DEPARTMENT OF VETERANS AFFAIRS

**CHARTER OF THE NONPROFIT PROGRAM OVERSIGHT BOARD**

**Revised May 17, 2019**

1. **PURPOSE.**

This charter establishes the Veterans Health Administration (VHA) Nonprofit Program Oversight Board (Board). The purpose of this Board is to serve as the Department of Veterans Affairs’ (VA) senior management oversight forum for the activities and programs of VA Nonprofit Corporations (NPCs), which were created by statute to provide flexible funding mechanisms to facilitate VA research and education

(38 U.S.C. 7361-66). Although the Board’s oversight is broad in nature, the Board will focus particularly on financial and ethical issues related to VA NPCs and ensuring that the interests of VA are protected. As warranted, the Board will make recommendations to the VHA Under Secretary for Health, Principal Deputy Under Secretary of Health and other senior Department leaders as necessary regarding changes to, and implementation of, VA policies regarding NPCs.

In carrying out its responsibilities, the Board also will review the activities of VHA’s Nonprofit Program Office (NPPO), which operates as a liaison between VHA and NPCs; coordinates VA policy regarding NPCs; and provides oversight, guidance and education to ensure compliance with applicable regulations and VA policies affecting the operation and financial management of NPCs. The Board's decisions with respect to carrying out its responsibilities are binding in nature. *See* VHA Handbook 1200.17. The NPPO reports directly to the VHA Office of Research and Development (ORD).

1. **ORGANIZATION**
2. Membership. All members of the Board (both voting and non-voting members) will

be full-time or permanent part-time Federal government employees.

* 1. Voting Members: The Board will be comprised of the following voting members:
* The Under Secretary for Health (10) or his/her designee, who shall either be the Principal Deputy Under Secretary for Health or Deputy Under Secretary for Health for Discovery, Education and Affiliate Networks (10X), if designated by the Under Secretary for Health to be his/her representative on the Board;
* Deputy Under Secretary for Health for Discovery, Education and Affiliate Networks (10X);
* General Counsel (02) or designee;
* Deputy Under Secretary for Health for Operations and Management (10N);
* Chief or Deputy Chief Research and Development Officer (10X2);
* Chief Academic Affiliations Officer (10X1) or designee;
* Chief Financial Officer for VHA (10A3) or designee;
* Executive Director or Deputy Director, Office of Research Oversight (10R);
* Member of the Field Research Advisory Council, Office of Research and Development;
* Field Representative, Designated Education Officer, two three-year terms, and
* Field Representative, Associate Chief of Staff for Research, two three-year terms.
	1. Non-Voting Members: The NPPO Director shall serve as an *ex-officio* non-voting member of the Board. The Board may appoint other individuals to serve as non-voting members for added insight and expertise. All non-voting members shall be full-time or permanent part-time Federal government employees and may include representatives from other Federal agencies.

1. Chairperson:

a. The Under Secretary for Health or designee to serve on the Board on her or his behalf (*see* Paragraph B.1.a) will serve as Chair of the Board. Either the Deputy Under Secretary for Health for Discovery, Education and Affiliate Networks, if not serving as the Under Secretary’s designee to Chair the Board, or the Deputy Under Secretary for Health for Operations and Management (10N) or a Veterans Integrated Services Networks Director selected by 10N shall be designated to serve as Vice Chair of the Board.

b. The Chair of the Board, or in the absence of the Chair, the Vice-Chair, shall preside over all Board meetings. In the event the Chairperson or Vice-Chair cannot attend a Board meeting, the meeting will be rescheduled.

1. Consultants, Private Sector Subject Matter Experts, and Veteran Participants: The Board may call upon consultants from within and outside of VA, private sector subject matter experts, and NPCs who are not full-time or permanent part-time Federal employees to provide factual information or advice as needed to the Board. Such individuals shall participate in Board activities only to provide factual information or individual opinions, and will not vote, participate in the deliberative process of the Board, or count towards the quorum.
2. **TERMS OF SERVICE**
3. Commitment: Membership on the Board is a national office level collateral duty. It is recognized that membership on this Board will require a level of commitment of time and effort from participating members. The contributions of Board members will provide guidance to VHA leaders and guide the functions of the NPCs across the VHA health care system.
4. Membership Terms: Those individuals designated in paragraph B.1.a to serve as voting members of the Board by virtue of their positions will serve indefinitely while holding their positions. In the event that individuals designated in paragraph B.1. designate other individuals to represent their office as voting members of the Board, the designees will continue to serve unless and until the designating officials vacate the positions that made them eligible via their position to serve or the designating officials decide to designate another individual to represent their office as voting members of the Board.
5. Meetings: Each member of the Board is expected to participate in meetings (either virtually or in person). The Board shall meet quarterly to carry out its functions. The Board Chair shall call additional meetings “Special Meetings” as needed.
6. Quorum: The Board shall only convene a meeting to conduct official business if either the Chair or Vice-Chair will attend to preside over the meeting and a quorum is met with the physical or virtual attendance of 51% or more voting members (including either or both the Chair and/or Vice Chair). If a quorum cannot be established, the Board shall not convene a meeting for purposes of conducting official business. In the event that a vote of the Board to approve an action is needed outside of a convened meeting, an email with a voting button will be sent to all members, and a vote of at least 51% of the members in favor of the action must be achieved in order to take the action. ***NOTE:*** *In the event that a Board voting member cannot attend a meeting, the member may send an individual from her/his respective office to participate in deliberations, represent the interests of the office, and vote on the member’s behalf. In such cases, the individual’s attendance on behalf of the member may count towards quorum provided that the attendance of no more than three representatives of the Board’s voting members shall count towards the quorum. It is expected that the Board member will ensure that the individual attending on her/his behalf has been provided with sufficient background information on the meeting agenda items so that the individual can meaningfully contribute to Board discussions.*

A Board voting member may select an individual to act in his/her capacity on the Board for 3 years, a “Designated Member.” Attendance of the Designated Member will not count towards the three minimum representatives identified above. A Designated Member is bound to all of requirements of this Charter.

1. Breaking a tie: In the event during a vote the Board has a tie, the matter will be elevated to the Under Secretary for Health for resolution.
2. **CODE OF CONDUCT**

All members of the Board shall be mindful that they remain subject to the criminal conflict-of- interest laws, 18 U.S.C. §§201-209 and the Standards of Ethical Conduct for Employees of the Executive Branch, 5. C.F.R Part 2635 (ethics laws) in conducting themselves in all Board business.

* Each Board member shall perform his or her duties in good faith, in a manner such Board member believes to be in the best interests of VA and with such care, including reasonable inquiry, as a reasonably prudent person in a like position would use under similar circumstances.
* Every act or decision done or made by a majority of the Board members present at a meeting duly held at which a quorum is present shall be the act of the Board. Board members shall act only as a full Board; members will not act unilaterally unless empowered to do so by the full Board and will not speak for the Board unless empowered by the full Board to do so.

* Board members shall consult with the Ethics Specialty Team, Office of General Counsel on matters that create an appearance of or an actual personal or organizational conflict of interest. Where such consultation results in a determination that the there is no action that can be taken to resolve the conflict other than recusal, the member shall recuse.
1. **REVIEW**

An annual review of the Board’s charter and committee membership will be conducted.

APPROVED / DISAPPROVED

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Richard A. Stone, M.D. Date

Executive in Charge