Department of Defense Information Technology and Cyberspace Activities Budget Overview

Fiscal Year (FY) 2023 Budget Request

May 2022

FY 2023 Budget Overview

Contents

FY 2023 Budget Overview

1. DoD FY 2023 Information Technology and Cyberspace Activities Budget Request Overview

The Department of Defense (DoD) fiscal year (FY) information technology/cyberspace activities (IT/CA) budget captures the Department's resources associated with IT and cyberspace activities investments, including cloud, artificial intelligence, general IT, and cyber-specific capabilities. The IT/CA budget estimate of $57.9 B is a subset of the Department's overall appropriated budget and represents approximately 7.5% of the Department's resources. *Note: In the material below, Navy includes both Navy and Marine Corps estimates and Air Force includes both Air Force and Space Force.*

Figure 1: IT/CA Budget as Related to the Overall DoD Budget
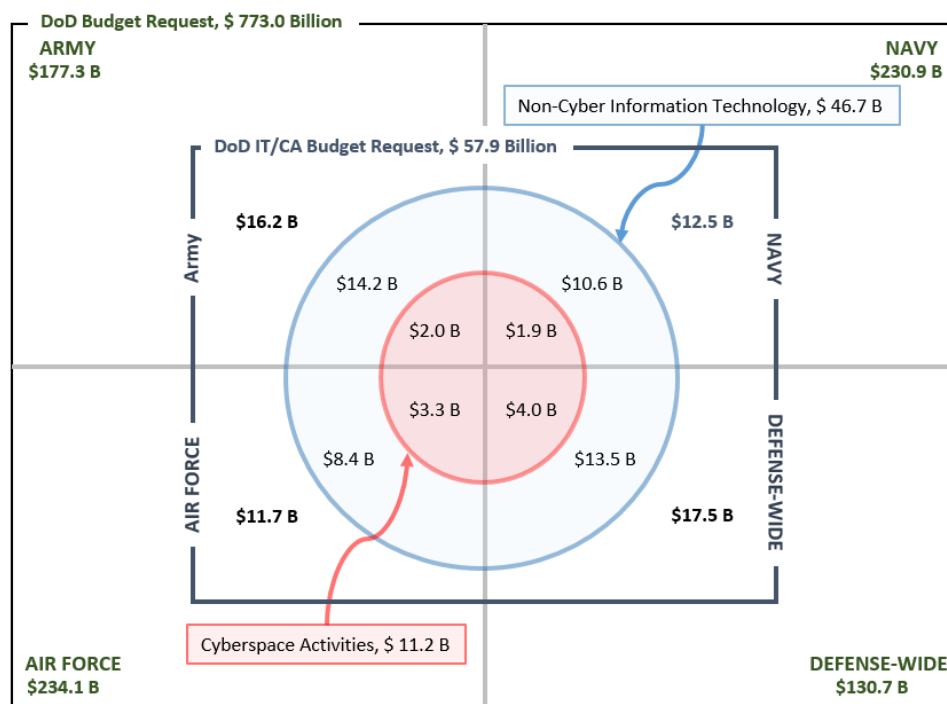
Numbers may not add due to rounding
Source: FY 2023 President's IT/Cyberspace Activities Budget Request
 - Includes Base and OCO

While the IT/CA budget is comprised of a combination of IT and cyber capabilities, the predominance of the funding is in support of IT capabilities. The IT portion of the IT/CA budget supports the Department's infrastructure (networks, data centers), business management systems (human resources management, financial management, and acquisition), as well as investments in the warfighter space (battlespace awareness and command and control). Over the last 5 years, the IT budget steadily increased to bolster the Department's IT capabilities and programs. In a similar fashion, the CA portion of the IT/CA budget also steadily increased to support the Department's efforts to immediately respond to cyber threats, reduce cybersecurity vulnerabilities, and ensure DoD's information superiority.

Table 1: DoD IT and Cyber Budget Trend Across 5 Years (dollars in thousands)
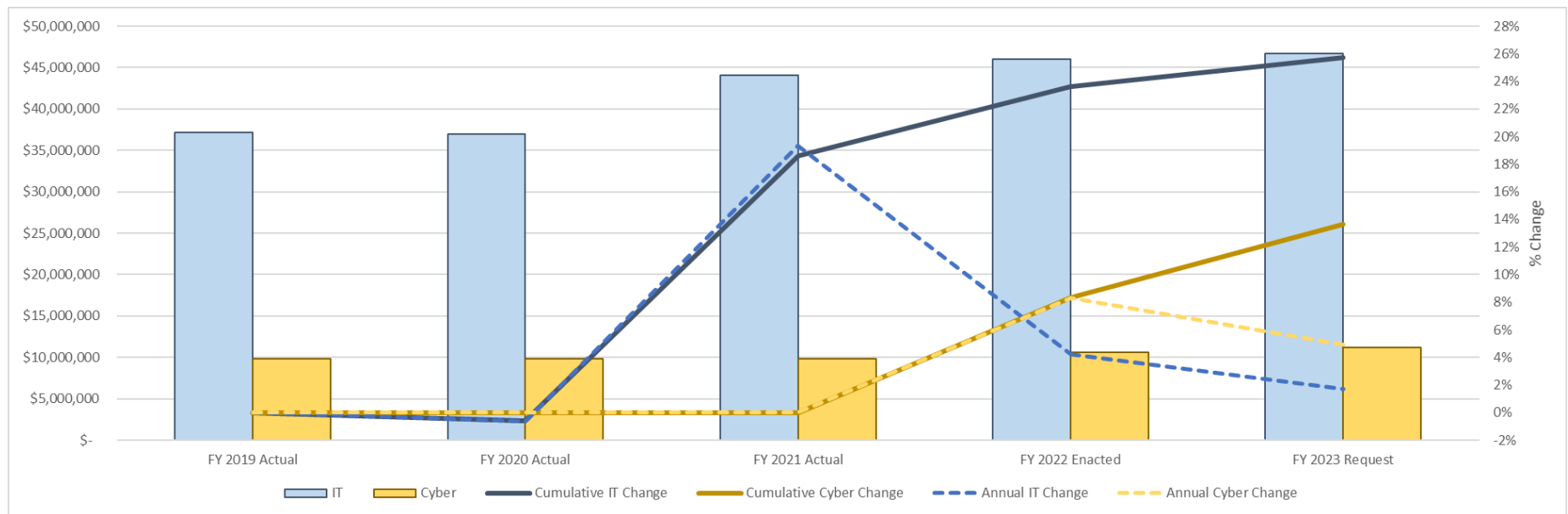
The IT/CA budget request for the FY23 President's Budget (PB) is $57.9B, including $12.8B in cyber/classified IT/CA investments and $45.1B in unclassified IT investments.

Table 2: Total Unclassified IT/NSS Budget and Classified IT/CA Budget (dollars in millions)

Category	FY 2021 Actual	FY 2022 Enacted	FY 2023 Request
Non Cyber IT	$ 44,106	$ 45,976	$ 46,750
* Unclassified IT Budget non NSS	$ 19,466	$ 21,216	$ 21,522
** Unclassified IT Budget NSS	$ 22,791	$ 23,075	$ 23,644
** Classified IT	$ 1,849	$ 1,685	$ 1,584
**** Classified Cyber**	$ 9,836	$ 10,655	$ 11,177
Total FY 2023 PB	$ 53,942	$ 56,631	$ 57,927

* Publicly available on the OMB IT Dashboard

** Not publicly available on the OMB IT Dashboard

Table 3: FY23 IT/CA Budget Request by Bureau (dollars in thousands)

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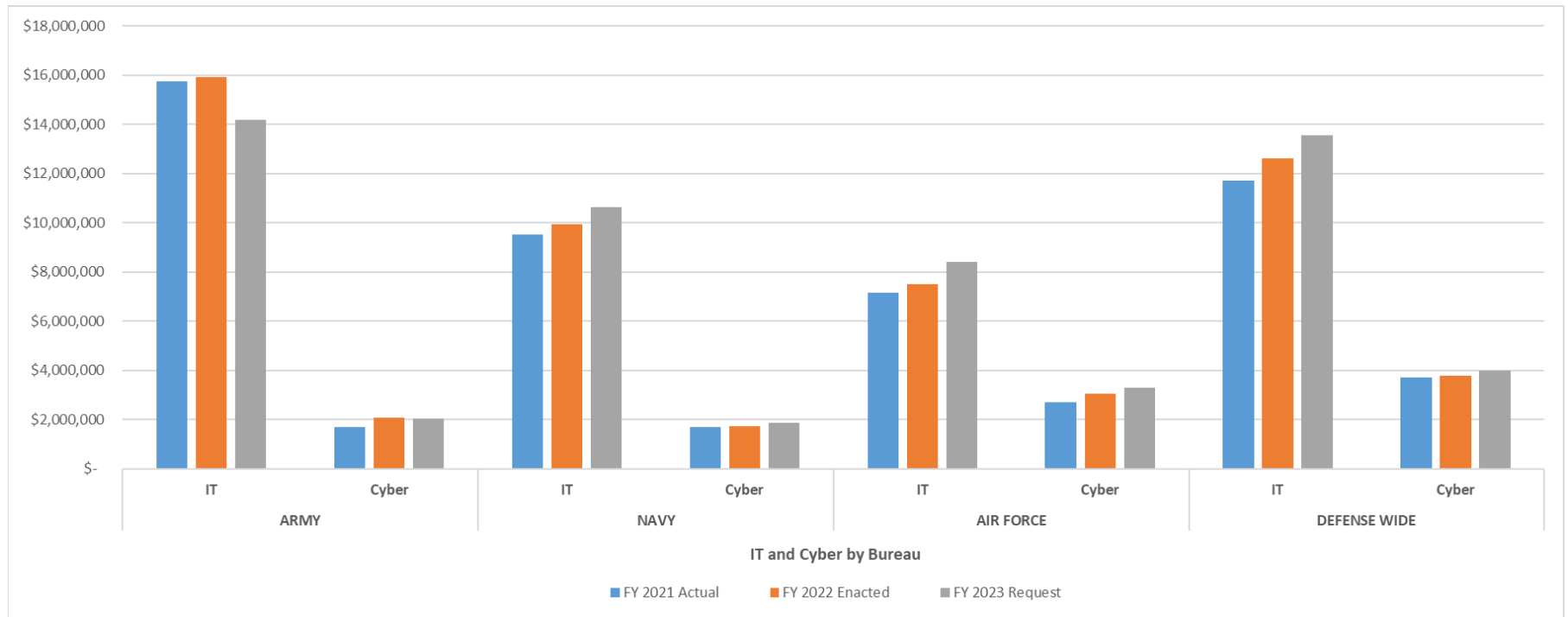
The FY23 IT/CA budget request supports the Department's priorities, including cloud adoption/software modernization, artificial intelligence, cyberspace activities, and the critical IT needed to support the Department's business processes and services.

