

DEPARTMENT OF VETERANS AFFAIRS

ENTERPRISE GOVERNANCE STRUCTURE AND PROCESS

- 1. REASON FOR ISSUE:** To prescribe policy for the Department of Veterans Affairs' (VA) enterprise governance structure and process.
- 2. SUMMARY OF CONTENTS:** This directive establishes VA's enterprise governance structure and process, and sets forth related policies, roles and responsibilities.
- 3. RESPONSIBLE OFFICE:** Office of Enterprise Integration (OEI).
- 4. RELATED HANDBOOK:** None.
- 5. RESCISSIONS:** VA Directive 0214, Department of Veterans Affairs (VA) Governance Structure dated August 11, 2014.

CERTIFIED BY:

**BY DIRECTION OF THE SECRETARY OF
VETERANS AFFAIRS:**

/s/
Melissa S. Glynn, Ph.D.
Assistant Secretary for
Enterprise Integration

/s/
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Assistant Secretary for
Enterprise Integration

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ENTERPRISE GOVERNANCE STRUCTURE**

1. **PURPOSE.** This directive establishes VA's enterprise governance structure and process and related policies, roles, and responsibilities.
2. **POLICY.**
 - a. **General.** Governance is the process by which VA Senior Leadership makes decisions, provides strategic direction, and maintains accountability in a transparent and collaborative manner. It enables informed decision-making based on current strategic objectives, VA's risk appetite, and responsible resources allocation.
 - (1) VA's principal governance bodies are the VA Executive Board (VAEB), VA Operations Board (VAOB), VA Modernization Board (VAMB), and the VA Chief of Staff Council (VACSC). For a schematic of these governance bodies, please see Appendix A. These principal governance bodies may formally charter other standing and ad-hoc cross-department governance bodies as needed. All VA governance bodies are intended to enable efficient and effective decision-making and promote timely sharing of information on matters of mutual interest between VA Administrations and Staff Offices.
 - (2) The Office of Enterprise Integration (OEI) serves as the Governance Secretariat for the VAEB, VAOB, VAMB, and VACSC. The Governance Secretariat oversees the day-to-day management and administration of VA's governance process to include the following responsibilities:
 - (a) Establishing policies and standard operating procedures for the governance structures and bodies
 - (b) Scheduling and coordinating governance board meetings and all related activities
 - (c) Tracking meeting action items
 - (d) Managing records for the VAEB, VAOB, and VAMB in accordance with VA Directive 6300, Records Management; and VA Handbook 6300.1, Records Management Procedures
 - (e) Setting and managing the agenda process for VAEB, VAOB, and VAMB
 - (f) Coordinating activities with other governance bodies and councils as necessary
 - b. **VA Executive Board (VAEB).**
 - (1) **Role of the VAEB:** The VAEB serves as VA's top decision-making body. It establishes strategic direction for the Department and makes key decisions regarding Department-wide strategy, policy, and major investments. The VA

Executive Board (VAEB) also reviews and makes decisions on issues that cannot be resolved by the VA Operations Board (VAOB) or the VA Modernization Board (VAMB).

The VAEB approves the Department's Strategic Plan, Agency Financial Report, Agency Priority Goals (APGs), Annual Budget Submission, Annual Performance Plan and Report (APPR), and the various Department-wide Strategic and Long-Range Plans. Additionally, the VAEB provides senior leaders with an enterprise view and insight on key issues, organizational activities, and major milestones. As needed, the VAEB may direct the creation of additional Department governance bodies.

- (2) **Membership:** The VAEB is chaired by the Secretary of Veterans Affairs (SECVA). It consists of the Deputy Secretary of Veterans Affairs (DEPSEC); the Chief of Staff of Veterans Affairs (COSVA); Under Secretaries, Assistant Secretaries, and Other Key Officials.

c. VA Operations Board (VAOB).

- (1) **Role of the VAOB:** The VAOB addresses management and operational issues including program budget execution, performance management, organizational changes, risk management, and the activities of the various Chief Officer (CXO) Councils (i.e., finance, information technology, human capital, acquisitions and logistics, customer experience, performance improvement, risk management, and program management). The VAOB tracks high-visibility issues and performance at the operational level. The VAOB enables VA leadership to assess program progress, resolve performance problems, and focus on top priorities and problems within the context of performance, budget, and workload results. It also monitors recurring reports and action items such as congressionally mandated and tracked reports, and executive correspondence.
- (2) **Membership:** The VAOB is chaired by the DEPSEC. It consists of all principal deputies and equivalents from VA Administrations and Staff Offices.

d. VA Modernization Board (VAMB).

- (1) **Role of the VAMB:** The VAMB serves as an oversight and decision-making body to accelerate enterprise-wide modernization initiatives and transformation efforts. The VAMB approves new initiatives, conducts oversight of initiative performance, and approves for initiatives to continue, change, or stop based on the Department's strategic objectives and priorities.
- (2) **Membership:** The VAMB is chaired by the DEPSEC. It consists of senior executives from Administrations and Staff Offices designated by the head of their respective organizations.

e. VA Chief of Staff Council (VACSC).

- (1) **Role of the VACSC:** The VACSC manages the execution of decisions made from the VA Operations Board (VAOB) and the VA Modernization Board (VAMB) as appropriate. It serves as the governance body managing the implementation of operational and administrative matters that do not require decision-making by the VAOB or the VAMB.
- (2) **Membership:** The VACSC is chaired by the Chief of Staff of Veterans Affairs (COSVA). It consists of the Deputy Chief of Staff of Veterans Affairs (DEPCOSVA) and the chiefs of staff and equivalents from all VA Administrations and Staff Offices.

f. Other Cross-Department Governance Bodies. Standing and ad-hoc cross-department governance bodies are established at the direction of the Secretary of Veterans Affairs (SECVA) or the Deputy Secretary of Veterans Affairs (DEPSEC).

