

Department of the Air Force

Integrity - Service - Excellence

Building the DAF's EIT Budget: Financing the Fight



**SMSgt Demetrice Rogers
Maj Mathieu Lefebvre
HAF/A8XK
26 Aug 25**

This Briefing is UNCLASSIFIED



Overview

- PPBE Overview
- Cyber Panel Insights
- Strategies for Success
- Questions





Key Terms

- **Total Obligational Authority (TOA)** – The end result of the PPBE process is **legislated (authorized and appropriated) monetary amounts for Defense Department appropriations**. These monies will be used to purchase goods and services via legal agreements (such as contracts, task orders, and travel orders. This is often referred to as “Total Obligational Authority”, or the total dollar value each DoD component is authorized to use for creating legal obligations
- **Future Years Defense Program (FYDP)** – A **five-year period** which the DoD uses to develop and frame its fiscally constrained priorities.
- **Program Objective Memorandum (POM)** – **product** generated by each military service and agency **that reflects how given Fiscal Guidance is to be assigned to their programs and resources**; not required by law but identified as a useful way to project Fiscal Guidance



PPBE Overview

BLUF: How the DoD manages resources

- **The PPBE System has served as DoD's resource management system since 1962**
- **While most U.S. federal agencies prepare a short-term (one- to two-year) budget request as is required by law, the Defense Department's size and complexity requires the multi-year analysis PPBE provides**
- **PPBE is a very dynamic process with four interrelated phases designed to produce a Defense budget consistent with national security objectives, policies, and strategies**

