



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, D.C. 20410-3000

CHIEF INFORMATION OFFICER

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Special Attention of:

**Addendum for HUD CPIC Process Guide**  
**Issued: August 2025**

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1. This Addends: HUD IT Capital Planning and Investment Control Process Guide, October 2020
2. Summary: This addendum adds language to describe how system security categorizations, mission-critical designations, and High Value Assets are considered when making IT investments.

## **5.1 Implementation of Cybersecurity Policy**

### **5.1.1 New Investments**

The OCIO Business IT Resource Management (BIRM) office coordinates the development of business cases for new IT investments. As described in section 4.2 of this document, security and privacy requirements for proposed IT solutions are identified and considered for developing funding requirements. The Office of the Chief Information Security Officer (OCISO) is consulted to determine the relevant security requirements and the Senior Agency Official for Privacy (SAOP), or other designated official, reviews IT capital investment plans and budgetary requests to determine privacy requirements.

### **5.1.2 Existing Investments**

Under HUD IT Security Policy, OCISO, in partnership with the HUD Privacy Office, ensures that each information system, once developed, obtains an authority to operate (ATO) before it is deployed in the production environment. OCISO has also implemented an Information Security Continuous Monitoring (ISCM) and Ongoing Authorization (OA) Program for HUD operational information systems after an information system has been granted an ATO. The ISCM, of which the HUD Privacy Office is included, maintains ongoing awareness of information security, vulnerabilities and threats to support organizational risk management decisions. The ISCM procedures apply to HUD systems, including cloud systems and web applications.

The cost and risk associated with remediating known IT security weaknesses identified as a result of security assessments must be factored into and prioritized against any planned system enhancements when making investment funding decisions.

Under HUD's Security Assessment and Authorization (SA&A) procedures, OCISO designates and categorizes all HUD applications, including cloud systems and web applications into the following designations/categories:

- Moderate and Low impact security categorization
  - Mission Essential Functions (MEFs)
  - Mission Critical Systems (MCS)
- High Value Assets (HVA) – need additional control requiring funding
- Personal Identifiable Information (PII)
- Financial Data
- Minor Applications – low priority

While making investment funding decisions for planned enhancements of operational systems, HUD OCIO, in consultation with OCISO, takes into consideration the system designations and categorization. The cost and risk associated for each operational system depends on the system categorization and designation. The HUD CIO and IT governance boards factor these elements into the funding and prioritization decisions for the existing investments.