
Value Engineering
Annual Report
FY 2010/2011



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Executive Summary

Value Engineering During Project Development

The effort put forth in value engineering by the department over the past ten years has produced more than \$2.5 billion in implemented cost avoidance. This effort has led to the department being recognized as a national leader in value engineering .

The districts completed 20 studies or 77% of the original number of studies scheduled for fiscal year 2009/2010. The original work plan had 26 studies scheduled for the year and the target was to complete 75% or 20 of the planned studies. Due to the dynamics of the department's work program, 9 of the 26 scheduled studies (35%) were either dropped from the work plan altogether or rescheduled for the 2010/2011 fiscal year, while six of the completed studies were added to the original work plan.

During this same period, the districts acted on 102 recommendations, approving 60 for a 59% adoption rate. Forty-five of the approved recommendations resulted in \$158 million in project cost avoidance/savings. The remaining 15 approved recommendations were value added recommendations that increased project performance, while adding \$17 million to the project cost. Therefore, the total value of the approved recommendations, including the value added recommendations, produced **\$141 million in project cost avoidance/savings.**

The approved recommendations resulted in a 4.53% project saved and a Return on Investment (ROI) of \$138 to \$1. The percent project saved is calculated by dividing the value of all approved recommendations by the total costs of the projects studied, while the ROI is calculated by dividing the value of all approved recommendations by the cost of administering the program.

There were 63 pending recommendations totaling \$323.7 million in potential cost avoidance/savings at the end of the 2010/1011 fiscal year. This is a 12.5% increase in the total number of pending recommendations from the end of the 2009/2010 fiscal year. Thirty-nine of the 63 recommendations have been pending for more than 12 months, which is more than 60% of the total number of pending recommendations. Since the VE Study is a 'snapshot' of the project at some point in time of project development and projects are continuously moving forward in development, this is a concern. The longer recommendations are unresolved and in a pending status the less likely that they will be adopted because the development of the project has advanced.

Cost Savings Initiatives During Construction

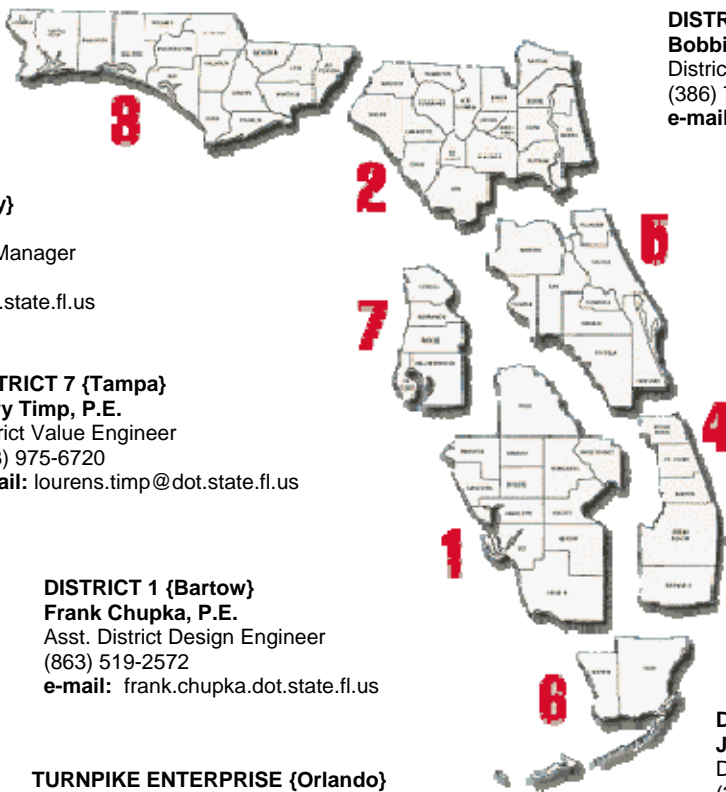
Seventeen Cost Savings Initiative (CSI)'s Proposals were submitted during fiscal year 20010/20011, totaling more than \$5.10 million in potential project savings. During this same period, the districts acted on 22 proposals approving 19. The implemented savings from the 19 approved CSI's was \$4.87 million. There are currently five pending VECP's totaling \$2.10 million in potential project savings.

Program Organization

Mission: Administer the Florida Department of Transportation Value Engineering and Cost Savings Initiative Programs, satisfying the needs of the stakeholders.

Vision: Value Engineering . . . providing an effective support function which maximizes project and process value for the transportation systems in the State of Florida.

