

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of the Chief Information Officer

Information Technology Fund

SUMMARY OF RESOURCES

(Dollars in Thousands)

	Enacted/ Requested	Carry over	Supplemental/ Rescission	Transfers	Total Resources	Obligations	Net Outlays
2024 Appropriation	383,050	160,737	-	16,265	560,052	489,626	339,944
2025 Appropriation	383,050	81,482	-	19,670	484,202	407,025	364,055
2026 President's Budget	365,000	77,177	-	1,980	444,157	388,304	344,925
Change from 2025	(18,050)	(4,305)	-	(17,690)	(40,045)	(18,721)	(19,130)

a/ Carryover column includes recaptures from prior years. Planned recaptures for 2025 \$7 million.

b/ 2024 transfers include \$10.3 million from the Technology Modernization Fund (TMF) for Identity Credential and Access Management (ICAM), \$2.5 million from S&E, \$3.5 million for the Chief Data Officer enterprise data analytics and risk management (eDARMS) project, and \$73 thousand for FCC.

c/ 2025 transfers include \$17.8 million from the Technology Modernization Fund (TMF) for Enterprise Identity Credential and Access Management (eICAM). The Budget Appendix reflects the \$8.91 million received and we expect to receive an additional \$8.91million in Q3, FY2025. \$1.85 million in transfers is for Disaster Recovery Data Portal (DRDP).

d/ 2026 transfers include \$1.98 million from the Technology Modernization Fund (TMF) for Enterprise Identity Credential and Access Management (eICAM). HUD expects to receive the transfer Q1, FY2026.

PROGRAM PURPOSE

The Information Technology (IT) Fund provides for the infrastructure, systems, and services that support all HUD programs, which include all of HUD's mortgage insurance, rental subsidies, and grants. The IT fund provides secure IT applications, systems and capabilities that are used to carry out and support the programs and administrative operations and activities of the Department.

BUDGET OVERVIEW

The 2026 President's Budget requests \$365 million for the Information Technology Fund, which is \$18 million less than the 2025 Enacted level. The Budget provides \$365 million for Operations and Maintenance (O&M) to sustain and strengthen the foundation of HUD's IT portfolio. To maximize the use of all available resources, the 2026 IT Fund appropriations language provides the flexibility to use prior year unobligated balances, including recaptures, to support either O&M or DME activities consistent with this Administration's priorities. The goal of this flexibility is to prioritize IT resources for enterprise initiatives aimed at increasing efficiency, supporting HUD's new program delivery model, and improving customer service. The Budget supports the following key objectives:

- Ensures continuation of program-area IT systems, applications and capabilities, which play a critical role in enabling the mission and administrative functions of the agency.
- Maintains existing IT infrastructure, such as computer hardware, network and communications, support services, and enterprise software licenses.
- Continues to mature the 24x7 Enterprise Security Operations Center/Computer Incident Response capability, with focus on advanced threat intelligence and automation.

The IT Fund saves taxpayers \$18 million compared to 2025 enacted by advancing HUD's priorities to streamline business processes. These efforts advance the Administration's priorities for eliminating waste, fraud, and abuse while protecting the integrity of financial transactions and realizing efficiencies throughout Government services as outlined in: Executive Order (EO) 14271: Ensuring

Commercial, Cost-Effective Solutions in Federal Contracts; EO 14249: Protecting America’s Bank Account Against Fraud, Waste, and Abuse; EO 14247: Modernizing Payments To and From America’s Bank Account; EO 14243: Stopping Waste, Fraud, and Abuse by Eliminating Information Silos; EO 14158: Establishing and Implementing the President’s “Department of Government Efficiency”; OMB memoranda M-25-21 Accelerating Federal Use of AI through Innovation, Governance, and Public Trust; and M-25-22 Driving Efficient Acquisition of Artificial Intelligence in Government, among others.