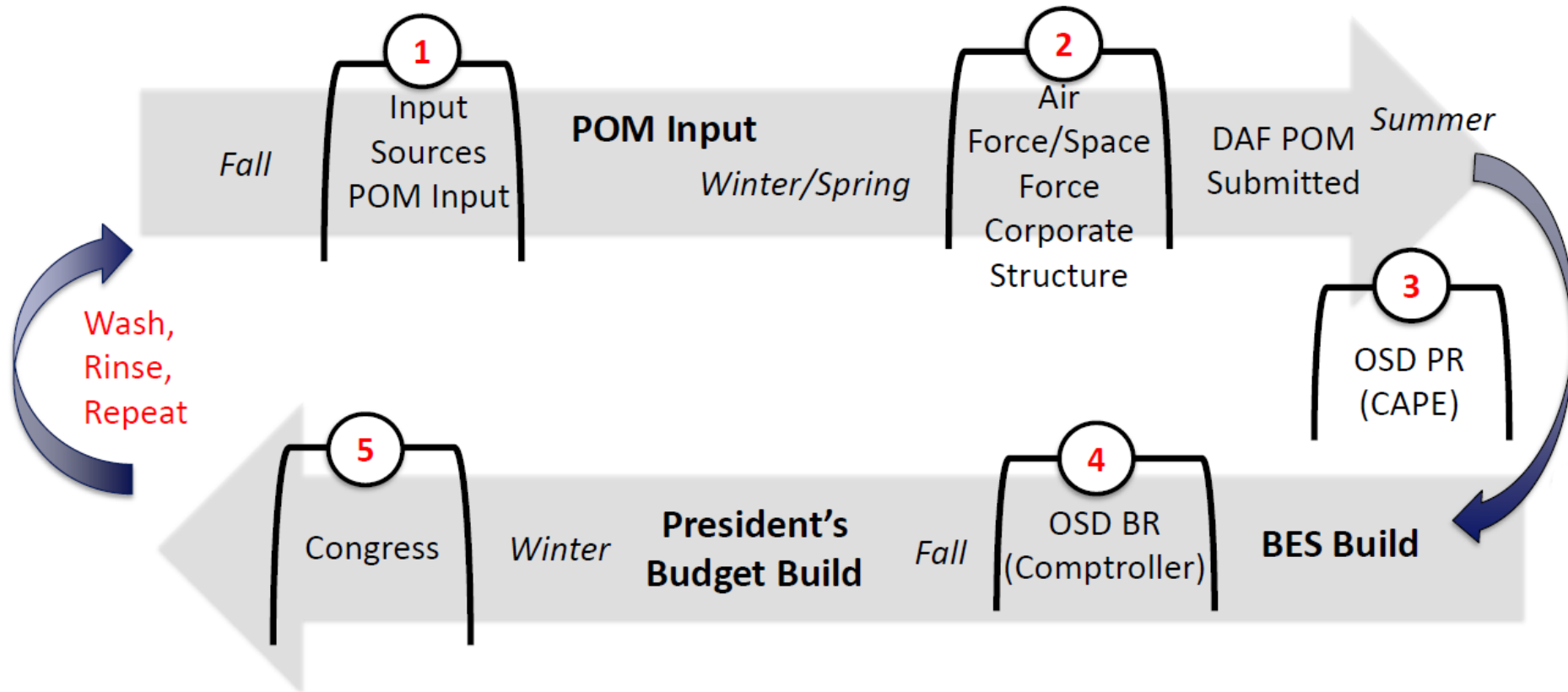


PPBE Phases

- **P**lanning (next FYDP +30 years) – translates Strategy and Design into an integrated, balanced, and prioritized Air Force Plan to guide Capability Development, Programming, Budgeting, and shape Leadership strategic communications
 - Output: Resource Allocation Plan (RAP)
- **P**rogramming – allocates FYDP resources guided by the Air Force Plan, Congress, OSD, Fiscal Guidance, and Fact-of-life changes; reinforces the USAF Strategic message
 - Output: Program Objective Memorandum (POM)
- **B**udgeting – updates POM pricing, applies changes and economic assumptions, incorporates OMB/OSD directed changes, codifies justification and defends the budget to Congress
 - Output: Budget Estimate Submission (BES) -> NDAA
- **E**xecution – expends the resources as appropriated by Congress



PPBE Process





Planning

- **Planning (next FYDP +30 years) – translates Strategy and Design into an integrated, balanced, and prioritized Air Force Plan to guide Capability Development, Programming, Budgeting, and shape Leadership strategic communications**
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Planning Guidance

UNCLASSIFIED



United States Air Force Operating Concept:
Adaptive Cyber to Enable Airpower

Sponsoring Organization:
Deputy Chief of Staff, Air Force Futures (AF/A5/7)

Proposed Operating Concept Decision Authority:
Chief of Staff, United States Air Force (CSAF)

Proposed Warfighting Required Capability Decision Authority:
Vice Chief of Staff, United States Air Force (VCSAF)

Document Revision Number: v1

Date Submitted: 9 June 2024

Primary POC: Sebastian Kwon, Maj, USAF, AF/A5/7SC Futures and Cap
703-697-3315

Secondary POC: Kevin Bulley, Maj, USAF, AF/A5/7DK Cyberspace Oper
Capability Development Team, 703-614-0765



DEPARTMENT OF THE AIR FORCE
OFFICE OF THE CHIEF OF STAFF
UNITED STATES AIR FORCE
WASHINGTON DC 20330

JUN 09 2024

MEMORANDUM FOR: ALMAJCOM/CC
DISTRIBUTION C

FROM: HQ USAF/CC
1670 Air Force Pentagon
Washington, DC 20330-1670

SUBJECT: Adaptive Cyber to Enable Airpower

I approve the attached USAF Operating Concept, Adaptive Cyber to Enable Airpower. The rapidly evolving character of war and reemergence of great power competition demand novel approaches that will enable us to Fly, Fight, and Win in an era of data-centric warfare, autonomous platforms, and all-domain kill webs accelerated by artificial intelligence. The USAF must organize, train, and equip forces designed to overcome dynamic threats, and exploit fleeting opportunities, at the increasingly broad interface.