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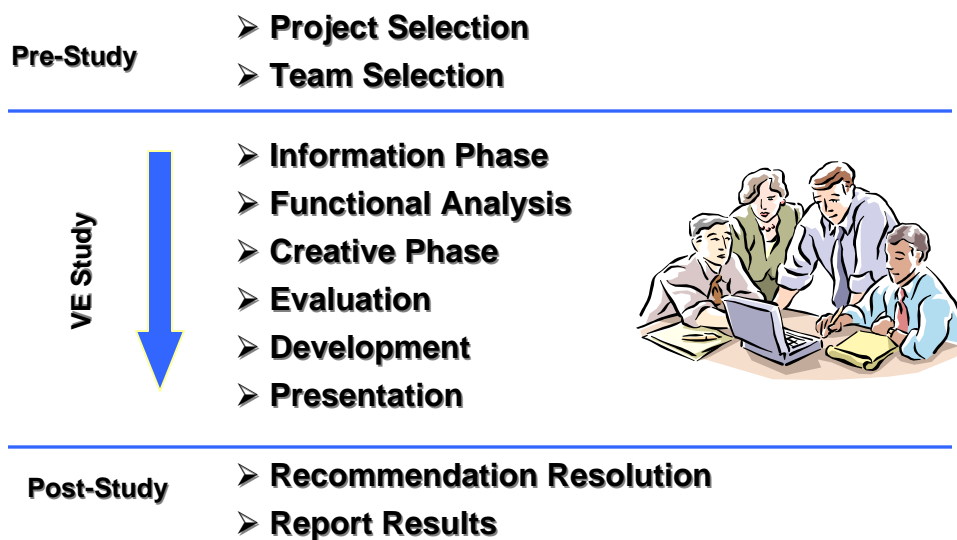
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Value Engineering Overview

What is Value Engineering

Value Engineering (VE) is the formal application of a proven and effective tool used to improve the value of a project, product or service. VE strives to optimize the use of allocated funds without reducing the quality or performance. A multi-disciplined team is assembled and the six phases of the VE Job Plan (Information, Functional Analysis, Creative, Evaluation, Development and Presentation) are used to guide the team through the process.

VE Job Plan



The administration of the VE Program can be broken down into the following key processes.

Pre-Study	Study	Post Study
Project Selection	Conduct VE Study	Recommendation Resolution
Team Selection		Report Results

Value Engineering Overview

Performance Measures

The VE Program and the Cost Savings Initiative (CSI) Program are managed through the use of the Process Control Systems found in Appendix B. Each process has a set of Quality and In-Process measures that are used to evaluate the performance of the program. The Quality Measures for the overall VE program are defined below.

VE Program	
Quality Measure	Calculation
Q1: Approved Cost Avoidance Recommendations	Sum of all approved cost avoidance/ savings recommendations
Q2: Approved Value Added Recommendations	Sum of all approved value added recommendations
Q3: Adoption Rate	$\frac{\# \text{ of Approved Recommendations}}{\# \text{ of Proposed Recommendations}}$
Q4: Percent Project Saved	$\frac{\text{Value of Approved Recommendations}}{\text{Total Project Costs}}$
Q5: Percent Program Saved	$\frac{\text{Value of Approved Recommendations}}{\text{3 Year Monthly Average Lettings}}$
Q5: Return on Investment (only reported annually)	$\frac{\text{Value of Approved Recommendations}}{\text{Total cost of VE Program}}$

Cost Savings Initiative Overview

What is Cost Savings Initiative

The Cost Savings Initiative Program offers an opportunity for the contractor to propose cost savings ideas prior to work beginning and as work progresses on a project. Contractors can demonstrate their innovation and ingenuity by proposing ideas that contribute to the cost effectiveness of the project. The contractors are then rewarded for this ingenuity and innovation by sharing in any project savings generated from an approved Cost Savings Initiative (CSI) proposal.

