	1
25.1 - Advisory and assistance services	27,115	25,992	26,526
25.2 - Other services	57,463	13,339	12,918
25.3 - Other purchases of goods & serv frm Govt accounts	68,909	92,808	101,969
25.4 - Operation and maintenance of facilities	0	26	26
25.7 - Operation and maintenance of equip	70,817	90,300	90,178
26.0 - Supplies and materials	1,350	916	955
31.0 - Equipment	37,819	39,415	39,168
43.0 - Interest and dividends	13	0	0
Total Non-Personnel	**306,954**	**336,643**	**346,192**
Total Budgetary Resources	**$465,933**	**$518,828**	**$546,344**
Budget Activities:			
Shared Services Programs (SSP)	165,421	213,558	211,288
Administrative Services	128,904	140,823	169,084
Information Technology Services	171,608	164,447	165,972
Total Budgetary Resources	**$465,933**	**$518,828**	**$546,344**
FTE	**1,460**	**1,643**	**1,786**

2B – Appropriations Language and Explanation of Changes
The Franchise Fund receives no appropriated resources from Congress.

2C – Legislative Proposals
TFF has no legislative proposals.

Section 3 – Budget and Performance Plan

3A – Shared Services Programs (SSP)
($211,288,000 from expenses/obligations):
SSP supports the goals of shared services by offering administrative services on a competitive basis, as well as delivering outstanding customer service. The Shared Services Division (SSD) evaluates and examines any new franchise services that may be added to the TFF before they are presented to the SSC for consideration.

TFF supports the Treasury's Strategic Objective number 5.3, to "promote efficient use of resources through shared services, strategic sourcing, streamlined business processes, and accountability", by providing reliable, consistent, and cost-effective administrative support services.

The service providers under the SSP are organizational components of the Assistant Secretary for Management and Chief Financial Officer (ASM/CFO) within the Departmental Offices (DO). The SSP provides services within the following program categories:

- *Enterprise Business Solutions (EBS) -* Provides support through HR Connect which is Treasury's enterprise Human Capital system. HR Connect is a Human Resources Line of Business shared service provider supporting 24 Treasury bureaus and offices as well as 12 non-Treasury agencies. The EBS provides full lifecycle HR processing such as recruiting, personnel actions, payroll, and new employee processing. HR Connect provides functionality that is interoperable and scalable, and enables customers to meet their Human Capital strategic goals.

- *Infrastructure Operations -* Provides management of all telecommunications programs within the Office of the Chief Information Officer (OCIO). Infrastructure Operations provides strategic direction to telecommunications programs, ensures that costs are managed according to best practices, and reduces costs where possible.

- *Cyber Security* – Provides Critical Infrastructure Protection and Information Security services and supports the direct protection of designated Treasury critical infrastructure/key resources against terrorist activity. Cyber Security also supports the protection (confidentiality, integrity, and availability) of the Department's unclassified and classified systems and the information they process. Cyber Security also coordinates the Department's overall activities to implement the Federal Information Security Management Act of 2002.

- *IT Strategy & Technology Management* – Develops an IT Strategy and Transition Plan to meet Treasury's mission requirements and strategic goals. The Performance Measurement and Governance program collaborates with bureaus and partners with Capital Planning and Investment Control to ensure management of IT portfolios align with IT transition plans. Through its EDM, the OCIO team provides data architecture and integration services that currently support Workforce Analytics (available through HR Connect) and Data 'N Analytics (DNA, available through desktop visualization tools).

- *Additional Programs* –
  - o Financial System Integration – Develops and maintains the Financial Analysis and Reporting System (FARS).
  - o Human Resources – Provides a service to process complaints under the Equal Employment Opportunity Program (mandated by 29 CFR 1614).
  - o Office of Emergency Preparedness – Ensures continuity of the Treasury Department's essential functions during disasters and administers emergency mitigation, preparedness, response, and recovery activities.
  - o Office of Small and Disadvantaged Business Utilization – Advises and aids the bureaus on small business policies and initiatives.
  - o Pass-through Programs – Pass-through payments that support government-wide initiatives.
  - o Treasury Operations Excellence – Provides Lean Six Sigma training and other services to help Treasury and other federal agencies use entrusted resources more effectively and efficiently.
  - o Privacy, Transparency, and Records – Provides assistance to Treasury customers to collect, protect, retain, preserve, disclose, and provide access to Treasury's information resources pursuant to U.S. laws.
  - o Printing and Graphics – Provides printing services to Treasury customers and assists customers in planning and designing printed publications.
  - o Treasury Executive Institute – Provides continuous growth and learning opportunities for executives, executive development candidates, and senior managers. Promotes marketplace of ideas by exposing executives to the best practices in leadership models.

