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REPLY TO  
ATTENTION OF

DEPARTMENT OF THE ARMY  
U.S. ARMY CORPS OF ENGINEERS  
441 G STREET, NW  
WASHINGTON, DC 20314-1000

APR 25 2012


MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Greater Efficiency and Productivity through Value Engineering (VE)

1. Value engineering (VE) has been a vital part of how the U.S. Army Corps of Engineers (USACE) delivers projects and responds to the needs of our customers and our Nation. We are fortunate to have a long standing reputation as a world leader in VE. To date, the program has resulted in construction of over \$6.6 billion of additional value to our customers. As we are all aware, we are in challenging times as we are being asked to "do more, without more". Through this disciplined approach, we have a powerful and effective tool for identifying innovative solutions to this challenge.
2. The President of the United States and Congress has issued executive orders, directives, and laws to ensure that every federal agency is employing this proven process. As the Commander, I am responsible for ensuring USACE maintains a viable VE program, compliant with all statutory and regulatory requirements. To assist with this, I request that you identify your MSC VE Program Manager/District VE Officer (s), as your lead to ensure program emphasis throughout the organization.
3. Our path forward starts with performance improvement in the awareness, capability, and application of VE. In FY11, the OSD established VE goal for USACE was 1.5 percent (\$442 million) of total obligation authority (\$29 billion). Our reported performance of \$351 million was short of this goal. The FY12 VE Annual Plan shows the established goals of \$416 million in Cost Avoidance/Savings, and over 400 required VE Studies scheduled in our corporate data system (P2). These targets should serve as the baseline for our improvement plan.
4. The current fiscal environment demands that we make every effort to reduce the cost of the products and services we acquire. With your help, I believe that with greater command emphasis across USACE mission areas of both in-house VE and contractor-initiated VE Change Proposals, we will not only meet established targets, but exceed efficiency expectations. Please submit your required responses to Mr. Jeffery T Hooghouse, AIA, CVS, Chief Value Engineer at e-mail: jeffery.t.hooghouse@usace.army.mil or (202)761-5533. Thank you in advance for supporting this important requirement.

Encl

*Our VE program is  
an important aspect of  
bringing value to our  
customers and the nation!*

  
MERDITH W.B. TEMPLE  
Major General, USA  
Acting Commander

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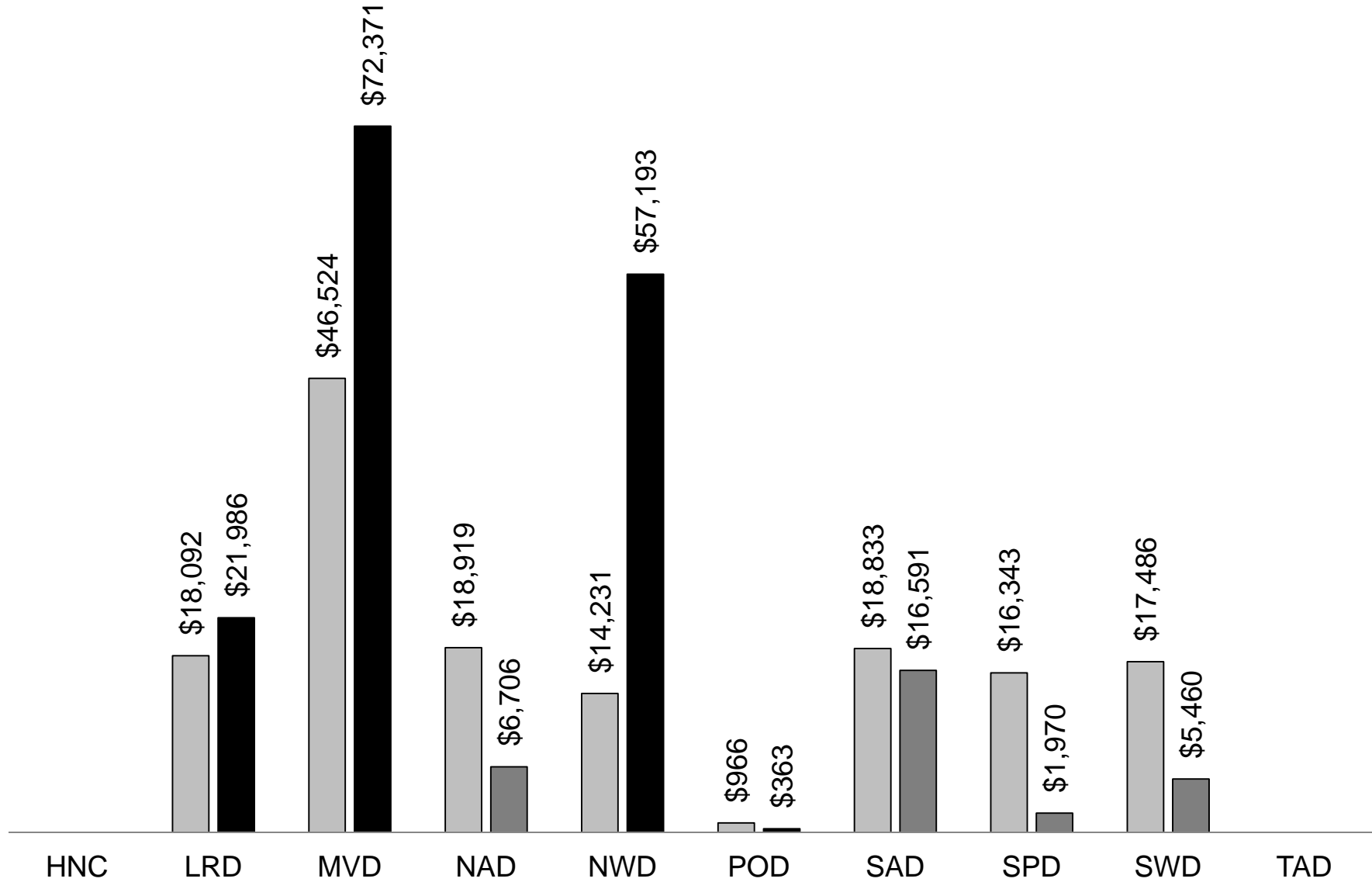
U.S. Army Humphreys Engineer Center Support Activity