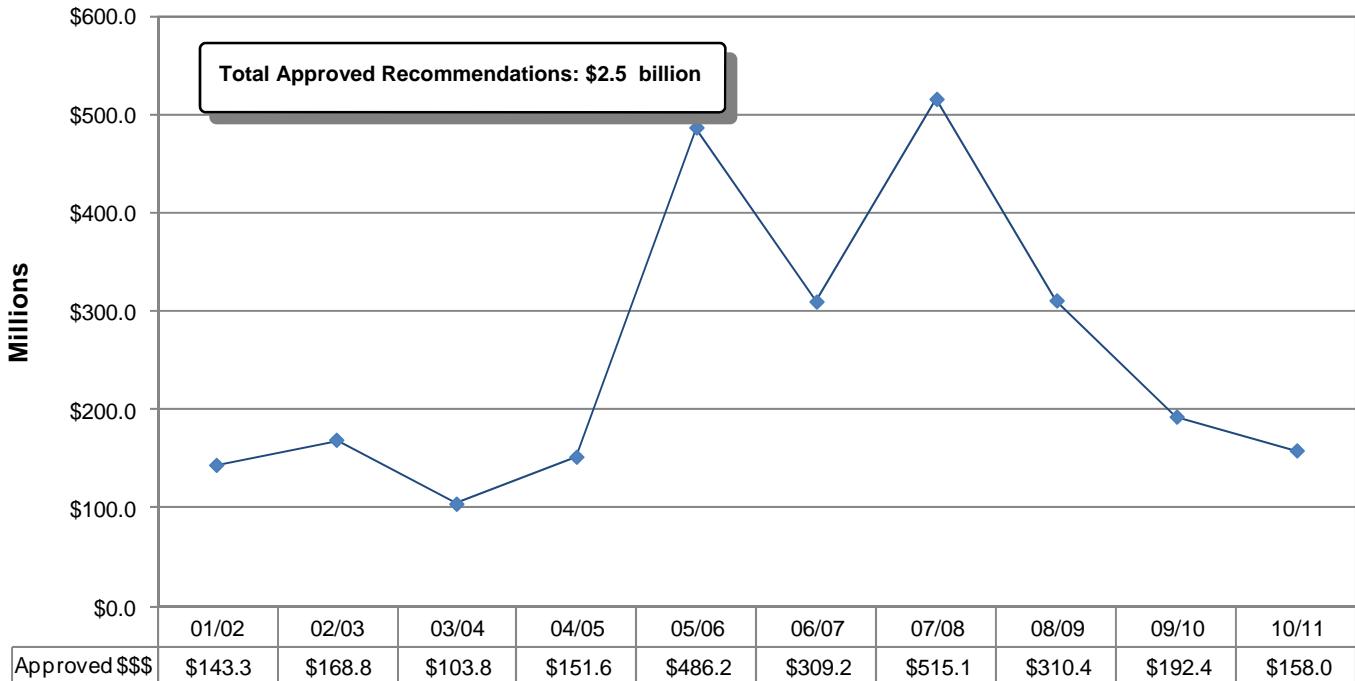
Performance Measures

CSI Program	
Q1: Number of CSI's	Sum of all CSI's
Q2: Approved Cost Savings	Sum of all approved CSI savings
Q3: Percent Project Saved	$\frac{\text{Value of Approved Proposals}}{\text{Total Project Costs}}$
Q4: Percent Program Saved	$\frac{\text{Value of Approved Recommendations}}{\text{3 Year Monthly Average Lettings}}$

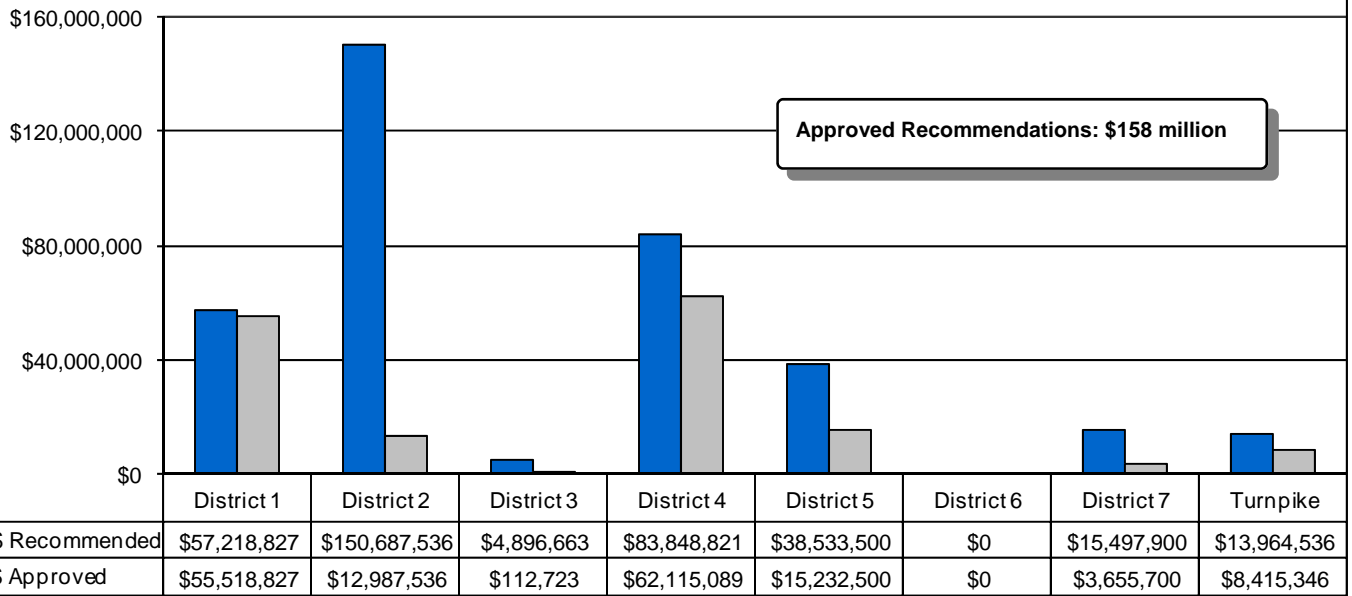
Fiscal Year 2010/2011
Value Engineering
Performance Measures

