



**US Army Corps  
of Engineers®  
Headquarters**



**COVE POLICY LETTER # 2021-01**

**April 30, 2021**

**SUBJECT:** VE Screening and Strategy Selection Tool

- 1) **PURPOSE:** Provide updated guidance for the proper use of the VE Screening and Strategy Selection Tool (SSST). This COVE accompanies the updated tool itself, version 3.0.0. This COVE supersedes COVE 2015-03 in its entirety.
- 2) **BACKGROUND:** The primary factor in meeting VE statutory and regulatory requirements is adherence to policy for the preparation and inclusion of the Value Management Plan (VMP) in Program and Project Management Plans (PgMPs/PMPs) as required by the USACE Project Delivery Business Process (PDBP, REF8023G Value Management Plan). The SSST provides automated preparation of a VMP ensuring proper resourcing, scheduling, and compliance documentation while promoting consistency across the enterprise. The output of the SSST is a VMP.
- 3) **POLICY:** The screening process is mandated by OMB Circular A-131 and must be completed per ER 11-1-321. The use of the SSST is not mandated; it only assists the DVO in accomplishing the screening process to ensure each step is completed. As the VMP is mandated by PDBP REF 8023G, the SSST provides a convenient way of meeting this requirement. Therefore, while the SSST is not required, its use is highly encouraged. Per the PDBP, the VMP should be completed during the initiation/planning phase (i.e. prior to 35%).
- 4) **TOOL LOCATION:** The SSST resides on the SharePoint Site at the following link: <https://cops.usace.army.mil/sites/VE/Portal/Screening%20Strategy%20Selection%20VMP%20Tool/Forms/AllItems.aspx>. It is best practice to check this webpage for the latest version of the SSST to ensure you are using the most current version of the tool.
- 5) **TOOL ORGANIZATION:** The workbook is divided in three sections, each of which has its own worksheet:
  - a. **SECTION I. INITIAL SCREENING PROCESS**

After answering a series of questions in Section I, the District Value Officer (DVO) documents the decision to:

    - 1) Proceed to Strategy Screening Process (conduct a Value Study)
    - 2) Identify as Low Opportunity – Scan/Bridge
    - 3) Identify as Low Opportunity – VMP Only
  - b. **SECTION II. STRATEGY SCREENING PROCESS**

If directed to Section II, the DVO, along with the Project Delivery Team (PDT), populates the procurement or project specific details, stakeholder's details, and details that identify risk and/or opportunity for further VE Activities. This

supports the assessment of the overall opportunity for beneficial change that a Value Study may bring to the procurement/project with respect to the data entered in Section II.

**c. SECTION III. STRATEGY SELECTION**

If opportunity for a VE workshop is determined, the DVO and PDT will proceed to the Strategy Selection Process which will result in determination of the Level of Effort recommended: Value Planning (Level 1), Abbreviated Study (Level 2), Standard Study (Level 3), Problem Resolution (Level 4), or Programmatic (Level 5), a recommended team strategy, and specifics to performing the selected strategy. Refer to VE Screening and Strategy Selection Process Map located on the HQ USACE VE website under "Process Maps" (<https://www.usace.army.mil/Value-Engineering/Process-Maps/>). *Note: The SSST generates an automated strategy suggestion to help junior DVOs, but the DVO has ultimate determination authority.*

6) **VALUE STRATEGIES:** The definitions for the various value activities are listed below. The available strategies are grouped into two categories: Low Opportunity or Level of Effort. The difference between the two is whether or not a VE workshop that complies with the USACE Value Standard will be performed.

**a. CATEGORY 1 - LOW OPPORTUNITY: VE REQUIREMENTS ARE ADDRESSED BUT A VALUE STUDY IS NOT PERFORMED**

There are three subparts to the Low Opportunity (LO) category: Low Opportunity VMP Only, Low Opportunity Scan (LOS), and Low Opportunity Bridge (LOB). Coordinate with PMs to ensure Value Study milestones are NOT scheduled in P2 when LO, LOS, or LOB is selected. Value Study milestones are scheduled ONLY when a Value Study that meets the USACE Value Standard is held. For Low Opportunity (including LO VMP Only, LOS, and LOB) a Low Opportunity User Defined Field (UDF) should be added to the contract award milestone in P2 with the completion date of the LO activity.

HQ CVO has delegated limited legal authority to qualified Value Officers. Approval and authority levels can be found in other COVE Letters at the HQ USACE VE website under "COVE Policy Letters" (<https://www.usace.army.mil/Value-Engineering/2015-COVE/>).

