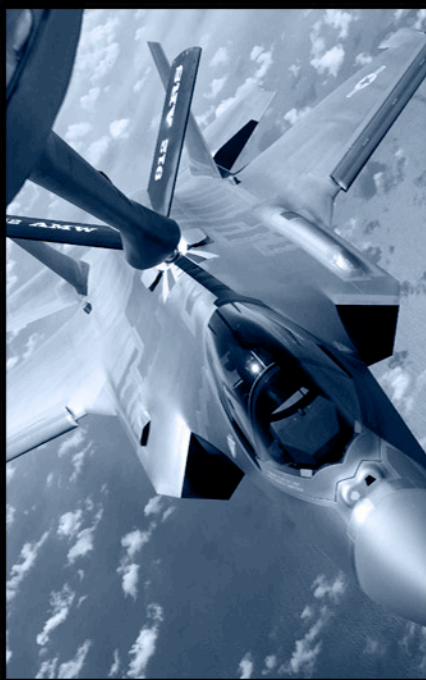




DEFENSE LOGISTICS AGENCY

AMERICA'S COMBAT LOGISTICS SUPPORT AGENCY



C&T Value Management Program

Kelly Floyd, MBA
November 22, 2017



Overview

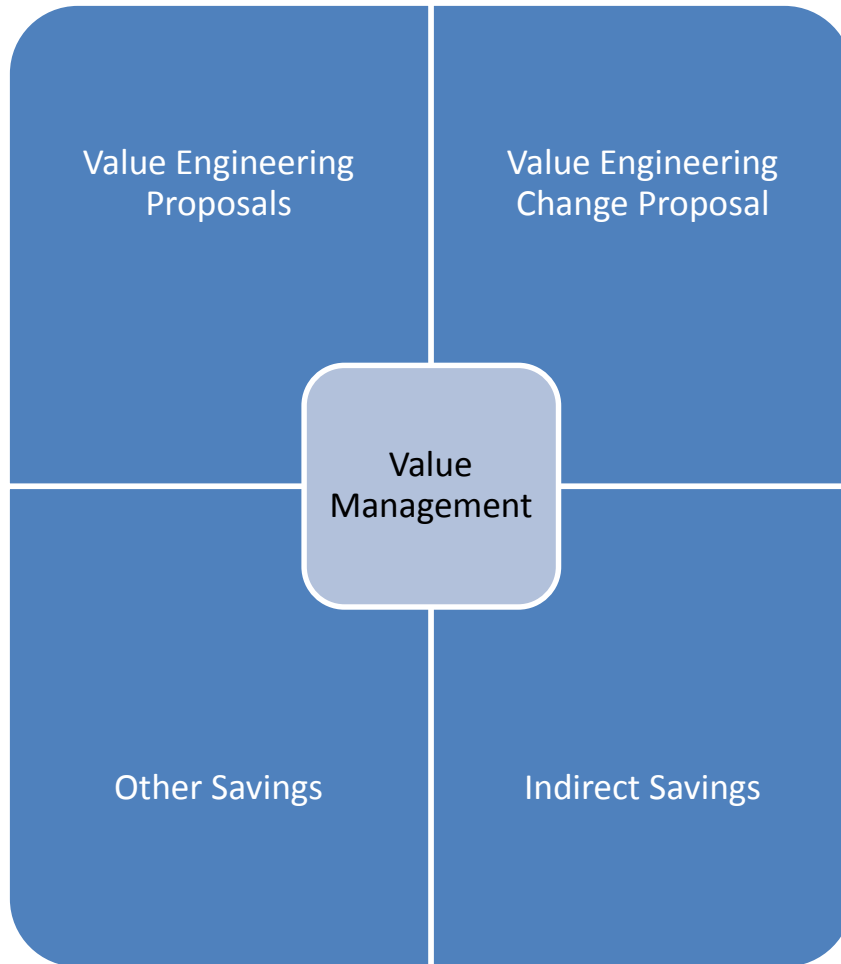
Value Management:

- C&T Program Overview
- VE & VECP
- Rules & Tools
- Submission
- Contractor Guidance & References
- Contact Information
- Breakout Information





C&T Value Management Program



- Program includes:
 - Value engineering
 - Internal Proposal
 - VEP
 - External Proposal
 - VECP
 - Indirect Savings
 - Reverse Auction*_{last year}
 - 3PL_(3rd party logistic providers)
 - Other Savings
 - Should Cost
 - Reverse Engineering



What is VE?

Value Engineering

An organized technique and effort to purchase:

- An essential function
- At the lower cost
- At the desired time and place
- Without degradation of
 - Performance
 - Quality
 - Reliability
 - Maintainability





What is a VECP?

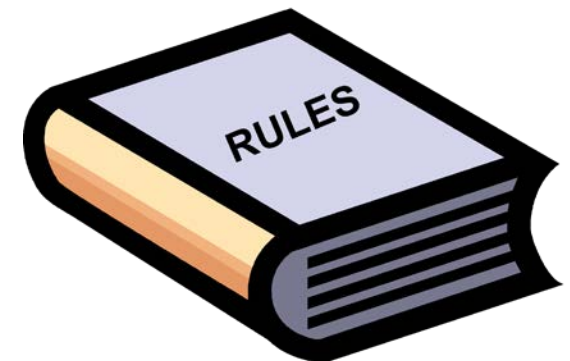
Value Engineering Change Proposal

- Contractual method to share savings
 - Contractor initiated
 - Improve DoD supplies and/or equipment
 - Savings shared between Contractor and DoD
 - Described in FAR Clause 52.248.1
- Improvements include any price savings
 - Process
 - Materials
 - Manufacturing Techniques



Rules & Tools For VECs

- VEC Clause in DLA contracts > \$150K or Simplified Acquisition Threshold
- Clause can be added by Modification
- VEC can only be submitted on a current contract / instant contract
- Typical Share: 50/50
- Sharing for 3-5 years





Submission

- The Contractor shall submit VECP's to the Contracting Officer
 - unless this contract states otherwise
- If the contract is administered by other than the contracting office
 - The Contractor shall submit a copy of the VECP simultaneously to the Contracting Officer and to the Administrative Contracting Officer





Value Engineering/Management References

- Instructions:
 - DoDI 4245.14 Value Engineering
 - DLA I 4245.01 Value Management
 - DLAD 48.101
- FAR (Federal Acquisition Regulation):
 - 48.201 Clauses for supply or service contracts
- Contract Clause
 - 52.248-1 Value engineering
 - Prescribed by 48.201 on all contracts over SAT (Simplified Acquisition Threshold, 150k)





Guide to VE

**DEPARTMENT OF DEFENSE CONTRACTOR'S
GUIDE TO VALUE ENGINEERING**

Version 2.3

May 2011

Click to
open



Points of Contact

DLA Troop Support C&T Value Management Office

Kelly Floyd: (215) 737-7441

Kelly.Floyd@dla.mil

Kathy Rivell: (215) 737-7698

Kathy.Rivell@dla.mil





DELIVER THE RIGHT SOLUTION ON TIME, EVERY TIME



Have an Idea? Want to Learn More?

Join us for the break out session

Thursday 1100-1130 or 1430-1500



DEFENSE LOGISTICS AGENCY

AMERICA'S COMBAT LOGISTICS SUPPORT AGENCY