Adopted Recommendations

Q1: Annual Approved Cost Avoidance/Savings

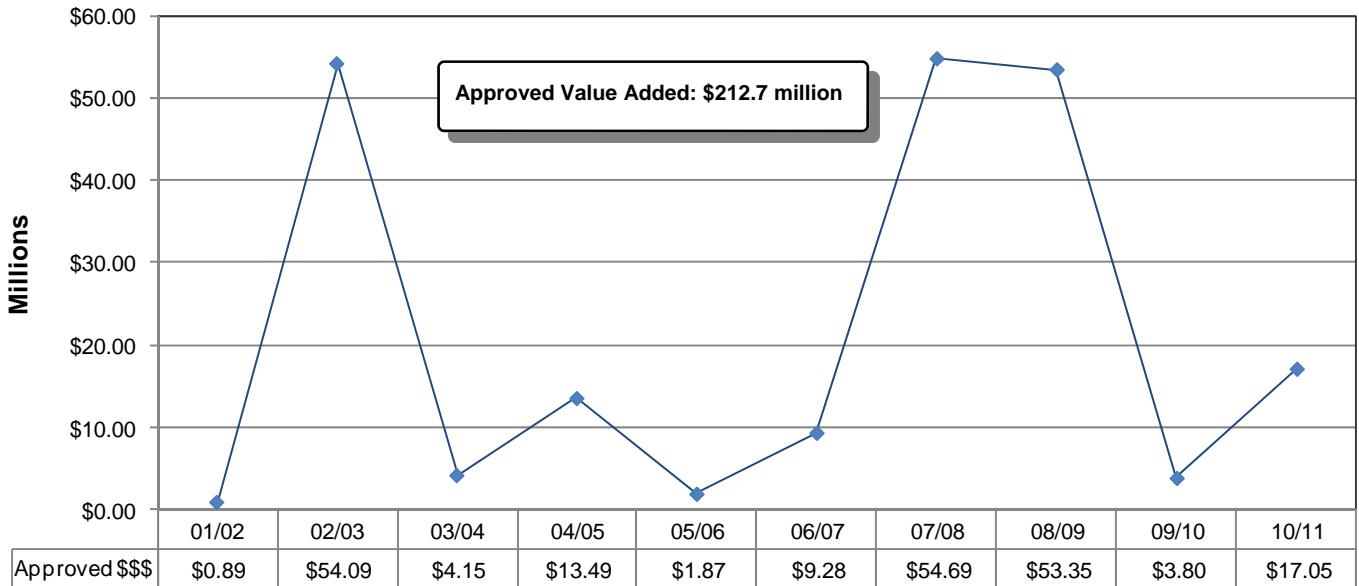


**Q1: Cost Avoidance Recommendations
Annual Report FY 2010/2011**

