



**US Army Corps
of Engineers®
Headquarters**



COVE POLICY LETTER # 2023-01

31 January 2023

SUBJECT: FY23 Execution Guidance

1. **Purpose:** This policy letter summarizes FY22 Value Program performance and subsequently issues the FY23 execution guidance for the Value Community of Practice (VCoP). This letter includes information on planned activities to support CVO evaluation of the Value Program Health, implements elements of the FY25 Strategic Plan, as well as leading into the FY23 Engineer Inspector General follow-up inspection.
2. **Background:** As the Senior Accountable Official, the Chief Value Officer (CVO) has sole responsibility for ensuring the USACE Value Program meets the intent of statutory and regulatory requirements. Additionally, recent changes to the Risk Management and Internal Controls Program (RMICP) warrant alternative methods to evaluate internal controls. Command Staff Visits (CSVs), inspections, and audits listed below are a direct request from the CVO to the responsible Commander to support Program evaluation across the enterprise.

Finally, the Value Program has seen substantial improvement in recent years resulting from corrective actions from EIG inspections in 2014 and 2018. As those corrective actions near full implementation, the focus shifts from corrective actions to sustaining program performance for the long term. The FY25 Strategic Plan has been developed for this reason, and the activities outlined in this Execution Guidance support achievement of the goals and objectives found within. The Strategic Plan can be found at: <https://team.usace.army.mil/sites/HQ/VE/Pages/LPI.aspx>. VCoP members are encouraged to review and provide feedback through their MSC Value Program Managers (VPgMs).

3. **Program Performance:** The Value Program reports through four (4) key Command metrics: three in USACE Command Guidance and one receiving extra focus as a Foundational Key Performance Indicator (FKPI). Each metric offers a different angle to assess Program performance across the Enterprise. For FY22, USACE reported 94% in Program Coverage, 93% in Compliance, and 86% in Cost Avoidance/Cost Savings. Approximately 200 value studies were conducted in FY22; less than 20% of the typical 1,200 contracts awarded over the threshold for consideration of VE application. At the end of FY22, USACE had 46 qualified District, Center, and Division VPgMs holding warrants, a net gain of two (2) since the previous year. For more information, see Enclosure 1.
4. **Health Ratings.** Included in this COVE is a current health rating of all District and MSC Value Programs as of the date of this issuance. This exercise measures workload-adjusted performance and qualifications for District, Center, and Division Value Programs. Outputs of this exercise support CVO evaluation and assist in identifying emphasis areas for Value Program performance improvement. Based on feedback from the FY22 Execution Guidance, updates have been made to better convey intent and clarify contributing factors and their expected use. See Enclosure 2 for more information.

5. **Annual Plan and Training Opportunities.** The overall USACE VE Annual Plan was developed from information submitted by the field. This Plan supports prioritization of Value Program initiatives for the year. See Enclosure 3 for a summary of the FY23 Annual Plan and training opportunities to address needs identified by the MSCs and the Office of Value Expertise (OVx).

6. **Command Staff Visits and Value Program Inspections:** The USACE Chief Value Officer, in coordination with team members from the OVx and the appropriate MSC VPgM, will conduct a joint CSV and Value Program Inspection of the following Districts, Centers, or Divisions this fiscal year. See Enclosure 4 for more details.
 - Mississippi Valley Division (MVD)
 - Pacific Ocean Division (POD)
 - Seattle District (NWS)
 - Charleston District (SAC)
 - Detroit District (LRE)
 - Huntsville Center (HNC)

7. **Audit of Claimed Cost Avoidance/Savings:** Cost avoidance and cost savings are reported as both a UCG metric as well as a key element on the Chief's Annual Report submitted to DoD and OMB. To validate reported amounts, the OVx will conduct an annual remote audit of a small number of CA/CS claims after the close of the fiscal year.