- i. **Low Opportunity – VMP Only:** Low Opportunity for VE is selected for those circumstances where the DVO makes a determination that the opportunity for beneficial change through the performance of a Value Study is low and therefore doesn't warrant additional VE effort. The DVO shall thoroughly document why there is low opportunity and generate a VMP that officially records this decision.
- ii. **Low Opportunity – Scan:** This effort involves the DVO and key PDT members assessing the utilization of previously performed value studies/proposals. The DVO would query the SharePoint Value Study Library to determine Value Studies and proposals that are most applicable to the current project. It would be appropriate to supplement

the previous value proposals with a brief discussion to understand what might be different with the current project. A Scan strategy may be appropriate for repetitive projects or those projects that have had multiple Value Studies with similar results. Possible examples where Scan is most appropriate are: repetitive re-roofing jobs, paving, or less complex Operations and Maintenance (O&M) or Sustainment, Restoration, and Modernization (SRM) projects. The expectation is any cost information associated with the original study effort may need to be adjusted to best match the project at hand.

- iii. **Low Opportunity – Bridge:** A Bridge strategy is appropriate when there has been a previous Programmatic Value Study where proposals pertain to the subject project at hand. The DVO and key PDT team members review the Programmatic Value Study to see which proposals are applicable to their project. The resulting proposals that are applied to and implemented by the current project shall be documented in the form of a bridging document that captures what was incorporated from the Programmatic Value Study into the current project and the associated cost avoidance, if applicable. The bridging document must clearly reference the Programmatic Value Study report and it is recommended to at least include the cover from the report in the bridging document itself. The expectation is any cost information associated with the programmatic effort may need to be adjusted to best match the project at hand. Cost of this effort will be included in the ROI calculation of the associated Programmatic Study.

*Example 1: A Programmatic Value Study was performed on the paving program for an entire Army Installation and will be applied to a series of individual projects; a bridge would be required to determine which of the accepted proposals from the Programmatic Value Study are being utilized on the current project.*

*Example 2: A Programmatic effort was performed looking collectively at the Regional Dredging Program (multiple projects), the implemented proposals would be captured in a bridge document for each individual project to document Value activities and cost avoidance/savings.*

**b. CATEGORY 2 – LEVEL OF EFFORT: VALUE STUDY IS PERFORMED**

There are six study strategies (levels) within the Level of Effort category. VE Study Scheduled/Actual milestones should be coordinated with the PM to ensure they are entered in P2. Levels 1, 2, and 3 are typical VE efforts that do not require any higher authority approval/signature since they apply to a single project or procurement. To qualify as a Value Study, a study shall be no less than 24 hours; this is considered the minimum for executing the full six-phase VE job plan. The workshop shall be completed in accordance with the USACE Value Standard as outlined in COVE 2015-02. For studies less than 40 hours, the primary reduction is in Development time. Depending on the size, complexity, dollar value, risk, etc. the study can be 40+ hours, if

needed. There is no cap to the hours or quantity of studies to be performed for a given project.

DVOs may conduct Value Studies on designs subject to Center of Standardization (COS) requirements. However, if a study is needed on ***THE*** Army Standard / Army Standard Design being executed by the responsible COS, this will require an Enterprise Study (Level 6) and must be approved by the HQ CVO.

Details below reference timing of the project design stage (35%, etc.) but projects vary. In cases where the reference milestones do not apply or as circumstances dictate, the qualified DVO will execute their best judgment.

- i. **Value Planning Study (Level 1):** This effort shall be accomplished very early in the project/procurement and would typically be associated with Feasibility (Civil Works) or Authorized Phase Code 3 (Military Programs). This effort is appropriate for an integrated VE strategy where a value team leader joins the PDT to execute the value process. This may not be a singular effort; depending on the project, this may be part of a strategy that includes a traditional value study later in the project. Due to the timing of this type of study, generating cost avoidance is not the primary goal of this effort. Possible examples where this is most appropriate include: civil works & military planning, charettes, etc. A Level 1 will typically take 3-5 days (24-40 hours) to execute.
- ii. **Abbreviated Study (Level 2):** A Level 2 will typically take more than 3 days (24 hours) but less than 5 days (40 hours) to execute, however 3.5 days (28 hours) is the recommended minimum. A Level 2 effort should be performed prior to 65%, however earlier is strongly encouraged. This level provides the choice between an integrated approach, fully independent team, or a blend between the two. This effort will satisfy the VE requirements for repetitive projects of medium size and complexity. Possible Examples where most appropriate include: Army Reserve Centers, COFs, Battalion HQ, vehicle maintenance facilities, etc.
- iii. **Standard Study (Level 3):** This effort is considered the default solution and is a comprehensive standard VE activity. A Level 3 effort is a minimum of 5 days (40 hours) to execute and can be 5+ days (40+ hours) for more complex or higher dollar value projects. A Level 3 should be performed prior to 65%, however earlier is strongly encouraged. This level also provides the choice between an integrated approach, fully independent team, or a blend between the two. This effort would likely be considered the typical strategy that has been performed historically within USACE. This will satisfy the VE requirements for all projects regardless of size or complexity. Possible examples where most appropriate: Hospitals, Schools, Labs, Dams, Levees, etc.