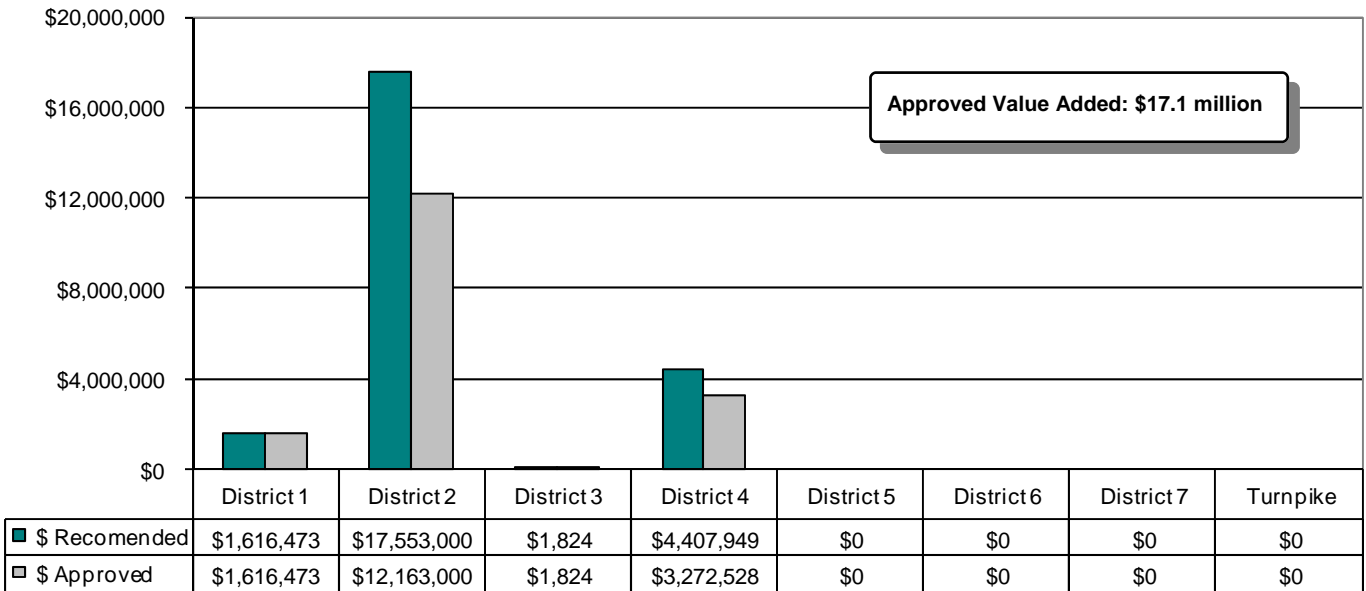


Adopted Recommendations

Q2: Annual Approved Value Added Recommendations



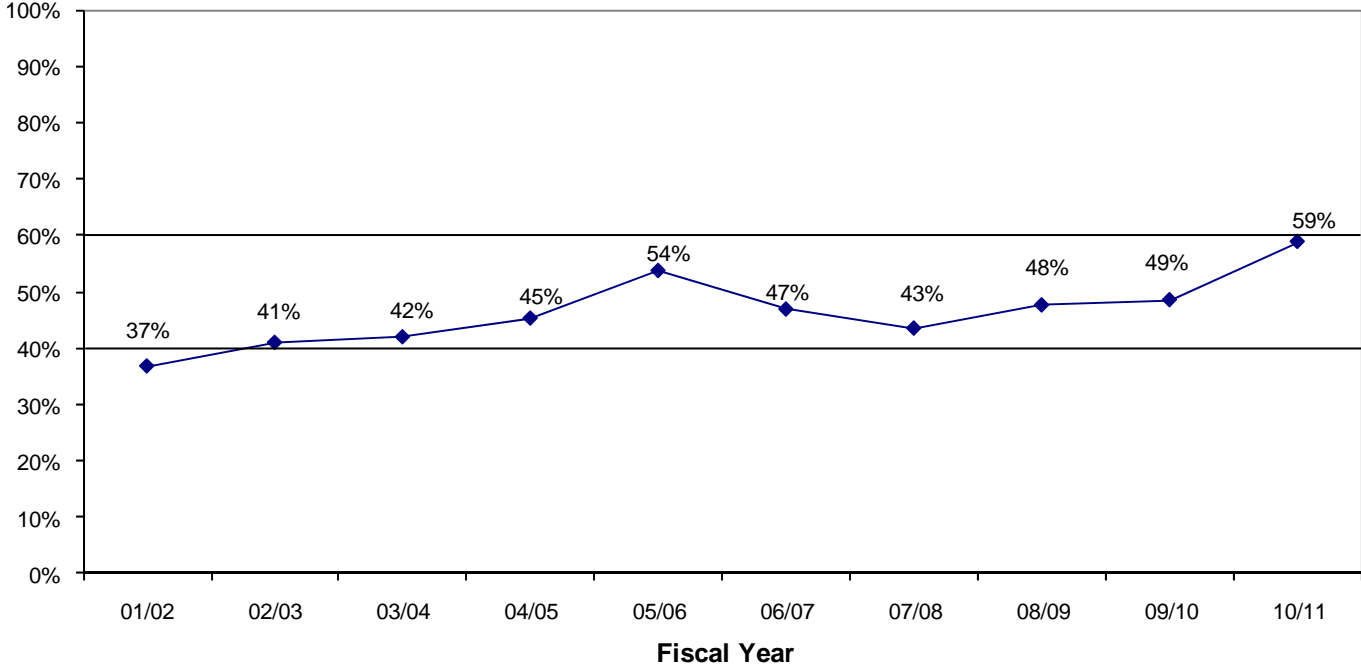
Q2: Value Added Recommendations Annual Report FY 2010/2011