Description of Performance:
- *Customer Satisfaction with Financial Planning Staff* – Captures centralized administrative support costs for all SSP funded personnel that are not reflected in each SSP program budget. The Shared Services Division (SSD) established a customer satisfaction measure starting in FY 2014. Results reflect the percentage of customers that rate their communication experience with the SSD Financial Planning staff either "Good" or "Excellent" on a 5-point scale. The FY 2014 target was 60 percent, and actual results were 59.09 percent, missing the target by less than 1 percent. However, the number of customers taking the survey increased from 7 in FY 2013 to 22 in FY 2014. The SSD will continue to push towards a higher score on this measure through more customer outreach on billing, pricing, financial management and the performance of each of the SSPs.

- *HR Connect: Customer Satisfaction Annual Survey Results* – EBS continues to improve and strives to maintain the level of customer satisfaction for HR Connect as customer expectations are rising. To improve the user experience, EBS has been working for several years on InCompass, an HR portal. Please note, there are a couple of anomalies as the data collection methodology changed between FY 2011 and FY 2012 and no surveys were administered for FY 2009 and FY 2010 due to a system platform upgrade.

- *HR Connect: Employee Update Files* – Transmission of employee update files were made to the specified external benefit provider within established timeframes. EBS continues to improve and stay in its acceptable range, which is relatively wide due to the limited number

of transmitted files. EBS's targets are consistent with the targets used use for quarterly CPIC and OPM reporting for HR Connect.

- *ECM/Web Solutions* – Response time to resolve ECM and web solutions non-critical issue/helpdesk tickets is targeted to be within 10 - 15 business days. EBS continues to improve this metric and it does not currently have targets for subsequent years.

- *HR Connect: Number of Tickets Escalated to Tier 3* – EBS continues to improve and has a 10 percent reduction target for each year. This target is based on implementing process improvements in the Design Documents and Quality Assurance environments.

3.1.1 – Shared Services Programs (SSP) Budget and Performance Plan

Dollars in Thousands

Shared Services Programs (SSP) Budget Activity

Resource Level	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimated	FY 2016 Estimated
Expenses/Obligations	$0	$0	$0	$175,258	$187,498	$165,421	$213,558	$211,288
Budget Activity Total	**$0**	**$0**	**$0**	**$175,258**	**$187,498**	**$165,421**	**$213,558**	**$211,288**

Measure	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Target	FY 2016 Target
Customer Satisfaction with Financial Planning Staff %	N/A	N/A	N/A	N/A	57.2	59.09	62.0	62.0
ECM/Web Solutions Response Time to Resolve ECM and Web Solutions Non-Critical Issues/Help Desk Tickets within 10-15 Business Days	N/A	N/A	N/A	92.8	96.8	95.0	90.0	90.0
HR Connect Customer Satisfaction %	N/A	N/A	93.0	90.0	90.0	90.1	90.0	91.0
HR Connect Employee Update Files-Transmission of Employee Update Files Made to the Specified External Benefit Provider Within Established Timeframes	N/A	N/A	N/A	98.3	96.8	100.0	90.0	90.0
HR Connect Number of Tickets Escalated to Tier 3	N/A	N/A	N/A	303	212	242	222	200

Key: DISC - Discontinued and B - Baseline

3B – Financial Management Administrative Support Services
($169,084,000 from expenses/obligations):
ARC's administrative services activity supports OMB's and the Department of the Treasury's shared services concept, which furthers "good government" by standardizing the administrative financial systems and processes required to operate federal organizations. Value is provided through cost sharing opportunities in systems capital investments as well as reduced operating costs by providing consolidated, high quality, value added services. ARC has three important roles within Treasury:
- OMB designated FSSP for the Financial Management Line of Business.
- Support organization for Treasury's Human Resources Line of Business.
- Designated provider for the Budget Formulation and Execution Line of Business.
These lines of business provide administrative support functions with a focus on financial management, procurement, travel, and human resources. The program's success is evidenced by the increasing demand for services.

Description of Performance:
- Administrative Services discontinued the use of the Customer Satisfaction percentage in FY 2013. The final measurement in FY 2013 reflected an overall satisfaction rating of 78 percent. Customer satisfaction is a measurement of perceived performance and replaced by operational metrics of actual performance. These new operational metrics were first reported with the FY 2014 performance cycle.

- Administrative Services also discontinued the operating expense metric in FY 2012 and established an indirect cost target in its place. The indirect cost metric represents indirect costs as a percentage of total costs and provides a better representation of TFF's relative operating costs. This provides TFF management with a measure that encourages efficiency in administrative operations and helps to assure services are provided at the lowest possible cost. TFF projects an indirect cost metric of 22 percent for FY 2015, a reduction from the FY 2014 actual of 27 percent. TFF will continue to pursue customer growth and evaluate indirect cost expenditures to maintain actual performance at or below the established target.

- Administrative Services created ten new operational metrics in FY 2014 (both financial and service performance) for each service line. These measures provide actual performance of each service line by itself instead of a blended organizational measure. Financial metrics chosen highlight a widely used primary service while the service performance metric focuses on a quality measurement for a meaningful service. The independence of each new metric gives an enhanced snapshot of performance over previous customer satisfaction. Administrative Services will continue to pursue customer growth, seek business process improvements, and evaluate direct and indirect cost expenditures to manage performance. While the FY 2014 Direct Cost performance was below the stated targets in the base year, the future targets have been reduced to adjust our expected performance closer to actual and recognizes our commitment to managing costs.

