



**US Army Corps
of Engineers®**

Headquarters



COVE POLICY LETTER # 2019-01

July 17, 2019

SUBJECT: Enterprise Functions of the Office of Value Expertise (OVx)

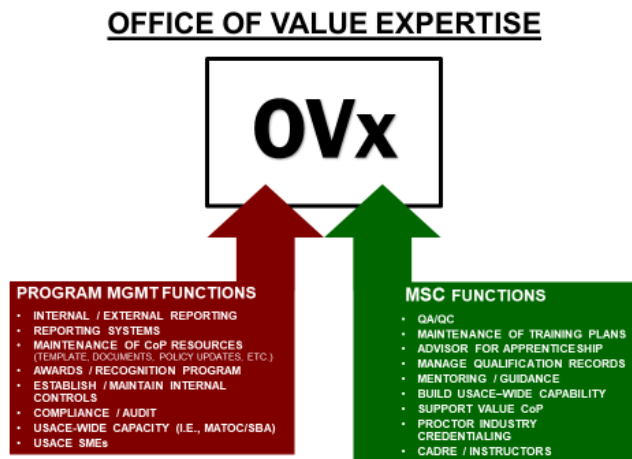
1. **PURPOSE:** The purpose to this memorandum is to establish the Enterprise functions of the Office of Value Expertise (OVx) to assist the Value Community of Practice (V-CoP) and HQ Chief Value Officer (CVO) with program management, qualifications, and oversight of USACE's Worldwide Value Engineering (VE) Program.

NOTE: This COVE implements EIG Corrective Actions (CAP-3); and reduces the MSC VPgM functions from the required Full Time (100%) duties to "Primary Duties (~51%)" through transferring critical oversight & SME functions to qualified personnel of the OVx.

2. **BACKGROUND:** An audit of the USACE VE Program was conducted by the Engineer Inspector General (EIG) in 2014, which assessed USACE compliance with applicable policies and procedures governing the VE Program in order to address systematic VE Program management/compliance issues and deficiencies. The 2014 EIG Inspection resulted in a list of four (4) findings, three (3) observations, and twelve (12) recommendations for improving processes, staffing and qualifications deficiencies found throughout the Program. A follow-up inspection of the USACE VE Program was conducted in 2017 by the EIG, and concluded that while some improvement had occurred, all original findings, observations, and recommendations identified in the 2014 Inspection still remained unaddressed; despite being tasked by LTG Bostick (2014) and LTG Semonite (2018) to all USACE Senior Leaders. To assist in addressing these deficiencies via Corrective Action Plans (CAPs), HQUSACE sponsored multiple Enterprise Value Engineering Workshops in order to develop a comprehensive plan of action for remedy of the identified deficiencies. A significant outcome of these workshops was the recommendation to establish a Value Management Center (later named the OVx) in order to consolidate existing HQUSACE program management support, mentoring, training, and meeting statutory and regulatory requirements; while covering critical oversight functions and capability/capacity functions not resourced at the MSC VPgM level.

The establishment of the Enterprise-level OVx improves USACE statutory and regulatory compliance (Public Law & OMB Circular No. A-131), improves oversight, and addresses the program deficiencies identified in the 2014 EIG Audit report and 2017 follow-up inspection. This group will operate as one or more cohesive teams to provide additional support to the V-CoP and dedicated resources for the advancement of enterprise-wide initiatives.

3. **ORGANIZATION, ROLES, AND RESPONSIBILITIES:** The OVx is responsible for general Value Program management including funding management and distribution; management and oversight of USACE VE policy and guidance;



development and maintenance of training materials; contracting; SME training and technical assistance to the V-CoP; and OMB/DoD reporting systems. The core OVx is currently located in the Great Lakes and Ohio River Division (LRD), Louisville (LRL) & Huntington (LRH) Districts, with additional SME support provided by qualified personnel located worldwide.

Each member of the OVx is assigned multiple areas of responsibility as described below. All OVx members are required to attain Certified Value Specialist (CVS®) designation through SAVE International® and Designation as Specialist of Value Management (SVM). Roles and responsibilities of the OVx include, but are not limited to:

- Support the HQUSACE Chief Value Officer's (CVO's) & Senior Accountable Official for VE (SAO's) execution of the Army's Value Program.
- Internal & External reporting, including but not limited to assistance with annual plans, annual reports, P2, PD2 analysis, and the Value Engineering Reporting System (VERS)
- Manage Apprenticeship Program and qualification records for all Value Warrants and credentials. Support the V-CoP through mentoring/advising; developing and providing training; and management of V-CoP tools and websites.
- Provide facilitation support Enterprise-wide to include building V-CoP capabilities through active advising/mentoring and co-facilitation events. Monitor and maintain Enterprise-wide capacity to acquire external and/or build internal value study and facilitation capabilities.
- Participate as key SME advisors, V-CoP Staff, and members of the MSC working groups. Coordinate and participate in Enterprise-level value efforts as required.
- SME support for development/maintenance of policy and guidance documents related to the Value Program
- Conduct quality assurance and oversight for District value efforts to include oversight of Engineering Centers/Labs. Conduct periodic audits of District/Division Value Programs and support development and implementation of corrective actions.
- Review and validate programmatic value studies for widespread use by the V-CoP; and provide spot oversight of all Value activities Enterprise-wide.

4. **SCHEDULE FOR IMPLEMENTATION:** Effective immediately, the OVx is the U.S. Army Corps of Engineers Enterprise support entity for Value Engineering. Anticipate Enterprise resourcing of OVx in the future; in the meantime, established resourcing

will continue to support the mission. Policy and guidance documents are being revised to reflect changes to CoP structure, roles and responsibilities, and existing processes that are impacted by this COVE.

A handwritten signature in black ink, appearing to read 'Jeffery T Hooghouse', with a long horizontal stroke extending to the right.

Jeffery T Hooghouse, RA, DBIA, CVS
Chief Value Officer (CVO) & SAO for VE
US Army Corps of Engineers, HQ