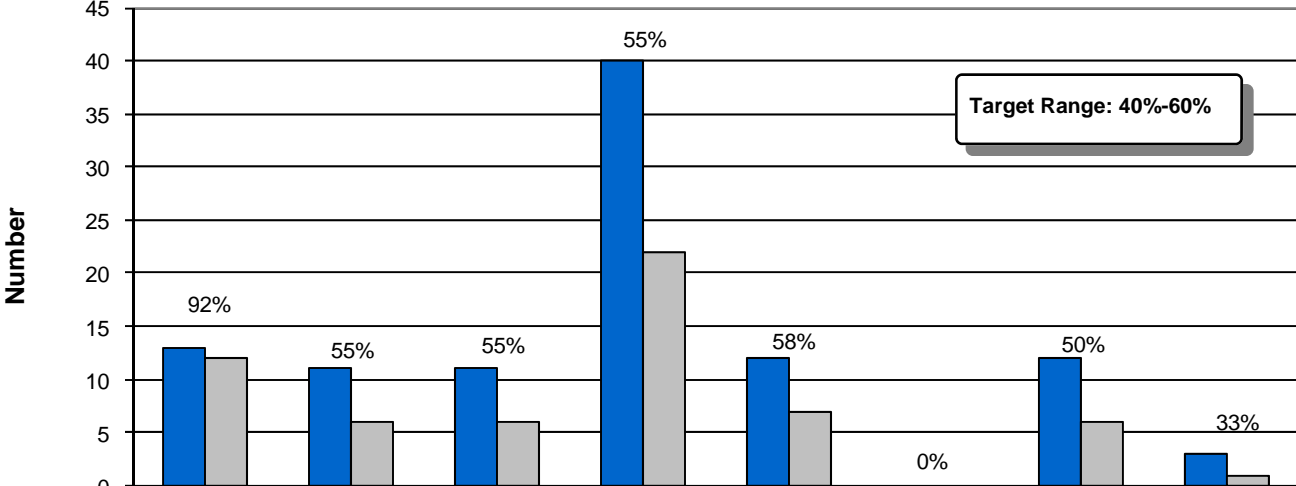
* A Value Added Recommendation significantly increases the performance of a function while also increasing the cost.

Adoption Rates

Q3: Annual Adoption Rate



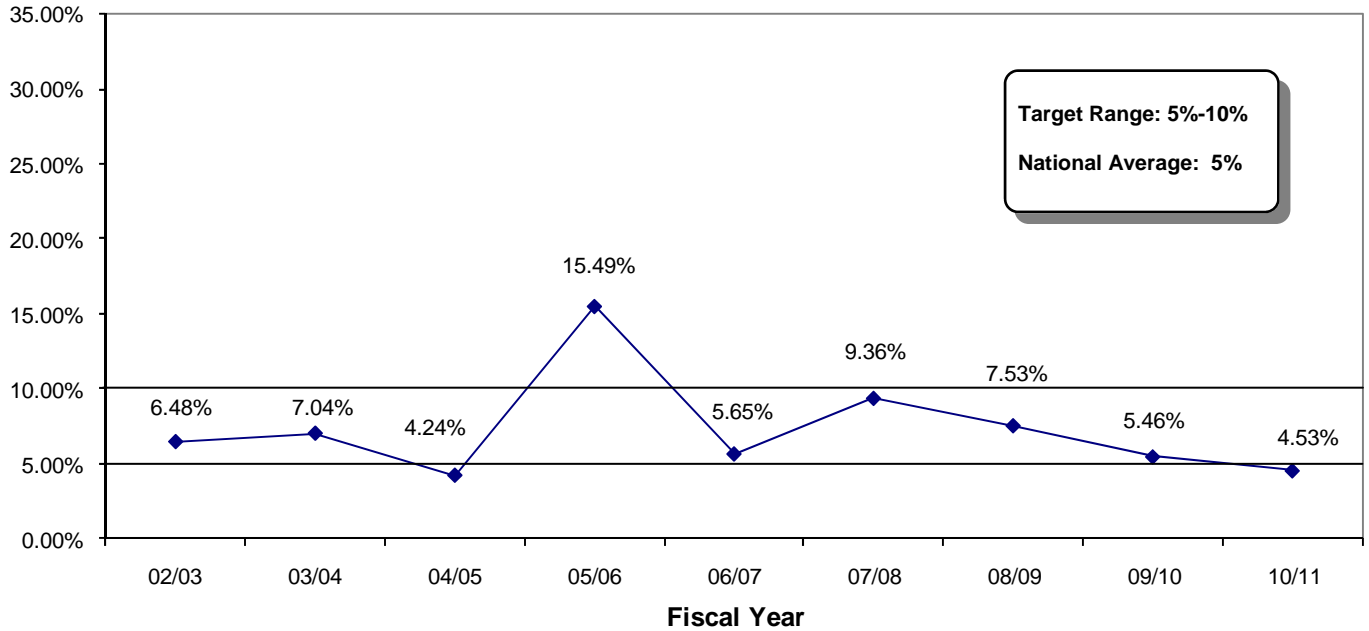
**Q3: Adopted Recommendations
Annual Report FY 2010/2011**