The following projects have been selected for audit of FY22 CA/CS claims:

District	P2 Number	VERS Activity Number	Activity Title
HNC	502241	HNC-FY22-026-M	FY22 ACP PROGRAM RECERTIFICATION
LRH	112490	LRH-FY18-008-C	BLUESTONE DSA PHASE 5
LRP	113204	LRP-FY19-009-C	UOHIO - MONTGOMERY SECANT PILE WALL
NAB	108897	NAB-FY18-056-C	MID BAY ISLAND
NAB	475774	NAB-FY19-013-M	RAILROAD UPGRADES
NAO	372671	NAO-FY17-026-M	ANC, SOUTHERN EXPANSION
NAO	457827	NAO-FY17-017-M	PHASE II, DLA OPERATIONS CENTER
POA	474611	POA-FY22-014-M	JBE054 EXTEND RUNWAY 16/34
SAC	457169	SAC-FY18-011-M	CIIP WAREHOUSE – RECEPTION STATION BARRACKS, PHASE 1
SPK	458598	SPK-FY18-018-C	NATOMAS REACH A
SPL	484905	SPL-FY21-035	YUMA 10-27 BMGR
SPN	458135	SPN-FY17-002-C	GI SO. SF BAY SHORELINE STUDY, CA

MSC VPgMs will ensure all relevant documentation for the projects identified above is uploaded to the following location in SharePoint no later than 28 February 2023 and inform OVx when complete.

<https://team.usace.army.mil/sites/HQ/VE/VPInternalControls/CACS%20Audits/FY22%20Claims>

The OVx will review all documentation provided, verify the CA/CS amounts claimed and deliver a final report of audit findings to the corresponding Commander and the appropriate District and MSC VPgMs.

8. Any questions should be directed to the undersigned through the Office of Value Expertise at CDL-All-OVx@usace.army.mil.

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

Jeffery T Hooghouse, RA, DBIA, CVS, FSAVE, PMP
Chief Value Officer
US Army Corps of Engineers, HQ

Encl



**US Army Corps
of Engineers®**

Headquarters



November 15, 2022

Information Paper

**SUBJECT: U.S. ARMY CORPS OF ENGINEERS (USACE)
VALUE ENGINEERING (VE) PROGRAM**

1. The Office of Federal Procurement Policy Act (41 U.S.C. 432, updated by 41 U.S.C. 1711, Jan 2011), requires each executive agency to establish and maintain cost-effective Value Engineering procedures and processes. The Office of Management and Budget (OMB) Circular A-131 requires Federal agencies to consider and integrate VE into programs, projects, activities, and contracts.
2. The USACE VE Program has been a leader in applying the Value Engineering Methodology to construction projects since 1964, solidly demonstrating Corps cost effectiveness. The program has resulted in construction of over \$11.8 billion in additional facilities, without additional funds requests.
3. The basic thrusts of the program are to increase project value by proactively searching for and resolving issues through very open, short-term workshops, and to stretch precious taxpayer resources by providing the required function(s), most amenities, and the highest quality project(s), at the lowest life cycle cost.
4. The Corps has used Value Engineering programmatically to: create and implement transformation in how the Corps executes all Military and Civil Works Programs workload; to shorten schedules significantly, and provide quality projects with reduced budgets; to ensure full project coordination with all stakeholders; to assist in preparing project scopes, negotiating environmental contracts, planning optimization, and project review; to provide planning assistance to states/communities; and to assist in program review. The results shown in paragraph 6 below are simply documented, auditable byproducts, used to build and/or enhance authorized projects or reduce reprogramming actions.
5. The Corps regularly helps others initiate VE programs by advising headquarters offices, exporting our established training workshop, and by furnishing appropriate Certified Value Specialist leadership and/or teams (consultants and in-house) to perform Value Engineering Workshops.
6. Through 30 September 2022, the Corps reported an investment of \$1.54 M (Value Program Cost-OVx) resulting in a cost avoidance/cost savings of \$471.8 M resulting from 216 VE studies and 3 VECPS with a return on investment of \$305.28 to every \$1 spent. In addition, in FY22 the VE Screening Process was applied to 1073 current projects scheduled for future awards (191 VE Studies/882 Low Opportunity). The following are NET USACE VE savings and cost avoidance for the last five fiscal years as reported to the Departments of Army, Defense, and OMB:

<u>YEAR</u>	<u>MILITARY</u>	<u>CIVIL WORKS</u>	<u>TOTAL</u>
FY 18	\$ 121,676,000	\$ 370,120,000	\$ 491,796,000
FY 19	\$ 208,716,000	\$ 353,445,000	\$ 562,161,000
FY 20	\$ 198,311,000	\$ 367,694,000	\$ 566,005,000
FY 21	\$ 318,619,000	\$ 296,670,000	\$ 615,289,000
FY 22	\$ 328,256,000	\$ 143,540,000	\$ 471,796,000

Point of Contact: Mr. Jeffery T, Hooghouse, RA, DBIA, CVS
Chief Value Officer
Headquarters, US Army Corps of Engineers (CECW-CE)
202-761-5533 jeffery.t.hooghouse@usace.army.mil

