

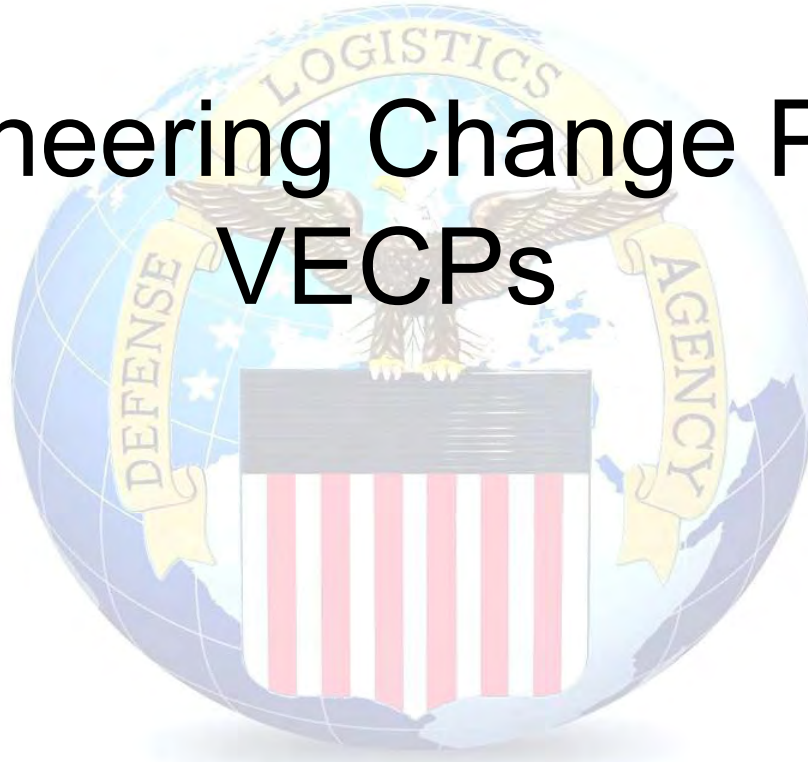


DEFENSE LOGISTICS AGENCY

AMERICA'S COMBAT LOGISTICS SUPPORT AGENCY

DLA LAND AND MARITIME

Value Engineering Change Proposals VECPs





Value Engineering Change Proposals



Contractual method to share savings

- Improve DoD supplies and/or equipment
- Savings shared between Contractor and DoD
- Described in FAR Clause 52.248.1

Improvements include any price savings

- Processes
- Materials
- Manufacturing techniques
- Other



Rules and Tools



- VECP clause in all DLA contracts > \$25K (SAT)
- Clause can be added by modification (< \$25K)
- VECP can only be received on an instant contract
- Typical share ratio: 50/50
- Collateral lifecycle savings may be negotiated



WARFIGHTER FIRST