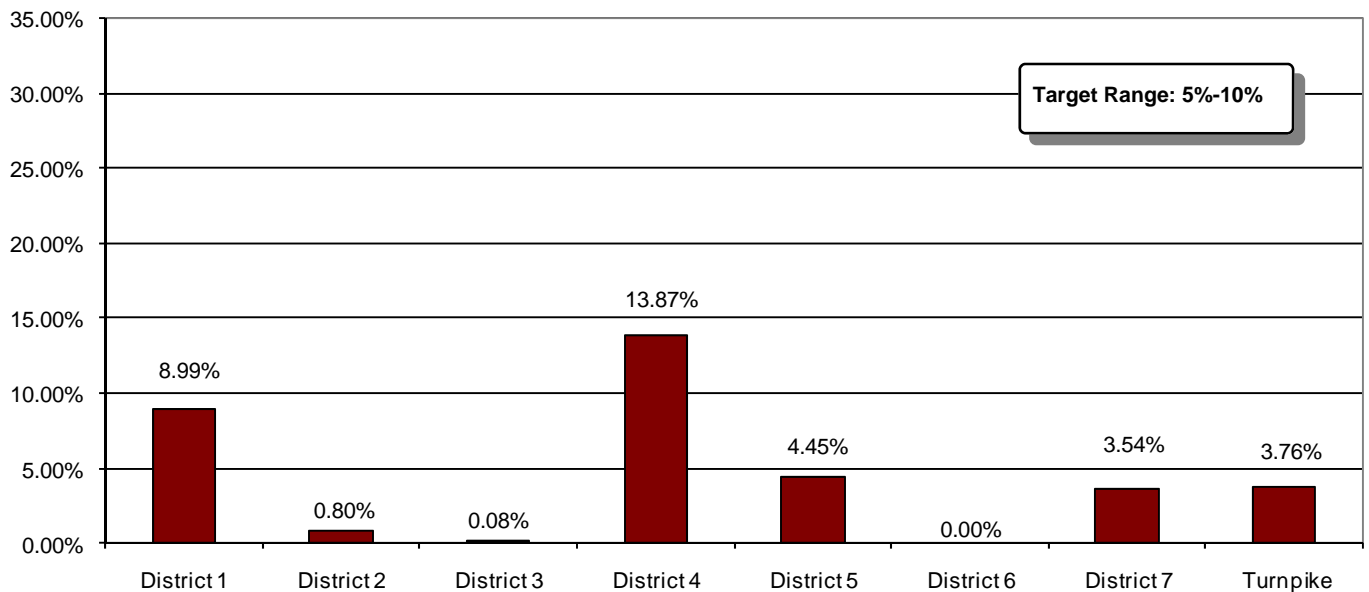
# Recommended	13	11	11	40	12	0	12	3
# Approved	12	6	6	22	7	0	6	1

