



OFFICE OF THE SECRETARY OF DEFENSE
1000 DEFENSE PENTAGON
WASHINGTON, DC 20301-1000

December 10, 2014

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS
CHAIRMAN OF THE JOINT CHIEFS OF STAFF
UNDER SECRETARIES OF DEFENSE
DEPUTY CHIEF MANAGEMENT OFFICER
CHIEF OF THE NATIONAL GUARD BUREAU
DIRECTOR, COST ASSESSMENT AND PROGRAM EVALUATION
DIRECTOR, OPERATIONAL TEST AND EVALUATION
GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE
INSPECTOR GENERAL OF THE DEPARTMENT OF DEFENSE
ASSISTANT SECRETARIES OF DEFENSE
DEPARTMENT OF DEFENSE CHIEF INFORMATION OFFICER
ASSISTANTS TO THE SECRETARY OF DEFENSE
DIRECTOR, NET ASSESSMENT
DIRECTORS OF THE DEFENSE AGENCIES
DIRECTORS OF THE DOD FIELD ACTIVITIES

SUBJECT: Defense Business Council

This memorandum forwards the revised charter to formalize the new Defense Business Council (DBC) format, procedures, and Co-Chair arrangement. Going forward, the DBC will be Co-Chaired by the Deputy Chief Management Officer of the Department of Defense (DoD) and the DoD Chief Information Officer.

The DBC will implement the Secretary's Management Agenda and serve as a principal supporting tier of governance to the Deputy's Management Action Group for vetting defense management and business improvement issues, to include performance management, pursuant to the Government Performance and Results Act (GPRA) Modernization Act of 2010. It will also serve as the Department's Investment Review Board for business systems, pursuant to section 2222 of Title 10, U.S.C., and for review of information technology infrastructure investments, pursuant to section 2223 of Title 10, U.S.C.

The new DBC Charter, which supersedes the version dated October 18, 2012, is attached and effective immediately. This Charter will serve as the authority for DBC operations until such time as the DBC Charter is formalized in a DoD Instruction. For questions, please contact Latonya Henry at latonya.a.henry.civ@mail.mil or 703-614-0218.

HALVORSEN.TER
RY.A.1034645953

Digitally signed by
HALVORSEN.TERRY.A.1034645953
DN: c=US, o=U.S. Government, ou=DoD,
ou=PKI, ou=OSD,
cn=HALVORSEN.TERRY.A.1034645953
Date: 2014.12.12 17:37:50 -05'00'

Terry A. Halvorsen
Acting DoD Chief Information Officer

david.tillots
on@osd.mil

Digitally signed by
david.tillotson@osd.mil
DN: cn=david.tillotson@osd.mil
Date: 2014.12.10 17:24:43 -05'00'

David Tillotson III
Assistant Deputy Chief Management Officer

Attachment: As stated

Defense Business Council Charter

1. Establishment. This Charter establishes the Defense Business Council (DBC) as a supporting tier of governance to the Deputy's Management Action Group (DMAG), in accordance with DoD Directive (DoDD) 5105.79.
2. Purpose. The DBC will implement the Secretary's Management Agenda and serve as the principal governance body for vetting issues related to management, improvement of defense business operations, and other issues under the DBC's functional cognizance.
3. Functions. The DBC shall:
 - a. Identify, align, and develop management and business priorities bound by outcome-based performance measures for incorporation into appropriate business plans, such as the Department's Strategic Plan, in support of the Secretary's Management Agenda and in compliance with the GPRA Modernization Act of 2010.
 - b. Ensure the development and quarterly review of performance goals and associated metrics that support priority outcomes established by the Secretary and Deputy Secretary of Defense, pursuant to GPRA Modernization Act of 2010. These performance goals and metrics will be used to guide business activities and investments and serve as the basis for external performance reporting to the Office of Management and Budget, Congress, and other external stakeholders.
 - c. Serve as the Investment Review Board (IRB) for business systems, pursuant to section 2222 of Title 10, U.S.C. As the IRB, the DBC validates requirements for defense business capabilities; ensures that defense business system investments are aligned to the lines of business for the Department; supports measureable improvements to the Department's business objectives; and generates a measureable return on investment.
 - d. Serve as the Department's information technology (IT) infrastructure IRB, pursuant to Department of Defense Chief Information Officer's (DoD CIO) responsibilities in section 2223 of Title 10; and section 11315 of Title 40 to ensure interoperability and reduction of IT duplication; alignment of IT infrastructure investments with the Joint Information Enterprise initiative, enterprise architecture and standards; and adherence to cybersecurity standards.
 - e. Perform other duties as directed by the Secretary or Deputy Secretary of Defense.
4. Organization and Membership.
 - a. Co-Chairs: Deputy Chief Management Officer of the Department of Defense (DCMO) and DoD CIO.
 - b. Members:
 - (1) Under Secretary of Defense for Acquisition, Technology, and Logistics
 - (2) Under Secretary of Defense for Policy
 - (3) Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD
 - (4) Under Secretary of Defense for Personnel and Readiness