Figure 2: FY23 IT/CA Budget by Priorities (dollars in thousands)

$1,617,461
3%

$1,536,734
3%

$11,177,027
19%

$43,596,394
75%

■ Artificial Intelligence   ■ Cloud   ■ Cyber   ■ Business, Infrastucture and Battlespace Support
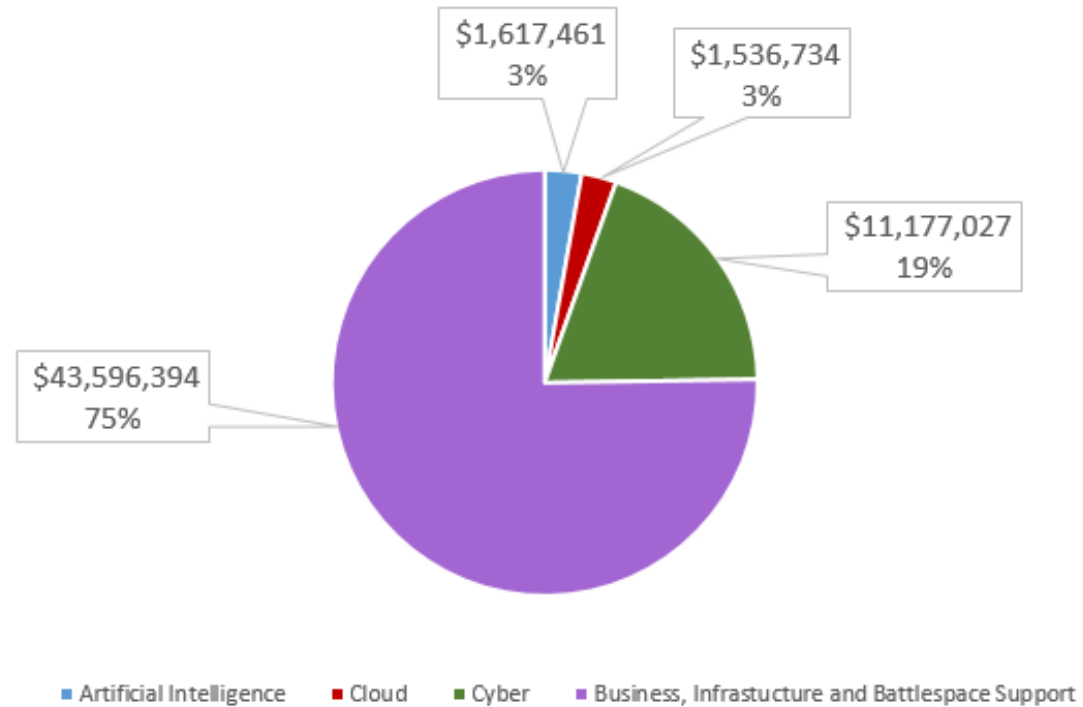
The FY23 IT/CA budget is comprised of 3,552 IT investments, including 53 major investments and 3,499 non-major investments. Major investments account for $7.1B or approximately 16% of the total IT/CA budget, while non-major investments account for $38.1B or approximately 84% of the total IT/CA budget.

Table 4: FY23 IT/CA budget major vs. non-major investments by resource bureau (dollars in thousands)
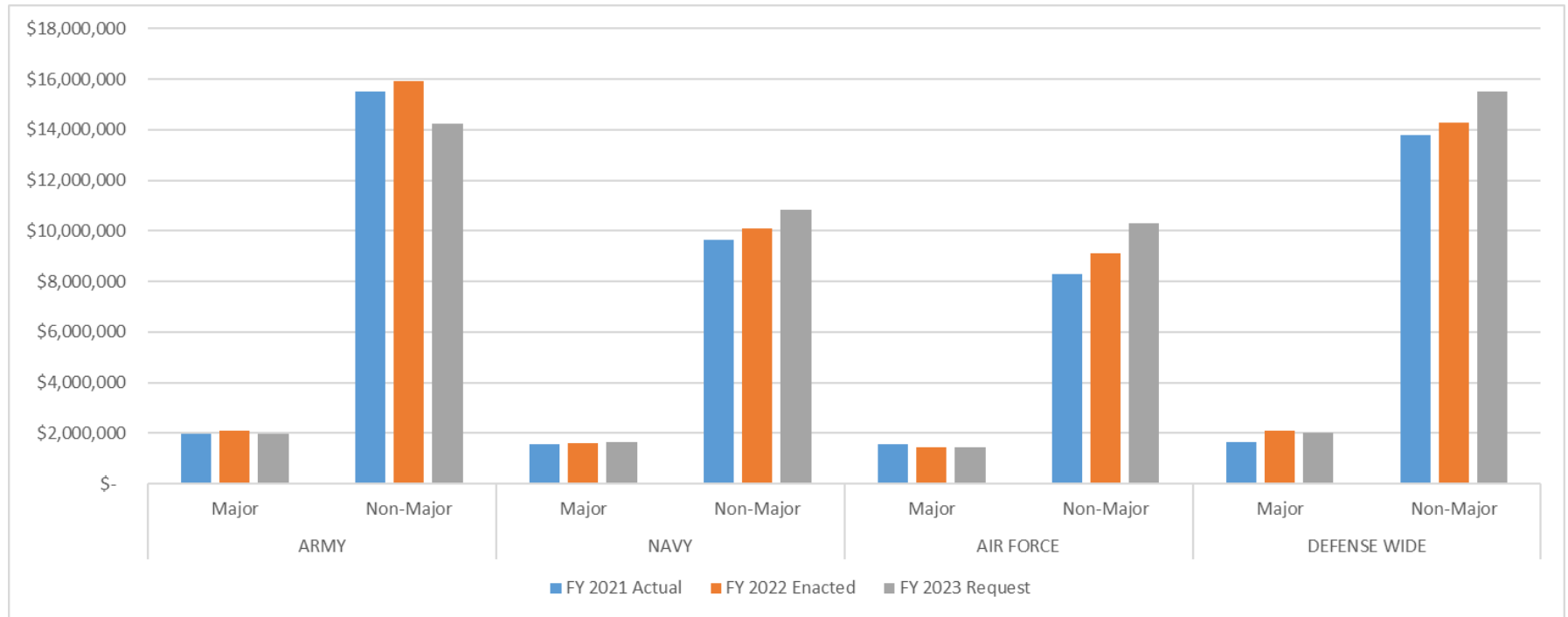
The IT/CA budget captures seven different appropriation types, reported by 40 Components. The majority of the FY23 IT/CA budget is funded with operations and maintenance funding, totaling $28.9B.