POLICY LINKS:

Pub. L. 111–350, §3, Jan. 4, 2011, [Page 124 Stat. 3718] Sec. 1711. Value Engineering
<http://www.gpo.gov/fdsys/pkg/PLAW-111publ350/html/PLAW-111publ350.htm>

41 USC 1711 - Value engineering
<https://uscode.house.gov/view.xhtml?req=granuleid:USC-prelim-title41-section1711&num=0&edition=prelim>

Office of Management and Budget (OMB) Circular A-131
<https://www.whitehouse.gov/sites/whitehouse.gov/files/omb/circulars/A131/a131-122013.pdf>

ER 11-1-321 (Change 1), Army Value Engineering
http://www.usace.army.mil/Portals/2/docs/Value%20Engineering/ER_11-1-321-Change1_Army_Program-VE.pdf

OTHER RECENT POLICY DOCUMENTS:

OSD (Kendall Memo), Value Engineering (VE) and Obtaining Greater Efficiency and Productivity in Defense Spending, 06 DEC 2011
http://www.usace.army.mil/Portals/2/docs/Value%20Engineering/VEandEfficienciesMemo_Signed6Dec2011.pdf

Chief of Engineers (Commander's Intent), Greater Efficiency and Productivity through Value Engineering (VE), 25 APR 2012)
<http://www.usace.army.mil/Portals/2/docs/Value%20Engineering/Chief%20of%20Engineers%20Policy%20Letter%20on%20VE%20FY12.pdf>

2020 VE Requirements Narrative
https://www.usace.army.mil/Portals/2/docs/Value%20Engineering/VE_Requirements_Narrative-2020_v3.0.2.pdf

Contracting Policy Alert: USACE Alert 20-017: Reminder of USACE Value Engineering Guidance, Compliance, and Training, 29 April 2020
<https://cops.usace.army.mil/sites/CT/P/Policy%20Alerts/Reminder%20of%20USACE%20Value%20Engineering%20Guidance,%20Compliance,%20and%20Training.pdf#search=20%2D017>

PN-CW/MP-20-04 - Civil Works/Military Programs Policy Notice – Value Engineering, 30 October 2020
https://www.usace.army.mil/Portals/2/docs/Value%20Engineering/PN-CW_MP-20-04.pdf

USACE Value Engineering Website
<http://www.usace.army.mil/ValueEngineering.aspx>



USACE VALUE COMMUNITY OF PRACTICE HEALTH ANALYSIS

1. **BLUF.** The USACE Value Community of Practice (VCoP) annual health analysis provides focal areas for improvement moving into the next fiscal year. From the FY22 analysis we can conclude that the Value Program, when measured from the enterprise level, is healthy. Resourcing has improved collectively across the enterprise and is above the minimum requirements. The outcomes metric indicates we have improved significantly on the management of our program. However, turnover has still had an impact on the qualifications of the VCoP as a whole. Each time a person leaves a Value Program Manager (VPgM) position, the incumbent must be trained and gain experience before performing at an optimal level.
2. **Introduction.** The USACE VCoP annual health analysis looks backward so we, as a community, can plan forward. It helps all echelons in the community to accurately measure their Annual Plan's performance throughout the year and make adjustments to future Plans. This allows Districts, Centers, and MSCs to improve their Value Programs by planning and resourcing for key events to ensure the VCoP has every opportunity to improve. The VPgM is a huge investment and commitment for the employee, the District/Center and MSC, and the Commander of that field operating activity (FOA) because turnover at the VPgM position resets the clock, impacting the local health of their program. The intent is for FOAs (Districts, Centers, and Divisions) to use this information to communicate needs and build support to continuously improve the Commander's Value Program.
3. **Background.** The information that follows is cursory analysis prepared for the Chief Value Officer's (CVO's) risk management internal control program (RMICP) evaluation of Command performance and general health of the VCoP across the enterprise. The following information is being shared with the rest of the Program for awareness and, where necessary, to identify areas of potential improvement. The scores shown below quantify the health of District/Center and Regional Value Programs based on multiple measures. The intent of this approach is to measure each FOA's current actual performance versus expectations to identify when Command Staff Visits (CSVs), audits, inspections, or other support may be necessary. Workload has been factored into the scores in an attempt to normalize and give a better comparison between large and small Districts.
4. **Rationale.** Scores measure four metrics:
 - a. **Resourcing** – percentage of duties as reflected in the Value Engineering Reporting System (VERS) and then scaled to fit a 0-100% model. Note: Minimum requirement is "Primary Duties" or a minimum of 51% duties.

