# USDA DME and O&M DEFINITIONS
## (and Additional IT-Related Definitions)

Office of the Chief Information Officer (OCIO)

Information Resource Management (IRM)

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# Development, Modernization and Enhancement (DME)

**Development, Modernization and Enhancement (DME)** - DME refers to projects and activities leading to new IT assets/systems, as well as projects and activities that change or modify existing IT assets to improve capability or performance. Expanding the capacity of an asset or otherwise upgrading it to serve needs different from or significantly greater than those originally intended. (Source: Capital Planning Guidance).  Examples of DME activities are listed but not limited to, the items shown in the table below:

| DME ACTIVITIES | ACTIVITY DESCRIPTION |
|---|---|
| **Authorization To Operate (ATO) Accreditation Costs** | The costs associated with auditing and accreditation of new systems. The ATO represents the formal management approval to place a system into operation at USDA. |
| **Commercial off-the-shelf (COTS) acquisition costs** | Service or software available in the commercial marketplace that can be bought and used under government contract. For  example, Microsoft and SalesForce. |
| **Computer and IT-Related Hardware** | Computer Hardware – includes components (internal) and peripherals (external).  Computer hardware refers to the physical parts of a computer and related devices. Internal hardware devices include motherboards, hard drives, and RAM. External hardware devices include network equipment, monitors, keyboards, mice, printers, and scanners. Drones, unmanned aircraft, equipment used for IT related tasks or research, such as microscopes or aerial cameras. |
| **Contracted labor** | Contracted labor costs for planning, development, acquisition, system integration, and direct project management, overhead support and cloud implementations and/or migrations. **_Note_**: Contractor support not directly related to system development, i.e. administrative support, is considered a non-system cost.  If the support is new to the investment, the estimated cost should be entered in the Non-System DLCC table under the DME category in AgMax. |
| **Enhancement/Operating system upgrades** | Expanding the capacity of an asset or otherwise upgrading it to serve needs different from or significantly greater than those originally intended. For example, replacement of a laptop with a newer model or adding a new functionality to an existing system. This is not considered a code fix. |
| **Government labor costs** | Labor cost (salaries and benefits) associated with government Full Time Equivalents (FTEs). |
| **Implement legislative or regulatory requirements** | Presidential directives or legislative requirements, such as improving Section 508 compliance or cloud implementation. |

# Development, Modernization and Enhancement (DME) Continued

| DME ACTIVITIES | ACTIVITY DESCRIPTION |
| --- | --- |
| **Database Restructuring** | Performing structural changes to a database design. This includes minor or complex changes. |
| **Software Functional Change** | Implementing functional requirement changes to the application, such as UVUX minor modifications. i.e. screen color changes, update to dates in forms. This includes minor or complex changes. |
| ***Software Development*** | Technology modernization for the purpose of adding capability or changing the performance or architecture of the end item is considered a modernization cost. |
| ***Software License purchases*** | Purchasing of new or additional software licenses. <u>***Note***</u>: If the licenses have expired, the new purchase is considered DME and not an O&M licenses renewal cost. |
| ***Technology Refresh (Hardware/Software)*** | A Technology Refreshment is the intentional, incremental insertion of newer technology such as hardware or software, to improve the reliability, maintainability, to reduce cost, and/or enhance performance. |

# Operations & Maintenance (O&M)

**Operations & Maintenance (O&M) -** Operations & Maintenance Costs refers to the expenses required to operate and maintain an IT asset that is operating in a production environment.  O&M costs include costs associated with operations, maintenance activities, and maintenance projects needed to sustain the IT asset at the current capability and performance levels.  It includes Federal and contracted labor costs, corrective hardware and software maintenance, voice and data communications maintenance and service, replacement of broken or obsolete IT equipment, overhead costs, and costs for the disposal of an asset. Also commonly referred to as steady state. (OMB  Capital Planning Guidance).

| O&M ACTIVITIES | ACTIVITY DESCRIPTION |
|---|---|
| ATO Reaccreditation Costs | The costs associated with auditing and reaccrediting a system in advance of an expiring Authority to Operate (ATO). |
| Code Fix/Patch | Debugging and fixing custom-developed software code that has a defect preventing the application system from satisfying its existing requirements. A patch, sometimes just called a fix, is a small piece of software that's used to correct a problem, usually called a bug, within an operating system or software program. The fix/patch does not include any new functions or enhancements. |
| Code Restructuring | Restructuring existing computer code - changing the factoring, possibly improving its internal logic without changing its external behavior.  The restructuring does not include any new requirements or enhancements. |
| Data Maintenance | Developing scripted data modification language (DML) or Structured Query Language (SQL) in order to manage the quality, growth, reliability, or maintainability of the data within the application database. |
| Hardware Maintenance Costs | The costs and labor associated with repairing or replacing defective, out-of-warranty, or near-out-of-warranty hardware in efforts to "keep the lights on" (KTLO). |
| IT Support/Training/ Management | Conduct training for IT applications, Help Desk support, participation in technology review boards, departmental CIO activities, CPIC, OMB Exhibit 300 reporting, Normal maintenance activities, such as performing backups, Re-indexing databases, etc. |
| Software Renewal | The costs associated with renewing the same level of product maintenance support from a vendor for software products/licenses, or suite of products owned. **_Note_**: This maintenance/software renewal cost is for non-expired licenses or contracts.  Any new efforts are considered DME. |

