



DEPUTY CHIEF MANAGEMENT OFFICER
9010 DEFENSE PENTAGON
WASHINGTON, DC 20301-9010

MEMORANDUM FOR: SEE DISTRIBUTION

18 OCT 2012

SUBJECT: Defense Business Council

- References: (a) Deputy Secretary of Defense Memorandum, "Management Process for the Deputy Secretary of Defense," October 6, 2011
(b) Section 2222 of Title 10, United States Code

On October 6, 2011, the Deputy Secretary of Defense established the Deputy's Management Action Group (DMAG) (Reference (a)) to be his mechanism for executing a common management approach across the disparate Departmental topics and processes for which he is responsible. The Deputy Secretary effectively merged a number of senior leadership bodies with the DMAG, including the Defense Business Systems Management Committee (DBSMC), to create a single body where the same group of senior leaders would gather to consider a wide range of management and business topics. The Department continues to execute the statutorily mandated responsibilities of the DBSMC through the DMAG.

This memorandum establishes the Defense Business Council (DBC) as the principal subsidiary governance body to the DMAG/DBSMC for defense business operations and as the Department's Investment Review Board for defense business systems, pursuant to section 2222 of Title 10, United States Code (Reference (b)). The DBC will provide unified direction and leadership among DoD's functional areas and Components to synchronize actions across business areas and end-to-end processes and empower cross-functional, collaborative action to optimize DoD business operations and promote cost transparency. The DBC will coordinate activities with other DoD business governance forums like the Financial Improvement and Audit Readiness (FIAR) Board, the Defense Human Resources Board (DHRB), the Electronic Commerce Governance Board (ECGB), and the Chief Information Officer (CIO) Executive Board.

The DBC Charter is attached and is effective immediately. Questions may be directed to Latonya Henry, latonya.henry@osd.mil, 703-614-0218.

Elizabeth A. McGrath
Deputy Chief Management Officer



Attachments:

As stated

DISTRIBUTION:

SECRETARIES OF THE MILITARY DEPARTMENTS

CHAIRMAN OF THE JOINT CHIEFS OF STAFF

UNDER SECRETARIES OF DEFENSE

DEPUTY CHIEF MANAGEMENT OFFICER

COMMANDERS OF THE COMBATANT COMMANDS

CHIEF, 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, ADMINISTRATION AND MANAGEMENT

DIRECTOR, NET ASSESSMENT

DIRECTORS OF THE DEFENSE AGENCIES

DIRECTORS OF THE DOD FIELD ACTIVITIES

ATTACHMENT

Defense Business Council (DBC) Charter

1. Establishment. This Charter establishes the Defense Business Council (DBC) as the principal subsidiary governance body to the Deputy's Management Action Group (DMAG) / Defense Business Systems Management Committee (DBSMC) for defense business operations and as the Department's Investment Review Board (IRB) for defense business systems, pursuant to section 2222 of Title 10, United States Code.
2. Purpose. The purpose of the DBC is to provide unified direction and leadership to efficiently and effectively manage the DoD Business Mission Area (BMA). The DBC is responsible for governing the optimization of DoD's enterprise-wide business environment and the improvement of the Department's business activities and management structures. The DBC also raises business and performance management issues to the DMAG/DBSMC as necessary.
3. Functions
 - a. Oversees the Department's investment management process for covered defense business systems programs. The DBC serves as the Department's IRB for defense business systems, pursuant to section 2222 of Title 10, United States Code, to ensure interoperability and reduce duplication. As the IRB, the DBC conducts portfolio analysis and process integration in support of the review and certification of covered defense business system programs' planning, design, acquisition, development, deployment, operation, maintenance, modernization, and project cost benefits and risks. The DBC Chair recommends funds certification to the DMAG/DBSMC. As the IRB, the DBC also is responsible for approving defense business systems' problem statements as part of the Business Capability Lifecycle acquisition process, in accordance with Chairman of the Joint Chiefs of Staff Instruction 3170.01H, "Joint Capabilities Integration and Development System."
 - b. Coordinates activities with and among DoD business governance forums, such as the Financial Improvement and Audit Readiness (FIAR) Board, the Defense Human Resources Board (DHRB), the Electronic Commerce Governance Board (ECGB), and the Chief Information Officer (CIO) Executive Board to ensure synchronization and integration of strategic direction. Works with the Principal Staff Assistants to align business imperatives to include any Government Accountability Office (GAO) High Risk Areas.
 - c. Supports the development and implementation of the Department's Business Enterprise Architecture (BEA). Adjudicates and resolves issues in functional area policies, processes and standards, as well as ensuring alignment of organizational execution plans. Evaluates business policy impacts of BEA changes across the enterprise. Prioritizes and approves changes for inclusion in the BEA and ensures alignment of Component architectures with the BEA. Ensures alignment of the BEA with the DoD Information Enterprise Architecture. Establishes standard business processes and technical specifications, where appropriate.

