

Department of Veterans Affairs Governance Structure

1. **PURPOSE.** This notice revises policy in Department of Veterans Affairs (VA) Directive 0214, VA Governance Structure dated May 14, 2019. This revision reduces the number of principal Department-level Governance Bodies in the VA Governance Structure from four to two, removing all references to the VA Modernization Board and the VA Chief of Staff Council. Additionally, this revised policy provides guidance for the Investment Review Council (IRC) and the Evidence-Based Policy Council (EBPC). Finally, it sets forth related roles and responsibilities, policies and procedures to reflect these changes.
2. **AUTHORITY.** Nothing in this VA notice changes the statutory responsibilities of any individual within the VA. While the VA Governance Structure intends to ensure that decisions requiring Secretary or Deputy Secretary level direction are brought through the appropriate principal VA Governance Bodies and associated processes, it is recognized that certain VA officials may have statutory authority for independent action that must take place outside the principal VA Governance Bodies. OEI will undertake a review within 180 calendar days with input from all such parties to identify any exceptions to the overall VA Governance Structure and amend this notice accordingly.
3. **POLICY.**
 - a. **General.** The purpose of the VA Governance Structure is to enable evidence-based, risk-informed decision-making that advances the mission of VA and enables VA to meet its promise to provide timely access to world-class health care and earned benefits and services to all Veterans.
 - (1) Governance helps accomplish VA Mission by ensuring that those with interests in the outcome(s) are brought together in a forum with the appropriate evidence; identified risks and issues; and subject matter experts.
 - (2) The Assistant Secretary for Enterprise Integration (A/S OEI) serves as the VA accountable executive for enterprise governance. They also act as Governance Executive Secretariat (GES) for the principal Department-level Governance Bodies and ensure issues requiring Department-level governance are advanced to the appropriate governance body.
 - b. **Guiding Principles.** VA governance should enable efficient and effective evidence-driven, risk-informed inclusive decision-making, and promote transparency and accountability through timely sharing of information on matters of great interest to senior VA leadership. To that end, VA Governance Bodies and processes shall follow these guiding principles:
 - (1) **Evidence-Based:** Embrace the use of evidence in governance bodies and activities to ensure that participants and decision-makers have the evidence needed to inform sound decision-making.

- (2) **Risk-Informed:** Ensure governance bodies and activities support a culture where it is not only safe but also expected that risks will be actively and openly discussed. All participants in governance bodies and processes will be empowered to bring a risk to the table.
 - (3) **Informed by Trusted Data:** Use curated, trusted data objects whenever feasible to inform decision-making. This helps ensure a common foundation for discussion even when perspectives about the potential courses of action may differ.
 - (4) **Transparent:** Ensure a transparent approach with governance bodies and activities to ensure that all impacted parties are aware of upcoming agenda items, results of discussions, final disposition of topics, decisions and outcomes of implementation.
 - (5) **Inclusive:** Encourage interdisciplinary representation and competency-based membership. Sustain and enhance a culture of inclusion in decision-making where all stakeholders are invited to have a voice. All participants in governance bodies and processes shall have the opportunity to have their voices heard.
 - (6) **Accountable:** Governance bodies and processes will enable decision-making to occur at the lowest level practicable while embracing shared accountability up and down the chain for overall success.
- c. **Principal Governance Bodies.** VA Governance Structure consists of two principal Department-level boards: VA Executive Board (VAEB) and VA Operations Board (VAOB). These boards serve as the principal advisory bodies to the Secretary and Deputy Secretary respectively. In addition, VAOB is supported by two councils: the Evidence-based Policy Council (EBPC) and the Investment Resource Council (IRC). The A/S OEI serves as the Governance Executive Secretariat (GES) for these governance bodies, with responsibilities outlined in Paragraph 3.d. below.
- (1) **VA Executive Board.**
 - (a) **Chair:** VAEB is chaired by the Secretary of Veterans Affairs (SECVA).
 - (b) **Role of the VAEB:** VAEB is the Department's highest-level leadership governance forum. Its purpose is to enable the Secretary of Veterans Affairs to critically evaluate evidence-based recommendations from VAEB members on the most significant strategy, risk, policy, resource and operational issues facing the Department and to provide the Secretary's strategic direction.

(2) **VA Operations Board.**

- (a) **Chair:** VAOB is chaired by the Deputy Secretary of Veterans Affairs (DEPSECVA).
- (b) **Role of the VAOB:** VAOB serves as the most senior operations implementation management body for the Department providing oversight of the implementation and execution of the Secretary's strategic direction. Its purpose is to enable the Deputy Secretary to critically evaluate evidence-based, risk-informed recommendations about the operational implementation and execution of the Department's Strategic Plan and provide Department-level operational direction. When significant differences of opinion and/or non-concurrence with recommendations arise in VAOB, the Deputy Secretary may direct the A/S OEI to elevate an operational issue to VAEB for decision by the Secretary.
 - i VAOB evaluates courses of action (COA) and associated recommendations prior to VAEB discussion to ensure that they are fully developed prior to a decision by the Secretary.
 - ii VAOB also reviews, discusses and provides recommendations to SECVA and VAEB on strategy, risk, policy, resource and operational issues.
- (c) **VAOB is supported by two councils:** The IRC and the EBPC are chartered to develop recommendations for the VAOB and manage matters related to resource requirements, investment strategy, policy development and implementation.

