

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of the Chief Information Officer

Information Technology Fund

SUMMARY OF RESOURCES

(Dollars in Thousands)

	Enacted/ Requested	Carryover	Supplemental/ Rescission	Transfers	Total Resources	Obligations	Net Outlays
2025 Appropriation	383,050	89,393	-	19,706	492,149	328,310	409,345
2026 Appropriation	345,000	165,005	-	1,980	511,985	425,725	381,584
2027 President's Budget	361,000	91,260	-	-	452,260	395,388	311,539
Change from 2026	16,000	(73,745)	-	(1,980)	(59,725)	(30,337)	(70,045)

a/ Carryover column includes recaptures from prior years. Anticipated recaptures for 2026 and 2027 are \$5 million.

b/ 2025 transfers include \$17.82 million from the Technology Modernization Fund (TMF) for Enterprise Identity Credential (eICAM) and Access Management, and \$1.85 million for Disaster Recovery Data Portal (DRDP).

c/ 2026 transfers include \$1.98 million from the Technology Modernization Fund (TMF) for Enterprise Identity Credential and Access Management (eICAM). The last TMF transfer is anticipated in FY2026.

PROGRAM PURPOSE

The Information Technology (IT) Fund provides for the technology 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 2027 Budget requests \$361 million for the Information Technology Fund is \$361 million, which is \$16 million above 2026 Enacted. The Office of the Chief Information Officer (OCIO) plans to use these resources primarily for Operations and Maintenance (O&M) activities.

The Budget provides \$361 million for O&M to sustain and strengthen the foundation of HUD's IT portfolio. Consistent with the flexibility provided in the 2026 appropriation, HUD may allocate resources to Development, Modernization, and Enhancement (DME) initiatives on an as-needed basis to address emerging enterprise and program-specific requirements. These DME initiatives will be funded through cost-neutral shifts from O&M as savings are realized.

To maximize the use of all available resources, HUD will repropose IT Fund appropriations language that provides the flexibility to use prior-year unobligated balances, including recaptures, to support either O&M or DME activities in alignment with Administration priorities. This flexibility will allow HUD's OCIO to prioritize IT investments for enterprise initiatives that increase operational efficiency, support HUD's evolving program delivery model, and improve customer service.

Utilizing a portion of planned O&M funding will also provide flexibility within the 2027 Budget to address emerging and unforeseen development requirements. Any changes or updates to the budget will be implemented through the 2027 operating plan following enactment of the full-year appropriations bill.

The Budget supports the following key objectives:

- Supports the Department-wide efforts led by the Office of the Chief Financial Officer to enhance payment integrity compliance and modernize the voucher process.
- 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.
- Continues to mature the 24x7 Enterprise Security Operations Center/Computer Incident Response capability, with focus on advanced threat intelligence and automation.

The 2027 Budget acknowledges HUD’s efforts to consolidate and simplify the Department’s websites to promote cost savings and enhanced user experience.

The IT Fund advances 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.

OCIO is addressing HUD-wide program offices’ IT related activities to ensure all IT activities are secure and align with the strategic goals of the organization. Between FY22 and FY26, OCIO is aware of approximately \$218 million in program office funded IT initiatives that went through the FITARA process. OCIO is ensuring the systems associated with the program funded activities meet HUD and Federal IT investment mandates, including cyber security requirements. OCIO is working with OCPO and OCFO to identify program funded IT initiatives that have not undergone a FITARA review.

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 more efficient posture, which is a critical component to realizing the 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, by hiring additional federal FTEs that will have the skillset to develop solutions in house, therefore reducing HUD dependency on contractors.

The following table summarizes the 2027 IT Fund budget by O&M vs. DME.

SUMMARY OF RESOURCES BY PROGRAM

(Dollars in Thousands)

Budget Activity	2025 Budget Authority	2024 Carryover Into 2025	2025 Adjustments	2025 Total Resources	2025 Obligations	2026 Appropriation	2025 Carryover Into 2026	2026 Adjustments	2026 Total Resources	2027 President's Budget
Information Technology Fund (Direct Appropriation)	383,050	89,393	19,706	492,149	328,310	345,000	165,005	1,980	511,985	361,000
Operations and Maintenance [Non-Add]	372,160	45,067	-	417,227	293,699	345,000	128,036	(13,060)	459,976	361,000
Development, Modernization and Enhancements [Non-Add]	10,890	44,317	19,706	74,913	34,611	-	36,969	15,040	52,009	-
Total	383,050	89,393	19,706	492,149	328,310	345,000	165,005	1,980	511,985	361,000

Operations and Maintenance (O&M)

The Budget includes \$361 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 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 2027, HUD will continue to align the IT portfolio with the Departmental priorities. As HUD realigns to its new workforce footprint and achieves efficiency gains from system consolidation, there is an expectation that the cost savings from sunsetting systems will be realized starting in 2027.

