

Charter
Defense Business Board

1. Committee's Official Designation: The committee shall be known as the Defense Business Board (DBB).
2. Authority: The Secretary of Defense, in accordance with the Federal Advisory Committee Act (FACA) (5 U.S.C., App.) and 41 C.F.R. § 102-3.50(d), established this discretionary advisory committee.
3. Objectives and Scope of Activities: The DBB shall provide independent advice and actionable recommendations to address critical matters and challenges to accelerate adoption of effective and efficient business processes and functions, organizational management constructs, and business and organizational cultural changes within the Department of Defense (DoD) in response to specific taskings from the Secretary of Defense or the Deputy Secretary of Defense ("the DoD Appointing Authority").

The DBB is specifically established to provide independent, strategic-level, private sector and academic advice and counsel on enterprise-wide business management approaches and best practices for business operations and achieving National Defense goals. This advice will include topics such as executive management, corporate governance, business process improvement and innovation, global business services/shared services, audit and finance, supply chain & logistics, human resources/talent management, data/analytics management and use, real property management, energy and climate, technology, and organizational design and optimization.

4. Description of Duties: The DBB shall examine and advise on DoD executive management, innovative business processes, and governance from private, public, and academic sector perspectives.
5. Agency or Official to Whom the Committee Reports: The DBB shall report to the Secretary of Defense or the Deputy Secretary of Defense who may act upon the DBB's advice and recommendations in accordance with DoD policy and procedures.
6. Support: The DoD, through the Office of the Deputy Secretary of Defense and the Office of the Director for Administration and Management, supports for the DBB's functions and ensures compliance with the requirements of the FACA, the Government in the Sunshine Act ("the Sunshine Act") (5 U.S.C. § 552b), governing Federal statutes and regulations, and DoD policy and procedures. The Deputy Secretary of Defense has delegated authority to the Director for Administration and Management (DA&M) to serve as the DBB's administrative sponsor.
7. Estimated Annual Operating Costs and Staff Years: The estimated annual operating cost, to include travel, meetings, and contract support, is approximately \$1,410,000. The estimated personnel cost to the DoD is 5.0 full-time equivalents (FTE).
8. Designated Federal Officer: The DBB's Designated Federal Officer (DFO) shall be a full-time or permanent part-time DoD civilian officer or employee, or active duty member of the Armed Forces, designated in accordance with DoD policy and procedures.

The DBB's DFO is required to attend all DBB and subcommittee meetings for the entirety of each and every meeting. However, in the absence of the DBB's DFO, a properly approved Alternate

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DFO, duly designated to the DBB in accordance with DoD policy and procedures, shall attend the entire duration of all DBB and subcommittee meetings.

The DFO, or the Alternate DFO, approves and calls all DBB and subcommittee meetings; prepares and approves all meeting agendas; and adjourns any meeting when the DFO, or the Alternate DFO, determines adjournment to be in the public interest or required by governing regulations or DoD policy and procedures.

9. Estimated Number and Frequency of Meetings: The DBB shall meet at the call of the DBB's DFO, in consultation with the DBB's Chair and the Deputy Secretary of Defense. The estimated number of meetings is four per year.
10. Duration: The need for this advisory function is on a continuing basis; however, the DBB is subject to renewal every two years.
11. Termination: The DBB shall terminate upon completion of its mission or two years from the date this charter is filed, whichever is sooner, unless the DoD renews the DBB in accordance with the FACA and DoD policy and procedures.
12. Membership and Designation: The DBB shall be composed of no more than 20 members. Members must meet one or more of the following criteria:
 - a) proven track record of sound judgement in leading or governing large, complex public or private-sector organizations, including academia;
 - b) significant management-level (executive level managers that are titled "chief" followed by their function) global business or academic experience including, but not limited to, the areas of executive management, corporate strategy, governance, business process improvement and innovation, global business services/shared services, audit and finance, supply chain and logistics, human resources/talent management, data/analytics management and use, real property management, organizational design and optimization, energy and climate, or technology;
 - c) demonstrated performance in developing new business theories, innovation, and concepts;
 - d) career as a distinguished academic or researcher in business at an accredited college or institute of higher education; or
 - e) proven track record as an innovative leader in small and minority owned businesses.

The appointment or designation of individual DBB members shall be approved by the DoD Appointing Authority for a term of service of one-to-four years, with annual renewals, in accordance with DoD policy and procedures. DBB members who are not full-time or permanent part-time Federal civilian officers or employees, or active duty members of the Uniformed Services, shall be appointed as experts or consultants pursuant to 5 U.S.C. § 3109 to serve as special government employee (SGE) members. DBB members who are full-time or permanent part-time civilian officers or employees, or active duty members of the Uniformed Services, shall be designated pursuant to 41 C.F.R. § 102-3.130(a) to serve as regular employee (RGE) members. No member, unless approved by the DoD Appointing Authority, may serve more than two consecutive terms of service on the DBB, to include its subcommittees, or serve on more than two DoD federal advisory committees at one time.