3.1.2 – Administrative Services Budget and Performance Report and Plan

Dollars in Thousands

Administrative Services Budget Activity

Resource Level	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Estimated	FY 2016 Estimated
Expenses/Obligations	$89,933	$93,046	$109,555	$116,571	$127,747	$128,904	$140,823	$169,084
Budget Activity Total	**$89,933**	**$93,046**	**$109,555**	**$116,571**	**$127,747**	**$128,904**	**$140,823**	**$169,084**

Measure	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Target	FY 2016 Target
Customer Satisfaction Admin Services %	89.0	81.0	93.0	94.0	78.0	DISC	DISC	DISC
Direct Cost as a Percentage of Award Dollars	N/A	N/A	N/A	N/A	N/A	.41	1.8	1.8
Direct Cost per AP Transaction	N/A	N/A	N/A	N/A	N/A	65.4	74.0	73.0
Direct Cost per FTE in Core HR Services	N/A	N/A	N/A	N/A	N/A	976.25	1,386.00	1,372.00
Direct Cost per System User - Oracle	N/A	N/A	N/A	N/A	N/A	18,261.00	18,315.00	18,312.00
Direct Cost per Travel Voucher	N/A	N/A	N/A	N/A	N/A	24.75	28.71	28.42
First Call Resolution - Oracle %	N/A	N/A	N/A	N/A	N/A	61.0	50.0	50.0
Hiring Timeliness %	N/A	N/A	N/A	N/A	N/A	89.0	85.0	85.0
Indirect Cost Admin Services %	N/A	N/A	N/A	24.0	23.0	27.1	22.0	22.0
Operating Expense Admin Services %	7.0	8.0	8.0	N/A	N/A	DISC	DISC	DISC
Procurement Savings Negotiated %	N/A	N/A	N/A	N/A	N/A	11.3	5.0	5.0
Travel Voucher Payments Timeliness %	N/A	N/A	N/A	N/A	N/A	99.0	98.0	98.0
Unqualified Audit Opinions %	N/A	N/A	N/A	N/A	N/A	96.0	100.0	100.0

Key: DISC - Discontinued and B - Baseline

3C – Information Technology Services

($165,972,000 from expenses/obligations):
The IT Services Activity provides shared services to a variety of federal customers, both internal and external to Treasury. Value is provided through IT infrastructure consolidation and standardized IT service delivery in a modern, technically innovative, and secure environment. Customers avoid costly, long-term development projects when they take advantage of TFF's shared services and environments. Services include information systems security, hosting, and software engineering. Additionally, end-user support and professional services are provided to the Fiscal Service and TFF.

TFF, designated by the OMB as a Shared Service Center for Information Systems Security Line of Business, provides agencies with proven Security Assessment and Authorization and Continuous Monitoring services. TFF, authorized by the Department, is one of two Treasury trusted internet connection providers and hosts Treasury's public domain name system. TFF delivers information security support to other federal agencies, while improving quality, accelerating delivery, and reducing customer costs.

Secure hosting services are provided for production, contingency, and development/test regions. TFF has critical supporting roles in the Public Key Infrastructure (PKI) Shared Service Provider designation of the Department of the Treasury. TFF's PKI and directory experience makes end-to-end identity management solutions available to customers.

Rapid Application Development techniques and a demonstrated ability to integrate commercially available solutions combine to provide high quality software engineering services at a competitive price.

Description of Performance:
- IT established an outcome measure and target of 80 percent to determine performance in satisfying the needs of customer agencies. Annually, TFF conducts a customer satisfaction survey to assess performance and value within all service lines. For FY 2013, over half of TFF's IT customers responded to the survey with an overall satisfaction rating of 78 percent.

- Starting in 2014, as part of the Fiscal Service goal to provide agency advisory services that enable a collaborative, customer-focused, "One Voice" approach, the consolidated 2014 customer satisfaction survey was developed by the Office of Agency Outreach (OAO). The final survey focused on business services rather than information technology specifically, thus the individual IT customer service metric is being discontinued. However, the Fiscal Service metric will continue.

- IT discontinued the operating expense metric in FY 2012 and established an indirect cost target. The indirect cost metric represents indirect costs as a percentage of total costs and provides a better representation of TFF's relative operating costs. This provides TFF IT management with a measure that encourages efficiency in administrative operations and helps to assure services are provided at the lowest possible cost. TFF saw an indirect cost metric of 22 percent for FY 2013, and 17 percent in FY2014. TFF will continue to pursue customer growth and evaluate indirect cost expenditures to maintain actual performance at or below the established target. TFF has reduced this target from 20 percent to 19 percent for FY 2014 through FY 2016 to adjust the target closer to recent performance and in support of TFF's emphasis on fiscal responsibility.