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)	2025 Actuals O&M	2026 Operating Plan O&M with Carryover	2027 President's Budget O&M
Business Applications	69,061	120,372	90,880
<i>Major</i>	52,129	86,832	62,457
Enterprise Grants Management	9,745	11,155	8,456
Financial Management Technology Support	7,907	13,381	9,294
Multifamily Housing and Healthcare Facilities	4,453	10,616	7,029
Public and Assisted Housing Oversight	7,298	13,876	10,267
Single Family Housing	22,726	37,804	27,411
<i>Non-Major</i>	16,932	33,540	28,423
Acquisition Management	0	2,360	1,246
Administrative Services	182	1,262	614
Communications Support	3,199	5,023	2,695
Contact Center	723	3,799	3,716
Data Management Services	3,593	4,475	3,916
Document Management	2,766	2,502	2,486
Geospatial Services	1,425	3,231	2,830
Human Resources Services	3,298	3,358	3,643
Legal Oversight	159	4,392	3,800
Regulatory Enforcement	1,587	3,138	3,477
Infrastructure and Enterprise Support	187,132	304,629	217,485
Application	1,982	4,063	4,871
Data Center and Cloud	85,190	125,798	87,023
End User	75,962	119,467	95,924
IT Management	399	25,558	316
Network	22,728	28,801	28,492
eGov	871	942	859
IT Security Services	37,506	34,975	52,635
Total Portfolio	293,699	459,976	361,000

* 2025 amounts are actual obligations.

**2026 IT Management is higher in the Operating Plan due to the establishment of Management Reserve for HUD Enterprise Information Technology Modernization and Enhancement projects.

***Individual investment descriptions are shown in Appendix A.

Business Applications Support (\$90.9 million)

The Budget includes \$90.9 million to fund the business applications in Major and Non-Major investments. The Budget supports over 80 IT systems and services across HUD. 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. The requested funding level enables HUD to take advantage of the planned infrastructure and security improvements and address lingering issues such as upgrading from end-of-life and end-of-service hardware and software.

The Budget 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. FHA Catalyst, Service Now, and Internet/Intranet are examples of system capabilities that had significant infrastructure upgrades and functional capabilities that were automated to improve operational effectiveness and efficiency, while also enhancing the internal and external customer experience. Notable accomplishments for those projects include:

FHA Catalyst

Highlights:

- Streamlined creating and tracking progress for servicing binder requests which allows FHA servicers to upload binders and track their progress. Binder transfers in Computerized Homes Underwriting Management System (CHUMS) by lenders are reflected automatically in FHA Catalyst (FCAT), therefore improving the lender experience.
- Configuration changes and facilitated Unified Home Ownership Centers (HOC) ARP solution required for quarter starting January 2026.

ServiceNow

Core Platform & Discovery: Setup the FedRAMP ServiceNow platform per HUD’s requirements.

Highlights:

- Developed core platform integrations.
- Populated personnel/asset data in the configuration management database (CMDB).
- Implemented agent-less discovery capabilities to scan HUD network to discover IT assets.
- Established framework for Operations & Maintenance processes.

IT Service Management: Service Desk modernization providing greater transparency into IT Operations and reducing service calls volume through greater self-service.

Highlights:

- Enterprise-wide migration of legacy Service Desk capabilities to ServiceNow platform.

- Rolled out of employee “self-service” portal for submitting IT requests and knowledge base (KB) for agency wide consumption.
- Implemented automated workflows for service catalog items.
- Created advanced reporting capabilities.

Software Asset Management: Provides HUD with advanced Software Asset Management (SAM) capabilities to assist with right-sizing licensing spend.

Highlights:

- Implemented capability to discover software installed on devices within HUD environment.
- Enabled software license sourcing/assignment to meet software license compliance requirements.
- Built a modern software catalog for HUD employees to request enterprise-approved software.

Operations & Maintenance (O&M): Conduct operations and maintenance of ServiceNow platform and applications, including Tier 3 support & remediation.

Highlights:

- Developed standard intake process for Product Owners to submit new enhancement requests.
- Completed major platform upgrade (from Vancouver to Xanadu) in March 2025 as part of annual platform maintenance.
- Scheduled deployment releases to push stories to production monthly.

Internet/Intranet

Highlights:

- Built web content and replicated features for HUD@work intranet site.
- Hud.gov relaunched in January 2025 following a full migration from Drupal 7 to Drupal 10 which helped to streamline the hud.gov site from 9,200 to 842 pages.
- Redesigned all state-specific HUD.gov pages in December 2024 in support of modernization initiative.

Over the past year, HUD’s in-house development team has been a pivotal force in modernizing HUD's operations, delivering digital solutions that directly enhance mission effectiveness and operational efficiency. A prime example is the Housing Risk Automation solution, which transformed a manual, spreadsheet-driven process into a fully automated analytical pipeline for real-time risk insights for the Office of Housing. We empowered the Office of the Chief Human Capital Officer with the CHCO Recruitment Tracking Dashboard to accelerate hiring, and we drove economic opportunity by delivering the Office of Small and Disadvantaged Business Utilization (OSDBU) Forecast Dashboard, a key tool that helps small businesses engage with HUD to deliver services to communities. Foundational enterprise systems were also a key focus, with the delivery of the Project & Portfolio Management solution and the Business Needs/FITARA Intake System to standardize and accelerate IT governance and project approvals.