U.S. Department of Defense

2022

National Defense
Strategy
of the United States of America



National
Military
Strategy

of the United States of America

1995

A Strategy
of
Flexible and Selective Engagement

NATIONAL SECURITY
STRATEGY

SEPTEMBER 2001



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Programming

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- DoD Appropriations**
- Major Force Programs**
1. Strategic forces
 2. General Purpose Forces
 3. Command, Control, Commo, Intelligence & Space
 4. Mobility Forces
 5. Guard and Reserve Forces
 6. Research and Development
 7. Central Supply and Maintenance
 8. Training, Medical and Personnel Activities
 9. Administration and Associated Activities
 10. Support of Other Nations
 11. Special Operations Forces
 12. National Security Space
- Component**
- OT&E Procurement Military Construction Military Personnel Operations and Maintenance Other
- Army Navy Air Force Defense Agencies

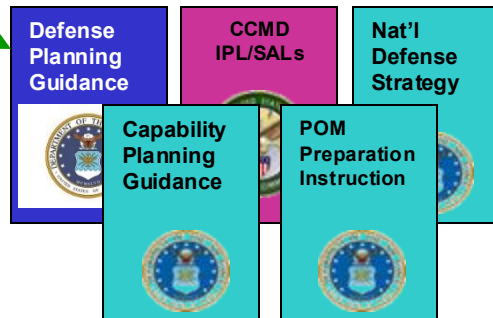
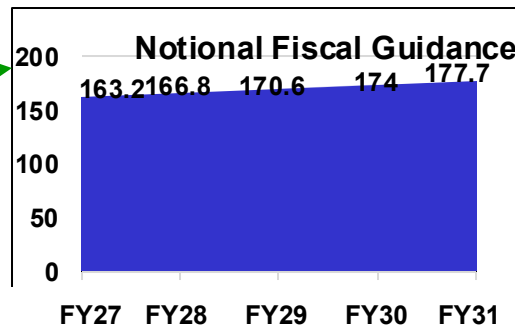
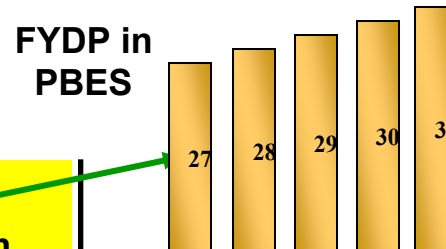
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- The FY26 FYDP
- The FY27 FYDP
- FY26
- FY27
- FY28
- FY29
- FY30
- FY31
- Baseline
- Extended Year



What's needed to build a POM

3 Things:

- A Baseline from which changes will be made
- Fiscal Guidance
AF topline funding
- Program/Process Guidance
 - What
 - How