HQ's DIRECTORATES

# FY11 ANNUAL PERFORMANCE REPORT

## CIVIL WORKS - COST AVOIDANCE

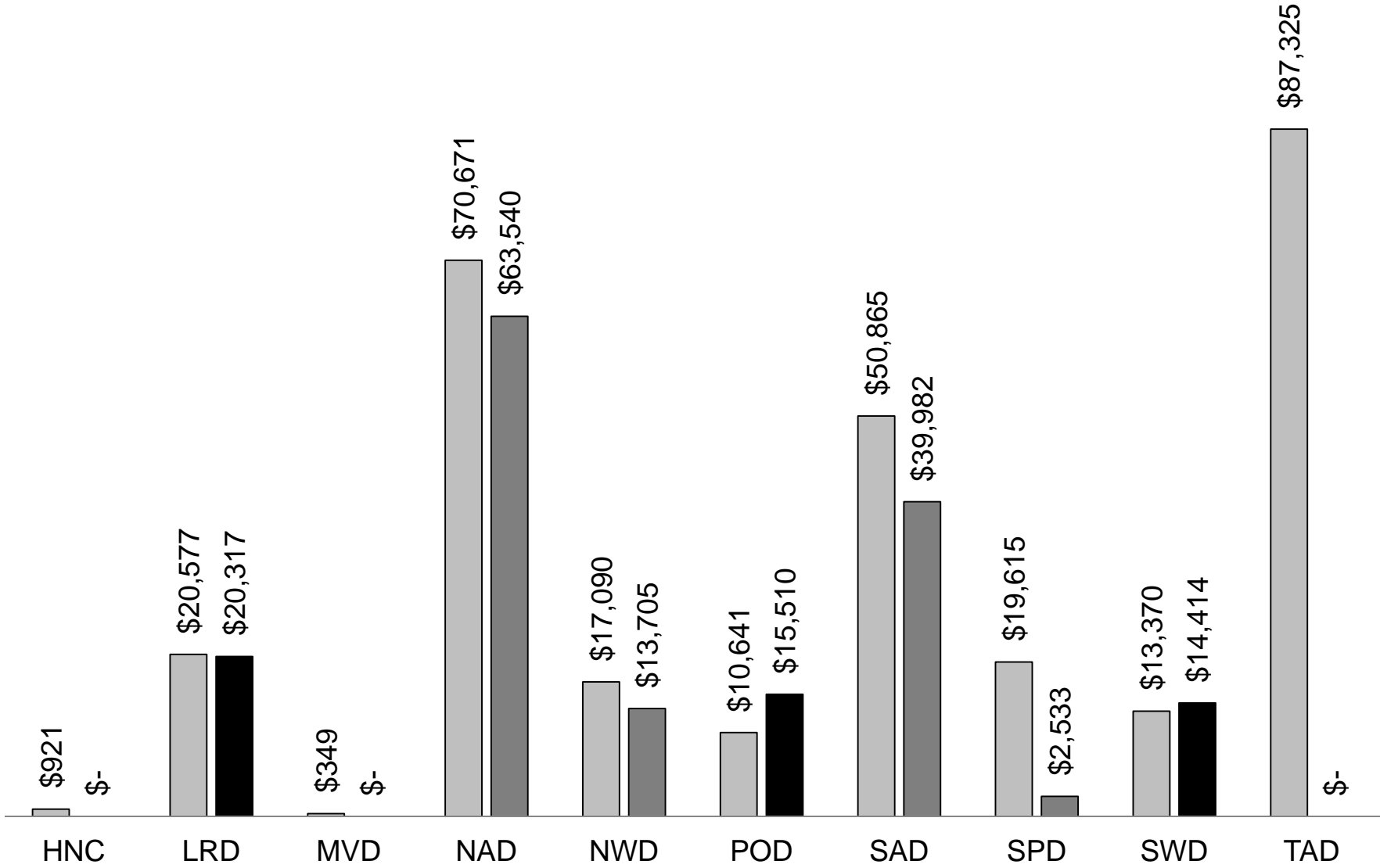
□ CW GOAL    ■ CW ACTUAL



# FY11 ANNUAL PERFORMANCE REPORT

## MP - COST AVOIDANCE/SAVINGS

■ MP GOAL    ■ MP ACTUAL



# USACE FY12 ANNUAL VM/E PLAN

## COST AVOIDANCE GOALS

■ MP ■ CW

