



REPLY TO
ATTENTION OF

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

CECW-CE

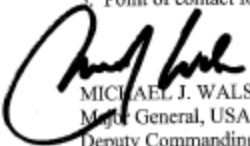
22 MAR 2013

MEMORANDUM FOR SEE DISTRUBUTION

SUBJECT: Compliance with Federal Requirements for Value Engineering (VE)

1. Reference:

- a. ER 11-1-321, Value Engineering (Change 1), dated 1 Jan 2011.
 - b. ER 415-1-111, Biddability, Constructability, Operability, Environmental, and Sustainability (BCOES) Reviews, dated 1 Jan 2013.
2. USACE Value Engineering (VE) performance and compliance has slipped substantially over the last five years. In FY 12 the Chief of Engineers reported achievement of 58% of the required OSD goal; and the number of studies executed dropped to less than 10% of those required.
3. The Chief of E&C (James Dalton) held a webmeeting on 14 Feb 2013 with all MSC's to discuss VE requirements and authorities. Discussion items indicated that continued use of corporate level programmatic VE studies (ie., SRM, HTRW, etc.); increased flexibility of VE efforts through better definition and integration; and working with PM's to develop new "triggers" to ensure VE requirement is addressed early in the procurement life cycle, were key to improving performance. We have asked our HQ Team to continue this dialogue with MSC's and assist with performance improvement.
4. Compliance with VE statutory and regulatory requirements is critical and accomplished through disciplined adherence to our business processes, policies, and procedures. Commanders shall ensure that the required VE studies are budgeted for, scheduled and resourced, or waived, in accordance with ref 1(a), and that MSC's continue to report their progress through the DMR process. Project Managers, Value Engineering Officers, Chiefs of Construction and Contracting Officers must ensure the required "VE Certification" is attached to the BCOES Certificate before projects can be advertised per reference 1(b).
5. Point of contact for this information is Mr. Jeffery T. Hooghuse, (202)761-5533.


MICHAEL J. WALSH
Major General, USA
Deputy Commanding General
for Civil and Emergency Response


KENDALL P. COX
Major General, USA
Deputy Commanding General
for Military and International Operations