Stakeholders

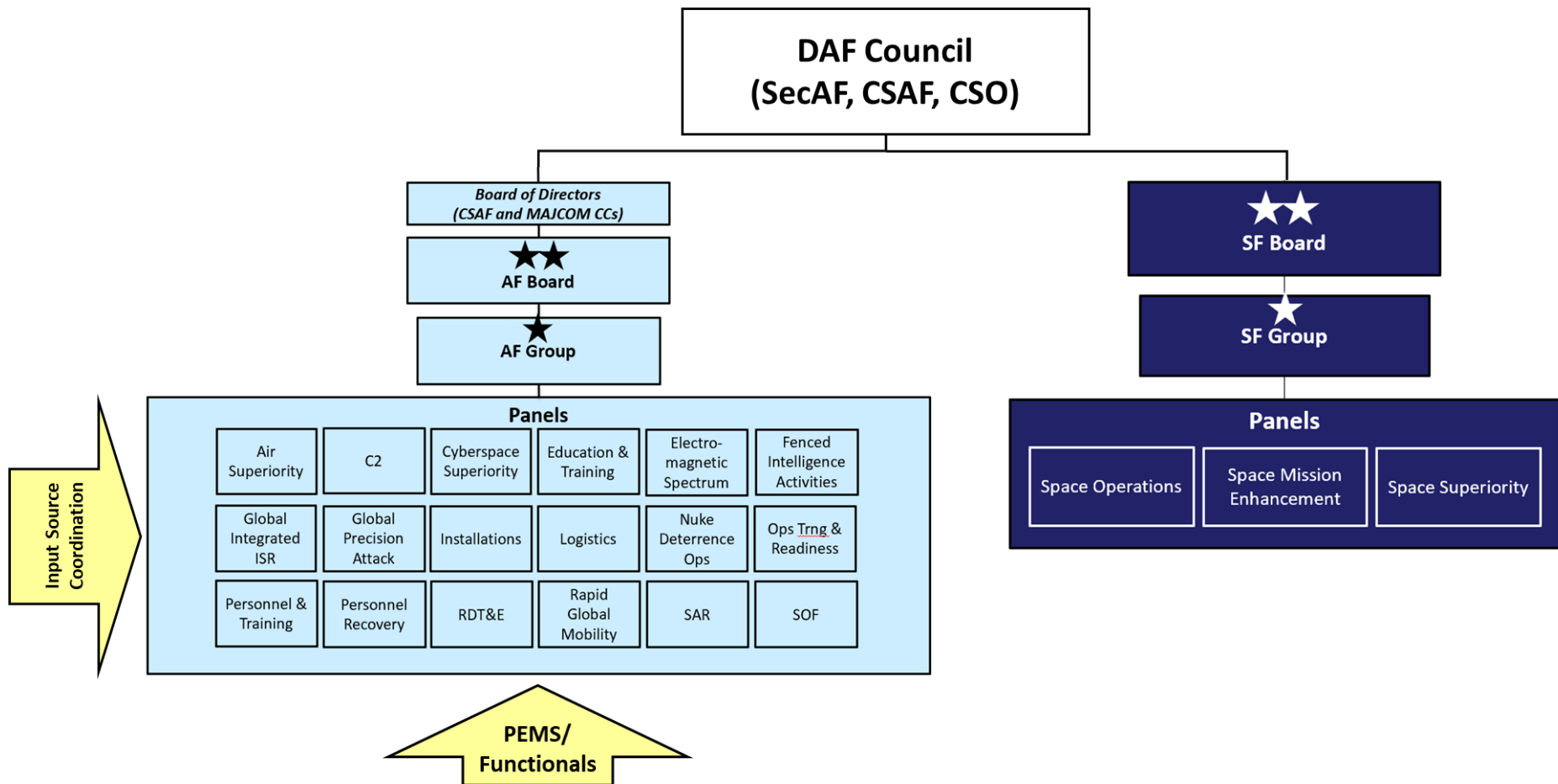
- 12 inputs external to the AF
- 56 inputs internal to the AF
- Managed by 17 Panels
- Uploaded into 13 core functions w/in PBES