These accomplishments demonstrate OCIO’s capacity to serve as a strategic asset and an engine for innovation within the agency. The solutions delivered this year are not just technical achievements; they represent a fundamental shift towards a more data-informed, agile, and efficient HUD. Continued and enhanced financial support is crucial to build upon this momentum. By investing in

OCIO, HUD is investing in the ability to tackle more complex challenges, scale these successes across other program areas, and expand HUD's positive impact on both internal operations and the communities we serve. This support will allow HUD to continue developing the modern digital tools necessary to effectively and responsibly deliver on HUD's core housing mission for the American people.

IT Infrastructure and Enterprise Support (\$217.5 million)

IT Infrastructure encompasses data centers, end-user hardware and support services, annual technology refresh, network and communications, and cloud operations and infrastructure. These resources ensure HUD maintains operational readiness while enabling program offices to transition to modernized technologies with minimal disruption to mission delivery. Funding also supports remediation of infrastructure-related cybersecurity gaps and reduces operational risks associated with reliance on contractor-owned assets across multiple legacy contract vehicles.

HUD will continue a critical infrastructure modernization initiative through the relocation of its disaster recovery (DR) data center to a new GSA-managed facility. This effort aligns with HUD's long-term IT modernization strategy and enhances resiliency, cost-efficiency, and system availability. Transitioning from a traditional "hot/cold" recovery model to a modern "active/active" configuration will improve performance and continuity of services for HUD programs and stakeholders nationwide. The Budget supports:

- Transitioning to consolidated cloud and enterprise software contracts to eliminate redundancies and improve efficiency.
- Modernizing and expanding the use of commercial cloud infrastructure and platform services.
- Leveraging low-code/no-code technologies to streamline internal business processes.
- Modernizing equipment and services to better serve the American public.

During the first quarter of the fiscal year, HUD initiated the relocation of its headquarters from Washington, DC to Alexandria, VA. This move supports a more modern, efficient, and flexible workplace environment. It enables a modern digital workplace with enhanced end-user computing, advanced collaboration tools, and improved device lifecycle management to support a hybrid workforce. Operational efficiency is further improved through an integrated workplace management platform that streamlines service requests, space utilization, reservations, and facilities and asset tracking.

The relocation also advances infrastructure modernization by improving network connectivity, commercial internet services, and enterprise IT operational support. In parallel, it supports the integration of service delivery capabilities into the IT portfolio, including centralized web governance under OCIO leadership, remediation of compliance gaps across external websites, and modernization of customer support through a unified, Department-wide call center technology stack. These efforts are supported by expanded contractor capacity to accelerate implementation and improve service delivery, as well as replacement of HUD's Voice of the Customer platform to reduce costs and strengthen performance measurement.

IT Security Services (\$52.6 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 2027. 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 HUD 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 2027 Budget reflects \$446.24 million in new discretionary budget authority for information technology spending at HUD. In addition to the \$361 million for the Information Technology Fund account, the 2027 discretionary total includes \$60.5 million in the Administrative Support Offices account and \$24.7 million in the Office of the Inspector General account.¹ The Budget also estimates approximately \$223 million mandatory funding for the information technology activities of Ginnie Mae.

HUD's Department-wide discretionary budget for cybersecurity activities is \$57.6 million. That amount includes \$52.6 million in the Information Technology Fund account and \$5 million in the Office of the Inspector General account. The Budget also estimates approximately \$131.3 million in mandatory funding for Ginnie Mae's cybersecurity activities.

Table 2 provides a breakdown of the IT Fund's \$52.6 million in cybersecurity activities by National Institute of Standards and Technology (NIST) framework/capability.

¹ The Budget assumes an additional \$30 million in discretionary IT spending in FY 2027 from carryover across the Department.

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

NIST Framework/Capability	2027 President's Budget
Govern	5.1
Identify	0.7
Protect	22.9
Detect	23.7
Respond	0.3
Recover	0.0
M-22-16	0.0
Sector Risk Management	0.0
Total	52.6

LEGISLATIVE PROPOSALS AND GENERAL PROVISIONS

The 2027 President’s Budget includes the following general provision:

- Information Technology Transfer Authority: This provision allows for the transfer and merger of up to \$10 million in S&E funds to the Information Technology Fund. (Sec. 220)

APPROPRIATIONS LANGUAGE

The 2027 President’s Budget includes the appropriations language listed below.

For Department-wide and program-specific information technology systems and infrastructure, \$361,000,000, to remain available until September 30, 2029: 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.

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 delivers 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 the 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.

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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 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.
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 improves 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 the ability to track, monitor, and report on enforcement activities which involve 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.

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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.
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.