Fiscal Year 2022 President's Budget

Office of the Secretary of Defense Cyber

May 2021

Operation and Maintenance, Defense-Wide Summary ($ in thousands)
    Budget Activity (BA) 4: Administration and Service-wide Activities

	FY 2020 Actuals	Price Change	Program Change	FY 2021 Enacted	Price Change	Program Change	FY 2022 Request
OSD Cyber	48,776	958	1,558	51,292	1,008	-19,449	32,851

*FY 2020 includes Division A, Title IX and X of the Consolidated Appropriations Act, 2020 (P.L. 116-93), Division F, Title IV and V from the Further Consolidated Appropriations Act, 2020 (P.L. 116-94) and the Coronavirus Aid, Relief, and Economic Security Act (P.L. 116-136).
*FY 2021 includes Division C, Title IX and Division J, Title IV of the Consolidated Appropriations Act, 2021 (P.L. 116-260).

I. Description of Operations Financed:
The Office of the Secretary of Defense (OSD) is the principal staff of the Secretary of Defense (SECDEF) in the exercise of policy development, planning, resource management, and fiscal and program evaluation responsibilities. The OSD principal staff assistants supporting cyber are listed below:

Principal Staff Assistants:
a.   Office of the Under Secretary of Defense for Research and Engineering (OUSD(R&E))
b.   Office of the Under Secretary of Defense for Policy (OUSD(P))
c.   DoD Chief Information Officer (DoD CIO)

		$ in Thousands	
	FY 2020 Actual	FY 2021 Request	FY 2022 Estimate
A. Core Operating Program CivPay:	**8,155**	**8,803**	**0**

The OSD Core Operating Program provides the necessary resources to support effective implementation of the NDS. Funding in this sub-activity group includes all civilian personnel compensation and benefits required for OSD's operations and the centrally funded support services.

I. **Description of Operations Financed**: (Cont.)

	$ in Thousands		
	FY 2020 Actual	**FY 2021 Request**	**FY 2022 Estimate**
B. **Under Secretary of Defense (Research and Engineering)**			
	2,555	**2,860**	**0**

The OUSD(R&E) is the principal staff assistant and advisor to the SECDEF and DEPSECDEF for all matters relating to research and engineering, and other related matters. The USD(R&E) serves as the Department's Chief Technical Officer, and is responsible for unifying defense research, development, and prototyping activities across the enterprise. The OUSD(R&E) establishes policies on, and oversees, all defense research and engineering, technology development, technology transition, prototyping, experimentation, and development testing activities and programs. The OUSD(R&E) responsibilities also include: establishing a Department-wide, mission-focused roadmap for each of the National Defense Strategy's modernization priority areas; developing an annual strategic Science and Technology (S&T) investment strategy; leading the establishment and implementation of Department-wide protection methodologies that mitigate the risk of loss of critical technologies to determined adversaries; initiating critical modernization prototypes within the OUSD(R&E) identified capability thrust priorities; developing policy and guidance for DoD Mission and Enterprise Architectures; establishing Open Architecture Standards, piloting alternate rapid acquisition approaches; and ensuring the integration of developmental and operational test and evaluation in coordination with DOT&E.

Funding related to cyber activities includes the Damage Assessment Management Office oversight and coordination mission.

	$ in Thousands		
	FY 2020 Actual	**FY 2021 Request**	**FY 2022 Estimate**
C. **Under Secretary of Defense (Policy):**	**2,371**	**4,844**	**0**

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I. Description of Operations Financed: (Cont.)

The OUSD(P) is the principal staff assistant and advisor to the SECDEF and DEPSECDEF on capabilities, force, and contingency plans necessary to implement the National Defense Strategy (NDS), defense policy, and the integration and oversight of DoD policy and plans to achieve national security objectives. OUSD(P) represents the Department to foreign governments, international organizations, and interagency functions.

Funding supports the Cyber Policy office which is responsible for establishing DoD cyberspace policy and strategy, providing guidance and oversight on DoD cyberspace activities, and managing DoD's primary external relationships across the U.S. government, key domestic stakeholders, and our allies and partners.