- b. **Outcomes** – UCG metric performance, based on FY22 reported values.
 - c. **Qualifications** – the qualification level of the current District/Regional VPgM based on experience, training, credentials, and warrants.
 - d. **Observation** – a metric to account for the CVO’s current assessment of the management of the program beyond data, based on recent observed events or feedback from leadership, VCoP members, customers, etc.
5. **Changes.** Several changes have occurred from the FY21 to the FY22 analysis. The changes and reasoning for the changes are provided here.
- a. **Naming Convention.** The titles of the score charts have changed from “DVO” and “RVO” to the echelon level, “District” and “Region”, respectively, due to feedback received last year. This also better aligns with the intent, which is that these are indicators of the District’s and Region’s program health, not a direct rating of the VCoP staff. Similarly, the “Management” metric has been re-titled to “Observations” to better align with its intent, which is to provide observational considerations in direct support of the RMICP ratings.
 - b. **Resourcing.** The “Effort” metric, which measured the number of studies performed divided by the expected number of studies performed, has been replaced by the “Resourcing” metric, which measures the percentage of duties as reported in VERS.
 - c. **Experience.** The percentage of duties category has been removed from the “Qualifications” metric and made into a stand-alone “Resourcing” metric. This was done to highlight its importance as a root cause from the Engineering Inspector General (EIG) findings. Replacing the percentage of duties category in the “Qualifications” metric is now the hours of experience within the Value Program, which is the “experience” component in the DoD definition of “Qualified” (experience + training + credentials). This calculation is based on the demographics data entered in VERS.
 - d. **Certified Value Specialist.** The certified Value Specialist (CVS) credential is now a “bonus” point in the “Qualifications” calculation rather than a part of the base calculation. This is to align with policy that obtaining a CVS is no longer mandatory but is still highly encouraged.
 - e. **Metric Weights.** Given the change in metrics, a new paired comparison was completed and shifted the weights of the “overall health” metrics.
 - i. **Resourcing:** 35% (up from 10% “Effort”) **EIG Root Cause**
 - ii. **Outcomes:** 10% (down from 15%)
 - iii. **Qualifications:** 20% (down from 35%)
 - iv. **Observations:** 35% (down from 40%)
 - f. **Change from FY21 to FY22.** A new comparison has been added to the final score that shows the movement from FY21 to FY22. This shows an increase or decrease in the score from last fiscal year.
 - g. **Score.** The “MSC” score has been replaced with the “Region” score. This is the combined and calculated scores for all Districts and the MSC within a given region for each of the four metrics mentioned above.

6. **Calculations and Considerations.** The following is additional information for the calculations and data that go into each of the four metrics:
- a. **Resourcing (35%)** – Percentage of duties pulled directly from VERS and converted to a 0-100% score for consistency between the other metrics. If an assistant is authorized within the District, their percentage of duties were also included in the calculation so long as the VPgM is at least full time (80% duties). The three categories and their scores are as follows:
 - i. **0-50% Duties:** Does not meet requirement of primary duties. These duties translated to a percentage/score ranging from 0-59%.
 - ii. **51-79% Duties:** Meets the definition of primary duties. These duties translated to a percentage/score ranging from 74-93%.
 - iii. **80%+ Duties:** Meets the definition of full-time. These duties translated to a percentage/score ranging from 94-100%.
 - b. **Outcomes (10%)** – A combination of coverage and compliance data as already reported upward (FY22 P2 data), and cost avoidance/cost savings (CA/CS) claimed (FY22 VERS data) divided by 3% of all contracts dollars for a given District (FY22 PD2 data).
 - c. **Qualifications (20%)** – A combination of experience, training, and credentials and authority. These three categories are weighted using paired comparison before being combined into the metric score.
 - i. **Experience (55%):** The number of hours spent in the Value Program calculated as the percentage of duties (as reported in VERS) times the years in the program.
 1. **< 1,000 hours:** awarded 0 points.
 2. **< 2,000 hours:** awarded 1 point.
 3. **< 3,000 hours:** awarded 2 points.
 4. **< 4,000 hours:** awarded 3 points.
 5. **4,000+ hours:** awarded 4 points.
 6. **Modifier:** if the personnel is a supervisor 1 point is deducted from the total to account for time adjustments spent on supervising employees.
 - ii. **Training (10%):** The training necessary to reach the full performance level within the Value Program. A single point was awarded for each of the four trainings necessary to comply with policy in pursuit of the Specialist in Value Management (SVM) credential:
 1. **Value Management Course**
 2. **Value Management Fundamentals I**
 3. **Value Management Fundamentals II**
 4. **Facilitation Training**
 - iii. **Credentials and Authority (35%):** The credentials and authority necessary to manage a Value Program. This is the only measurement allowed to exceed 100%.
 1. Signed Designation Letter – awarded 1 point