(1) Standing Cross-Department Governance Bodies or Councils:

- (a) Standing cross-department governance bodies include those that are statutorily required and/or created at the direction of the SECVA or DEPSEC. These bodies meet on a recurring basis to provide input on strategic direction, ensure objectives are achieved, manage risk and resources or organizational design and reporting structures.
- (b) The chair of each cross-department governance body is responsible for ensuring a charter is developed and approved, as well as establishing the governance body to be included in the VA Functional Organization Manual (FOM). The charter of each cross-department governance body will include its purpose and function, membership, roles and responsibilities of members, and a process for reporting status updates to VA senior leadership.

(2) Ad-Hoc Cross-Department Governance Bodies or Councils:

- (a) Ad-Hoc Cross-Department Governance Bodies or Councils are created at the direction of the SECVA or DEPSEC. Each will be chaired by a senior executive and consists of selected representatives from across the Department to address a short-term issue, challenge, or opportunity. These governance bodies accomplish a specific set of activities within a specified timeframe.
- (b) Ad-hoc Cross-Department Governance Bodies or Councils are required to develop a workplan, which includes its purpose, scope, objectives, projected timeframe of activities, milestones, deliverables, resources required, clear sunseting criteria, and a process for reporting status updates to the VAOB.

g. VA Enterprise Governance Management (VAEGM) Work Group.

- (1) **Role of the VAEGM Work Group:** The VAEGM Work Group supports the day-to-day management of the Department's enterprise governance bodies through coordination and sharing of information.
- (2) **Membership:** The VAEGM Work Group is chaired by the Office of Enterprise Integration's (OEI's) Director of Enterprise Governance Management (EGM)/Governance Secretariat and consists of representatives from all VA Administrations and Staff Offices.

3. RESPONSIBILITIES.**a. The Secretary of Veterans Affairs (SECVA) or designee shall:**

- (1) Provide direction to the OEI Assistant Secretary about EGM/Governance Secretariat duties.
- (2) Approve meeting agendas, key decisions, and action items for principals of governance bodies.
- (3) Serve as chair of governance bodies.

b. Under Secretaries, Assistant Secretaries and other Key Officials shall:

- (1) Ensure attendance and participation in VA governance bodies for which their organization is a member.
- (2) Ensure each governance body under their purview has the appropriate management artifacts in place, including a documented charter and governance structure.
- (3) Establish internal processes to elevate statuses, issues, or decisions to the appropriate governance body and respond to requests for agenda items.
- (4) If applicable, the respective chair or co-chair ensures the cross-department governance bodies are formally chartered, have processes in place to efficiently and effectively report statuses, include members that have decision-making authority for their respective organizations, and have a mechanism to ensure the chairperson(s) of the governance body is noted in the VA Functional Organization Manual (FOM).
- (5) Designate a representative to serve on the VA's Enterprise Governance Management (VAEGM) Work Group.

c. The Assistant Secretary for the Office of Enterprise Integration (OEI) shall:

- (1) Set agenda priorities for the VA Executive Board (VAEB), VA Operations Board (VAOB), and the VA Modernization Board (VAMB).

- (2) Designate the Director of the Enterprise Governance Management/VA Governance Secretariat to:
- (a) Manage the day-to-day activities of the VAEB, VAOB, and the VAMB
 - (b) Provide support for VA engagement in the President's Management Council and other external governance bodies
 - (c) Establish standard operating procedures for VAEB, VAOB, and the VAMB
 - (d) Obtain current action item updates from Administrations and Staff Offices
 - (e) Collaborate as necessary with cross-department governance bodies
 - (f) Chair and manage the VA Enterprise Governance Management (VAEGM) Work Group

4. REFERENCES.

- a. 38 U.S.C. Chapter 5, Authority and Duties of the Secretary
- b. VA Directive 0211, Functional Organization Manual (FOM) Management
- c. VA Directive 6300, Records Management and VA Handbook 6300.1, Records Management Procedures

5. DEFINITIONS.

- a. **Ad-Hoc Cross-Department Governance Bodies.** Bodies created at the direction of Under Secretaries, Assistant Secretaries, and their equivalents consisting of representatives across VA Administrations and Staff Offices whose purpose is to accomplish a specific set of activities within a specified timeframe.
- b. **Administration.** A term used to identify one of the three major VA operational elements (Note: When VHA, VBA, and NCA are referred to as a group, the term "Administrations" may be used):
 - (1) Veterans Health Administration (VHA)
 - (2) Veterans Benefits Administration (VBA)
 - (3) National Cemetery Administration (NCA)
- c. **Department.** References the entire Department of Veterans Affairs, which includes VA Central Office (VACO) and all field offices/facilities.
- d. **Staff Office.** A term used to identify one of the offices included under VA Central Office (VACO). This excludes the Veterans Health Administration (VHA), Veterans Benefits

Administration (VBA), National Cemetery Administration (NCA), and The Board (BVA), medical facilities, regional offices, and cemeteries.

- e. **Cross-Department Governance Bodies.** Bodies created at the direction of the VA Executive Board (VAEB), VA Operations Board (VAOB), VA Modernization Board (VAMB), and the VA Chief of Staff Council (VACSC). They are chaired by a Deputy Assistant Secretary equivalent or higher and comprise of Senior Executive Service (SES) representatives across the Administrations and Staff Offices. The Cross-Department Governance Bodies' purpose is to provide strategic direction and ensure strategic objectives are achieved, manage risks, resources, organizational design and reporting structures, and meet on a recurring basis.

APPENDIX A