Figure 3: FY23 IT/CA budget by appropriation (dollars in thousands)
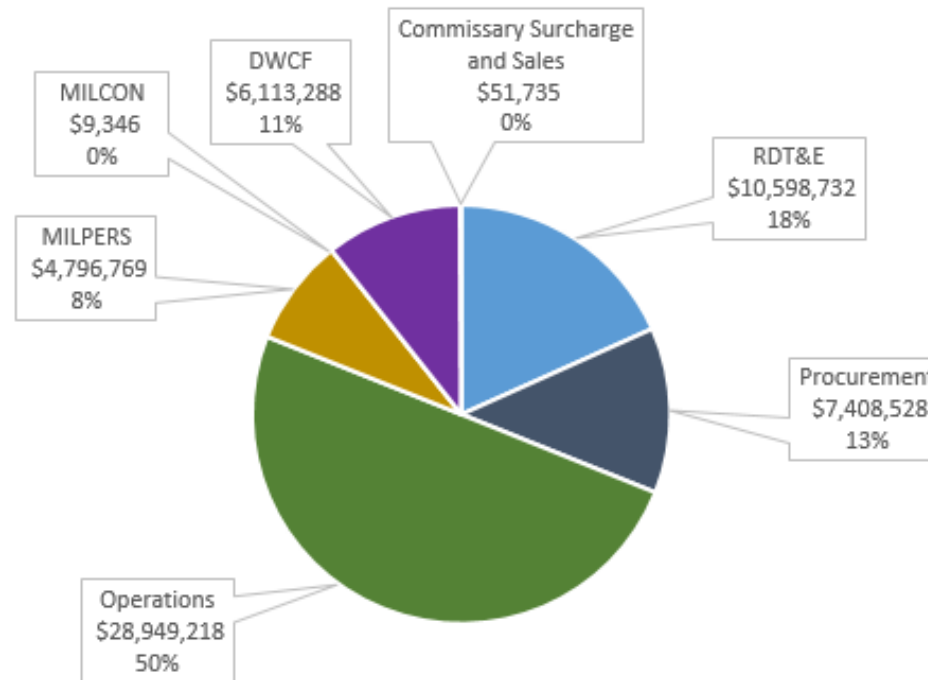
Table 5: FY23 IT/CA Budget by Appropriation Breakout by Bureau (dollars in thousands)
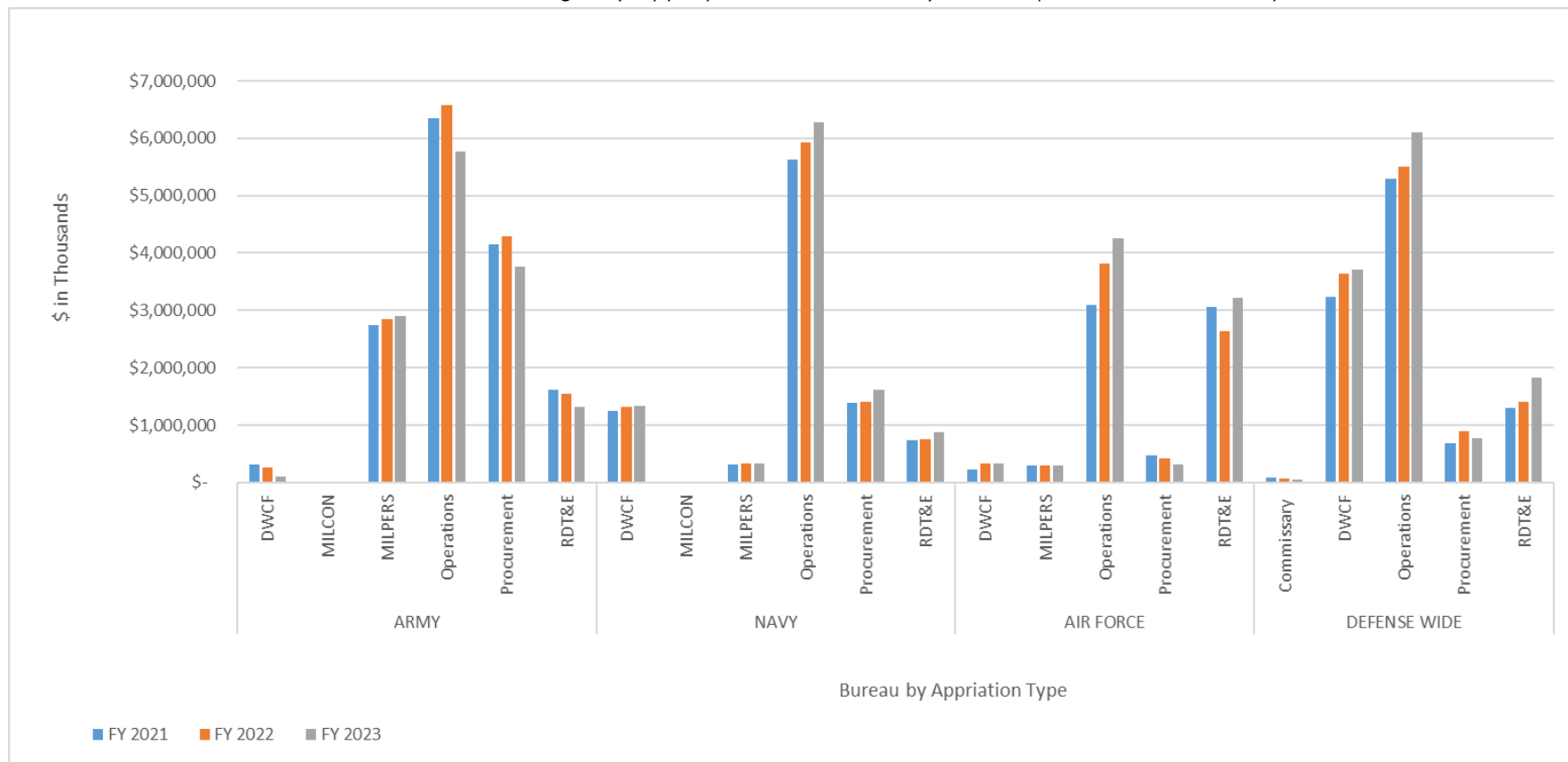
DoD continues to support and benefit from Federal E-Government (E-Gov) initiatives, including lines of business (LoB) and shared services. Table 6 below includes DoD agency contributions towards E-Gov initiatives in FYs 2021 through 2023. The National Freedom of Information Act (FOIA) Portal is a requirement under the FOIA Improvement Act and not reflected within the DoD E-Gov Initiatives. Agency contributions reflect commitments of funding and/or in-kind services provided by partner agencies to initiative managing partner agencies in support of developing, implementing, and/or migrating to E-Gov common solutions. Contribution amounts are determined annually through collaborative, interagency E-Gov initiative governance structures subject to approval by OMB.

Table 6: Federal E-Government (E-Gov) Initiatives (dollars in thousands)

Line of Business (LoB) Title	Investment Unique ID	Brief Description	FY 2021	FY 2022	FY 2023
Budget Formulation and Execution	007-000100911	Provides agencies with technological solutions, tools, and services for enhancing budgeting, analysis, document production, and data collection.	$ 120	$ 120	$ 120
E-Rulemaking	007-000100920	DoD's as a partner agency with the EPA, provides funding for the fee for service to supporting maintenance and operation of the government-wide electronic docket management system known as the Federal Docket Management System (FDMS), a publicly accessible system. The eRulemaking Program is a collaborative, inter-agency effort, whose purpose is to establish a common, automated and integrated repository for managing federal rulemakings and non-rulemaking action that follow a structured notice and common process.	$ 86	$ 86	$ 86
Security, Suitability, and Credentialing	007-000100918	Executive branch-wide, modern, cost-effective, standardized, and interoperable personnel security, suitability, and credentialing solutions providing common, core functionally to support the strategic management of the LoB.	$ 2,032	$ 2,069	$ 2,104
Federal PKI	007-000101044	The federal PKI efforts/federal PKI bridge is designed to allow agencies to operate their own public key infrastructures and interoperate with the public key infrastructures of other agencies.	$ 979	$ 1,110	$ 1,110
Financial Management	007-000100913	Creates government-wide financial management solutions that are efficient and improve business performance while ensuring integrity in accountability, financial controls, and mission effectiveness.	$ 187	$ 187	$ 187
Grants.Gov	007-000100914	The Grants.gov Storefront provides electronic functionality for applicants and grantees, and reduces the paper-based processes that currently challenge the Federal grants environment. The initiative is designed to reduce existing inefficiencies, meet E-Gov goals, and provide benefits to both citizens and the government. Funds are provided for the DoD use of Grants.gov's find and apply functionality.	$ 670	$ 711	$ 711

Line of Business (LoB) Title	Investment Unique ID	Brief Description	FY 2021	FY 2022	FY 2023
Human Resources	007-000100915	Allows the DoD to optimize the cost of managing HR systems and processes across a worldwide customer base and to reduce costs of performing these functions individually.	$ 274	$ 285	$ 291
Integrated Award Environment	007-000100916	Uses innovative processes and technologies to improve systems and operations for those who award, administer, or receive federal financial assistance (i.e. grants, loans), contracts, and intergovernmental transactions.	$ 33,518	$ 63,628	$ 43,933
Hiring Assessment	007-000103736	Hiring assessment LoB administratively housed at OPM and managed jointly by OPM and OMB. The LoB will support the implementation efforts of effective assessments and related efforts including government-wide hiring actions and shared certificates. New investment for FY 2022.	$ -	$ 465	$ 465
Performance Management	007-000100917	Develops government-wide performance management capabilities to help meet the transparency requirements of the Government Performance and Results Modernization Act of 2010 (GPRAMA), and support government-wide performance management efforts.	$ 80	$ 80	$ 80
Total			$ 37,946	$ 68,741	$ 49,087

Note: Numbers may not add due to rounding

DoD's IT/CA assets and initiatives deliver essential infrastructure, systems and communications resources and capabilities from the smallest units to the largest components of the vast global DoD enterprise. Technology capabilities underpin nearly every aspect of modern defense and warfighting strategies and objectives, from the Pentagon to the front line, space and now cyberspace. A seamless, transparent infrastructure that transforms data into actionable information and ensures dependable mission execution in the face of the persistent cyber threat is vital in this new IT-driven operational environment. The strategic landscape for DoD IT/CA is an environment that delivers unified capabilities across DoD and connections with critical mission partners.

2. DoD IT/CA Budget by Architectural Alignment

Each investment in the IT/CA budget is aligned to both OMB and DoD architectures, which outline the specific capabilities and business processes supported by the specific investment.

OMB aligns IT/CA investments to "parts", which define the category of each investment. Part 1 aligns to investments that directly support the delivery of the Agency's mission. Part 2 aligns to investments that provide mission support services and are comprised of activities that are common across all Agencies and include functional areas such as financial management, human resources transactions, contracting, travel, and grants management. Part 3 aligns to investments that are for IT goods and services common to all Agencies, such as IT infrastructure, IT security, and IT management.

In addition to OMB alignment, all investments in the IT budget align to the DoD mission area and segment architectures. The DoD architectures are detailed taxonomies based on the capabilities and services provided and supported by the individual IT/CA investments. The DoD mission area and segment architectures align to the OMB part categorization and provide a more granular classification of the Department's investments. The DoD has 4 mission areas – business, warfighting, enterprise information environment, and defense intelligence. The enterprise information environment mission area is the largest mission area, supporting the Department's critical infrastructure investments.