JUSTIFICATION

HUD is pursuing strategic realignments throughout the Department to maximize the impact of operational resources to deliver on HUD’s mission. The Office of the Chief Information Officer (OCIO) will ensure IT investments are aligned to and support HUD’s new program structure which is a critical component to realizing the efficiencies and improvements mandated by the President’s agenda. The Budget also reflects HUD’s commitment to continuously improve the management of IT spending by leveraging commercial technologies and realigning the Department’s IT footprint.

The following table summarizes the 2026 IT Fund budget by O&M vs. DME.

SUMMARY OF RESOURCES BY PROGRAM

(Dollars in Thousands)

Budget Activity	2024 Budget Authority	2023 Carryover Into 2024	Transfers	2024 Total Resources	2024 Obligations	2025 Appropriation	2024 Carryover Into 2025	Transfers	2025 Total Resources	2026 President's Budget
Information Technology Fund (Direct Appropriation)	383,050	160,737	16,265	560,052	489,626	383,050	81,482	19,670	484,202	365,000
Operations and Maintenance [Non-Add]	359,100	97,108	3,107	459,315	433,605	374,450	36,553	-	411,003	365,000
Development, Modernization and Enhancements [Non-Add]	23,950	63,629	13,158	100,737	56,021	8,600	44,929	19,670	73,199	-
Total	383,050	160,737	16,265	560,052	489,626	383,050	81,482	19,670	484,202	365,000

Operations and Maintenance (O&M)

The Budget includes \$365 million for infrastructure, services, and business applications that support HUD’s programs with the necessary security to protect the Agency’s data and information resources. The 2026 Budget resources are lower than the 2025 Budget in part due to significant cost savings achieved by streamlining and additional efficiencies related to HUD’s infrastructure support costs. OCIO anticipates executing the vast majority of the O&M carryover and recaptures in the first half of 2026.

The O&M funds provide and maintain capabilities for HUD programs and are used to maintain and improve existing IT infrastructure, such as computer hardware, network and communications, support services, enterprise software licenses, and cybersecurity.

In 2026, HUD will begin to decommission systems in accordance with its streamlining and efficiency efforts. As HUD realigns to its new program structure there is an expectation that the cost savings from sunseting systems will be realized starting in 2027. HUD also anticipates prioritizing additional systems for decommissioning that support grants and contact center programs in 2026. Decommissioning and consolidating systems will align HUD’s IT portfolio to match HUD’s programmatic priorities.

A 3-year breakout of O&M obligations by investment category follows, in Table 1.

Table 1: Operations & Maintenance (O&M) by Year**
(Dollars in Thousands)

Investment (O&M Portion Only)	2024 Actual O&M	2025 Enacted w/ Carryover O&M	2026 President's Budget O&M
Business Applications	101,203	99,044	99,808
<i>Major</i>	79,910	75,800	69,989
Enterprise Grants Management	9,080	9,004	10,259
Financial Management Support	11,934	8,673	12,301
Multifamily Housing and Healthcare Facilities	7,684	7,708	7,016
Public and Assisted Housing Oversight	16,040	18,207	11,493
Single Family Housing	31,206	32,208	28,920
Unisys Migration	3,966	0	0
<i>Non-Major</i>	21,293	23,244	29,819
Acquisition Management	0	0	513
Administrative Services	1,108	1,469	853
Communications Support	2,659	3,243	4,521
Contact Center	2,132	2,239	3,799
Data Management Services	4,037	3,987	3,924
Document Management	2,764	2,766	2,425
Geospatial Services	1,508	1,425	3,009
Human Resources Services	2,231	5,576	3,014
Legal Oversight	3,196	952	4,032
Regulatory Enforcement	1,658	1,587	3,729
Infrastructure and Enterprise Support	293,615	269,849	229,779
Application	4,734	5,440	4,935
Data Center and Cloud	137,360	137,283	102,746
End User	113,424	104,193	94,283
IT Management	439	2,137	347
Network	36,996	19,579	26,601
eGov	662	1,217	867
IT Security Services	35,528	42,110	35,413
Total Portfolio	430,346	411,003	365,000

* Individual investment descriptions are shown in Appendix A.