- iv. **Problem Resolution Study (Level 4):** A level 4 requires the RVO approval/signature on the VMP since this is by exception and is applied after 65%. The HQ CVO and OVx shall then be notified for coordination purposes. It is intended to address those projects that are struggling with budget and/or scope or when the PM didn't budget and/or schedule the value activity in accordance with the PDBP requirements. The Value Methodology is a great process to help a team identify the difference between a primary function and a secondary function which translates to effective trade-off analysis to maximize quality within required constraints, and identification of options in lieu of "cost cutting" or "reduction in scope". This activity will typically last 5 days (40 hours) or more due to the additional detail that is available. This activity does not have a dollar or complexity restriction. The VE methodology is most effective when applied early therefore this strategy should be considered the worst-case scenario and only utilized in unusual cases. This will not be considered an acceptable VE strategy during the preparation of the PMP and therefore cannot be the initial strategy documented in the VMP.
- v. **Programmatic Study (Level 5):** A Level 5 requires the RVO approval/signature on the VMP for concurrence and supervision to ensure the appropriate effort is being performed since this effort affects or applies regionally to multiple projects or procurements. The DVO shall also consult the OVx on the Programmatic strategy prior to signing the VMP to validate the approach and ensure similar efforts have not already been accomplished. Programmatic Studies are utilized when a program consists of a subset of similar projects that can be addressed by and associated with a Programmatic effort. Since the results from a Programmatic effort are applied to other projects, the Level of Effort would typically be considerably more than a single project effort of the same scope. Therefore, a Level 5 is typically 5+ days (40+ hours) and will likely include a larger study team. Programmatic study results shall only be valid for 3-5 years since details can change significantly over the course of a few years. However, any substantial changes to the basis of the programmatic task will automatically trigger a new programmatic effort. MSC VE point of contact (POC) shall actively participate in all Programmatic efforts (HQ CVO and/or OVx shall participate for Engineering Centers) to ensure an appropriate level of effort and quality is achieved.
- Example: A Programmatic effort was performed for a Regional Dredging Program (multiple projects). Individual proposals would be captured in a bridge document for each project to document implemented Value activities and cost avoidance/savings.*
- vi. **Enterprise Study (Level 6):** A Level 6 is typically not an option to the DVO. This type of study affects USACE across multiple regions and can therefore only be approved by the CVO. The CVO has sole discretion on Level 6 determination.

- 7) **WAIVER:** Waivers are NOT a planned strategy. It is anticipated the DVO will recommend one of the above listed options versus waiver. The concept being the PDT now has many other strategies available to them in which to execute and they should be able to find a method that is appropriate for the circumstances. If the PDT does not wish to utilize one of the other available strategies, then the PM may initiate a waiver request following the procedures outlined in ER 11-1-321 Change 1. Refer to VE Waiver Process Map at <https://www.usace.army.mil/Value-Engineering/Process-Maps/>.
- 8) **TEAM STRATEGIES:** The definitions for the various team strategies are listed below.
- a. **Independent Team:** A value study team completely separate from the PDT is assembled to perform an independent analysis. This is the conventional team strategy approach. It is a best practice to use an independent team, or mostly independent team, beyond 35%. Smaller projects or lower complexity circumstances may benefit from an integrated or blended approach.
  - b. **Integrated Team:** This team strategy utilizes the PDT to perform the value activity. The advantage is that additional time is not needed to familiarize team members with project details however, it is critical for the Value Study team leader to encourage and/or foster creativity to obtain reasonable results. It is best practice not to use an integrated team beyond 35%.
  - c. **Blended Team:** This team strategy is often the best of the three strategies because the team benefits from the historical “project knowledge” as well as new, independent thinking. It is critical that all participants clearly understand their roles and responsibility. The Value Study team leader is encouraged to invest additional effort to create a team atmosphere, so all participants function as a unified team.
- 9) **MULTIPLE VALUE ACTIVITY GUIDANCE:** There are circumstances that warrant more than a single value activity for a single project. The DVO shall use their professional judgement within their authority to make this determination.
- 10) **IMPLEMENTATION:** Effective immediately, Value Officers shall use this guidance to ensure compliance with Federal Value Engineering requirements. Any questions should be directed to the OVx at [CDL-All-OVx@usace.army.mil](mailto:CDL-All-OVx@usace.army.mil).



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