3.1.3 – Information Technology Services Budget and Performance Report and Plan

Dollars in Thousands

Information Technology Services Budget Activity								
Resource Level	**FY 2009 Actual**	**FY 2010 Actual**	**FY 2011 Actual**	**FY 2012 Actual**	**FY 2013 Actual**	**FY 2014 Actual**	**FY 2015 Estimated**	**FY 2016 Estimated**
Expenses/Obligations	$56,467	$73,858	$72,905	$149,581	$152,050	$171,608	$164,447	$165,972
Budget Activity Total	**$56,467**	**$73,858**	**$72,905**	**$149,581**	**$152,050**	**$171,608**	**$164,447**	**$165,972**

Measure	**FY 2009 Actual**	**FY 2010 Actual**	**FY 2011 Actual**	**FY 2012 Actual**	**FY 2013 Actual**	**FY 2014 Actual**	**FY 2015 Target**	**FY 2016 Target**
Customer Satisfaction IT Services %	84.0	81.0	93.0	94.0	78.0	DISC	DISC	DISC
Indirect Cost IT Services %	N/A	N/A	N/A	19.0	22.0	17.0	19.0	19.0
Operating Expense IT Services %	5.0	8.0	8.0	N/A	N/A	N/A	N/A	N/A

Key: DISC - Discontinued and B - Baseline

Section 4 – Supplemental Information

4A – Summary of Capital Investments

The summary of capital investments for SSP is included in the Salaries and Expenses chapter of the Departmental Office budget submission under the Summary of Capital Investments section. The summary of capital investments for ARC is included in the Bureau of the Fiscal Service budget submission under the Summary of Capital Investments Section.

A summary of capital investment resources, including major information technology and non-technology investments, can be viewed and downloaded at: http://www.treasury.gov/about/budget-performance/Pages/summary-of-capital-investments.aspx.
This website also contains a digital copy of this document.

4B – Treasury Franchise Fund Program Costs

This information is being provided to fulfill requirements of Section 122, Public Law 113-235, Consolidated Appropriations Act, 2015.

Treasury Franchise Fund - Shared Services Programs FY 2014 Total Charges by Customer

Customers	Enterprise Business Solutions	Infrastructure Operations	Cyber Security	IT Strategy and Technology Management	Non-Information Technology Services	Totals
ARCHITECT OF THE CAPITOL	1,529,586	-	-	-	15,424	1,545,009.53
TFF ADMINISTRATIVE RESOURCE CENTER	1,009,797	241,498	100,199	60,489	174,787	1,586,770.04
ALCOHOL, TOBACCO, AND FIREARMS AND EXPLOSIVES	1,444,139	22,860	-	-	52,846	1,519,844.69
BUREAU OF ENGRAVING AND PRINTING	945,149	3,653,964	3,673,838	87,951	847,946	9,208,846.84
BUREAU OF THE PUBLIC DEBT	533,586	251,188	64,062	36,958	418,941	1,304,735.86
COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND	241,642	102,447	6,122	3,696	94,996	448,901.95
CONSUMER FINANCE PROTECTION BUREAU	1,930,801	1,628,257	94,077	14,948	1,195,451	4,863,534.82
DC PENSIONS	13,777	69,996	1,317	795	42,619	128,504.54
DEPARTMENT OF COMMERCE	8,897,082	102,065	-	-	356,301	9,355,448.29
DEPARTMENT OF INTERIOR	214,506	-	-	-	-	214,506.05
DEPARTMENT OF LABOR	4,412,491	35,908	-	-	270,852	4,719,251.23
EXECUTIVE OFFICE FOR ASSET FORFEITURE	474,643	98,819	1,860	1,123	40,668	617,112.47
FEDERAL COMMUNICATIONS COMMISSION	96,547	-	-	-	3,862	100,408.88
FEDERAL EMERGENCY MANAGEMENT AGENCY	505,972	-	-	-	9,135	515,106.32
FEDERAL FINANCING BANK	14,250	69,996	1,317	795	26,708	113,066.94
FINANCIAL CRIMES ENFORCEMENT NETWORK	163,470	377,933	26,813	16,187	168,749	753,150.73
FINANCIAL MANAGEMENT SERVICES	900,005	980,750	133,986	80,886	1,395,290	3,490,917.35
FINANCIAL STABILITY OVERSIGHT COUNCIL	32,101	105,053	2,015	1,216	20,528	160,913.74
GENERAL ACCOUNTABILITY OFFICE	709,382	8,501	-	-	20,944	738,827.87
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT	4,675,329.56	24,001.36	-	-	186,557.65	4,885,888.57
INTERNAL REVENUE SERVICES	39,664,717.53	28,684,671.16	7,438,211.89	4,330,394.94	15,096,344.57	95,214,340.09
US MINT	806,688.93	956,890.58	178,192.41	86,266.39	891,044.22	2,919,082.53
OFFICE OF THE COMPTROLLER OF THE CURRENCY	1,866,783.40	1,503,130.23	296,257.31	178,848.38	953,848.49	4,798,867.81
OFFICE OF FINANCIAL RESEARCH	231,701.21	641,560.14	12,941.40	7,812.63	164,168.61	1,058,183.99
OFFICE OF FINANCIAL STABILITY	854,617.80	657,437.41	12,631.43	7,625.50	354,266.28	1,886,578.42
OFFICE OF INSPECTOR GENERAL	112,398.75	298,452.41	15,651.60	8,935.40	85,248.09	520,686.25
DEPARTMENT OFFICES OFFICE OF TECHNICAL ASSISTANCE	12,439.43	82,348.76	1,549.87	935.64	106,329.74	203,603.44
SMALL BUSINESS ADMINISTRATION	114,126.54	-	-	-	17,879.70	132,006.24
SMALL BUSINESS LENDING FUND ADMINISTRATION	17,460.56	115,288.27	2,169.82	1,309.90	189,252.12	325,480.67
SPECIAL INSPECTOR GENERAL FOR TARP	136,477.18	735,240.76	37,817.53	8,982.18	82,181.78	1,000,699.43
STATE SMALL BUSINESS CREDIT INITIATIVE ADMINISTRATION	7,508.99	49,409.26	929.92	561.39	12,476.79	70,886.35
DEPARTMENTAL OFFICES SALARIES AND EXPENSES	2,376,257.34	5,506,844.07	118,850.99	61,752.51	2,511,930.55	10,575,635.46
TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION	396,699.25	988,184.29	285,268.31	39,156.71	221,055.49	1,930,364.05
DEPARTMENTAL OFFICES TERRORISM RISK INSURANCE PROGRAM	6,219.73	41,174.39	774.93	344.69	17,346.81	65,860.55
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU	231,472.47	280,500.13	38,049.27	22,970.06	277,999.85	850,991.78
UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT	1,923,225.45	13,960.36	-	-	75,093.60	2,012,279.41
US SECRET SERVICE	1,161,538.38	19,069.02	-	-	116,987.53	1,297,594.93
TOTALS	**78,664,586.80**	**48,347,397.64**	**12,544,903.01**	**5,060,941.47**	**26,516,059.19**	**171,133,888.11**