** 2024 amounts are actual obligations, and 2025 amounts are available Budget Authority including carryover.

Business Applications Support (\$99.8 million)

The Budget includes \$99.8 million to fund the business applications in Major and Non-Major investments. The Budget supports over 80 IT systems and services across HUD. It supports the ongoing use of artificial intelligence and automation to improve operations. Ongoing legacy systems and new capabilities deployed in 2024 and 2025 to meet the Agency's critical priorities require O&M support to maintain business continuity. HUD will continue activities begun in 2025 to align the portfolio of applications it maintains consistently with the objectives described in the programmatic sections of the Budget. This will identify efficiency and effectiveness opportunities for application decommissioning or consolidation. The funding will also allow HUD to eliminate more of its "technical debt" which continues to impact system performance, scalability, and resilience. This will provide opportunities for realizing efficiencies through economies of scale and adoption of cloud and commercial-based solutions in accordance with recent Executive Orders. Without the requested funds, HUD would be unable to take advantage of the planned infrastructure and security improvements and cannot address lingering issues such as upgrading from end-of-life and end-of-service hardware and software.

IT Infrastructure and Enterprise Support (\$229.8 million)

IT Infrastructure includes such items as data center, end-user hardware and support services, annual tech refresh, network and communications, and cloud operations and infrastructure. The Budget allows HUD to maintain operational readiness and support program office transitions to modernized technologies with minimal impact to mission operation. This also includes remediating infrastructure-related gaps within HUD's cybersecurity framework and overcoming operational risks due to dependency on contractor owned assets associated with multiple legacy contract vehicles. HUD will be continuing a critical infrastructure modernization initiative: the relocation of the current disaster recovery (DR) datacenter to a new GSA-managed location. This move aligns with HUD's long-term IT modernization strategy and provides improved resiliency, cost-efficiency, and high availability. This project will upgrade our existing disaster recovery configuration from a traditional "hot/cold" environment—where the recovery site remains passive until activated—to a modern "active/active" configuration, increasing performance and system availability for HUD programs and stakeholders nationwide. The Budget supports:

- Transitioning to consolidated services contracts for cloud services and enterprise software to sustain mission critical services, eliminate redundancies, and achieve efficiency.
- Modernizing HUD's approach to cloud services by deploying additional infrastructure and platform capabilities using commercial cloud providers.
- Maximizing the use of cloud services and leveraging low-code/no-code technologies to cost-effectively automate, enhance, and streamline internal business processes to carry out HUD's mission.
- Providing for modernization of equipment, services, and technology to continue to serve the American public.

IT Security Services (\$35.4 million)

The Budget would provide continued funding for HUD's risk-based cybersecurity program that is required for compliance with the Federal Information Security Modernization Act (FISMA). The Budget will enhance HUD's ability to continuously monitor users, devices, and applications both inside and outside of the network perimeter. Additionally, this would allow HUD to continue using tools and services to improve real-time monitoring, vulnerability management, and incident response capabilities, which will no longer be supported by the Department of Homeland Security in 2026.

Modern cyber attackers leverage the most advanced capabilities available and constantly evolve their tactics. To meet this threat, and prevent a security breach, HUD requires funding for a robust Cyber Security Operations capability. This funding would support ongoing 24/7 security monitoring and analysis. Additionally, many of the activities that support HUD's programs are performed by third parties such as Public Housing Authorities, lenders, property owners, or States that must interface with HUD's systems. When those third parties' systems are compromised, it also puts HUD's systems at risk. As HUD moves to collect additional data from recipients and sub-recipients, including directly from their systems, proactive security measures minimize the risk to our operations from threats.