2. Completed Value Qualifications Record (VQR) – awarded 1 point
 3. Apprentice in Value Management (AVM) – awarded 1 point
 4. Obtain/Maintain Warrant Authority – awarded 1 point
 5. Specialist in Value Management (SVM) – awarded 2 points in lieu of a single AVM point
 6. CVS – awarded 1 “bonus” point
- d. **Observations (35%)** – A subjective look at internal controls, program support, customer feedback, data input, and other observations. This provides observational considerations in direct support of the RMICP ratings.
7. **Conclusions.** A “healthy” program is one that meets the minimum bar once all four metrics are combined and scored together. Each individual metric may not be met, but overall, the program is performing adequately. If a single metric scores low, then this could indicate an opportunity for improvement. A “healthy” program is represented by an overall score of 74% or higher. If a program does not meet that overall score, then this indicates the program likely needs improvement in one or more of the metric areas scored. Based on the metric weights, the areas a District/Center or MSC could directly affect while being the most impactful are resourcing and qualifications. This means increasing the percentage of duties performed by the VPgM and/or if those duties are already greater than 80%, then getting approval for an assistant. Secondly, the VPgM should get qualified as quickly as possible. This includes experience (a direct correlation with percentage of duties), training (completing all four required trainings listed above), and acquiring the necessary credentials (AVM/SVM). Once those two areas improve, then outcomes and observations will likely increase accordingly as these should be biproducts of a healthy program. Turnover is the likely cause for a drastic drop in score from one year to the next due to the amount of time, resources, and training necessary to operate at an optimal level.

FY22 District VCOP Health Assessment			
	DIST	SCORE	Δ FY21 to FY22
HEALTHY	LRL	101.7%	9.1%
	SAJ	101.7%	7.3%
	NAB	100.9%	7.7%
	POJ	99.5%	6.8%
	POH	98.2%	9.0%
	TAM	96.2%	8.9%
	HNC	95.5%	13.5%
	MVN	94.8%	6.0%
	SWG	93.1%	12.3%
	LRP	92.8%	5.0%
	SPA	91.3%	7.9%
	SWF	90.6%	4.7%
	SAS	90.2%	16.3%
	SWT	88.9%	4.8%
	NWO	88.6%	9.6%
	POA	88.3%	1.5%
	SAM	88.2%	-1.4%
	NWP	86.4%	13.0%
	NAU	86.3%	18.2%
	NWW	83.1%	2.6%
LRN	82.7%	12.0%	
MVK	82.5%	1.3%	
LRB	80.9%	6.9%	
SPL	79.1%	-9.9%	
SPK	74.8%	9.3%	
SAW	74.1%	-6.4%	
NWK	73.0%	12.7%	
MVS	72.3%	-1.0%	
NEEDS IMPROVEMENT	POF	70.6%	-7.5%
	NAP	68.2%	-2.9%
	NWS	68.2%	19.6%
	LRE	65.1%	8.8%
	NAE	62.5%	-9.8%
	NAN	61.5%	-17.7%
	LRC	60.5%	6.0%
	SPN	54.7%	3.3%
	SWL	51.3%	-30.2%
	MVM	50.3%	-14.7%
	NAO	49.2%	4.1%
	MVR	40.1%	-14.8%
	SAC	39.6%	-20.1%
	LRH	38.0%	-39.1%
	TAE	33.2%	-24.5%
	AGC	25.5%	-2.5%
	HEC	15.5%	-8.5%
MVP	11.6%	-54.7%	
ERDC	8.8%	4.8%	
USACE	75.5%	4.5%	