BLUF: How the DoD manages resources

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The DAF Corporate Structure





AF TOA
Must Pays



Available for POM

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POM



**Disconnects
Initiatives**

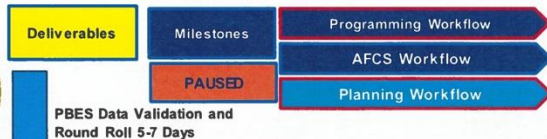


AFCS

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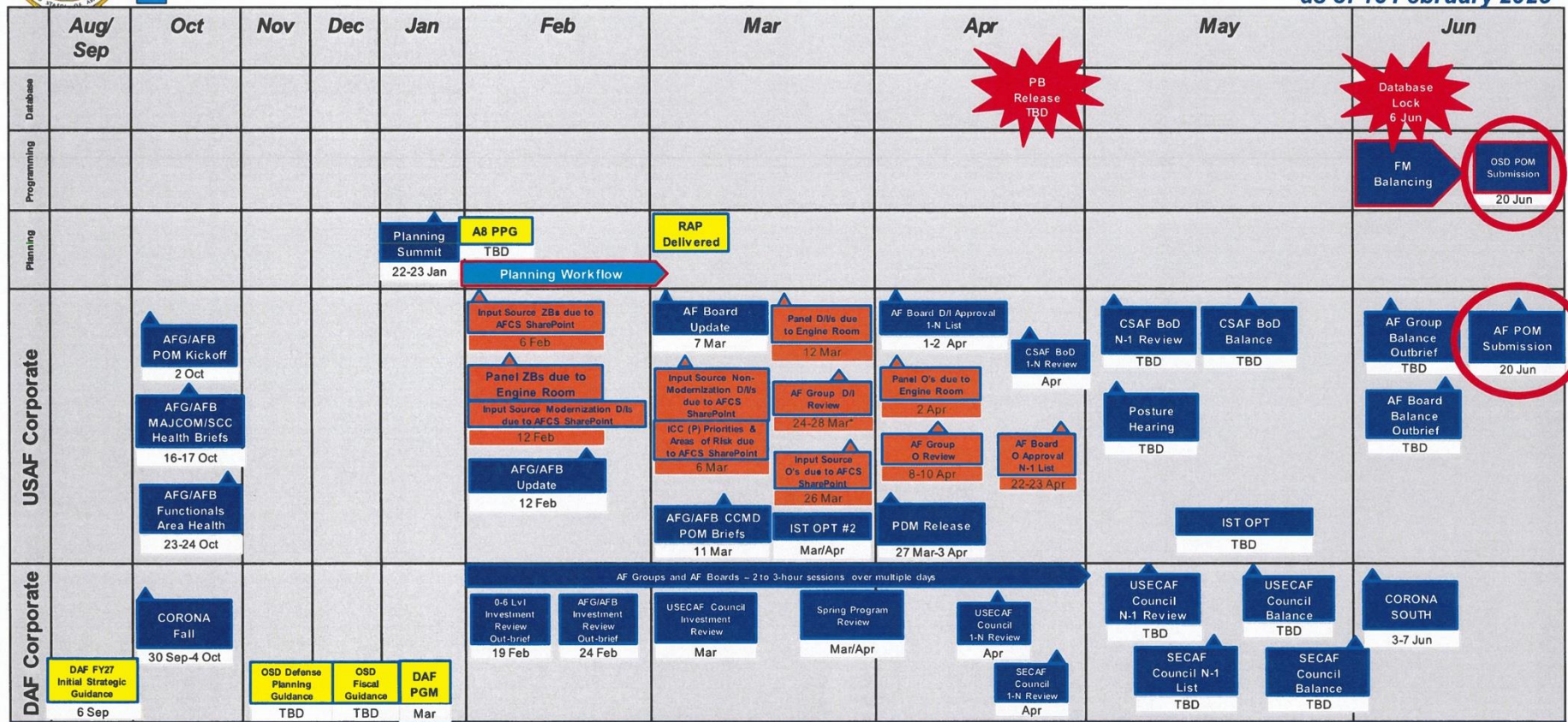
FY27 POM



CUI

FY27 POM: Milestones & Deliverables

as of 13 February 2025



CUI

CURRENT AS OF: 13 FEBRUARY 2025

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Public Key Infrastructure

Adjustment:

- (U) AFID: Funding for NIPR/SIPR Tech Refresh; revitalizes tech stack to ensure AFID performance/safety.
- (U) CAC: Funds PKI CAC, USID, NEATS, & SIPR Token cardstock for entire DAF

Background:

- (U) Provides cardstock/tokens for all civ, mil, ctr, ret, dep, int mil in DAF and some COCOMs. your PBES background narrative and include the capability rationale for the activity or mod or system.
- (U) AFID is DAF's Enterprise program for single source of DAF/DoD authoritative ID data services. Supports 950K+ users. Maintains AF infrastructure to ascertain ID of people, devices, services, on AF networks/systems/apps

Supporting Detail:

- (U) **Guidance:** AFMAN 17-1302
- (U) **Requirements:** 4 ent software contracts; 1 prime contract; DMDG contract; Hardware DB software, AFID related hardware.
- (U) **Impact:** 330K+ AF related personnel affected. Potential loss of base, NIPR, and SIPR access. Also impacts 6K+ sys admins and international mil students who can't be able to manage systems and complete training. AFID impact leads to loss of data sync between AF/COCOM/DoD systems. Cont. use of EOL software/hardware leading to system weakness.
- (U) **Additional data:** Must Pays, Supports Access Mgmt of ICAM
- (U) **Scalable:** CAC is based on demand, AFID is must pay solution Tech Debt
- (U) **Linked Option:** ICAM (directly), ZT (indirectly)

Cost Basis: ICE/SC/ACA +		FY26	FY27	FY28	FY29	FY30	FYDP
\$(M) 3400	Current Pgm	43.4	44.3	45.2	46.1	47.0	226.0
	CCN Change	2.0	3.6	2.4	2.6	2.6	13.3
	Revised Pgm	45.4	47.9	47.6	48.7	49.6	239.2
	% Adjust	5%	8%	5%	6%	6%	6%
Manpower	Current Pgm						0
	CCN Change						0
	Revised Pgm	0	0	0	0	0	0
	% Adjust	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
	Officer Change						
	Enlisted Change						
	Civilian Change						