Treasury Franchise Fund - Administrative Resource Center FY 2014 Total Charges by Customer

Customers	Financial Management Systems	Human Resources Services	Procurements Services	Travel Services	Information Technology Services	Totals
ACCESS BOARD	194,325	63,496	197,049	40,442		495,312.00
ADMIN OFFICE OF THE US COURTS	275,986					275,986.49
ADMINISTRATION FOR CHILDREN AND FAMILIES	85,001					85,001.00
ADMINISTRATIVE RESOURCE CENTER	258,722				14,450,458	14,709,180.00
AFRICAN DEVELOPMENT FOUNDATION	881,924		497,330	43,012		1,422,266.00
AGENCY FOR INTERNATIONAL DEVELOPMENT U.S.	77,936					77,936.00
AGENCY FOR INTERNATIONAL DEVELOPMENT-OIG	88,052					88,052.00
ALCOHOL AND TOBACCO TAX AND TRADE BUREAU	765,282	874,687	762,750	250,610		2,653,329.00
ARMED FORCES RETIREMENT HOME	1,089,261	1,444,494	761,531	56,011		3,351,296.50
BLACK LUNG DISABILITY TRUST FUND	163,531					163,531.00
BUREAU OF ENGRAVING AND PRINTING		677,527		143,301		820,828.00
BUREAU OF THE FISCAL SERVICE	11,921,332	4,707,007	3,806,515	480,252	107,276,909	128,192,014.55
CDFI PROGRAM FUND	792,089	167,856	242,519	46,507		1,248,971.04
CENTER FOR DISEASE CONTROL				1,380,476		1,380,476.00
CHEMICAL SAFETY AND HAZARD BOARD	240,466		16,142	40,160		296,768.00
CONSUMER FINANCIAL PROTECTION BUREAU	1,213,568	3,550,255	1,311,256	1,091,878	4,000	7,170,957.00
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE	85,884					85,884.00
DC PENSIONS PROJECT OFFICE	1,651,206	24,076	34,511	1,445	1,695,000	3,406,238.00
DEFENSE NUCLEAR FACILITIES SAFETY BOARD		102,874				102,874.00
DENALI COMMISSION	306,025	54,465	84,230	32,043		476,763.00
DEPARTMENT OF AGRICULTURE	167,510					167,510.00
DEPARTMENT OF COMMERCE	95,819					95,819.00
DEPARTMENT OF DEFENSE	187,342					187,342.00
DEPARTMENT OF EDUCATION	230,616					230,616.00
DEPARTMENT OF ENERGY	266,273					266,273.00
DEPARTMENT OF HEALTH AND HUMAN SERVICES	230,616			70,088		300,704.00
DEPARTMENT OF HOMELAND SECURITY	503,970				259,000	762,970.00
DEPARTMENT OF HOMELAND SECURITY - CIS				466,357		466,357.00
DEPARTMENT OF HOMELAND SECURITY - OIG	619,309			399,421		1,018,730.00
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT	715,369	7,558,495	291,209			8,565,072.96
DEPARTMENT OF JUSTICE	124,236					124,236.00
DEPARTMENT OF JUSTICE - CIVIL DIVISION	108,620					108,620.00
DEPARTMENT OF LABOR	141,399					141,399.00
DEPARTMENT OF STATE	662,104					662,104.00
DEPARTMENT OF THE INTERIOR	637,161					637,160.94
DEPARTMENT OF TRANSPORTATION	230,616					230,616.00
DEPARTMENT OF VETERANS AFFAIRS	158,998	1,445,958				1,604,956.00
DEPARTMENT OF VETERANS AFFAIRS, TAC					69,333	69,333.34
ELECTION ASSISTANCE COMMISSION	320,158		97,162	14,233		431,553.00