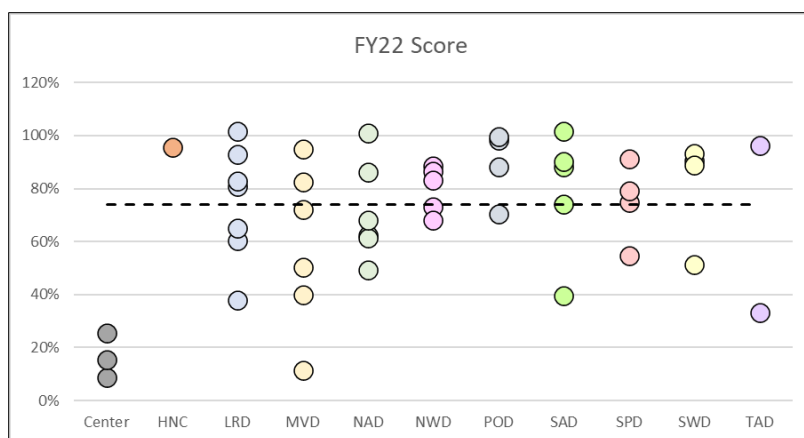


Figure 2. District Scores, Grouped by Region

Figure 1 shows the percentage/score of each District/Center as it pertains to the combined metrics stated above.

Figure 2 illustrates the range of District/Center percentage/score arranged by MSC with the dashed line differentiating between a healthy program and one that likely needs improvement.

Figure 3 shows the percentage/scoring of each Region based on the combined District and MSC scores within that region.

Figure 1. District Scores

Figure 3. Regional Scores

FY22 Region VCOP Health Assessment			
	REGION	SCORE	Δ FY21 to FY22
HEALTHY	POD	91.6%	6.1%
	SAD	84.6%	4.8%
	NWD	83.1%	14.1%
	SWD	82.8%	-1.8%
	LRD	78.0%	4.9%
	NAD	77.6%	4.5%
	SPD	73.5%	5.4%
NEEDS IMPROVEMENT	TAD	68.2%	-8.6%
	MVD	60.5%	-11.7%
USACE	77.5%	1.7%	



USACE VALUE PROGRAM FY23 ANNUAL PLAN

1. **Introduction.** OMB Circular A-131 and DoDI 4245.14 require USACE to prepare an Annual Plan each year. The purpose of this plan is to document the expected performance, staffing needs, and training needs for the Program. USACE requires each District, Center, and Division to submit their Annual Plans to support the development of the overall USACE Annual Plan. These plans should be inclusive of anticipated workload, projected staffing changes, and training both for local VCoP personnel as well as to be provided by VCoP personnel within the local office (Project Management, Construction, Contracting, etc.).
2. **Annual Plan.** With data submitted from all MSCs, the FY23 Annual Plan is as follows:
 - a. Personnel completing courses on Value Methodology and/or managing a Value Program: 60
 - b. Outreach events from DVOs to local staff: 148 events / 5,624 attendees
 - c. Planned number of value studies: 243
 - d. Estimated cost avoidance/savings: ~\$453M
 - e. Target staffing/capacity: 58 personnel / 58 FTEs
 - f. Estimated combined personnel capacity: 45.6 FTEs
3. **Training Opportunities.** Based on the needs projected by the field and analysis of current demographics, the following training opportunities will be available in FY23. The dates below are targeted; any changes to these dates will be posted on the VERS Home Page for VCoP personnel to stay informed. Unless otherwise noted, attendees can sign up for these courses by contacting the OVx Assistant Chief for Training (Mandy Bianchini).
 - a. Value Management Fundamentals 1 (via PROSPECT) – April 17-21, Huntsville, Alabama. *Sign up through local training coordinators.*
 - b. Value Management Course – July 10-14, Kansas City District
 - c. Value Management Fundamentals 2 – April 24-28, Virtual
 - d. Facilitation Training (24 hrs) – week of May 1-5, Virtual/TBD
 - e. Function Analysis Fundamentals (16 hrs) – week of May 15-19, Virtual.
Note: This course is not required for Apprenticeship Program requirements. Priority for enrollment goes to current CVS® exam candidates first, and then ranked based on ability to meet CVS® exam application requirements.