Table 7 below shows the alignment between OMB parts, mission areas, and segments and the FY23 total budget. Tables 12, 13, and 14 show the FY23 budget alignment to the OMB Part, DoD mission area, and segment architectures.

Table 7: FY23 Architectural Alignment by OMB Part, DoD Mission Area, and Segment (dollars in thousands)

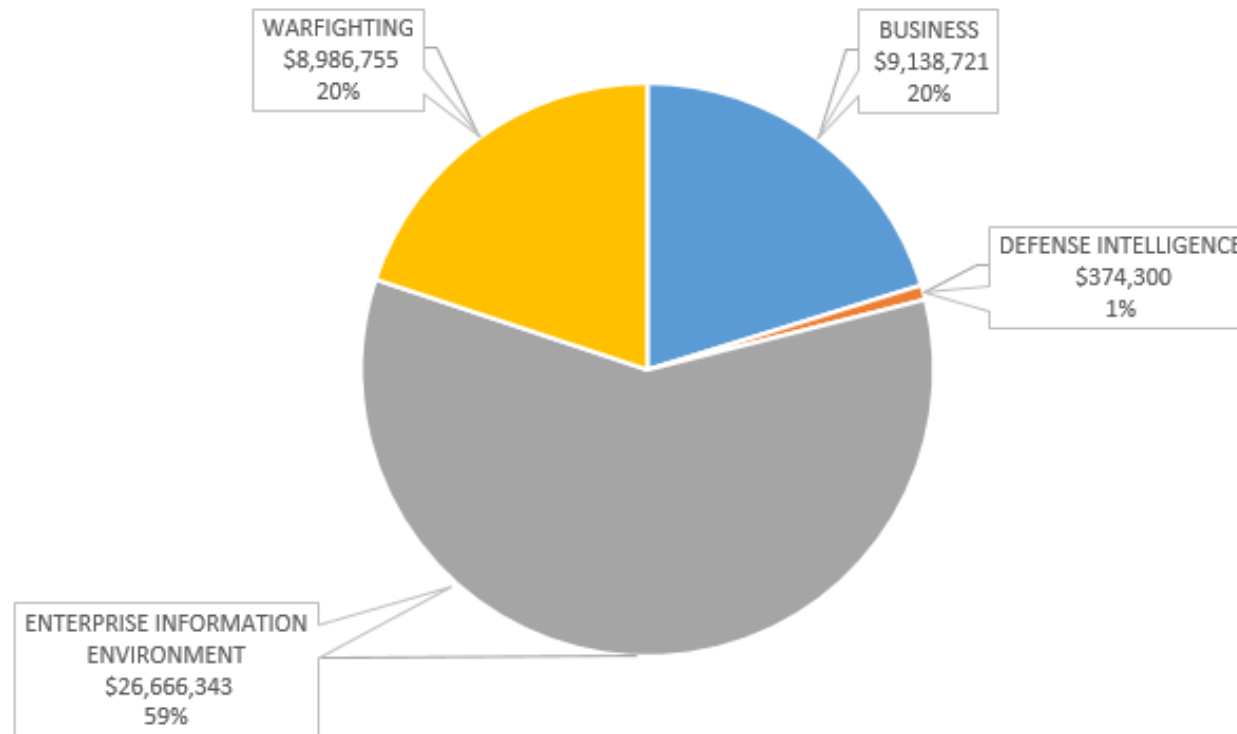| Part/Mission Area/Segment	ARMY	NAVY	AIR FORCE	DEFENSE WIDE	Grand Total
Part 1: IT Investments for Mission Delivery	$ 2,634,008	$ 2,212,068	$3,343,992	$ 4,052,479	$12,242,547
BUSINESS			$ 6,414	$ 1,593,626	$ 1,600,040
Defense Health			$ 6,414	$ 1,593,626	$ 1,600,040
DEFENSE INTELLIGENCE	$ 1,292	$ 292,258	$ 80,250	$ 500	$ 374,300
Battlespace Awareness-ISR	$ 1,292	$ 292,258	$ 80,250	$ 500	$ 374,300
ENTERPRISE INFORMATION ENVIRONMENT	$ 220,829	$ 65,603	$ 60,117	$ 934,903	$ 1,281,452
Artificial Intelligence (AI)	$ 220,829	$ 65,603	$ 60,117	$ 934,903	$ 1,281,452
WARFIGHTING	$ 2,411,887	$ 1,854,207	$3,197,211	$ 1,523,450	$ 8,986,755
Battlespace Awareness-Environment	$ 207,438	$ 88,053	$ 297,478	$ 250	$ 593,219
Battlespace Networks	$ 104,422	$ 797,534	$ 796,518	$ 837,690	$ 2,536,164
Building Partnerships			$ 103,565	$ 10,402	$ 113,967
Command & Control	$ 797,837	$ 697,352	$1,404,142	$ 424,100	$ 3,323,431
Core Mission		$ 103,432	$ 93,158	$ 6,211	$ 202,801
Force Application	$ 963,797	$ 68,946	$ 206,102	$ 19,956	$ 1,258,801
Force Management	$ 30,842	$ 74,642	$ 211,166	$ 24,596	$ 341,246
Force Training	$ 280,305	$ 5,873	$ 44,610	$ 57,233	$ 388,021
Protection	$ 27,246	$ 18,375	$ 40,472	$ 143,012	$ 229,105
Part 2: IT Investments for Mission Support	$ 1,385,818	$ 2,345,718	$1,306,416	$ 2,500,729	$ 7,538,681
BUSINESS	$ 1,385,818	$ 2,345,718	$1,306,416	$ 2,500,729	$ 7,538,681
Acquisition	$ 51,075	$ 125,242	$ 150,438	$ 278,989	$ 605,744
Defense Security Enterprise	$ 7,530		$ 282	$ 300,048	$ 307,860
Financial Management	$ 134,563	$ 522,050	$ 211,923	$ 548,492	$ 1,417,028
Human Resources Management	$ 470,035	$ 602,169	$ 243,504	$ 624,570	$ 1,940,278
Logistics	$ 318,626	$ 927,501	$ 602,722	$ 650,288	$ 2,499,137
Other	$ 15	$ 68,481	$ 15,564	$ 71,989	$ 156,049
Planning and Budgeting				$ 4,103	$ 4,103
Real Property Management (EI&E)	$ 179,983	$ 87,551	$ 81,983	$ 13,506	$ 363,023
Security Cooperation	$ 121			$ 2,367	$ 2,488
Training and Readiness	$ 223,870	$ 12,724		$ 6,377	$ 242,971
Part 3: IT Investments for IT Infrastructure, IT Security, and IT Management	$ 9,840,093	$ 5,882,572	$3,768,882	$ 5,893,344	$25,384,891
ENTERPRISE INFORMATION ENVIRONMENT	$ 9,840,093	$ 5,882,572	$3,768,882	$ 5,893,344	$25,384,891
Centrally Managed Enterprise Software License	$ 469,444	$ 75,863	$ 247,121	$ 78,781	$ 871,209
DoD IT Infrastructure	$ 6,174,326	$ 4,766,639	$3,501,776	$ 5,364,551	$19,807,292
IT Management	$ 3,196,323	$ 1,040,070	$ 19,985	$ 450,012	$ 4,706,390
Grand Total	$ 13,859,919	$10,440,358	$8,419,290	$ 12,446,552	$45,166,119

*Numbers only reflect the unclassified IT/NSS budget submission

Table 8: FY23 Architectural Alignment by OMB Part by Resource Bureau (dollars in thousands)
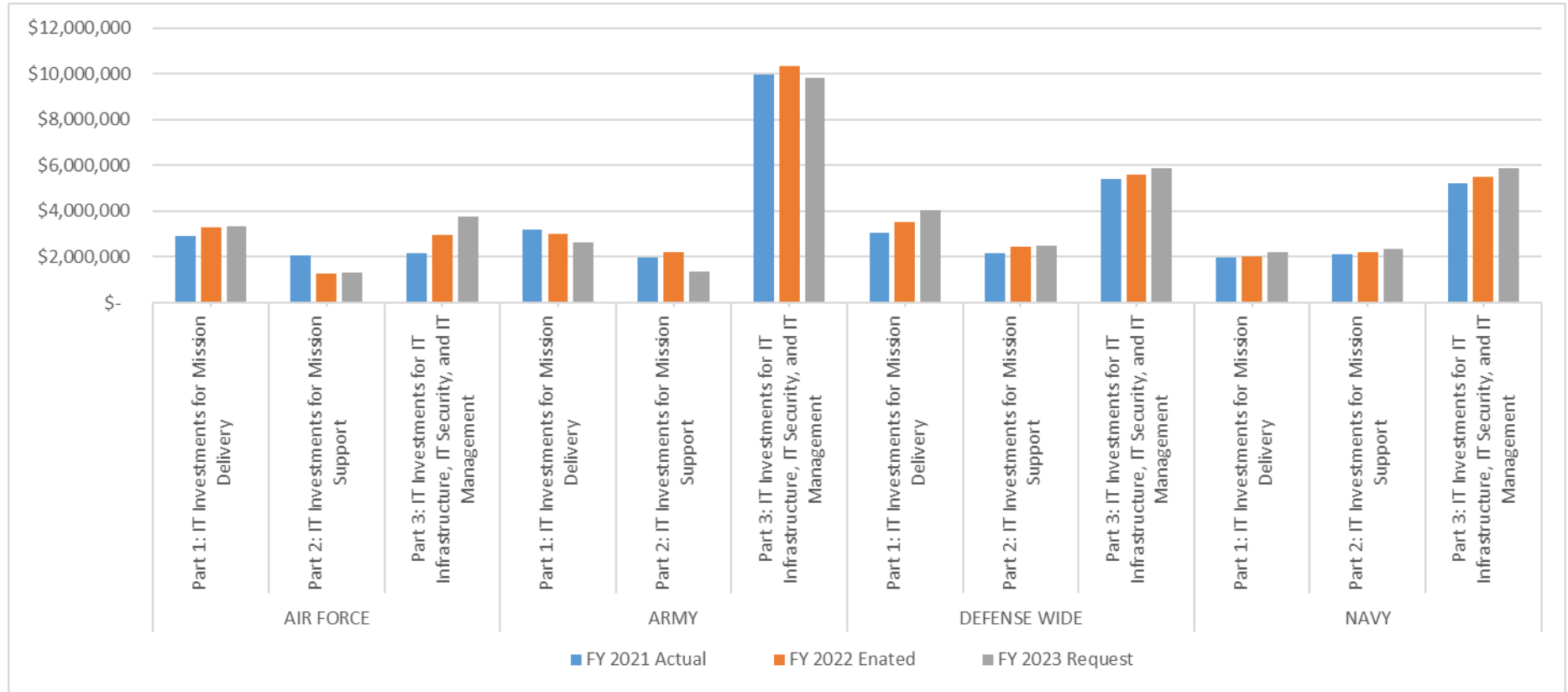
*Numbers only reflect the unclassified IT/NSS budget submission