(3) **Investment Review Council.**

- (a) **Chair:** The IRC is chaired by the Chief Financial Officer (CFO) of the Department of Veterans Affairs.
- (b) **Role of the IRC:** The IRC is responsible for reviewing major investment proposals, including capital investment against established criteria, e.g., linkage to the Department's strategic, budget, and performance goals. Investment projects and proposals are systematically evaluated and scored using an analytic hierarchy process, which integrates mathematics and judgements on both quantitative and qualitative data. This process produces a prioritized list of major investments, which the Chair will recommend that VAOB submit to SECVA for approval.

- (4) **Evidence-Based Policy Council.**
 - (a) **Chair:** The EBPC Chair will be designated by the Office of the Secretary (OSVA).
 - (b) **Role of the EBPC:** The EBPC is the Department's main body for enterprise-wide coordination, collaborative analysis and policy implementation. The EBPC identifies major strategic and operational issues facing VA and develops recommendations for consideration by VAOB and VAEB. The EBPC also develops strategies and recommendations for issues specifically identified by VA leadership.
- (5) **Decision Rights.** Within 180 calendar days, OEI shall undertake a review of Department-level issues requiring governance and make recommendations to the Secretary and Deputy Secretary about the decision rights of both the principal governance bodies and councils. This information will be incorporated into a forthcoming VA Handbook. Until the completion of the decision rights review, refer to the charters for each body for more details on each body's decision-making process.
- (6) **Additional Governance Bodies.** There are numerous governance bodies within the Department in addition to those mentioned above that also play important roles in supporting decision-making and the delivery of outcomes for Veterans, their families, caregivers and survivors. Within 180 calendar days, OEI will validate the inventory of VA level governance bodies within the Department; identify gaps and opportunities; determine how to best connect other governance bodies to the principal bodies and councils; and advance recommendations to appropriate decision-makers for consideration.

4. RESPONSIBILITIES.

- a. **Secretary of Veterans Affairs** shall:
 - (1) Chair the VAEB; and
 - (2) Provide direction to the A/S OEI concerning priorities for VAEB.
- b. **Deputy Secretary of Veterans Affairs** shall:
 - (1) Chair the VAOB;
 - (2) Provide direction to the A/S OEI on priorities for VAOB; and
 - (3) Direct A/S OEI to elevate issues from VAOB to VAEB.

- c. **Enterprise Governance Chairs** shall:
- (1) Ensure accountability for and oversee Governance Board actions in accordance with its roles and responsibilities set forth in this directive.
 - (2) Ensure that the Governance Board develops processes and standards for Governance Board operations that include:
 - (a) Minimum requirements for quorum and voting rights;
 - (b) Deliberative processes to enable subordinate offices to submit decisional or informational documents to the Governance Board;
 - (c) Establishing systems of accountability for Governance Board decisions;
 - (d) A system to record and publish Governance Board deliberations and decisions and to appropriately communicate same; and
 - (e) Approving Governance Board policy and members.
- d. **The Assistant Secretary for Enterprise Integration** shall, in addition to the responsibilities set out in paragraph 3.e. below:
- (1) Serve as the GES for VA Enterprise Governance Bodies, determining their agendas and scheduling their meetings in consultation with the chairs of those governance forums, ensuring that the necessary materials are prepared, recording meeting deliberations and tracking action items;
 - (2) Serve as a “neutral arbiter” for VA enterprise governance process, ensuring that issues and courses of action – together with an analysis of their advantages, disadvantages, risks and rewards – are clearly presented to SECVA/DEPSECVA and that the views of other principal advisors are accurately conveyed;
 - (3) Monitor the actions taken in implementing the Secretary’s priorities and evaluating whether these actions remain consistent with VA’s strategic priorities;
 - (4) Propose changes, as appropriate, to the policies and standard operating procedures for the enterprise-wide governance structure and forums;
 - (5) Manage records for the governance bodies in accordance with VA Directive 6300, Records Management and VA Handbook 6300.1, Records Management Procedures;
 - (6) Coordinate activities with other parts of VA as necessary;

(7) Disseminate relevant SECVA/DEPSECVA decisions throughout the enterprise; and

(8) Ensure overall compliance with this notice.

e. **Under Secretaries, Assistant Secretaries and Other Key Officials** shall:

(1) Provide representatives to governance forums who have authority to speak for their respective business line;

(2) Ensure issues requiring – and or benefiting from – Department-level guidance are identified to the A/S OEI for potential inclusion in the agenda of the principal VA Governance Bodies and Councils; and

(3) Establish internal processes to elevate issues or decisions to the appropriate governance body and respond to requests for agenda items.

f. **Governance Board Voting Members** shall:

(1) Actively engage and deliberate on Governance Board matters within their areas of expertise;

(2) Report identified risks related to matters within the Governance Board's responsibilities, particularly those that could impact VA's mission and goals;

(3) Respond to Governance Board requests for information;

(4) Promptly implement or support decisions and remove bureaucratic processes that impede progress within their scope of control; and

(5) Highlight best practices for broader adoption.

5. RESPONSIBLE OFFICE. Office of Enterprise Integration (OEI), Enterprise Governance (008).

6. RELATED DIRECTIVE AND HANDBOOK. VA Directive 0214, Governance Structure, dated May 14, 2019; VA Handbook 0214, to be published.

- 7. RESCISSION.** This notice will be rescinded and guidance incorporated into the appropriate handbook no later than one year after the date of publication.

CERTIFIED BY:

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

/s/
Guy T. Kiyokawa
Assistant Secretary for
Enterprise Integration

/s/
Guy T. Kiyokawa
Assistant Secretary for
Enterprise Integration

DISTRIBUTION: Electronic only