		$ in Thousands	
	FY 2020 **Actual**	**FY 2021** **Request**	**FY 2022** **Estimate**
D. DoD Chief Information Officer (CIO)	35,696	35,123	32,851

The DoD CIO is the principal staff assistant and advisor to the SECDEF and the DEPSECDEF for information technology (IT), including national security systems, and information resources management (IRM) matters. The DoD CIO is responsible for all matters relating to the DoD information enterprise, including network operations, information systems, cybersecurity. The DoD CIO develops Department-wide strategy and policy on the operation and protection of all DoD IT and information systems, including development and promulgation of enterprise-wide architecture requirements and technical standards, and enforcement, operation, and maintenance of systems, interoperability, collaboration, and interface between DoD and non-DoD systems in direct support of both the National Security Strategy (NSS) and NDS. CIO activities support the modernization and development of advanced IT and Cybersecurity capabilities which directly enhance readiness and lethality by focusing attention on modernization of key information capabilities and ensuring that DoD maintains an advantage over adversaries in the areas of cybersecurity, information and communications technology.

The activities related to Cybersecurity include:
- Information Systems Security Program (ISSP)
- Cyber Security Initiative
- Defense Industrial Base, Cyber Security/Information Assurance

The FY 2022 Direct War and Enduring Costs accounted for in the base budget are as follows:

• Direct War costs accounted for in the Base Budget: $0.0 thousand: Direct War costs are those combat or direct combat support costs that will not continue to be expended once combat operations end at major contingency locations.

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I. Description of Operations Financed: (Cont.)

• Enduring costs accounted for in the Base Budget: $0.0 thousand: Enduring Requirements are enduring in theater and in CONUS costs that will likely remain after combat operations cease.

II. <u>Force Structure Summary</u>:

NA

III. <u>Financial Summary ($ in Thousands)</u>:

| A. BA Subactivities | FY 2020 Actuals | Budget Request | FY 2021 Congressional Action | | Appropriated | Current Enacted | FY 2022 Request |
			Amount	Percent			
01.Cyberspace Activities	**$48,776**	**$51,630**	**$-338**	**-0.65%**	**$51,292**	**$51,292**	**$32,851**
Compensation and Benefits	$8,155	$8,803	$0	0.00%	$8,803	$8,803	$0
Department of Defense Chief Information Officer	$35,695	$35,123	$0	0.00%	$35,123	$35,123	$32,851
Office of the Under Secretary of Defense for Policy	$2,371	$4,844	$-338	-6.98%	$4,506	$4,506	$0
Office of the Under Secretary of Defense for Research and Engineering	<u>$2,555</u>	<u>$2,860</u>	<u>$0</u>	<u>0.00%</u>	<u>$2,860</u>	<u>$2,860</u>	<u>$0</u>
Total	**$48,776**	**$51,630**	**$-338**	**-0.65%**	**$51,292**	**$51,292**	**$32,851**

*FY 2020 includes Division A, Title IX and X of the Consolidated Appropriations Act, 2020 (P.L. 116-93), Division F, Title IV and V from the Further Consolidated Appropriations Act, 2020 (P.L. 116-94) and the Coronavirus Aid, Relief, and Economic Security Act (P.L. 116-136).
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III. <u>**Financial Summary ($ in Thousands)**</u>**: (Cont.)**

B. Reconciliation Summary	Change FY 2021/FY 2021	Change FY 2021/FY 2022
BASELINE FUNDING	**$51,630**	**$51,292**
Congressional Adjustments (Distributed)	0	
Congressional Adjustments (Undistributed)	-338	
Adjustments to Meet Congressional Intent	0	
Congressional Adjustments (General Provisions)	0	
SUBTOTAL APPROPRIATED AMOUNT	**51,292**	
Fact-of-Life Changes (2021 to 2021 Only)	0	
SUBTOTAL BASELINE FUNDING	**51,292**	
Supplemental	0	
Reprogrammings	0	
Price Changes		1,008
Functional Transfers		0
Program Changes		-19,449
CURRENT ESTIMATE	**51,292**	**32,851**
Less: Wartime Supplemental	0	
NORMALIZED CURRENT ESTIMATE	**$51,292**	**$32,851**