Figure 4: FY23 Architectural Alignment by DoD Mission Area (dollars in thousands)

WARFIGHTING
$8,986,755
20%

BUSINESS
$9,138,721
20%

DEFENSE INTELLIGENCE
$374,300
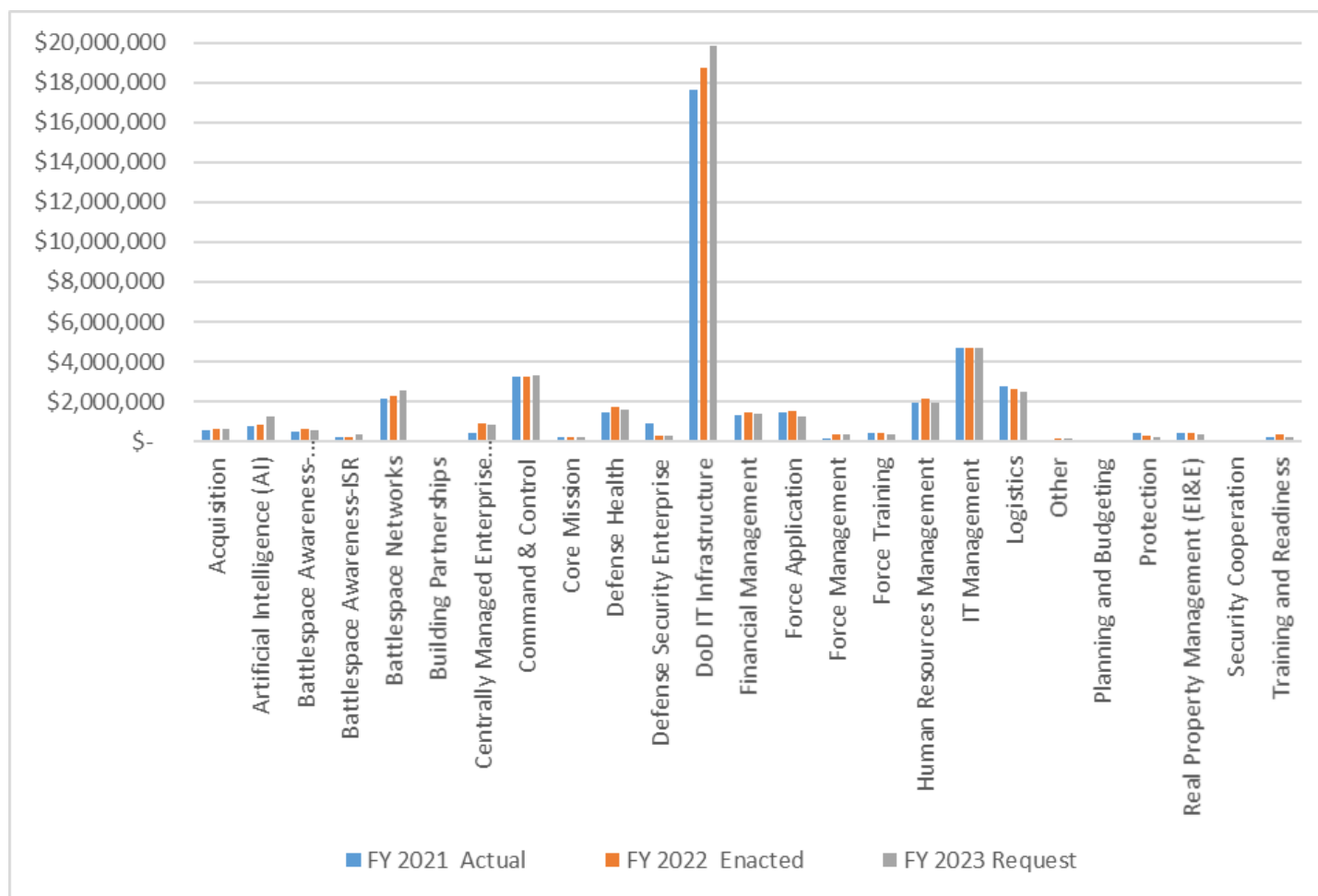1%

ENTERPRISE INFORMATION
ENVIRONMENT
$26,666,343
59%

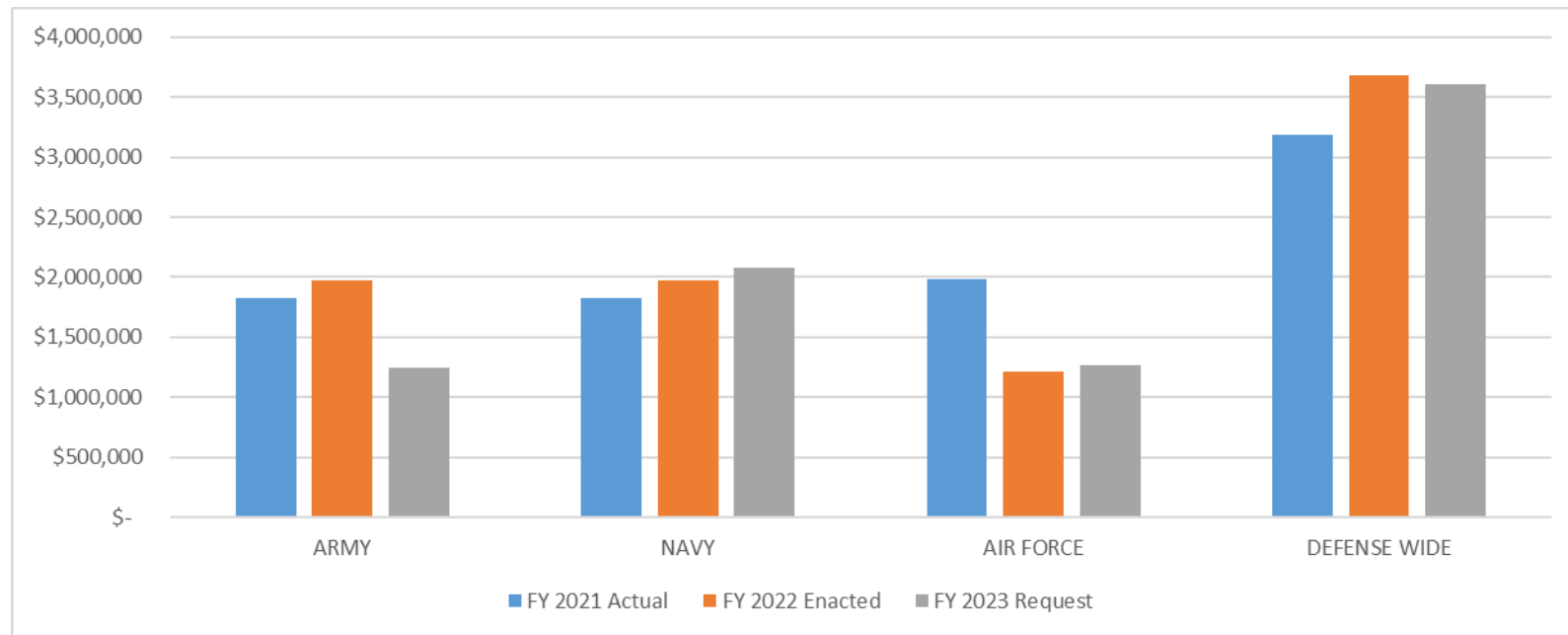*Numbers only reflect the unclassified IT/NSS budget submission

Table 9: FY23 Architectural Alignment by DoD Segment (dollars in thousands)

*Numbers only reflect the unclassified IT/NSS budget submission

Within the business mission area (BMA), the Department manages the defense business system (DBS) portfolio, in accordance with the requirements of Title 10 U.S.C. §2222. The BMA includes investments supporting financial management, human resources management, logistics, acquisition, and real property management. The Department has 1,454 DBSs totaling $8.2B in FY23.

