



DLA
DEFENSE LOGISTICS AGENCY
Established 1961



The Nation's Combat Logistics Support Agency



DLA Clothing & Textiles Value Management Program

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Overview

- Value Engineering Definition
- VECP Submission
- VECP Process
- Contact Information



Value Management

- What is it?
 - Systematic, organized approach to providing necessary functions in a project at the lowest cost.
- Why is it used?
 - To solve problems, identify and eliminate unwanted costs and improve function and quality.
- What are additional benefits?
 - 50% share of cost savings for 3 to 5 years



VECP Submission

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SUGGESTED FORMAT FOR VALUE ENGINEERING CHANGE PROPOSALS

TO: _____ FROM (Contractor): _____

THE PROPOSAL DESCRIBED HEREIN (or attached hereto) IS SUBMITTED PURSUANT TO PROVISIONS OF THE VALUE ENGINEERING INCENTIVE CLAUSE WHICH FORMS A PART OF CONTRACT NUMBER _____ FOR _____ (item) _____ (Contract Number)

AWARDED TO _____ (Contractor)

ON _____ (Date)

DATE _____ CONTRACTOR'S AUTHORIZED REPRESENTATIVE (Signature) _____

SECTION CHIEF'S CERTIFICATION

1. DESCRIPTION OF VALUE ENGINEERING CHANGE PROPOSAL FOR _____ (item)

SPECIFICATION NUMBER _____

a. APPLICABLE REQUIREMENTS AS STATED IN CONTRACT
 b. DESCRIPTION OF PROPOSED CHANGE
 c. NARRATIVE DISCUSSION, ESTABLISHING THAT THE PROPOSAL DOES NOT ADVERSELY AFFECT QUALITY, PERFORMANCE OR RELIABILITY

2. SPECIFIC CONTRACTUAL MODIFICATIONS NEEDED TO IMPLEMENT THIS PROPOSAL. (Furnish proposed necessary additions and/or deletions to contractual provisions which will effect the change.)

3. COST ANALYSIS OF SAVINGS TO BE REALIZED FROM ADOPTION OF PROPOSAL.

a. FIXED COSTS:		TOTAL FIXED COST IF REQUIREMENTS ARE CHANGED AS OUTLINED IN ABOVE PROPOSAL
TOTAL FIXED COSTS INVOLVED IN MEETING PRESENT REQUIREMENTS	ENGINEERING	_____
_____	TOOLING	_____
_____	MACHINERY	_____
_____	TESTING	_____
_____	OTHER (Specify)	_____
b. VARIABLE COSTS:		COST (Per Unit) IF REQUIREMENTS ARE CHANGED AS OUTLINED IN ABOVE PROPOSAL
COSTS (Per Unit) INVOLVED MEETING PRESENT REQUIREMENTS	MATERIALS	_____
_____	LABOR	_____
_____	OVERHEAD	_____
_____	OTHER COSTS (Specify)	_____

ESTIMATED SAVINGS PER UNIT _____

4. TIME SCHEDULE WITHIN THE ABOVE VE CHANGE PROPOSAL SHOULD BE APPROVED IN ORDER TO EFFECT SPECIFIC SAVINGS ON THE CONTRACT:

DATE(S)	NUMBER OF UNITS ON WHICH SAVINGS WILL BE REALIZED
_____	_____
_____	_____

LAST CUT-OFF DATE ON WHICH NO SAVINGS WILL ACCRUE _____

DSCP FORM 1772, JAN 2010 PREVIOUS EDITION IS OBSOLETE PDF (DLA)

- The submission should address the following eight points derived from FAR 52.248-1 (c)(1) through (8).
- If you have all 8 of the following points covered in your submission, the DSCP 1772 should be easy to fill out.

<https://www.dla.mil/Troop-Support/Clothing-and-Textiles/#Value>



VECP Points #1

- A description of the difference between the existing contract requirement and the proposed requirement
- The comparative advantages and disadvantages of each
- A justification when an item's function or characteristics are being altered
- The effect of the change on the end item's performance
- Any pertinent objective test data



VECP Point #1 Continued

Current Requirement



Do:

- Include pictures
- Be descriptive

Recommended Modification



Don't:

- Assume anything is common knowledge



VECP Point #2

- A list and analysis of the contract requirements that must be changed if the VECP is accepted

– Include any suggested specification revisions

Do:

- Cite specific language in specification
- Cite specific language in contract

Don't:

- Use generalizations
- Forget reference documents

INCH POUND

Document for Standardized Vecp coat A-A-XXXXX
Revised 7/30/99 to reflect changes per services. Vecp # 1998006, 1998007, 1998008, 1998009

(Proposed)
COMMERCIAL ITEM DESCRIPTION

COAT, ALL-WEATHER, MEN'S AND WOMEN'S
Army, Navy, Air Force, Marines, Coast Guard

The General Services Administration has authorized the use of this commercial item description for all Federal agencies.

1. Scope. This document covers the requirements for men's and women's all-weather coats made of water repellent-treated cloth, with a removable liner.

2. Classification. The coat shall be in the following classes and sizes:

Class 1 - Marine Corps Pewter 2246
Class 2 - Army Black 385



VECP Point #3

- Identification of the unit to which the VECP applies



Do:

- Include PGC(s)
- Include NSN(s)
- Include Part Number(s)

Don't:

- Include items not on your contract



VECP Point #4

- A separate, detailed cost estimate for:
 - The affected portions of the existing contract requirement and the VECP.
 - The cost reduction associated with the VECP shall consider the Contractor's allowable development and implementation costs, including any amount attributable to subcontracts under the Subcontracts paragraph of this clause.





VECP Point #4 Continued

A separate, detailed cost estimate

Current Process Cost

Minus

Recommended Process Cost

Equals

Cost Savings

Do:

- Fixed and variable costs
- Provide details

Don't:

- Forget Contractor's allowable development and implementation costs



VECP Point #5

- A description and estimate of costs the Government may incur in implementing the VECP

- Include test, evaluation, operating, and support costs



Do:

- Be specific
- Include testing

Don't:

- Be afraid to list costs



VECP Point #6

- A prediction of any effects the proposed change would have on collateral costs to the agency.



Do:

- Include savings otherwise

Don't:

- Just include costs



VECP Point #7

- A statement of the time by which a contract modification accepting the VECP must be issued in order to achieve the maximum cost reduction, noting any effect on the contract completion time or delivery schedule



Do:

- Try to provide date
- Account for complexity

Don't:

- Assume that all requirements will be accomplished by date provided



VECP Point #8

- Identification of any previous submissions of the VECP
 - If there are previous submissions include:
 - The dates submitted
 - The agencies and contract numbers involved
 - Previous Government actions, if known
- Do:**
- Provide as much information as possible to help in locating file
 - Reach out to VM to verify previous submissions
- Don't:**
- Assume prior denial will result in future denial



VECP Process

- Prime contractors submit a VECP with DSCP Form 1772 to the VM office or their KO.
- VM Office will confirm criteria are met.
- Expect a response in 7 business days.
- The VECP will be sent to the Engineering Support Activity for review.
- The review process may take months.
- Notification of the decision will be distributed.



Conclusion

- Every VECP is treated equally and with urgency.
- The VM office will review every VECP to make sure all criteria are met before proceeding.
- The Functional Analysis System Technique (FAST) is applied to process all VECP.
- DLA have accomplished a lot of savings through this program and will continue to support the warfighter.



Our Team

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<https://www.dla.mil/Troop-Support/Clothing-and-Textiles/#Value>