OSD - Cyber

III. Financial Summary ($ in Thousands): (Cont.)

FY 2021 President's Budget Request (Amended, if applicable)...**$51,630**

1. Congressional Adjustments ....$-338

    a) Distributed Adjustments...$0

    b) Undistributed Adjustments .... $-338

        1) Budget Justification Inconsistency (Across-The-Board Reduction to the Operation and Maintenance, Defense-Wide, Account.. $-338

    c) Adjustments to Meet Congressional Intent..$0

    d) General Provisions $0

FY 2021 Appropriated Amount **$51,292**

2. War-Related and Disaster Supplemental Appropriations $0

    a) OCO Supplemental Funding $0

3. Fact-of-Life Changes...$0

    a) Functional Transfers..$0

    b) Technical Adjustments $0

    c) Emergent Requirements..$0

FY 2021 Baseline Funding..**$51,292**

III. Financial Summary ($ in Thousands): (Cont.)

4. Reprogrammings (Requiring 1415 Actions)..$0

      a) Increases $0

      b) Decreases $0

Revised FY 2021 Estimate..**$51,292**

5. Less: Item 2, War-Related and Disaster Supplemental Appropriation and Item 4, Reprogrammings $0

      a) Less: OCO Supplemental Funding...$0

FY 2021 Normalized Current Estimate **$51,292**

6. Price Change $1,008

7. Functional Transfers $0

      a) Transfers In $0

      b) Transfers Out..$0

8. Program Increases..$1,151

      a) Annualization of New FY 2021 Program $0

      b) One-Time FY 2022 Increases $0

      c) Program Growth in FY 2022... $1,151

            1) Information System Security Program (ISSP) - DoD CIO $1,151

III. Financial Summary ($ in Thousands): (Cont.)

The increase reflects additional administrative support, analytical, and technical contractors supporting ISSP.
(FY 2021 Baseline: $14,985 thousand; 0 FTEs; +0 FTEs)

9. Program Decreases ....$-20,600

    a) Annualization of FY 2021 Program Decreases $0

    b) One-Time FY 2021 Increases $0

    c) Program Decreases in FY 2022 .... $-20,600

        1) Compensation and Benefits - Cyber Operations Realignment - OSD .... $-9,003
        Decrease reflects historical cyber compensation and benefits that was realigned to the non-cyber budget
        request in FY 2022 only.
        (FY 2021 Baseline: $8,803 thousand; 39 FTEs; -39 FTEs)

        2) Cyber Operations Realignment - OSD .... $-7,690
        Decrease reflects historical cyber funding for OUSD(P) and OUSD(R&E) operations that were realigned to
        the non-cyber budget request in FY 2022 only.
        (FY 2021 Baseline: $7,367 thousand; 0 FTEs; +0 FTEs)

        3) Cyber Security Initiative - DoD CIO.. $-3,907
        The decrease reflects a reduction in federally funded research and development required to support the
        cyber security initiative program.
        (FY 2021 Baseline: $17,633 thousand; 0 FTEs; +0 FTEs)

FY 2022 Budget Request **$32,851**

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IV. <u>Performance Criteria and Evaluation Summary</u>:

<u>Department of Defense, Chief Information Officer (DoD(CIO))(Cyber 4GTC)</u>:

The DoD CIO is the principal staff assistant and advisor to the SECDEF and the DEPSECDEF for information technology (IT), including national security systems, and information resources management (IRM) matters. The DoD CIO shall be responsible for all matters relating to the DoD information enterprise, including cybersecurity, including Defense Industrial Base Cybersecurity activities.

Major Program Title: Defense Industrial Base Cybersecurity Activities

Measure/Description	Estimate	Estimate	Estimate
Expand and refine DIB CS activities, both mandatory and voluntary, to better protect DoD unclassified information residing on or transitioning DIB information networks or systems.	**FY 2020**	**FY 2021**	**FY 2022**
Metric #1: Encourage defense contractors to join the voluntary DIB Cybersecurity Program. (# of new participants)	90	150	150
METRIC #2.a.: Number of companies participating in DIB CS Pilot Program with non-cleared defense contractors.	22	50	75
METRIC #2.b.: Products (cybersecurity threat indicators) shared with participants in the DIB CS Pilot Program with non-cleared defense contractors.	8	25	52
METRIC #3: Provide expertise in support of the implementation of the Defense Federal Acquisition Regulation Supplement (DFARS) clause 252.204-7012 in defense contracts. (# of engagements with industry and government)	35	40	45
Metric #4: Through the DoD Cyber Crime Center, continue to develop meaningful cyber threat information products to share with DIB CS participants.	1750	2500	2500