		FY26	FY27	FY28	FY29	FY30	FYDP
APPN: 3400 \$(M)	Current Pgm	38.5	39.2	40.0	40.8	41.6	200.0
	CCN Change	2.0	2.9	2.4	2.4	2.6	12.3
	Revised Pgm	40.5	42.1	42.4	43.2	44.2	212.3
	% Adjust	5%	7%	6%	6%	6%	6%
APPN: 3080 \$(M)	Current Pgm	4.9	5.1	5.2	5.3	5.4	26.0
	CCN Change	0.0	0.6	0.0	0.1	0.0	0.7
	Revised Pgm	4.9	5.7	5.2	5.4	5.4	26.7
	% Adjust	0%	12%	0%	2%	0%	3%
APPN: xxxx \$(M)	Current Pgm	0.0	0.0	0.0	0.0	0.0	0.0
	CCN Change	0.0	0.0	0.0	0.0	0.0	0.0
	Revised Pgm	0.0	0.0	0.0	0.0	0.0	0.0
	% Adjust	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!



Budgeting

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Program Review & Budget Review

Program Review

"Do the RIGHT thing"

- OSD effort led by CAPE
- DAF effort led by A8
- Typically more Issues
- Issues are more contentious:
 - Force structure, OPTEMPO major program functionality
- Issues worked by OSD-led Issue Teams *or*
- Issues reviewed at the Program and Resource Managers Group and/or DMAG
- **Program redirects can result in a BILL**
- Results in Program Decisions (PD)
(directive document)

Budget Review

"Do the THING right"

- OSD effort led by Comptroller
- DAF effort led by SAF/FM
- Fewer Issues
- Not as contentious – *a technical change*
 - Inflation, utilities, fuel costs, cash flow considerations
- Issues worked using Budget Fact papers between OUSD (C) and the Component
- **Budget redirects can result in a BILL**
- Results in Budget Decisions (BD)
(directive document)

Defend the DAF POM!

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The OSD Program Review

- **Led by CAPE (Cost Assessment and Program Evaluation)**
- **Program Review accomplished by a series of Issue Teams**
 - Each led by an OSD GS-15/SES
 - Issue teams will include USAF representation
- **Issues can be submitted from multiple sources**
 - Submitting organization has “taken issue” with some part of a POM submission of one or more Component
 - CAPE reviews issues and either assigns to an Issue Team or discards
- **Issue Teams evaluate the issues and develop one or more alternatives to the POM position**
- **Program Issues are generally vetted at the 3-Star Programmers meetings and a series of Deputy Management Action Groups (DMAGs)**

*Combatant Commanders and Under Secretaries must personally brief
DEPSECDEF on proposed issues*



Congressional Role in PPBE

- **National Defense Authorization Act (NDAA):** A series of laws containing *authorization* of annual budget and expenditures for the Department of Defense; Congress passes and the President sign. Establishes defense policies and restrictions.
 - **The House Armed Services Committee and Senate Armed Services Committee**
- **Appropriations Bill:** Provides the agency (e.g. the DoD) the budget authority to incur obligations and make payments from the U.S. treasury IAW enacted measures (i.e. the NDAA).
 - **The House Appropriations Committee & Senate Appropriations Committee**
 - **SAC-D (Defense Subcommittee) and SAC-M (MILCON Subcommittee)**
- **Continuing Resolutions:** Enacted by Congress to provide budget authority for specific activities where the regular fiscal year appropriation was not enacted at the start of the FY. Usually specifies a maximum rate the agency may incur obligations based on the rate of the prior year, the President's budget request, or an appropriation bill.