CONT. Treasury Franchise Fund - Administrative Resource Center FY 2014 Total Charges by Customer

Customers	Financial Management Systems	Human Resources Services	Procurements Services	Travel Services	Information Technology Services	Totals
ENVIRONMENTAL PROTECTION AGENCY	95,819					95,819.00
FARM CREDIT ADMINISTRATION	305,386		31,069	237,944		574,399.00
FARM CREDIT SYSTEM INSURANCE CORPORATION	154,497		785	3,374		158,656.00
FEDERAL DISABILITY TRUST FUND	453,723					453,723.00
FEDERAL EMERGENCY MANAGEMENT AGENCY				17,839		17,839.00
FEDERAL HOSPITAL INSURANCE TRUST FUND	469,813					469,813.00
FEDERAL HOUSING FINANCE AGENCY	815,929		198,165	326,348		1,340,442.00
FEDERAL HOUSING FINANCE AGENCY - OIG	254,738	593,238	269,521	84,167		1,201,664.00
FEDERAL LABOR RELATIONS AUTHORITY	55,000		47,000	18,000		120,000.00
FEDERAL MARITIME COMMISSION	262,345		58,872	26,210		347,427.00
FEDERAL MINE SAFETY AND HEALTH REVIEW COMMISSION	270,516	178,232	16,728	35,740		501,216.00
FEDERAL OLD AGE AND SURVIVORS TRUST FUND	453,723					453,723.00
FEDERAL SUPPLEMENT INSURANCE TRUST FUND	472,281					472,281.00
FINANCIAL CRIMES ENFORCEMENT NETWORK	595,170	76,362	924,508	74,134	2,453,096	4,123,270.00
FOOD AND DRUG ADMINISTRATION				752,218		752,218.00
GENERAL SERVICES ADMINISTRATION	41,332					41,332.00
GULF COAST ECOSYSTEM RESTORATION COUNCIL	163,985		8,448	9,811		182,244.00
INTER AMERICAN FOUNDATION	671,117		627,462	32,500		1,331,079.00
IRS CRIMINAL INVESTIGATION DIVISION					525,000	524,999.97
MERIT SYSTEMS PROTECTION BOARD	387,650		20,780	61,998		470,428.00
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION	351,083				473,000	824,082.55
NATIONAL AERONAUTICS AND SPC ADMIN	-66,720					(66,719.55)
NATIONAL ARCHIVES & RECORDS ADMINISTRATION	3,240,863		465,882	468,001		4,174,746.00
NATIONAL MEDIATION BOARD	223,193		184,394	53,345		460,932.00
NATIONAL SCIENCE FOUNDATION	139,094		3,820	73,252		216,166.00
NUCLEAR REGULATORY COMMISSION	41,332					41,332.00
OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION	221,294		14,792	23,656		259,742.00
OFFICE OF ADMINISTRATION, EXEC OFF OF THE PRES	1,213,193		265,099	426,806		1,905,098.00
OFFICE OF FINANCIAL STABILITY	327,059	268,649	4,454	44,836		644,998.00
OFFICE OF GOVERNMENT ETHICS	250,731	165,552	153,478	31,585		601,346.64
OFFICE OF INFORMATION TECHNOLOGY	803,278	549,881	946,801	95,120		2,395,080.00
OFFICE OF NATIONAL DRUG CONTROL POLICY			24,304			24,304.00
OFFICE OF PERSONNEL MANAGEMENT	41,332					41,332.00
OFFICE OF THE COMPTROLLER OF THE CURRENCY			204,805			204,805.00
OFFICE OF THE INSPECTOR GENERAL	313,729	143,051	24,246	80,612		561,638.00
OIL SPILL LIABILITY TRUST FUND	120,567					120,567.00
RAILROAD RETIREMENT BOARD				6,093		6,093.00
SECURITIES AND EXCHANGE COMMISSION	147,335					147,335.00
SMALL BUSINESS ADMINISTRATION	67,475					67,475.00

CONT. Treasury Franchise Fund - Administrative Resource Center FY 2014 Total Charges by Customer