Finally, HUD will continue to centralize and automate its information technology Governance, Risk, and Compliance (GRC) activities. This funding will help ensure that risk-based security controls are implemented and monitored on High Value Assets (HVA) designated under OMB M 19-03, and that legacy systems are prioritized for decommissioning or modernization when they cannot be secured. It supports activities that will improve cybersecurity in supply chains by continuing to streamline policies and procedures and conduct vendor risk assessments. It also supports security awareness training, role-based training, conducting phishing exercises, and incident response and contingency planning tabletop exercises. The funding for the GRC program's ongoing activities allows HUD to continuously align its cyber security activities to mission objectives and holistically reduce risk.

Department-wide Information Technology and Cybersecurity Investments

The 2026 Budget reflects \$422.1 million in discretionary budget authority for information technology spending at HUD. In addition to the \$365 million for the Information Technology Fund account, the 2026 discretionary total includes \$43 million in the Administrative Support Offices account and \$14.1 million in the Office of the Inspector General account. The Budget also estimates approximately \$251 million mandatory funding for the information technology activities of Ginnie Mae.

HUD's Department-wide discretionary budget for cybersecurity activities is \$40.3 million. That amount includes \$35.4 million in the Information Technology Fund account and \$4.9 million in the Office of the Inspector General account. The Budget also estimates approximately \$105.3 million in mandatory funding for Ginnie Mae's cybersecurity activities.

Table 2 provides a breakdown of the IT Fund's \$35.4 million in cybersecurity activities by National Institute of Standards and Technology (NIST) framework/capability.

Table 2: Cybersecurity Costs in the IT Fund Account
(Dollars in Millions)

NIST Framework/Capability	2026 President's Budget
Identify	17.9
Protect	11.1
Detect	6.4
Respond	0.0
Recover	0.0
M-22-16 2.5	0.0
Total	35.4

APPROPRIATIONS LANGUAGE

The 2026 President's Budget includes the appropriations language listed below.

For Department-wide and program-specific information technology systems and infrastructure, \$365,000,000, to remain available until September 30, 2028: Provided, That unobligated balances, including recaptures and carryover, remaining from amounts made available under this heading in this Act or prior Acts (including amounts previously transferred to this heading) may be used for any purpose under this heading in this Act, notwithstanding the purposes for which such funds were appropriated.

Note.—This account is operating under the Full-Year Continuing Appropriations and Extensions Act, 2025 (Division A of Public Law 119-4).

APPENDIX

Investment Type Definition

- Major IT investments are those that are critical to the missions of the Agency, requiring special management attention and with executive visibility, or that meet certain dollar thresholds.
- Non-major investments do not meet the criteria of a Major or Standard investment and typically provide support to the offices that in turn provide program or administrative support to the mission of the Agency.
- Standard IT investment classifications are used by all Federal Agencies to account for their IT infrastructure costs, cybersecurity, and management costs. They are OCIO managed enterprise-wide investments that provide IT services to the Agency's mission delivery applications.
- E-Government (eGov) is a group of OMB-led initiatives to help transform Federal Agencies through eCommerce.

Investment	Investment Type	Definition
Enterprise Grants Management	Major	This investment provides Shared Services and information systems to automate the grants management lifecycle (pre-award, award, post award stages) for formula and competitive programs across HUD.
Financial Management Technology Support	Major	Provides support for HUD's financial management systems, including their interfaces with the core financial system that is a shared service provided by the Treasury.
Multifamily Housing and Healthcare Facilities	Major	This investment provides systems to support programs that provide mortgage insurance to multifamily housing and health care facilities and project based rental assistance. It includes services such as financial operations, asset management, and moving existing loan origination systems to modern technology platforms.
Public and Assisted Housing Oversight	Major	This investment provides systems that ensure public and HUD assisted housing comply with applicable laws and regulations. It provides accurate, credible, and reliable information to assess the condition and financial management of HUD supported properties and ultimately improve the Nation's stock of affordable housing. HUD is modernizing outdated systems and automating manual processes used in providing this essential mission function.
Single Family Housing	Major	This investment captures all the systems that support FHA's Single Family programs including mortgage insurance on loans to purchase new or existing homes, condominiums, manufactured housing, houses needing rehabilitation, and for reverse equity mortgages to elderly homeowners. HUD is carrying out a multi-year investment called FHA Catalyst that began in 2019 to modernize FHA's infrastructure and to provide cloud-based platforms to reduce costs, risks, and fraud, and bring FHA in line with current industry practices. The modernization approach is flexible with an agile approach and includes a single portal for lenders to interact with FHA for the full loan life cycle. Loan components are already in production, providing rapid turnaround and efficiencies to the agency and to the lender community.

