1. **Purpose**

   a. To establish policy and responsibilities for the Department of the Navy (DON) Business Operations Management Council (BOMC) with membership and processes defined herein.

   b. This is in alignment with related Department of Defense (DoD) Chief Management Officer (CMO) chaired forums, including the Defense Business Council which was created as the principal subsidiary governance body of the Deputy’s Management Action Group to oversee business operations and provide a senior DoD forum to align transformation efforts.

   c. Section 132 note of reference (a) requires the Secretaries of the military departments to designate their respective Under Secretary as the military department CMO, and reference (b) formally designates the Under Secretary of the Navy, as the CMO for the DON.

2. **Cancellation.** SECNAVINST 5420.197A.

3. **Applicability.** This instruction applies to the Offices of the Secretary of the Navy (SECNAV), the Chief of Naval Operations, and the Commandant of the Marine Corps.

4. **Policy.** The BOMC is the top decision-making body for DON enterprise-wide business initiatives to man, train and equip the force, and serve as the senior management council for the DON.
Business Operations Plan (BOP). The BOMC will leverage existing bodies whenever feasible to conduct the necessary research and coordination to provide recommendations for decision by the BOMC. Ad hoc or temporary Business Working Groups (BWG) and task forces may be established for defined durations to improve collaboration, achieve a particular set of objectives, and optimize senior leadership involvement.

5. Responsibilities. The BOMC shall:

   a. Provide a DON forum for strategic issues related to the SECNAV’s responsibilities under section 8013 of reference (a). This includes, but is not limited to, DON programming and budgeting, policy positions, business operations, and management priorities.

   b. Adjudicate issues that cross organizational or functional boundaries (e.g. enterprise standards for data, risk, business architecture, business processes), where senior leader collaboration is required to assist in shaping decisions, funding, or strategic direction.

   c. Collaborate to develop comprehensive and consolidated solutions, approve and accelerate programs where necessary, and manage risks associated with those decisions.

   d. Provide strategic level DON business operations information through the DON CMO to the DoD CMO to assist in the performance of his/her duties.

   e. Identify, align, and develop management and business priorities bound by outcome based performance measures for incorporation into the DON BOP, in support of references (c), (d), (e), and (f).

   f. Ensure the development and quarterly review of performance goals and associated metrics that support priority outcomes established by the SECNAV and the Under Secretary of the Navy (UNSECNAV), in the DON BOP. These performance goals and metrics will be used to guide business activities and investments and serve as the basis for external performance reporting to the DOD CMO, Office of Management and Budget, Congress, and other external stakeholders.

   g. Serve as the Investment Review Board (IRB) for business systems, pursuant to section 2222 of reference (a). As the IRB, the BOMC validates requirements for defense business
capabilities; ensures that DON business system investments are aligned to the lines of business for the DoD; supports measureable improvements to the DON’s business objectives; and generates a measureable return on investment.

h. Conduct governance in accordance with enclosure (2).

i. Perform other duties as directed by the SECNAV or UNSECNAV.

6. BOMC Membership. The BOMC shall be composed of principals and advisors.

   a. The BOMC chair is the CMO of the DON, the UNSECNAV.

   b. BOMC principal members include:

      (1) Vice Chief of Naval Operations;

      (2) Assistant Commandant of the Marine Corps;

      (3) Assistant Secretary of the Navy (Financial Management and Comptroller);

      (4) Assistant Secretary of the Navy (Research, Development and Acquisition);

      (5) Assistant Secretary of the Navy (Manpower and Reserve Affairs);

      (6) Assistant Secretary of the Navy (Energy, Installations and Environment); and

      (7) General Counsel.

   c. The Executive Secretary (ExecSec) role shall be jointly managed by the Deputy Under Secretary of the Navy (DUSN) and the Director, Office of the CMO.

   d. BOMC advisors include, but are not limited to:
(1) DUSN;

(2) Director, Office of the CMO;

(3) Director, Office of the Chief Information Officer;

(4) The Director, Navy Staff and the Director, Marine Corps Staff;

(5) The service programming leads: The Deputy Commandant, Programs and Resources and the Deputy Chief of Naval Operations for Integration of Capabilities and Resources.

(6) Ad hoc or temporary BWGs established at the discretion of the BOMC Chair for a defined duration to improve collaboration, achieve a particular set of objectives, and optimize senior leadership involvement.

e. In addition to the members identified above, other personnel may be invited by the Chair, as appropriate in an advisory capacity, based on the discussion topics.