USACE VALUE PROGRAM GUIDANCE FOR COMMAND STAFF VISITS AND INSPECTIONS

1. **Introduction.** The Value Program reports performance in multiple forums at the HQ USACE level and above. To support program-level evaluation, maintain a high degree of assurance in the reported information, and generally provide support for District, Center, and Division Value Program personnel, the Chief Value Officer (CVO) utilizes Command Staff Visits (CSVs) and Inspections for a select number of Districts, Centers, and Divisions each year.
2. **Intent.** The intent of these visits is to conduct enterprise-level oversight while also offering support and guidance to ensure optimal performance of the local Value Program in accordance with current policies, procedures, and best practices. These visits also provide excellent opportunities to seek feedback from local personnel, address concerns, and provide recommendations on how the Value Program can best perform to maximize efficiency and effectiveness. Lastly, as qualifications are a significant driver of success, teams will meet to review the local Value Program Manager's progress through the Apprenticeship program to ensure they are on track to become a fully qualified Value Officer.
3. **Visit / Inspection Team.** Command Staff Visits and Value Program Inspections may be conducted separately but are often combined. In either scenario, attendees are typically as follows:
 - a. CVO or Deputy CVO
 - b. Office of Value Expertise (OVx) Representative
 - c. Major Subordinate Command (MSC) Value Program Manager (VPgM)
4. **Structure.** Below is an overview of the goals and objectives of Command Staff Visits and Value Program Inspections. These are all intended to be informal in nature and in the spirit of partnership to support continuous improvement, efficiency, and effectiveness.
 - a. Goals of the Command Staff Visit:
 - i. Meet with leadership on status of their Value Program (Optional)
 - ii. Solicit feedback from local leadership, workforce, and customers
 - iii. Identify any opportunities for improvement
 - iv. Gather lessons learned for other Districts, Centers, and Divisions
 - v. Conduct brown bag/lunch-and-learn session for local personnel in coordination with the local Value Program Manager (Optional)

b. Goals of the Inspection:

- i. Review of 5-year trend analysis for local Value Program
 - Data and documentation analysis (to be completed by Inspection team in advance)
 - PD2 Contract award data
 - Metric performance (to be completed by Inspection team in advance)
 - Annual Plans & Annual Reports (to be provided to Inspection team by District/Division in advance)

- ii. Provide Quality Assurance (QA) review of local Value Program via spot check of up to five (5) executed procurements above the \$2M threshold (based on PD2 data). QA reviews confirm presence and quality of the following information:
 - Value Management Plan (VMPs)
 - Value Workshop Report, if applicable
 - Value Engineering Reporting System (VERS) record data
 - P2 milestones for reporting IAW USACE Command Guidance

- iii. Gather and share Value Program management lessons learned/best practices to share with the VCoP
 - District Standard Operating Procedures
 - Shareable success stories and opportunities for improvement
 - Requests for changes to tools, templates, policy, or guidance

- iv. Review of local VPgM(s) Value Qualifications Record (VQR) and status in Apprenticeship program to ensure progress towards becoming a fully qualified Value Officer and earning/maintaining authority via warrant.

5. **Host Responsibilities.** The MSC VPgM is responsible for ensuring an agenda is coordinated with all parties, meeting space is available, and any desired meetings are scheduled with the appropriate attendees.

6. **Inspection Team Responsibilities.** Before conducting the visit, the Inspection Team must provide input on the proposed agenda, meeting space, and scheduled meetings with the hosting District/Center/Division staff. Pre-visit work items 4.b.i above must also be prepared or reviewed in advance by OVx and provided to the Inspection Team.

7. **Combination with Other Meetings.** CSVs and Inspections may be conducted for any District, Center, or Division in USACE. As these are attended by the local MSC VPgM, District visits are intended to count as QA for MSC oversight responsibilities and may be combined with other MSC QA activities (going by different names such as an Organizational Inspection Program, Staff Assistance Visits, etc.). Division CSVs and Inspections are often held jointly with a regional Value Community of Practice (VCoP) meeting or training event.
8. **Outcomes.** The Inspection Team will document the visit with a letter to the local Commander. Any findings, observations, and lessons learned will be captured in the letter and provided for all parties for recordkeeping and used for RMICP evaluations as well as any future audits or inspections (e.g., Internal Review, ISO audits, EIG).
9. **Checklists.** The following pages include checklists to be used for the Inspection portion outlined in section 4.b above.

Inspection Checklist - 5 Year Trend Analysis of District/Center/Division Value Program				
Audit Team				
Inspection Team Member(s):				
Date:				
District Value Program Information				
District:				
District Value Officer:				
5-Year Range:				
QlikSense & PD2 Analysis	YES	NO	N/A	CLARIFICATIONS
Do Qlik reports indicate presence of selected VE strategies appropriately or as applicable?				
Does Qlik data (Compliance) line up well with PD2 award data?				
Were all contracts greater than \$2M in PD2 addressed?				
UCG Metrics Compliance	YES	NO	N/A	CLARIFICATIONS
Metric #V1 - Cost Avoidance/Cost Savings Green?				
Metric #V2 - Program Coverage Green?				
Metric #V3 - Statutory/Regulatory Compliance Green?				
Has there been a noticeable increase or decrease in the 5-year trend of metric performance?				
Annual Plans & Annual Reports	YES	NO	N/A	CLARIFICATIONS
Do Annual Plans demonstrate effort of workload planning?				
Were Annual Reports socialized with Commander, signed, and transmitted to the MSC?				
Did Annual Reports identify any "top 5" recommendations?				
Does the Annual Plan identify relevant needs for training, resourcing, or support?				