Major Program Title: Cybersecurity

Measure/Description	Estimate	Estimate	Estimate

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IV. <u>**Performance Criteria and Evaluation Summary**</u>:

Improve Cybersecurity. Improve adoption of security practices, and reduce exposure to vulnerabilities and threats to the operating environment by limiting access to only authorized users and implementing technologies and processes that reduce risk from malicious activity.	FY 2020	FY 2021	FY 2022
Metric #1: Move all internet-facing servers to approved Demilitarized Zones (DMZs) on NIPRNet.	99%	99%	99%
Metric #2: Upgrade Entire inventory of Windows workstations to Windows 10 Secure Host Baseline NIPRNet.	99%	97%	99%

V. Personnel Summary:

	FY 2020	FY 2021	FY 2022	Change FY 2020/ FY 2021	Change FY 2021/ FY 2022
Civilian End Strength (Total)	**30**	**39**	**0**	**9**	**-39**
U.S. Direct Hire	30	39	0	9	-39
Total Direct Hire	**30**	**39**	**0**	**9**	**-39**
Civilian FTEs (Total)	**30**	**39**	**0**	**9**	**-39**
U.S. Direct Hire	30	39	0	9	-39
Total Direct Hire	**30**	**39**	**0**	**9**	**-39**
Average Annual Civilian Salary ($ in thousands)	**214.3**	**225.7**	**0.0**	**11.4**	**-225.7**

Personnel Summary Explanations:
Changes of -39 total FTEs from FY 2021 to FY 2022:
-39 OUSD(P), OUSD(R&E) and DoD CIO that were realigned from the OSD Cyber OP5 for FY 2022 only.

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VI. OP 32 Line Items as Applicable (Dollars in thousands):

		FY 2020 Program	Change from FY 2020 to FY 2021		FY 2021 Program	Change from FY 2021 to FY 2022		FY 2022 Program
			Price Growth	Program Growth		Price Growth	Program Growth	
101	EXEC, GEN'L & SPEC SCHEDS	6,430	99	2,220	8,749	199	-8,948	0
107	VOLUNTARY SEP INCENTIVES	0	0	54	54	1	-55	0
0199	**TOTAL CIVILIAN PERSONNEL COMPENSATION**	**6,430**	**99**	**2,274**	**8,803**	**200**	**-9,003**	**0**
308	TRAVEL OF PERSONS	28	1	27	56	1	-57	0
0399	**TOTAL TRAVEL**	**28**	**1**	**27**	**56**	**1**	**-57**	**0**
671	DISA DISN SUBSCRIPTION SERVICES (DSS)	458	22	-480	0	0	0	0
0699	**TOTAL OTHER FUND PURCHASES**	**458**	**22**	**-480**	**0**	**0**	**0**	**0**
914	PURCHASED COMMUNICATIONS (NON-FUND)	7	0	-7	0	0	0	0
920	SUPPLIES & MATERIALS (NON-FUND)	502	10	-512	0	0	0	0
925	EQUIPMENT PURCHASES (NON-FUND)	174	3	-177	0	0	0	0
932	MGT PROF SUPPORT SVCS	36,818	736	-22,881	14,673	279	8,463	23,415
933	STUDIES, ANALYSIS & EVAL	0	0	1,370	1,370	26	-1,312	84
934	ENGINEERING & TECH SVCS	3,150	63	13,212	16,425	312	-7,515	9,222
987	OTHER INTRA-GOVT PURCH	1,003	20	4,353	5,376	102	-5,478	0
988	GRANTS	0	0	4,027	4,027	77	-4,104	0
989	OTHER SERVICES	206	4	352	562	11	-443	130
0999	**TOTAL OTHER PURCHASES**	**41,860**	**836**	**-263**	**42,433**	**807**	**-10,389**	**32,851**
9999	**GRAND TOTAL**	**48,776**	**958**	**1,558**	**51,292**	**1,008**	**-19,449**	**32,851**

*FY 2020 includes Division A, Title IX and X of the Consolidated Appropriations Act, 2020 (P.L. 116-93), Division F, Title IV and V from the Further Consolidated Appropriations Act, 2020 (P.L. 116-94) and the Coronavirus Aid, Relief, and Economic Security Act (P.L. 116-136).
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