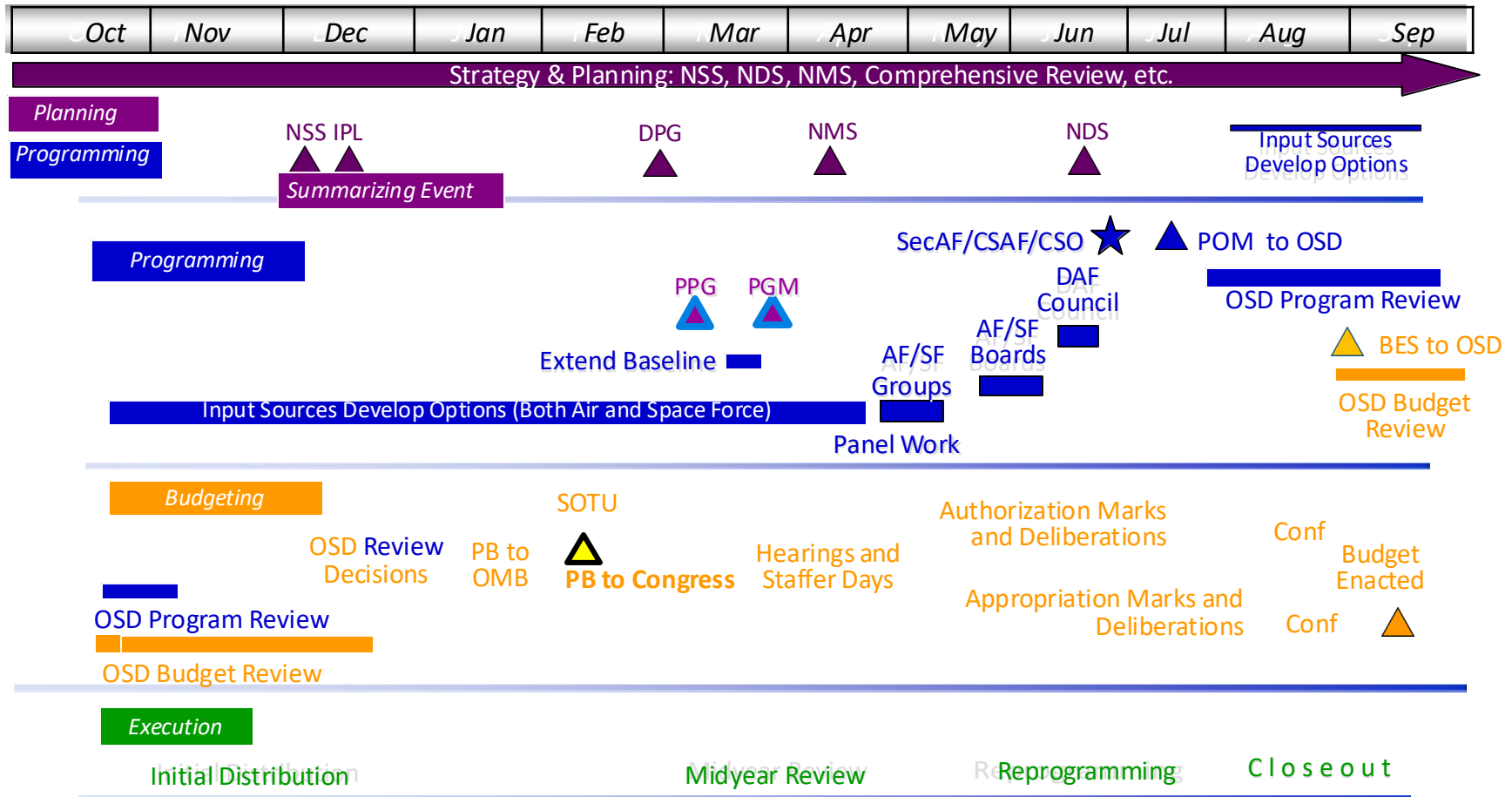


Execution

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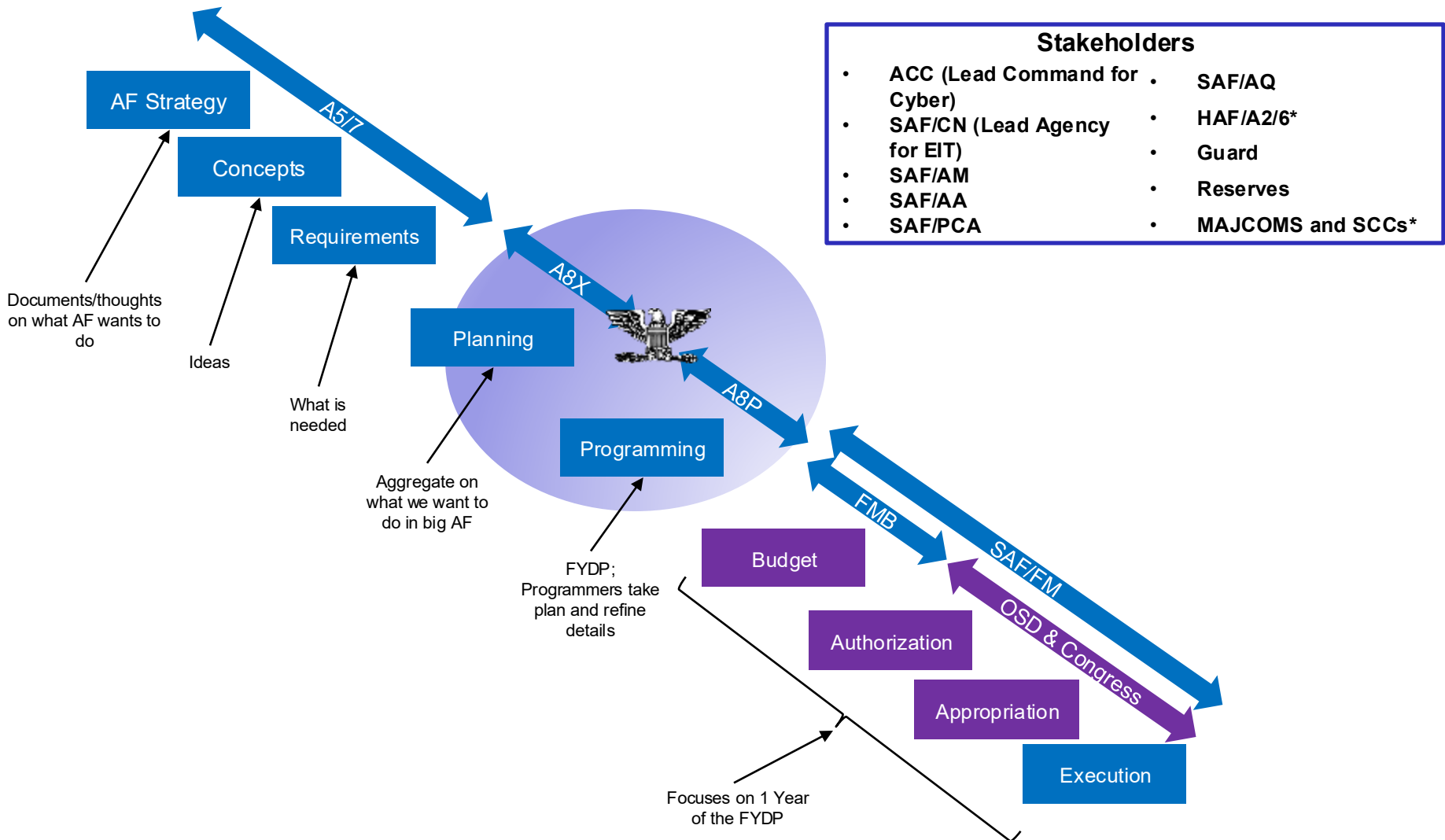


PPBE Timeline





AF PPBE: Strategy to Execution





Strategies for Success

- **As Cyber & IT Leaders, your inputs are vital to the PPBE Process**
 - **Maximize DAF priorities; look beyond your unit or tribe**
 - **Seek out offsets that can help fund disconnects and initiatives**
 - **Tell a compelling, fact-based, non-geeky story...**
 - **...Aligned with Strategic & Fiscal Guidance**
 - **Develop defendable, scalable options**
 - **Engage your Principals and equip them to advocate**

PPBE is a competition; the best argument wins!



***“You can’t fight tonight if you
didn’t fund yesterday.”***



Questions?

