

# VM for Government Projects



“The U.S. Army Materiel Command achieved over \$450 million in VE savings last year. This is an impressive figure and we’re proud of it. Equally impressive are the benefits that flow from the VE program: simplified operation and maintenance, increased reliability, reduced weight and ultimately, enhanced readiness.”

—Roy E. Beauchamp, Major General, U.S. Army

## Using VM in Government

The value methodology (VM), a systematic and structured approach, improves projects, products, and processes. Its use rapidly spread throughout government—in the United States as well as internationally—due to its potential for yielding a large return on investment. VM is helping to reinvent the government and save taxpayers money by:

- Cutting down on waste
- Reducing government acquisition costs
- Using resources more effectively
- Decreasing project, operation and maintenance costs
- Identifying cost-saving and performance enhancing alternatives
- Reducing paperwork
- Simplifying procedures
- Improving project schedules
- Streamlining an agency’s organizational structure
- Better defining government infrastructure requirements
- Improving safety programs for major government installations



Each year the use of the VM saves taxpayers billions of dollars and allows allocated funds to be spent on additional projects or programs. Many agencies have realized a 25:1 return on their investment to implement VM on their projects.

- **The Defense Authorization Act** (Public Law 104-106) states that each executive agency must establish and maintain cost-effective value engineering procedures and processes.
- **The 1995 National Highway System Designation Act** requires states to carry out a VM analysis for all federal-aid highway projects with an estimated total cost of \$25 million or more.
- **The 1986 Water Resources Development Act** (Public Law 99-662) requires a new cost-cutting review (the value methodology) on all federally funded water and wastewater-treatment projects with a total cost in excess of \$10 million.
- **The Office of Management and Budget’s Circular A-131** requires federal agencies to use the value methodology as a management tool to reduce program and acquisition costs.

## U.S. Government Requirements & Legislation

The United States Federal Government mandates the use of the value methodology on design and construction projects, programs, processes, systems, and techniques. Many state, regional, and municipal organizations also require use of VM.

© 2007 SAVE International

## Yes! I Will Join SAVE International!

SAVE International offers easy membership options. Select the option that best suits your needs.

- Individual.....\$150/Year
- Regular Corporate Membership (includes 2 individuals)..... \$415/Year
- Sustaining Corporate Membership (includes 5 individuals)..... \$1,065/Year

Name

Title

Company

Preferred Mailing Address

City

State/Province

Postal Code

Country

Telephone

Fax

Email

URL

### Payment Information:

- Check\*       Visa
- MasterCard     American Express

Card No.

Expiration Date

Signature

\*Make check payable to SAVE International.