

Charter  
Defense Business Board

1. Committee's Official Designation: The committee shall be known as the Defense Business Board ("the Board").
2. Authority: The Secretary of Defense, in accordance with the Federal Advisory Committee Act (FACA) (5 U.S.C., Appendix) and 41 C.F.R. § 102-3.50(d), established this discretionary Board.
3. Objectives and Scope of Activities: The Board shall provide the Secretary of Defense and the Deputy Secretary of Defense, through the Chief Management Officer of the Department of Defense (CMO), independent advice and recommendations on critical matters concerning the Department of Defense (DoD), as set out in paragraph four below.
4. Description of Duties: The Board shall examine and advise on DoD management, business processes, and governance from a private sector perspective.
5. Agency or Official to Whom the Committee Reports: The Board shall report to the Secretary of Defense and the Deputy Secretary of Defense through the CMO. The CMO may act upon the Board's advice and recommendations.
6. Support: The DoD, through the Office of the CMO, shall provide support for the Board's performance and shall ensure compliance with the requirements of the FACA, the Government in the Sunshine Act (5 U.S.C. § 552b) ("the Sunshine Act"), governing Federal statutes and regulations, and DoD policies and procedures.
7. Estimated Annual Operating Costs and Staff Years: The estimated annual operating cost, to include travel, meetings, and contract support, is approximately \$1.2 million. The estimated annual personnel cost to the DoD is 6.0 full-time equivalents.
8. Designated Federal Officer: The Board's Designated Federal Officer (DFO), pursuant to DoD policy, shall be a full-time or permanent part-time DoD officer or employee, designated in accordance with DoD policies and procedures.

The Board's DFO is required to attend all meetings of the Board and its subcommittee for the entire duration of each and every meeting. However, in the absence of the Board's DFO, a properly approved Alternate DFO, duly designated to the Board in accordance with DoD policies and procedures, will attend the entire duration of all meetings of the Board and its subcommittees.

The DFO, or the Alternate DFO, shall call all of the Board and subcommittee meetings; prepare and approve all meeting agendas; and adjourn any meeting when the DFO, or the Alternate DFO, determines adjournment to be in the public interest or required by governing regulations or DoD policies and procedures.

9. Estimated Number and Frequency of Meetings: The Board will meet at the call of the Board's DFO, in consultation with the Board's Chair and the CMO. The estimated number of meetings of the Board is at least four per year.
10. Duration: The need for this advisory function is on a continuing basis; however, it is subject to renewal every two years.

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11. Termination: The Board shall terminate upon completion of its mission or two years from the date this charter is filed, whichever is sooner, unless the DoD renews its charter.
12. Membership and Designation: The Board shall be composed of no more than 25 members. The members must possess the following: (a) a proven track record of sound judgment and business acumen in leading or governing large, complex private sector corporations or organizations and (b) a wealth of top-level, global business experience in the areas of executive management, corporate governance, audit and finance, human resources, economics, technology, or healthcare.

The appointment of Board members will be authorized by the Secretary of Defense or the Deputy Secretary of Defense and administratively certified by the CMO for a term of service of one-to-four years, with annual renewals, in accordance with DoD policies and procedures. Members of the Board who are not full-time or permanent part-time Federal officers or employees shall be appointed as experts or consultants pursuant to 5 U.S.C. § 3109 to serve as special government employee (SGE) members. Board members who are full-time or permanent part-time Federal officers or employees shall be appointed pursuant to 41 C.F.R. § 102-3.130(a) to serve as regular employee (RGE) members. No member, unless authorized by the Secretary of Defense or Deputy Secretary of Defense, may serve more than two consecutive terms of service on the Board, to include its subcommittees, or serve on more than two DoD federal advisory committees at one time.

Each Board member is appointed to provide advice on behalf of the government on the basis of his or her best judgment without representing any particular point of view and in a manner that is free from conflict of interest.

Consistent with authority delegated to DoD Sponsors, the CMO will appoint the Board's leadership from among the membership previously approved in accordance with DoD policies and procedures and, in doing so, will determine the term of service for the Board's Chair, which will not exceed the member's approved term of service.

All Board members will be reimbursed for travel and per diem as it pertains to official business of the Board. Board members serve without compensation.

13. Subcommittees: The DoD, when necessary and consistent with the Board's mission and DoD policies and procedures, may establish subcommittees, task forces, or working groups to support the Board. Establishment of subcommittees will be based upon a written determination, to include terms of reference, by the Secretary of Defense, the Deputy Secretary of Defense, or the CMO, as the DoD Sponsor.

Such subcommittees shall not work independently of the Board and shall report all their recommendations and advice solely to the Board for full deliberation and discussion. Subcommittees, task forces, or working groups have no authority to make decisions and recommendations, verbally or in writing, on behalf of the Board. No subcommittee or any of its members can provide updates or report, verbally or in writing, directly to the DoD or to any Federal officer or employee. If a majority of Board members are appointed to a particular subcommittee,

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then that subcommittee may be required to operate pursuant to the same notice and openness requirements of the FACA which govern the Board's operations.

Each subcommittee member, based upon his or her individual professional experience, provides his or her best judgment on matters before the Board, and he or she does so in a manner that is free from conflict of interest. Pursuant to Secretary of Defense policy, the CMO is authorized to administratively certify the appointment of subcommittee members if the Secretary of Defense or the Deputy Secretary of Defense has previously authorized the individual's appointment to the Board or another DoD advisory committee. If this prior authorization has not occurred, then the individual's subcommittee appointment must first be authorized by the Secretary of Defense or the Deputy Secretary of Defense and subsequently administratively certified by the CMO.

Subcommittee members will be appointed for a term of service of one-to-four years, subject to annual renewals, in accordance with DoD policies and procedures; however, no member shall serve more than two consecutive terms of service on the subcommittee, unless authorized by the Secretary of Defense or the Deputy Secretary of Defense. Subcommittee members, if not full-time or permanent part-time Federal officers or employees, 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 officers or employees shall be appointed pursuant to 41 C.F.R. §102-3.130(a) to serve as RGE members.

Consistent with authority delegated to DoD Sponsors, the CMO will appoint the leadership of any subcommittee from among the membership previously approved to serve on the subcommittee in accordance with DoD policies and procedures and, in doing so, will determine the leader's term of service, which will not exceed the subcommittee member's approved term of service.

With the exception of reimbursement of travel and per diem as it pertains to official travel related to the Board or its subcommittees, Board subcommittee members shall serve without compensation.

All subcommittees operate in accordance with the provisions of the FACA, the Sunshine Act, governing Federal statutes and regulations, and established DoD policies and procedures.

14. Recordkeeping: The records of the Board 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 policies and procedures. These records shall be available for public inspection and copying, subject to the Freedom of Information Act of 1966 (5 U.S.C. § 552, as amended).
15. Filing Date: July 3, 2020