Customers	Financial Management Systems	Human Resources Services	Procurements Services	Travel Services	Information Technology Services	Totals
SOCIAL SECURITY ADMINISTRATION	67,475				270,162	**337,636.68**
SPECIAL INSPECTOR GENERAL - TARP	273,684	479,026	296,311	115,787		**1,164,808.00**
TREASURY DEPARTMENTAL OFFICES	4,312,574	6,274,238	1,952,222	1,082,526	3,949,666	**17,571,226.00**
TREASURY INSPECTOR GENERAL FOR TAX ADMINISTRATION	758,794	1,334,080	677,633	381,412		**3,151,919.00**
TRICARE MANAGEMENT ACTIVITY				48,578		**48,578.00**
UNEMPLOYMENT TRUST FUND	723,735					**723,735.00**
UNITED STATES AIR FORCE	983,484					**983,484.00**
UNITED STATES MINT	8,326,312	3,211,173	2,472,429	293,295		**14,303,209.00**
US AGENCY FOR INTERNATIONAL DEVELOPMENT	95,819					**95,819.00**
US COURT OF APPEALS FOR VETERANS	219,016		5,631	12,733		**237,380.00**
US HOUSE OF REPRESENTATIVES	109,000					**109,000.00**
USDA FOOD AND NUTRITION					1,078,423	**1,078,423.06**
USDA FOREST SERVICE	101,132					**101,132.00**
USDA OCIO INTERNATIONAL TECHNOLOGY SERVICES		1,197,392				**1,197,392.00**
USDA OFFICE OF INSPECTOR GENERAL		88,963				**88,963.00**
TOTALS	**54,819,594**	**35,231,027**	**18,001,843**	**9,474,155**	**132,504,047**	**250,030,666**

Shared Services Programs and Administrative Resource Center Activity Descriptions
The Shared Services Programs (SSP) within the Treasury Franchise Fund provides common administrative services that benefit customers both within Treasury and outside agencies. The SSP provides these services on a centralized basis, where they can be administered more advantageously and more economically than they could be provided otherwise. Descriptions of these services are provided below.

Enterprise Business Solutions (EBS) is an organization within the U.S. Department of the Treasury's (Treasury) Departmental Offices (DO), Office of the Chief Information Officer (OCIO) that creates, implements, and maintains information technology solutions in an efficient and innovative manner through shared and scalable products, platforms and services. EBS offers its customers a variety of services available through four (4) distinct product suites; Enterprise Content Management, Enterprise Data Management, HR Connect and Web Solutions. HR Connect, an Office of Personnel Management officially designated Human Resources Line of Business (HR LOB), Shared Service Center (SSC) offers HR solutions across the federal space. Infrastructure Operations includes services such as the Enterprise Infrastructure Services (EIS), Treasury Enterprise Voice (TEV), Treasury Network (TNet), and the Treasury Enterprise Identity Credential and Access Management (TEICAM) services. The EIS program offers services including the development and implementation of additional enterprise-wide infrastructure capabilities and services available to Treasury Departmental Offices and other customers; such as cloud, big data, and others.

The TEV program provides telecommunications capabilities to customers. These services include internal telephony service, Voice Mail with email notification, connections to the public switched telephone network (PSTN), local and long distance calling, Audio Conferencing and certain Video Conferencing, Automatic Call Distribution, Interactive Voice Response Systems, Call Center Services, Custom Emergency 911 Services, associated cabling and physical plant maintenance and the related support and maintenance for these systems. TNet provides a secure enterprise voice, video and data wide area network that connects authorized domestic and international government facilities across the US, the US territories, and at select US Embassies via the State Department's network. TNet Wide Area Network (WAN) service is a cost effective enterprise network supporting bureau business needs and enabling agency technological initiatives, such as Data Center Consolidation and Mobile Treasury. TEICAM provides requirements; coordination, management processes, technical coordination for Personal Identity Verification (PIV), credential and access management compliance, Public Key Infrastructure (PKI), and establishes the Enterprise Identity Credential and Access Management (EICAM) capabilities Treasury-wide.

Cyber Security services include supporting the direct protection of designated Treasury Cyber Critical Infrastructure/Key Resources against terrorist activity. The Government Secure Operations Center serves as the focal point for management of cyber incidents and is responsible for security detection, analysis and incident management lifecycle practices to improve the Department's overall security posture. IT Strategy and Technology Management services include assisting customers with collaboration efforts to develop and implement procedures and policies to manage Treasury's IT portfolio; partners with Enterprise Architecture Programs so management of IT portfolios aligns with IT transition plans (e.g.,

refresh/replacement/consolidation of IT systems and facilities) and Department Strategic Plans. Additional services include developing and managing an IT Strategy and Transition Plan to meet Treasury's mission requirements and strategic goals. This entails collaborating with bureaus and partnering with Performance Measurement and Governance to ensure management of the Treasury IT portfolio aligns with IT transition plans.

