



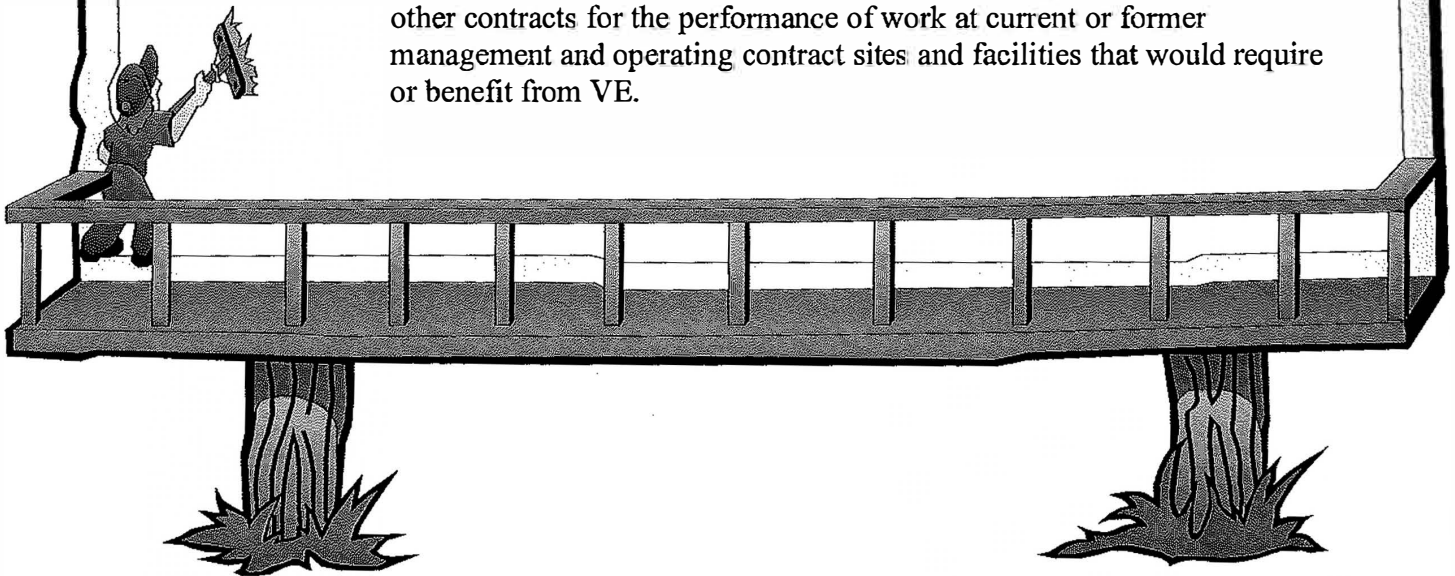
# **HEADQUARTERS POLICY FLASH**

## **POLICY FLASH 2003-20**

**DATE:** August 27, 2003  
**TO:** Procurement Directors  
**FROM:** Office of Procurement and Assistance Policy, ME-61  
Office of Procurement and Assistance Management

**SUBJECT:** Acquisition Letter 2003-04, "Value Engineering"

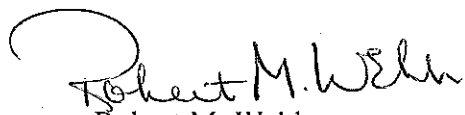
**SUMMARY:** Acquisition Letter 2003-04, "Value Engineering," was issued on August 25, 2003. It provides Contracting Officers guidance on the application of value engineering (VE) to DOE management and operating contracts and other contracts for the performance of work at current or former management and operating contract sites and facilities that would require or benefit from VE.



The Acquisition Letter discusses the challenges of applying value engineering effectively in management and operating and similar contracts, provides deviations to the affected FAR Value Engineering clauses, specifies when the deviations may be appropriate, and requires removal of the DEAR clause on Cost Reduction, 48 CFR 970.5215-4, when using value engineering clauses.

This AL does not apply to National Nuclear Security Administration (NNSA) activities unless otherwise directed by NNSA officials.

Contact Michael Righi at either (202) 586-8175 or [Michael.Righi@hq.doe.gov](mailto:Michael.Righi@hq.doe.gov) if you have any questions.

A handwritten signature in black ink, appearing to read "Robert M. Webb". The signature is written in a cursive style with a large, looping initial "R".

Robert M. Webb  
Acting Director,  
Procurement and Assistance Policy

Attachment