# Additional IT Related Definitions

# Additional IT-Related Definitions

| AREA | DEFINITION |
|---|---|
| **Desktop and Laptop Systems** | Desktop and Laptop systems are defined as "End User Systems" that can consist of any of the following: desktops and laptops, printers (both individual and shared), print servers; and scanners. This category includes the local hardware and software (PC operating systems, office automation suites) cost associated with the device as well as any related support costs (excluding help desk).<br>• Desktops and laptops<br>• Peripherals (scanners, fingerprint scanners, etc.)<br>• Software/Desktop Applications (PC operating systems, office automation suites)<br>• Local printers, shared printers, fax machines or the cost of supplies (e.g., toner and paper). |
| **Information Systems** | Information System refers a discrete set of information resources organized for the collection, processing, maintenance, use, sharing, transmission, or dissemination of information, in accordance with defined procedures, whether automated or manual |
| **Information Technology** | This term refers to any equipment or interconnected system or subsystem of equipment that is used in the automatic acquisition, storage, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of data or information by an executive agency. IT is related to the terms capital asset, IT investment, program, project, sub-project, service, and system. It also includes computers, ancillary equipment (including imaging peripherals, input, output, and storage devices necessary for security and surveillance), peripheral equipment designed to be controlled by the central processing unit of a computer, software, firmware and similar procedures, services (including support services), and related resources; but does not include any equipment acquired by a federal contractor incidental to a federal contract (40 USC 11101 ); however OMB policy includes in this "supercomputers, software for mission systems, telecommunications, and satellite signal processing. |
| **IT Asset** | This term refers to anything (tangible or intangible) that has value to an organization, including, but not limited to: a computing device, IT system, IT network, IT circuit, software (both an installed instance and a physical instance), virtual computing platform (common in cloud and virtualized computing), and related hardware (e.g., locks, cabinets, keyboards) as well as people and intellectual property (including software). Assets are the lowest level at which IT is planned, acquired, implemented, and operated. |

# Additional IT-Related Definitions
## (Continued)

| AREA | DEFINITION |
|---|---|
| **Mainframes and Servers** | This term refers to a subset of the Mainframes and Servers Systems & Support apportionment category.  The definition for this data center commodity IT area applies equally to any data processing environment (such as production, backup, Disaster Recovery/COOP, test, development, etc.) and typically includes:<br>Hardware (processing devices, supporting client devices):  Includes all hardware in server platform configurations, including internal disk storage (but NOT external disk arrays), processors, memory, etc., and equipment used by operations staff to support the environment (e.g., desktops, laptops, tablets).<br>Software:  includes all software related to host and virtual OS licenses, virtualization and partitioning software, non-storage utilities, databases, middleware, content/document management, search engines, messaging, and server security.<br>Disaster recovery:  includes hardware, software, facilities, and contracts specifically dedicated to disaster recovery for mainframes/servers.<br>Outsourcing: includes fees for third party and outsource contracts, such as collocation, managed hosting services, and cloud computing.<br>Personnel:  includes in-house costs for government personnel (salaries and benefits) and costs for contract personnel supporting operations/maintenance, engineering/technical services, planning and process management, services administration, management and administration allocated to mainframe and server services and support. |
| **Portfolio** | A collection of  IT Investments, which consist of related programs and/or projects that are grouped together to facilitate effective management of that work to meet strategic business objectives. |
| **Program** | A program is a group of related projects managed in a coordinated manner to obtain benefits not available from managing them individually. Program management is the application of knowledge, skills, tools and techniques to meet program requirements |
| **Project** | A project can be defined as a temporary endeavor undertaken to create a unique product or service. Projects are different from other ongoing operations in an organization, because unlike operations, projects have a definite beginning and an end - they have a limited duration. |

# Additional IT-Related Definitions
# (Continued)

| AREA | DEFINITION |
|---|---|
| **System** | System groups together similar and related applications, and their underlying hardware, that work together to deliver enhanced business capabilities. |
| **Applications** | Application is a piece of software which a customer uses to perform at least one business capability within USDA. An application is a collection of code and components which provide an interface to the business user in which a 2-way exchange of information occurs. Examples include AgLearn, WebTA, Employee Personal Page, ConnectHR, etc. Excludes: Informational websites and desktop software (locally installed 3rd-party software). |
| **Applications Components** | Application Components are the lower level decomposition of capabilities within an application that work together to deliver a function such as, but not limited to a software package, a web service, or a web resource that encapsulates a set of related functions. |
| **Platform** | Platform is an integrated software development and/or hosting environment that systems, applications, websites, components, data, etc. are built upon.  Examples include commercial platforms such as Salesforce or ServiceNow and open source platforms such as JBOSS, or Drupal. |