



DEPUTY SECRETARY OF DEFENSE
1010 DEFENSE PENTAGON
WASHINGTON, DC 20301-1010

AUG 16 2024

MEMORANDUM FOR DEFENSE BUSINESS BOARD

SUBJECT: Terms of Reference — Supply Chain Illumination

Lack of visibility into the complex global supply chains for the systems, equipment, and supplies upon which our military depends creates risk to the Department's ability to respond to crises. Illumination into defense-related supply chains allows the Department of Defense (DoD) to anticipate disruptions, reduce vulnerabilities, and strengthen resilience to supply shocks.

An enterprise-wide review and comparison to private sector practices will strengthen current efforts to shed light on supply chain risks. Therefore, I direct the Defense Business Board ("the Board"), working through its Business Transformation Advisory Subcommittee ("the Subcommittee"), to evaluate and provide recommendations to improve the DoD supply chain illumination. As a part of this review, the Board, working through the Subcommittee, should consider:

- the current state of DoD enterprise-wide supply chain illumination;
- how best-in-class business practices of private-sector supply chain illumination can be applied to DoD;
- the challenges of supply chain illumination and what barriers to visibility impact private sector and DoD effectiveness;
- what metrics or Key Performance Indicators are required to measure success; and,
- any other related matters the Board determines relevant to this task.

I direct the Board to have the Subcommittee submit its findings to the Board for its thorough consideration and deliberation at a properly noticed and open meeting(s), unless the meeting must be closed in accordance with one or more of the exceptions found in subsection 552b(c) of title 5, U.S. Code. The Board will submit its independent recommendations to the Secretary of Defense or the Deputy Secretary of Defense within six months of this Terms of Reference (ToR) approval.

In conducting its work, the Subcommittee and the Board have my full support to meet with Department leaders. The Board staff, on behalf of the Board and the Subcommittee, may request the Office of the Secretary of Defense and DoD Component Heads ("Component Heads") to timely furnish any required information, assistance, or access to personnel to the Board and the Subcommittee. All requests shall be consistent with applicable laws; applicable security classifications; DoD Instruction 5105.04, "Department of Defense Federal Advisory Committee Management Program;" and this ToR.

Material provided to the Board becomes a permanent part of the Board's record. Component Heads are reminded that all data/information provided is subject to public inspection unless the originating Component office properly marks the data/information with the appropriate security classification markings and Freedom of Information Act exemption



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categories before the data/information is released to the Board. The Board has physical storage capability and electronic storage and communications capability on both unclassified and classified networks to support receipt of material up to the Secret level. Each Component Head should remember that Board and Subcommittee members, as special government employee members of a DoD federal advisory committee, will not be given any access to DoD networks, to include DoD email systems.

The Board and the Subcommittee will operate in conformity with and pursuant to the Board's charter; chapter 10 of title 5, U.S. Code (commonly known as "the Federal Advisory Committee Act"); subsection 552b(c) of title 5, U.S. Code; and other applicable federal statutes, regulations, and policy. The Subcommittee and individual Board members do not have the authority to make decisions or provide recommendations on behalf of the Board nor report directly to any federal representative. The members of the Subcommittee and the Board are subject to specific Federal ethics laws, including section 208 of title 18 U.S. Code, governing conflicts of interest, and the Standards of Ethical Conduct regulations in 5 C.F.R., Part 2635.

Thank you in advance for your cooperation in this critical undertaking and your contributions in support of the nation's defense.



cc:

Senior Pentagon Leadership
Defense Agency and DoD Field Activities Directors
Advisory Committee Management Officer, DA&M