Table 10: FY23 DBS Funding by Resource Bureau (dollars in thousands)

*Numbers only reflect the unclassified IT/NSS budget submission

3. DoD IT/CA Budget by Technology Business Management (TBM)

OMB mandates that each investment aligns to the Technology Business Management (TBM) taxonomy, which provides a commodity view of the funds in the IT/CA budget. The DoD TBM implementation aligns each investment by tower (DoD equivalent is capability) and cost pool (DoD equivalent is category of expense (CoE)). More information about TBM can be found here – Technology Management Council Taxonomy.

The largest tower funded in the IT/CA budget is application, with an FY23 of $12.7B.

Table 11: FY23 Funding by TBM Tower
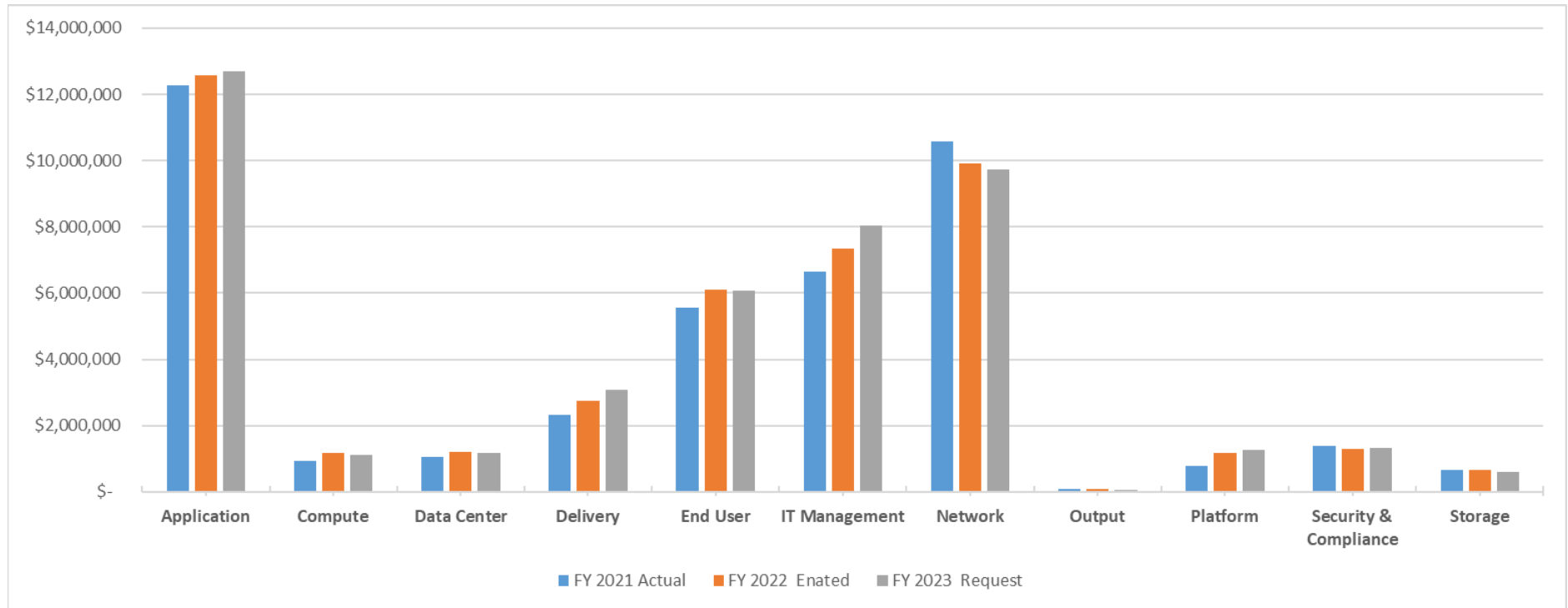
*Numbers only reflect the unclassified IT/NSS budget submission

Table 12: FY23 Funding by TBM Cost Pool
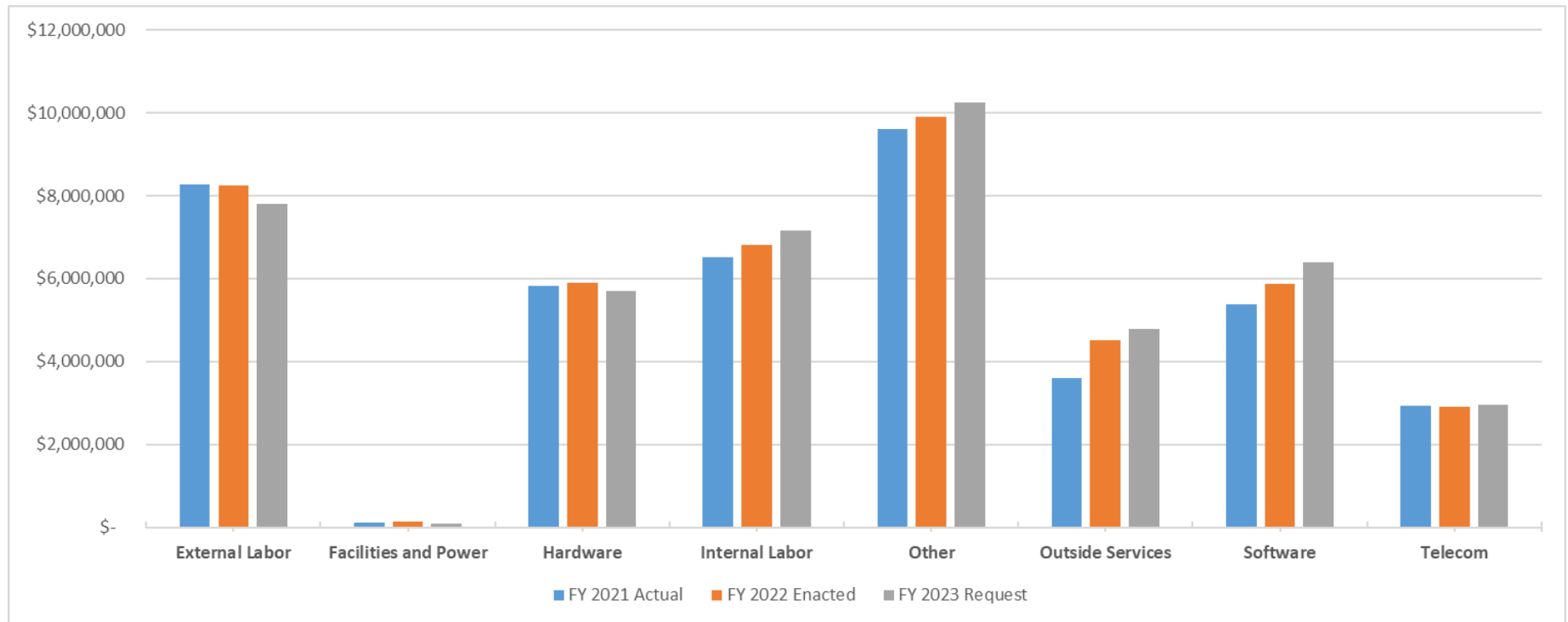
*Numbers only reflect the unclassified IT/NSS budget submission. The "Other" CoE is defined in TBM as miscellaneous or non-standard expenses. In addition, DoD uses the "Other" CoE to capture internal services provided within the working capital fund.

Table 13: FY23 TBM Tower by Resource Bureau (dollars in thousands)
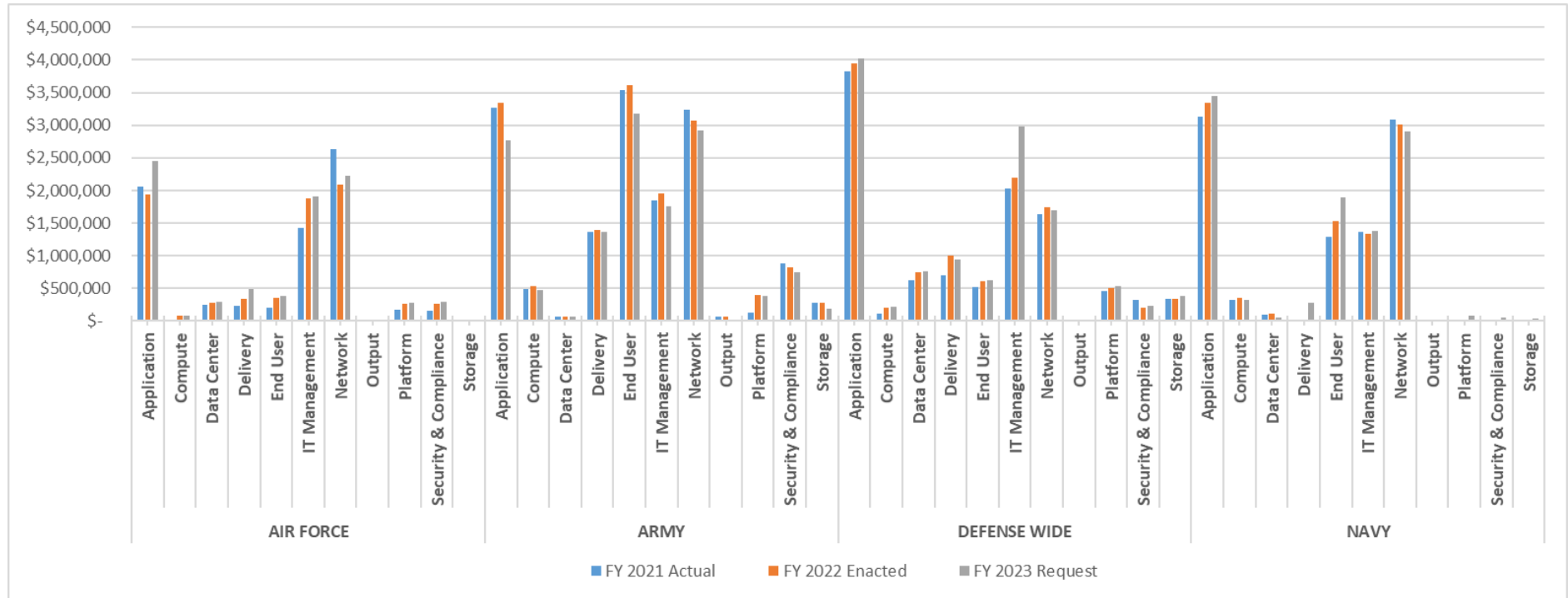
*Numbers only reflect the unclassified IT/NSS budget submission