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The DoD Appointing Authority shall appoint the DBB's leadership from among the membership previously approved to serve on the DBB in accordance with DoD policy and procedures, for a term of service of one-to-two years, with annual renewal, which shall not to exceed the member's approved DBB appointment.

All members of the DBB are appointed or designated to exercise their best judgment on behalf of the DoD, without representing any particular point of view, and to discuss and deliberate in a manner that is free from conflicts of interest. With the exception of reimbursement of official DBB-related travel and per diem, DBB members serve without compensation.

13. Subcommittees: The DoD, as necessary and consistent with the DBB's mission and DoD policy and procedures, may establish subcommittees, task forces, or working groups ("subcommittees") to support the DBB. Establishment of subcommittees will be based upon a written determination, such as terms of reference (ToR), by the DoD Appointing Authority. All subcommittees operate in accordance with the FACA, the Sunshine Act, governing Federal statutes and regulations, and DoD policy and procedures. All DBB subcommittees shall terminate when the DBB does.

Subcommittees shall not work independently of the DBB and shall report all of their recommendations and advice solely to the DBB for its thorough deliberation and discussion at a properly noticed and open DBB meeting subject to the Sunshine Act exemptions. Subcommittees have no authority to make decisions and recommendations, orally or in writing, on behalf of the DBB. Neither the subcommittee nor any of its members may provide updates or report directly to the DoD or to any Federal officer or employee, whether orally or in writing, on behalf of the DBB. If a majority of DBB members are appointed to a particular subcommittee, then that subcommittee may be required to operate pursuant to the same notice and openness requirements of the FACA which govern the DBB's operations.

An appointment or designation to a subcommittee is separate and distinct from an appointment or designation to serve as a member of the DBB. Each subcommittee member is appointed or designated to exercise his or her own best judgment on behalf of the DoD, without representing any particular point of view, and to discuss and deliberate in a manner that is free from conflicts of interest. With the exception of reimbursement of official DBB- and subcommittee-related travel and per diem, subcommittee members serve without compensation.

Individual appointments or designations to serve on DBB subcommittees shall be approved by the DoD Appointing Authority for a term of service of one-to-four years, with annual renewals, in accordance with DoD policy and procedures. No member shall serve more than two consecutive terms of service on the subcommittee, unless approved by the DoD Appointing Authority. Subcommittee members who are not full-time or permanent part-time Federal civilian officers or employees, or active duty members of the Uniformed Services, shall be appointed as experts or consultants pursuant to 5 U.S.C. § 3109 to serve as SGE members. Subcommittee members who are full-time or permanent part-time Federal civilian officers or employees, or active duty members of the Uniformed Services, shall be designated pursuant to 41 C.F.R. §102-3.130(a) to serve as RGE members.

The DoD Appointing Authority shall appoint subcommittee leadership from among the membership previously approved to serve on the subcommittee in accordance with DoD policy

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and procedures, for a term of service of one-to-two years, with annual renewal, which shall not exceed the member's approved appointment.

The Deputy Secretary of Defense has established three permanent subcommittees. While the number of individuals appointed to each subcommittee may vary, as determined by the DoD Appointing Authority, no individual subcommittee shall have more than 15 members, unless otherwise provided for in writing by the DoD Appointing Authority. Each subcommittee, when tasked in accordance with DoD policy and procedures, will provide its findings and recommendations to, and for consideration by, the DBB on the subject matters described below:

- 1) Business Operations Advisory Subcommittee: This subcommittee shall provide advice on opportunities for improvements in business processes and operations inside DoD. Members of this subcommittee must have substantial experience in, but not limited to, supply chain and logistics, contract and vendor management, real property management, information technology and data management, human resources management, financial management, and renewable energy and climate.
 - 2) Business Transformation Advisory Subcommittee: This subcommittee shall provide advice that assists the DoD with large scale or enterprise strategic, organizational, and management transformations and improvements. Members of this subcommittee must have substantial experience in, but not limited to, addressing current and future challenges and opportunities in business transformation, illustrating or evaluating the value and implications of new organizational constructs, impactful innovations, and improved technologies and processes from both the public and private sector; ensuring DoD remains current on state of the art commercial innovation in regards to large scale or enterprise-wide business transformation; and large scale or enterprise-wide business transformation.
 - 3) Talent Management, Culture, & Diversity Advisory Subcommittee: This subcommittee shall provide advice on the dynamics of the DoD's workforce and the application of private sector and academic best practices. Members of this subcommittee must have substantial experience in, but not limited to, strategic human resources management, leadership development, talent management, recruitment and retention of employees, creating a diverse and innovative workforce, upskilling and reskilling employees, and improving overall culture and attitudes.
14. Recordkeeping: The records of the DBB and its subcommittees shall be managed in accordance with General Records Schedule 6.2, Federal Advisory Committee Records, or other approved agency records disposition schedule, and the appropriate DoD policy and procedures. These records shall be available for public inspection and copying, subject to the Freedom of Information Act (5 U.S.C. § 552).
15. Filing Date: July 1, 2022