INFORMATION TECHNOLOGY FUND

UNISYS Migration	Major	Unisys Migration modernized the code base and accelerated the migration of five of HUD's most critical business systems from an on-premises mainframe database to the cloud. Both the existing mainframe and the five COBOL-based applications were expensive to maintain and required functional system enhancements to be built in the antiquated mainframe environment, deepening the technical debt associated with the decommissioning of the platform.
Administrative Services	Non-Major	Enables HUD to control, manage and report on its facilities, property, and assets. Enables HUD to perform the back-office activities that support the execution of its mission-critical business operations.
Communications Support	Non-Major	This primarily comprises HUD websites as well as customer management tools. It enables HUD to exchange information with other government entities, citizens, stakeholders, and customers to deliver citizen services, implement public policy and serve customers more effectively.
Contact Center	Non-Major	This investment is improving interactions between HUD and its customers, starting with FHA activities. It results from a partnership with GSA Centers of Excellence to accelerate HUD's IT modernization initiatives.
Data Management Services	Non-Major	This includes data exchange, storage, extraction, and transformation, recovery, and classification of data. HUD is developing an Enterprise Analytics Platform to integrate sources of data to support business decisions, reporting, data analytics and risk mitigation.
Document Management	Non-Major	Enables HUD to support the generation, management, and distribution of intellectual capital and electronic media across the business and extended enterprise. This includes content management, document management, and records management.
Geospatial Services	Non-Major	Provides automated capabilities that support visualization services, analysis, knowledge discovery, and business intelligence for optimal decision-making and evaluation.
Human Resources Services	Non-Major	Includes information systems that perform a variety of HR business functions. The vision is to automate, integrate or replace legacy systems to move towards solutions of a one stop shop for all HR Services.
Legal Oversight	Non-Major	Enables HUD to maintain guidance to implement laws, developing and tracking, and amendments to public laws.
Regulatory Enforcement	Non-Major	Enables HUD to track, monitor, and report on enforcement activities which involves activities aimed at direct monitoring and oversight of HUD sponsored programs.
Application	Standard	IT investment for the provisioning of an enterprise-wide shared application capability.
Data Center and Cloud	Standard	An IT investment for the provisioning of an enterprise-wide data center and/or cloud capability.
End User	Standard	An IT investment for the provisioning of an enterprise-wide capability for assets and related support for such items as laptops, mobile devices, software licenses, and other end user assets.
IT Management	Standard	This investment ensures that all technology and associated employee resources are utilized properly and in a manner that provides value for the organization and are managed according to Departmental priorities and needs.

INFORMATION TECHNOLOGY FUND

IT Security Services	Standard	Enables HUD to properly orchestrate the IT resources and systems it requires to effectively provide its services and execute its mission.
Network	Standard	An IT investment for the provisioning of an enterprise-wide area network (WAN), local area network (LAN), and metropolitan-area network (MAN) capabilities.
Disaster Assistance Improvement Plan	eGov	This is a Government-wide eGov initiative. The managing partner is FEMA.
eRulemaking Docket	eGov	This is a Government-wide eGov initiative. The managing partner for this initiative is the Environmental Protection Agency.
GovBenefits.gov	eGov	This is a Government-wide eGov initiative. The managing partner for this initiative is the Department of Labor.
Grants.gov	eGov	This is a Government-wide eGov initiative. The managing partner for this initiative is the Department of Health and Human Services.