Table 14: FY23 TBM Cost Pool by Resource Bureau (dollars in thousands)

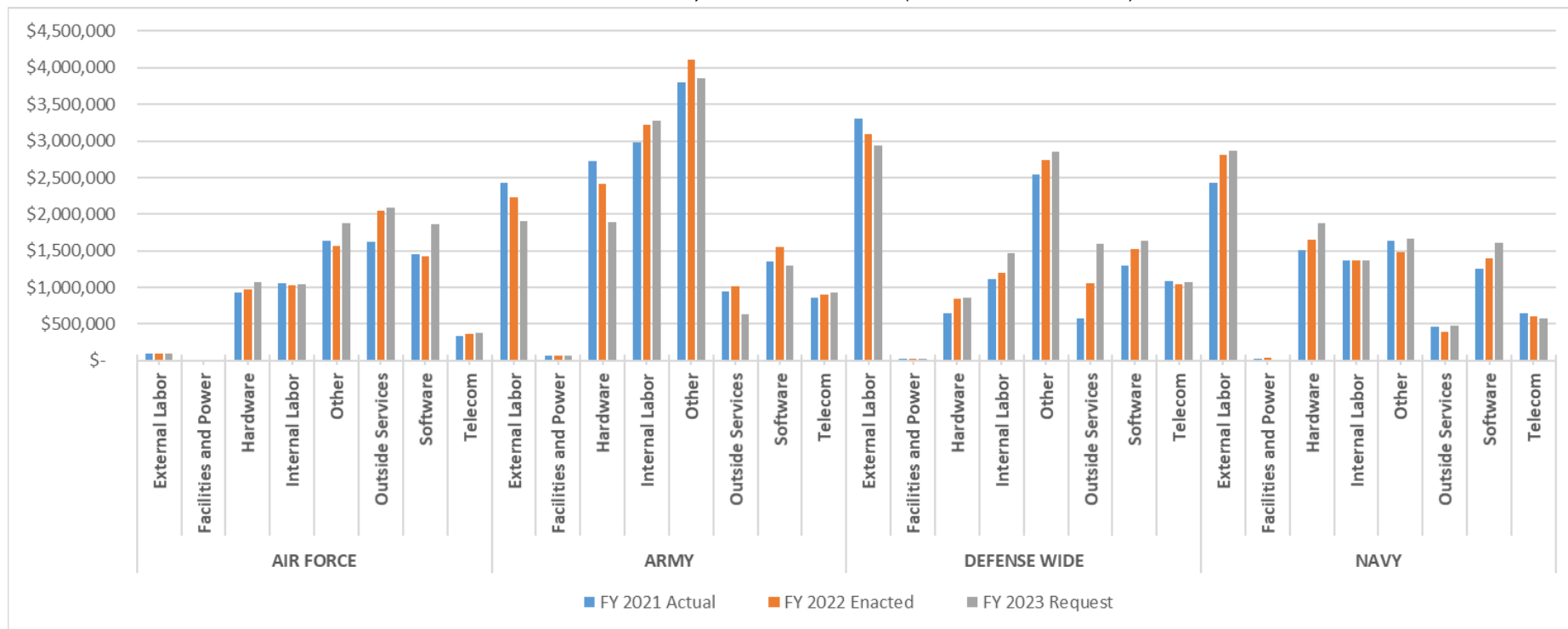*Numbers only reflect the unclassified IT/NSS budget submission. The "Other" CoE is defined in TBM as miscellaneous or non-standard expenses. In addition, DoD uses the "Other" CoE to capture internal services provided within the working capital fund.

4. Software Modernization and Cloud Adoption

Delivering a more lethal force requires the ability to evolve faster and be more adaptable than our adversaries. The Department's adaptability increasingly relies on software and the ability to securely and rapidly deliver resilient software capability is a competitive advantage that will define future conflicts.

To ensure DoD's information superiority, the DoD CIO, in partnership with the Under Secretary of Defense for Acquisition and Sustainment and the Under Secretary of Defense for Research and Engineering, is leading the effort to drive DoD software modernization. Delivering better software faster requires a solid cloud computing foundation, continued implementation and evolution of modern software development approaches and tools (e.g., DevSecOps), access to enterprise collaboration capabilities, evolution of software acquisition policy, and a robust cybersecurity monitoring and response infrastructure.

Today's warfighters require a cloud environment capable of greatly accelerating speed to capability, providing assured cybersecurity, and rapidly adapting to changing mission needs. As a key component of the DoD Digital Modernization Strategy and the DoD Software Modernization Strategy, DoD will accelerate cloud adoption via a cloud smart policy by ensuring that there is a mature portfolio of cloud contracts and enabling cloud adoption through automation for the DoD to seamlessly transition to cloud computing. The cloud funding within the IT/CA budget steadily increased over the last 5 years, representing a fundamental Department shift towards the adoption of cloud services and the reduction of legacy infrastructure.

Table 15: FY23 Cloud and Cloud Migration Funding (dollars in thousands)