Defense Business Council Charter

- (5) Under Secretary of Defense for Intelligence
 - (6) Director, Cost Assessment and Program Evaluation
 - (7) Joint Staff
 - (8) Department of the Army, Deputy Chief Management Officer
 - (9) Department of the Army, Chief Information Officer
 - (10) Department of the Navy, Deputy Chief Management Officer
 - (11) Department of the Navy, Chief Information Officer
 - (12) Department of the Air Force, Deputy Chief Management Officer
 - (13) Department of the Air Force, Chief Information Officer
- c. Executive Secretary: The DCMO and DoD CIO shall serve as Executive Secretary and the Assistant DCMO shall serve in their absence.
5. Meetings. A recurring meeting will be scheduled bi-weekly. The Co-Chairs will advise DBC members as soon as possible, but within 24 hours, if a decision is made to cancel a meeting. Meeting duration will normally be scheduled for 90 minutes or less, depending on agenda.
6. Attendance. The Principal DBC member shall be the primary attendee and may be accompanied by a plus one. Co-Chairs will invite additional attendees (such as briefers or subject matter experts), as necessary, based on planned agenda items.
7. Read-Aheads. Read-aheads must be provided to the Executive Secretary 5 days prior to the DBC. Final Read-aheads will be sent to members 2 days prior to the meeting.
8. Roles and Responsibilities.
- a. Co-Chairs:
 - (1) Call and lead DBC meetings
 - (2) Approve meeting agendas
 - (3) Provide leadership and strategic direction to the DBC members
 - (4) Present and/or represent the recommendations of the DBC to the DMAG, as required
 - (5) Prioritize and approve changes to the Business Enterprise Architecture
 - (6) Assign actions and tasks to DBC members, working groups, or others as needed, to complete DBC-assigned tasks
 - (7) Resolve DBC issues, as required
 - b. Members:
 - (1) Submit agenda topics for consideration directly to the Co-Chairs and/or through the Executive Secretary, after which members will be notified of approved topics
 - (2) Work with DCMO Subject Matter Experts to prepare Read-ahead materials (i.e. briefs, position papers, work plan, etc.) to be presented at DBC meetings
 - (3) Identify solutions and enable change that optimizes the management function of the defense enterprise

Defense Business Council Charter

- (4) Provide data and information to the DBC or working groups as requested by the Co-Chairs to help ensure data transparency
 - (5) Represent their respective organization's position with regard to management issues
 - (6) Convey and support the positions and decisions of the DBC to their respective organizations and the Department
 - (7) Execute actions and tasks as directed by the Co-Chairs
 - (8) Ensure that their respective organizations are represented on appropriate working groups and that appropriate resources are provided as necessary
 - (9) Keep the DBC apprised of relevant and significant matters arising from other DoD governance bodies and information-sharing forums
9. Working Groups. Permanent or ad hoc working groups may be established at the discretion of the DBC Co-Chairs. Such working groups will be established in compliance with DoD Instruction (DoDI) 5105.18, "Intergovernmental Committee Management Program". To ensure transparency and understanding, working groups will be chartered with an accountable team lead, clearly defined outcomes, team members, and an expected completion date.

The 4th Estate Working Group is a permanent working group for Defense business operations and investment review. It provides cross functional review and unified direction, guidance, and leadership of 4th Estate business transformation efforts; and oversight of its Business Mission Area goals, objectives, requirements, and priorities.

10. Decisions. Guidance and decisions from the DBC shall be documented by the Executive Secretary in a Meeting Summary and distributed to the DBC members. All documents will be consistent with DoD policies on information security, records management, and freedom of information, in accordance with DoDI 5200.01, "DoD Information Security Program and Protection of Sensitive Compartmented Information," October 9, 2008; DoDD 5015.2, "DoD Records Management Program," March 6, 2000; and DoDD 5400.07, "DoD Freedom of Information Act (FOIA) Program," January 2, 2008.
11. Effective Date. This Charter becomes effective upon signature. The Charter remains in effect until it is replaced, is superseded with a new edition, or upon written termination notice. The intent is for this Charter to serve as the authority for DBC operations until such time as the DBC Charter is formalized in a DoDI.