PART 2448 - VALUE ENGINEERING

2448.102 Policies.

- The authority of the agency head to exempt contracts from including Value Engineering (VE) procedures and processes under 48 CFR 48.102(a) is delegated to the HCA for individual (case-by-case) exemptions and to the Senior Procurement Executive for class exemptions.

- The Senior Procurement Executive is responsible for managing and monitoring HUD's VE efforts.

2448.103 Processing value engineering change proposals.

Upon receipt of a Value Engineering Change Proposal (VECP), the Contracting Officer shall promptly forward it to the program office responsible for the contract, indicating:

- The date the VECP was received;

- The date by which the contractor must be informed of the government's acceptance or rejection of the VECP, unless additional time is required for evaluation;

- The date by which the Contracting Officer must know of the technical officer's decision in order to timely accept or reject the VECP;

- The need for information required to inform the contractor if the VECP is to be rejected or if additional time is needed to evaluate the VECP;

- The potential for awarding concurrent, future, or collateral savings to the contractor, if the VECP is accepted;

- That if the VECP is accepted, precise information will be needed with regard to the type of savings, and government costs, that can be expected from its acceptance;

- The need for a procurement request setting forth the specification changes to be used in a contract modification accepting the VECP in whole or in part; and

- The need for additional funds, if acceptance of the VECP will result in an increase in the cost of contract performance.

2448.104-3 Sharing collateral savings.

- The authority of the HCA to determine that the cost of calculating and tracking collateral savings will exceed the benefits to be derived under 48 CFR 48.104-3(a) is delegated to the Contracting Officer.