- d. Supports the development and implementation of the Department's end-to-end process framework to reorient the management of defense business operations around end-to-end processes that cross organizations and functional areas. Ensures that the connections and dependencies between individual business areas are managed as an integrated whole. Oversees the efforts of working groups that are further refining individual end-to-end processes.
 - e. Supports the identification and development of business priorities for incorporation into appropriate business plans and policies, such as the Department's Strategic Management Plan, Annual Performance Plan and Report, Organizational Assessment, and Enterprise Transition Plan. Ensures alignment between these plans and reports, DoD strategic plans, and functional and organizational strategic plans. Proposes business enterprise priorities and solutions to the DMAG/DBSMC. Recommends organizational changes and change management strategies to meet DoD business requirements.
 - f. Oversees performance management programs. Ensures the development of rational, outcome oriented performance measures. Reviews DoD's performance results to track progress against strategic goals and hold Department leaders accountable for results. Supports the identification, implementation, and measurement of Agency Priority Goals, in consultation with the Office of Management and Budget, pursuant to the Government Performance Results Act (GPRA) Modernization Act of 2010.
 - g. Propose the Annual Statement of Assurance and other information required by Section 2 (Financial and Non-Financial) and Section 4 (Financial Systems) of the Federal Managers' Financial Integrity Act (FMFIA) to the Deputy Secretary of Defense for approval and signature. Identify focus areas of special interest and provide oversight on all assessments of financial, operational, administrative, and programmatic risks and internal controls; and oversee the timeliness of corrective actions related to the material weaknesses. Oversee the Department's strategic plans, annual performance plans, and annual program reports, and identify risks that could prevent the Department from achieving its goals. Propose the Annual Performance Plan and Report and other information required by the GPRA Modernization Act, FMFIA, and the Chief Financial Officers (CFO) Act to the Secretary of Defense for approval and signature.
 - h. Other Business. At the discretion of the Chair, other matters not specified above may be considered.
4. Organization and Membership.
- a. Chair – DoD Deputy Chief Management Officer (DCMO). In the absence of the DCMO, the Assistant DCMO will perform the functions of the chairperson.
 - b. Members –
 - (1) Deputy Chief Management Officer
 - (2) Assistant Secretary of Defense (Acquisition) – OUSD(AT&L)
 - (3) Assistant Secretary of Defense, (Logistics & Materiel Readiness) – OUSD(AT&L)
 - (4) Deputy Under Secretary of Defense (Installations & Environment) – OUSD(AT&L)
 - (5) Director, Defense Procurement and Acquisition Policy – OUSD(AT&L)
 - (6) Deputy Chief Financial Officer – OUSD(C)
 - (7) Deputy Comptroller (Programs/Budgets) – OUSD(C)

- (8) Director, Personnel and Readiness Information Management – OUSD(P&R)
 - (9) Director of Intelligence, Surveillance and Reconnaissance Programs – OUSD(I)
 - (10) Chief Operating Officer – OUSD(P)
 - (11) Office of Joint Chiefs of Staff – J6
 - (12) Deputy DoD Chief Information Officer
 - (13) Department of the Army DCMO
 - (14) Department of the Navy DCMO
 - (15) Department of the Air Force DCMO
 - (16) Comptroller and Director of Administration and Management – NGB
 - (17) Deputy Director, Program Evaluation – CAPE
 - (18) Office of the General Counsel
 - (19) Director, Office of Business Transformation (Army)
- c. Executive Secretary – The Office of the Deputy Chief Management Officer will serve as Executive Secretary.
 - d. Ad Hoc Members – At the discretion of the Chair, additional members, who are full-time or permanent part-time federal officers or employees (in compliance with DoD Instruction 5105.18, “Intergovernmental and Intragovernmental Committee Management Program,” July 10, 2009), may be included in DBC meetings on an as-needed basis.
5. Meetings. DBC meetings will be called at the discretion of the Chair. Location and times will be determined by the Chair.
6. Roles and Responsibilities.
- a. Chair –
 - (1) Call and lead DBC meetings
 - (2) Approve meeting agendas
 - (3) Provide leadership and strategic direction to the DBC members to execute its mission
 - (4) Present and/or represent the position(s) of the DBC to the DMAG/DBSMC and the Department
 - (5) Recommend funds certification for defense business systems to the DMAG/DBSMC pursuant to section 2222 of Title 10, United States Code
 - (6) Prioritize and approve changes to the BEA
 - (7) Assign actions and tasks to DBC members, working groups, or others as necessary to complete DBC-assigned tasks
 - (8) Resolve DBC issues as required
 - b. Members –
 - (1) Nominate agenda items for DBC consideration to the Chair and sponsor items and issues for meetings, including preparation of position papers and read ahead materials, and present briefings during DBC meetings
 - (2) Identify solutions and enable change that optimizes the defense enterprise
 - (3) Provide data and information to the DBC or working groups as requested by the Chair to help ensure data transparency
 - (4) Represent their organization’s position with regard to DBC issues
 - (5) Convey and support the positions and decisions of the DBC to their respective organizations and the Department

- (6) Execute actions and tasks as directed by the Chair
 - (7) Ensure that their organizations are represented on appropriate working groups, and that appropriate resources are provided as necessary
 - (8) Keep the DBC apprised of relevant and significant matters arising from other DoD governance bodies and information-sharing forums
7. Working Groups and Integrated Product Teams. At the discretion of the Chair, the DBC may establish standing or ad hoc working groups and Integrated Product Teams (IPTs), composed of full-time or permanent part-time federal officers or employees (in compliance with DoD Instruction 5105.18, "Intergovernmental and Intragovernmental Committee Management Program," July 10, 2009), to assist the DBC in executing its responsibilities. Each group shall have an assigned lead responsible for managing the group. Standing groups shall be formally chartered by DCMO memorandum. Groups may request the support or participation of individual Service, Joint Staff, OSD, or commercial resources to complete assigned tasks.
8. Decisions. Guidance and decisions from the DBC shall be announced by the Executive Secretary and be consistent with DoD policies on information security, records management, and freedom of information in accordance with DoD Directive 5105.02 and DoD Directive 5400.07
9. 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. This Charter will be reviewed not less than every two years.