Inspection Checklist - Projects

Audit Team				
Inspection Team Member(s):				
Date:				
PROJECT INFORMATION				
Project Name:				
P2 Number:				
Estimated Contract Amount:				
Project Type:				
VALUE MANAGEMENT PLAN (VMP)	YES	NO	N/A	CLARIFICATIONS
Value Management Plan created?				
Appropriate strategy, team, and study duration selected based on project type and size?				
Is funding request clearly identified on VMP for PM?				
Is funding requested appropriate for VE strategy identified and VE Management required?				
Does VMP have all required signatures based on estimated cost and strategy selected?				
Approved VMP included in Project Management Plan (PMP)?				
VALUE WORKSHOP	YES	NO	N/A	CLARIFICATIONS
Did the actual workshop duration match what was called for on the VMP?				
Did stakeholders (customer, users, partners) participate in the workshop, at least part-time?				
Adherence to the USACE VE Workshop Standard (per COVEs 2022-03 and 2022-04)				
Facilitated by CVS (with adequate experience)				
Team of multidisciplinary subject matter experts				
Followed the Job Plan				
Duration at least 24 hours (COVE 2021-01)				
Held in a workshop environment, with team members together for the full duration				
Expanded the solution set / supplemented the knowledge base of the PDT				
Workshop Evaluation Tool was completed (if YES, identify grade)				
Was a preliminary decisions call held and decisions documented in the Final VE Report?				
Does the Final VE Report include certification statements as required by COVE 2019-02?				
Has Final VE Report been uploaded to the SharePoint Library?				
VALUE ENGINEERING REPORTING SYSTEM (VERS)	YES	NO	N/A	CLARIFICATIONS
Has a VERS entry been created for this project?				
Approved VMP uploaded?				
Final VE Report uploaded?				

VE Certification (BCOES or similar) uploaded?				
Has Contracting/Budget information been entered to ensure proper calculation of ROI?				
Have the study statistics from the Final VE Report been entered?				
Has implemented cost avoidance been claimed?				
Has project been considered as a potential "top 5" project?				
Have any alternatives been considered as a "top 5" alternative?				
P2 MILESTONES	YES	NO	N/A	CLARIFICATIONS
Has a VMP milestone been populated for this project in P2?				
Have appropriate VE milestone dates been actualized in P2?				
If Low Opportunity, has a Low Opportunity date been added to the Contract Award (CC800 or similar) milestone?				

Inspection Checklist - Value Qualification Record (VQR) Review				
Inspection Team				
Inspection Team Member(s):				
Date:				
PROJECT INFORMATION				
Division:				
District:				
District Value Officer:				
VQR#:				
% Duties VE:				
INITIATION OF VALUE QUALIFICATIONS RECORD	YES	NO	N/A	CLARIFICATIONS
Designation Letter signed by current District Commander?				
Value Management Mentor Identified on VQR?				
Up to date VQR approved by MSC VPgM?				
VQR approved by VQRB and VQR# assigned?				
Apprenticeship Year 1	YES	NO	N/A	CLARIFICATIONS
USACE Value Management Course completed?				
Value Methodology Fundamentals 1 (VMF1) completed?				
VMA Certification?				
Minimum 1,000 hours managing Value Program at end of year 1?				
Apprenticeship Years 2-4	YES	NO	N/A	CLARIFICATIONS
Value Methodology Fundamentals 2 (VMF 2) completed?				
Facilitation Training completed? (minimum: 24 hours)				
240 team contact hrs in Practice the Value Methodology (Value Workshops)?				
Co-Facilitated Evaluation Phase of a Value Workshop?				
Co-Facilitated Creativity Phase of a Value Workshop?				
Co-Facilitated a Function Analysis Phase of a Value Workshop?				
30 CPs of Learn the Value Methodology?				
10 CPs of Share the Value Methodology?				
CVS paper complete?				
CVS Application Approved by OVx?				
Minimum 4,000 hours of managing Value Program at end of year 4?				