*Numbers only reflect the unclassified IT/NSS budget submission

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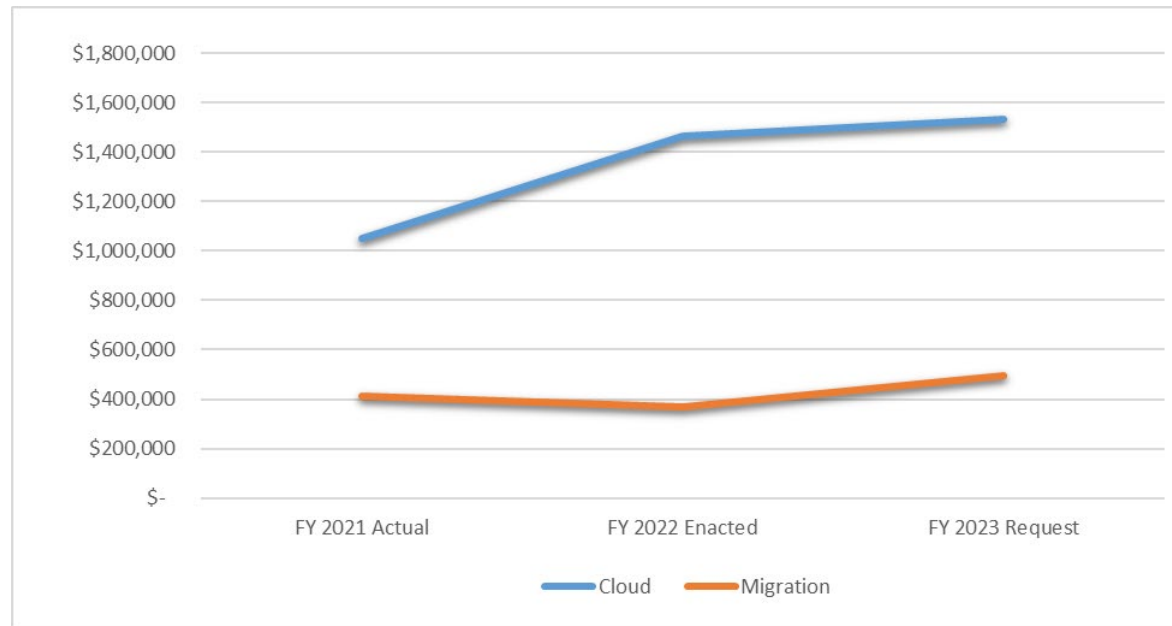
The FY23 total cloud resources, including cloud migration, is $2.0B. Table 16 summarizes the total cloud and cloud migration costs by Resource Bureau.
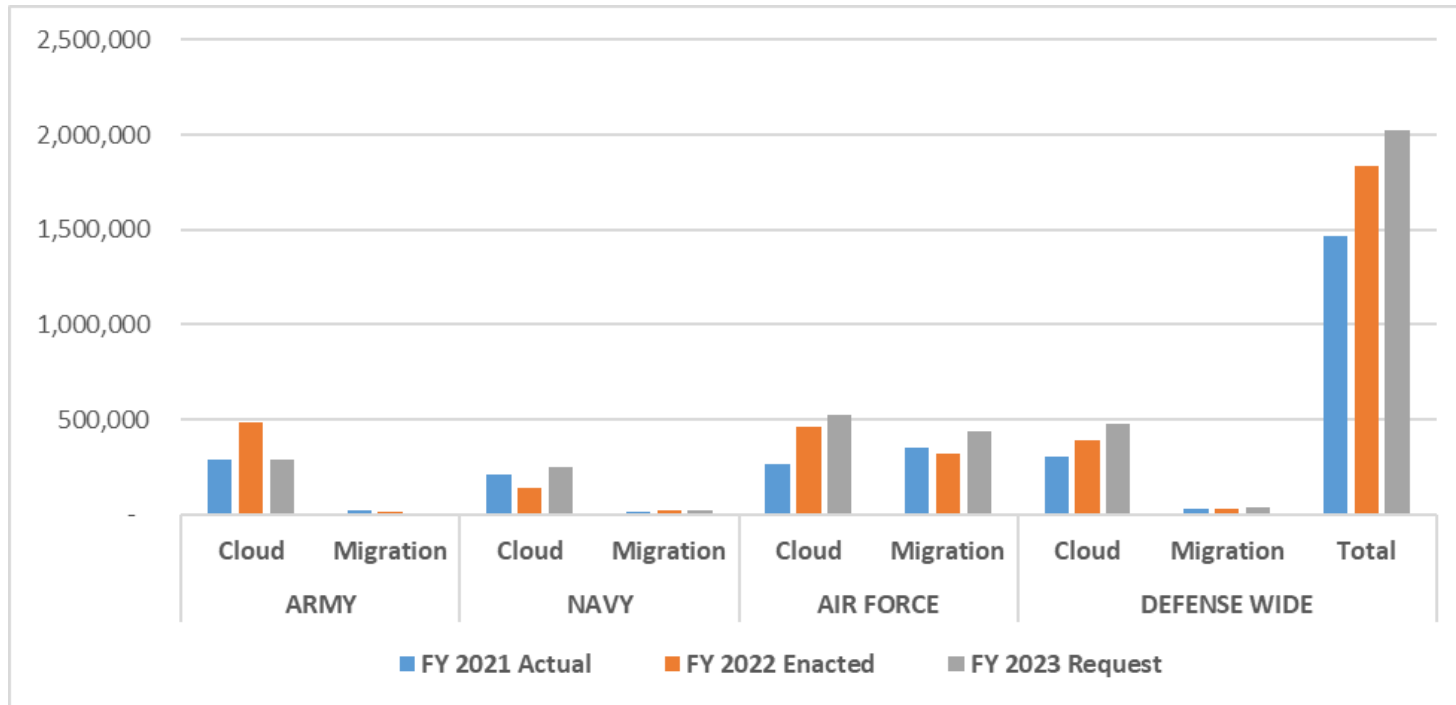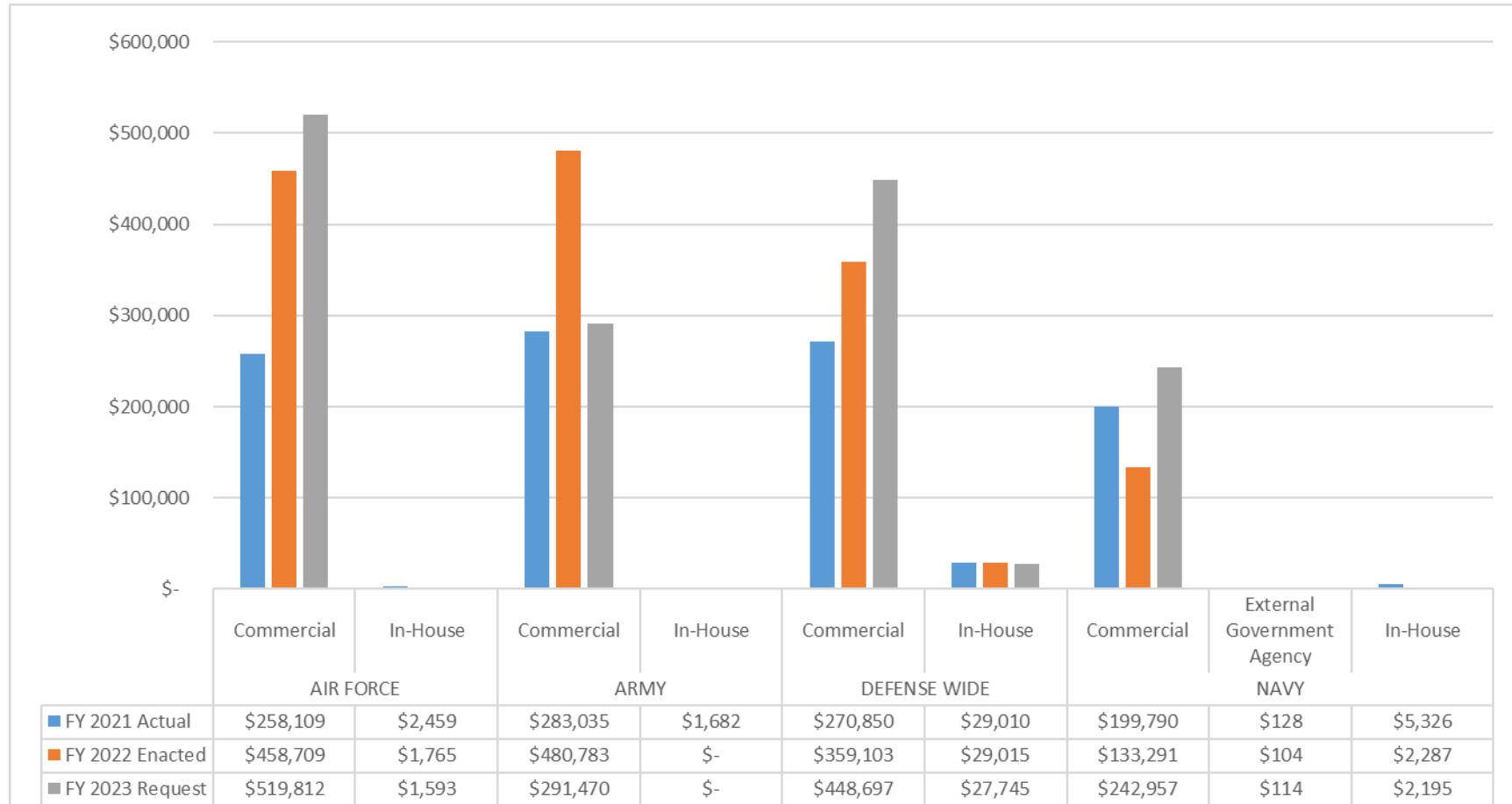
Table 16: FY23 Cloud and Cloud Migration Funding (dollars in thousands)

*Numbers only reflect the unclassified IT/NSS budget submission

The majority of the Department's FY23 cloud budget estimate is provided by commercial service providers, representing 98% of the total cloud budget.

Table 17: FY23 Cloud Sources by Resource Bureau (dollars in thousands)

		AIR FORCE		ARMY		DEFENSE WIDE		NAVY		
		Commercial	In-House	Commercial	In-House	Commercial	In-House	Commercial	External Government Agency	In-House
FY 2021 Actual		$258,109	$2,459	$283,035	$1,682	$270,850	$29,010	$199,790	$128	$5,326
FY 2022 Enacted		$458,709	$1,765	$480,783	$-	$359,103	$29,015	$133,291	$104	$2,287
FY 2023 Request		$519,812	$1,593	$291,470	$-	$448,697	$27,745	$242,957	$114	$2,195

*Numbers only reflect the unclassified IT/NSS budget submission

5. Cyberspace Activities

The cyberspace activities (CA) budget is divided into 3 portfolios – cybersecurity, cyberspace operations, and research and development. The total CA budget for FY23 is $11.2B. The table below summarizes the CA budget by the CA portfolios and individual resource bureau.

Table 18: Cyberspace Activities Budget

Category	FY 2021 Actuals	FY 2022 Request	FY 2022 Enacted	FY 2023 Request	Δ FY 2022 Enacted Δ FY2023 Request
Cybersecurity	$ 5,937.7	$ 5,543.4	$ 6,013.2	$ 6,606.4	$ 593.2
Cyberspace Opertaions	$ 3,411.0	$ 4,317.1	$ 4,157.2	$ 4,186.5	$ 29.3
Cyberspace Operations - All Other	$ 1,250.6	$ 1,593.3	$ 1,454.5	$ 1,539.8	$ 85.3
Cyberspace Operations - Cyber Mission Force	$ 1,912.3	$ 2,468.3	$ 2,444.9	$ 2,373.1	$ (71.8)
Cyberspace Operations - USCYBERCOM HQ	$ 248.1	$ 255.4	$ 257.9	$ 273.6	$ 15.7
Cyber Research and Development	$ 487.0	$ 510.9	$ 484.4	$ 384.1	$ (100.3)
Total Cyberspace Activities	$ 9,835.7	$ 10,371.4	$ 10,654.8	$ 11,177.0	$ 522.2
ARMY	$ 1,711.4	$ 2,211.3	$ 2,084.4	$ 2,032.1	$ (52.3)
NAVY	$ 1,694.3	$ 1,663.4	$ 1,747.1	$ 1,857.8	$ 110.7
AIR FORCE	$ 2,710.9	$ 2,933.1	$ 3,036.7	$ 3,283.9	$ 247.2
DEFENSE-WIDE	$ 3,719.2	$ 3,563.6	$ 3,786.6	$ 4,003.2	$ 216.6
Total Cyberspace Activities	$ 9,835.8	$ 10,371.4	$ 10,654.8	$ 11,177.0	$ 522.2

Additional highlights are provided in the Under Secretary of Defense (Comptroller) (USD (C)) FY 2023 Budget Request Overview Book, located at: FY 2023 Defense Budget Overview Cyberspace Activities Summary. The cyberspace activities details are provided on pages 2-10 through 2-14.

6. Federal IT Dashboard

The Federal IT Dashboard is a website that enables Federal agencies, industry, the general public, and other stakeholders to view details of Federal information technology investments. Agency chief information officers (CIO) are responsible for evaluating

and updating select data on a regular basis, which is accomplished through interfaces provided by the IT Dashboard. The Office of Management and Budget (OMB) public IT Dashboard (ITDB) reflects the DoD unclassified IT budget submission and protects classified IT/CA information and information associated with national security systems (NSS) from public distribution. The Federal IT Dashboard is located at: Federal IT Dashboard.