7. **BOMC Procedures**

   a. The BOMC shall meet at least quarterly, and/or at the discretion of the BOMC Chair, as advised by the principal members.

   b. Agenda topics should include predetermined issues related to DON business operations and management and strategy implementation.

   c. The ExecSec shall:

      (1) Coordinate BOMC agenda, including items proposed by principal members, with the BOMC chair and presenters in accordance with enclosure (3). The ExecSec will prepare agendas for approval by the Chair, ensuring strategy, policy, programmatic and business concerns are properly vetted and prepared for senior leader discussion and decision.

      (2) Publish the BOMC agenda to members in advance of each meeting. Briefing materials are due to the ExecSec three business days prior to a BOMC meeting. The ExecSec will
immediately distribute the materials electronically to allow members sufficient time to review prior to the meeting.

(3) Control access to meetings and record all decisions, guidance, and directed actions.

(4) Draft a feedback memorandum for the Chair’s signature, recording decisions, guidance, and any directed tasks resulting from the meeting.

(5) Archive all briefs and make them available to members and their staff. BOMC archives shall be managed in accordance with paragraph 8 of this instruction.

8. Records Management

a. Records created as a result of this instruction, regardless of format or media, must be maintained and dispositioned according to the records disposition schedules found on the Directives and Records Management Division (DRMD) portal page: https://portal.secnav.navy.mil/orgs/DUSNM/DONAA/DRM/SitePages/Home.aspx.

b. For questions concerning the management of records related to this instruction or the records disposition schedules, please contact your local Records Manager or the DRMD program office.

THOMAS B. MODLY
Under Secretary of the Navy

Distribution:
Electronic only, via Department of the Navy Issuances website https://www.secnav.navy.mil/doni/.
REFERENCES

(a) Title 10 U.S.C.
(b) SECNAVINST 5430.7R
(c) National Defense Strategy of January 2018
(d) National Defense Business Operations Plan of April 2018
(e) The President’s Management Agenda of March 2018
(f) GPRA Modernization Act of 2010
1. The BOMC’s mission is to provide a strategic perspective and guidance to direct DON business operations and management efforts that impact core business management processes in order to deliver greater performance and affordability in support of references (c) and (d), and furtherance of the SECNAV’s business priorities as outlined in the DON BOP. Figure (1) outlines the chain of command, duties and responsibilities of the BOMC.

2. These efforts include the strategy and related business operations impacting functions such as acquisition life cycle management, community services, financial management, human resources management, information technology backbone and business systems, medical and healthcare management, service contracts and category management, supply chain logistics and maintenance, real property and installations lifecycle management, testing, and engineering.

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**Figure (1): BOMC Governance Model**

The BOMC shall advise the SECNAV on the strategic direction of the DON regarding business operations and management.

The CMO sets the agenda for the BOMC.

Permanent established governance bodies that provide oversight and management over functional areas within business operations.

Temporary working group(s) established by the BOMC Chair to research and assess issues of special interest to the BOMC not already covered by an existing working group.
DETAILED PROCEDURES FOR BOMC MEETINGS

1. Setting Dates for Meetings
   
   a. The Chair’s scheduler will schedule the meeting based on the Chair’s and designated members’ availability, on not less than quarterly basis. If a member is not available, a substitute must be identified and approved by the Chair or their designated representative prior to the meeting.

   b. The designated ExecSec will announce date/time for BOMC meetings via electronic mail to the members with at least three weeks’ advance notice.

2. Agenda. Timeline for developing and setting the agenda:
   
   a. After the meeting date is announced, ExecSec representatives will build the agenda, determine what topics are required by the Chair, as well as review, clarify, and prioritize all issues.

   b. The ExecSec will meet with the Chair, if required, for decision on the proposed agenda. ExecSec will immediately communicate the decision to all participants.

   c. Briefing materials are due to the ExecSec three business days prior to a meeting. Only electronic copies are required. The ExecSec will immediately distribute the materials to all members for review prior to meeting. Presentations should include the following:

      (1) Statement of the relevance of the issue, indicating whether it is a decision or information brief.

      (2) Assessment of the decision options available (including non-action) that consider, at a minimum, the warfighting, organizational, financial, and manpower risks associated with each option.

      (3) The impact of each decision across the DON and across the DoD.

      (4) The ExecSec will pre-brief the Chair for the meeting and brief any outstanding actions from previous meetings.
3. **Meeting Conduct**

   a. BOMC Meetings will be run in a manner to promote:

      (1) Unity of effort;
      (2) Effective support to the warfighter;
      (3) Full understanding of all Enterprise/Business perspectives (military, civilian and contractor);
      (4) Development, coordination, and implementation of DoD and DON priorities, policies, and programs; and
      (5) Timely sharing of information on matters of mutual interest.

   b. Only the principals, or their previously approved substitute, may attend.

   c. TheExecSec will:

      (1) Control access to the meetings;
      (2) Provide audio-visual system support; and
      (3) Record all decisions, guidance, and directed actions.