Some of the non-IT related services include the Civil Rights and Diversity program (CRD), Financial Systems Integration (FSI), Office of Emergency Preparedness (OEP), Small and Disadvantaged Business Utilization (SDB) and Treasury Executive Institute (TEI). CRD administers an Equal Opportunity Program, mandated by 29 CFR 1614, to provide equal opportunity in employment for all persons and to prohibit discrimination in employment, including providing prompt, fair and impartial processing of complaints. FSI develops and maintains the Financial Analysis and Reporting System, which performs analysis and reporting functions for proprietary and budgetary accounting, audit follow-up, management control, and risk management. OEP supports Treasury efforts to prepare for emergencies. This program supports emergency preparedness and business continuity planning exercises. SDB advises customers on small business policies and initiatives; training and advising small businesses on how to do business with the Department of the Treasury; advising and training procurement officials on small business matters; monitoring and reporting progress toward procurement goals. TEI is a shared service provider and center of excellence for delivering and administering high quality, cost-effective executive and leadership training and development programs that align to and advance the Federal Government's and Treasury's mission and performance. TEI sponsors and promotes the continued growth, development and success of the Department of the Treasury's Executive Corps, senior leaders and those of its client partners.

The Administrative Resource Center (ARC) within the Treasury Franchise Fund Administrative Business Line provides services within the following major service lines, as follows: Financial Management Service Line, Procurement Service Line, Travel Service Line, and Human Resources Service Line. The Financial Management Service Line provides a complete range of accounting and budget services. Total accounting and budget support include transaction processing, system setup and support, and comprehensive reporting is offered. Specific financial management services include: processing accounting transactions for single, multi, and no-year appropriated funds, as well as revolving and trust funds, preparing financial statements and other useful financial management reports, providing financial audit support, and budget services including payroll projection.

The Procurement Service Line offers support ranging from simplified acquisitions to full-scale large contract acquisitions. Contract administration services are also available. Additionally, a web-based procurement system, PRISM, that is fully integrated with our accounting system and staff dedicated to configuration and maintenance as well as assisting end-users with software functionality questions, is offered.

The Travel Service Line provides a full-service, stand-alone travel agency for federal agencies compliant with the President's Management Agenda (PMA) and E-Gov requirements and adheres to all Federal Travel Regulations. Use of a web-based travel expense reporting software, Concur CGE, supports the processing of travel documents for any itinerary. Further, multiple

travel management centers with highly experienced travel agencies are used. In addition, full relocation services and management for transferring employees and their agencies is provided. ARC uses moveLINQ, a relocations expense management system developed by mLINQS, to process relocations for its customers. The Human Resources Service Line delivers a full range of integrated professional HR services, including: position classification, staff acquisition, payroll, processing, and recordkeeping, employee benefits, labor and employee relations, workers' compensation, and personnel security.

Pricing for the Above Activities
SSP utilizes many different cost methodologies in determining the customer prices. Some examples of its costs drivers include an FTE-Based methodology that incorporates the cost allocation of the FY 2014 FTE levels from the FY 2015 President's Budget Appendix. Another example is an Account Based methodology, whereby cost allocations are based on FY 2014 Budget Levels and from the FY 2015 President's Budget Appendix. An example of this methodology is the average number of prior year Treasury Information Executive Repository (TIER) records from pay period 00 through pay period 12, FY 2011, 2012, and 2013. Another example would be the total number of NC4 locations for each customer (NC4 is the company that provides the NC4 Risk Center system, which allows the Treasury Operations Center to monitor Treasury facilities and personnel on a global scale). The Procurement Transaction cost methodology - cost allocation is based upon the number of Federal Procurement Database Next Generation (FPDNG) transactions from the FPDSNG for the most recent prior year. Also, some programs utilize the print job value-based cost methodologies - cost allocations based on the value of print jobs from a specific period of time. The usage-based cost methodologies - cost allocations is based on multiple usage cost drivers.

Determining charges for ARC services begins with a process similar to that used by appropriated agencies whereby labor and non-labor needs are identified for a future year within the budget formulation process. The formulated budget is then allocated to each service. These allocations are guided by existing organizational structure and management input. The overhead budgets are then allocated to the services based on each service's proportion of direct FTEs. Each Service Budget is then allocated to customers receiving that service based on each customer's percentage of total drivers. Drivers are the objective measure of effort defined specifically for each service. Each year, reserve requirements are calculated for each service line. These requirements are then compared to estimated actual reserves by service line. When differences are identified, the customers' costs by service are adjusted pro rata within each service line to reduce or eliminate projected differences. Fiscal Service Executive Management review pricing recommendations and provide the final approval of customer pricing.

Customers' Role in Governing the Treasury Franchise Fund
The Treasury Franchise Fund incorporates a governance process in which two governing bodies review, vet, and approve various shared services matters. The Financial Management Oversight Committee (FMOC) serves as a due diligence working group to perform preliminary reviews of new shared services. Reviews will be conducted prior to any new activities being considered and presented to the Shared Services Council (SSC). The FMOC will support and review Treasury Franchise Fund related matters for the Assistant Secretary for Management and SSC. The FMOC may also review Treasury Franchise Fund procedures and policies that are for new shared

services lines of business entering the Treasury Franchise Fund, which includes but is not limited to unique policies that are currently in existence in the Treasury Franchise Fund. In order to ensure that the customer perspective is accounted for in decision-making, there is a process in place by which Treasury and non-Treasury organizations can provide feedback and input into the Treasury Franchise Fund governance issues. Customer involvement and input will provide an opportunity for the SSC to obtain constructive feedback and ensure customer concerns are addressed.