Percent Project Saved

Q4: Annual Percent Project Saved

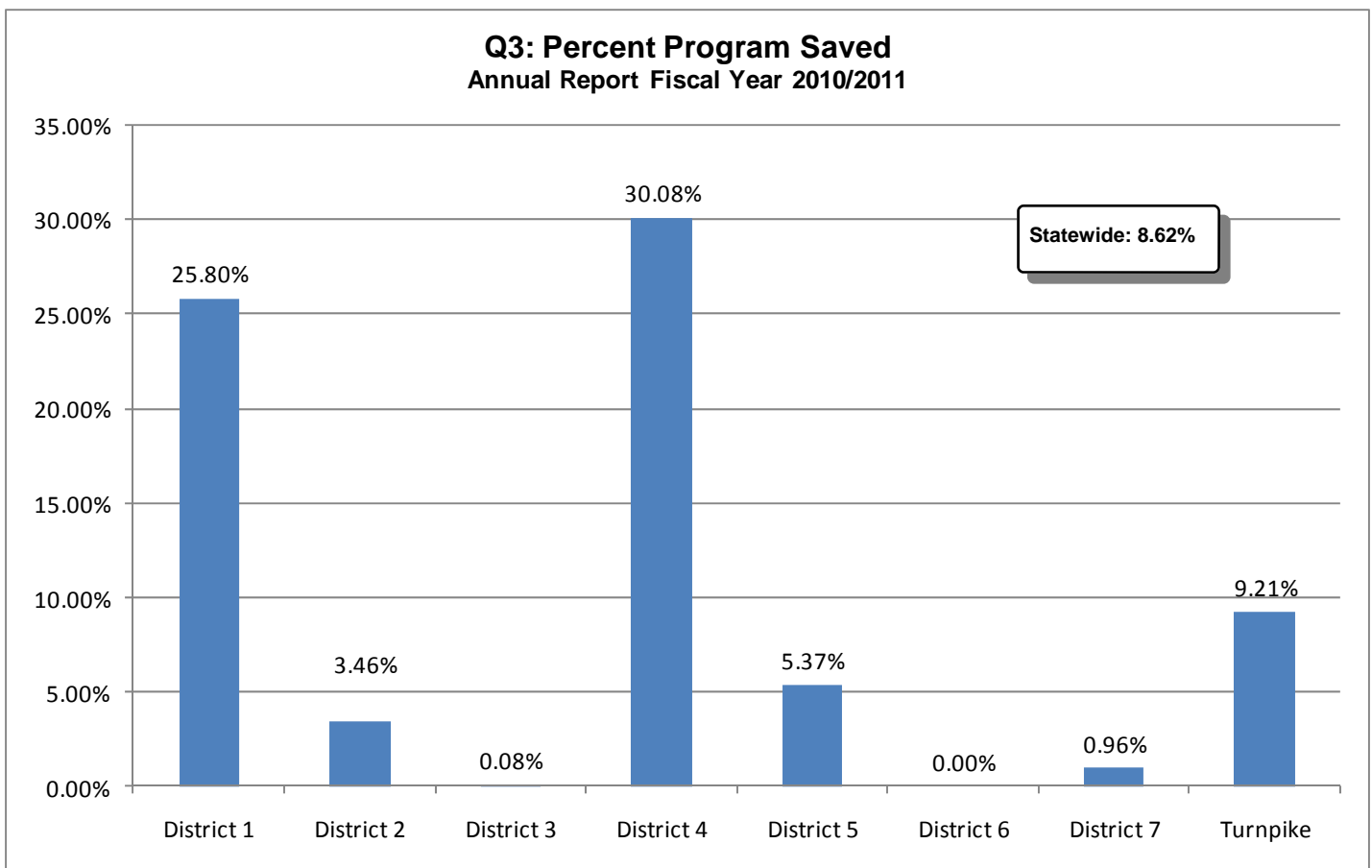


**Q4: Percent Project Saved
Annual Report Fiscal Year 2010/2011**



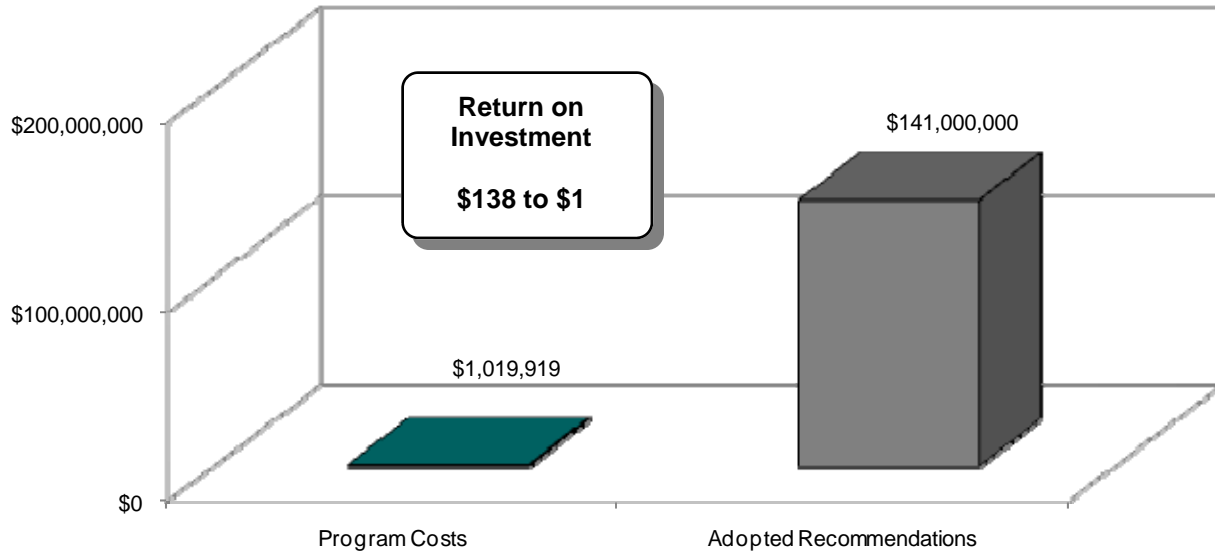
Percent Program Saved

The Percent Program Saved is a new measure introduced this year. The intent is to compare the cost avoidance/savings to the overall work program. The measure is calculated by dividing the three year average monthly lettings into the overall cost avoidance/savings. Line charts showing trends will be developed in future years as data becomes available.

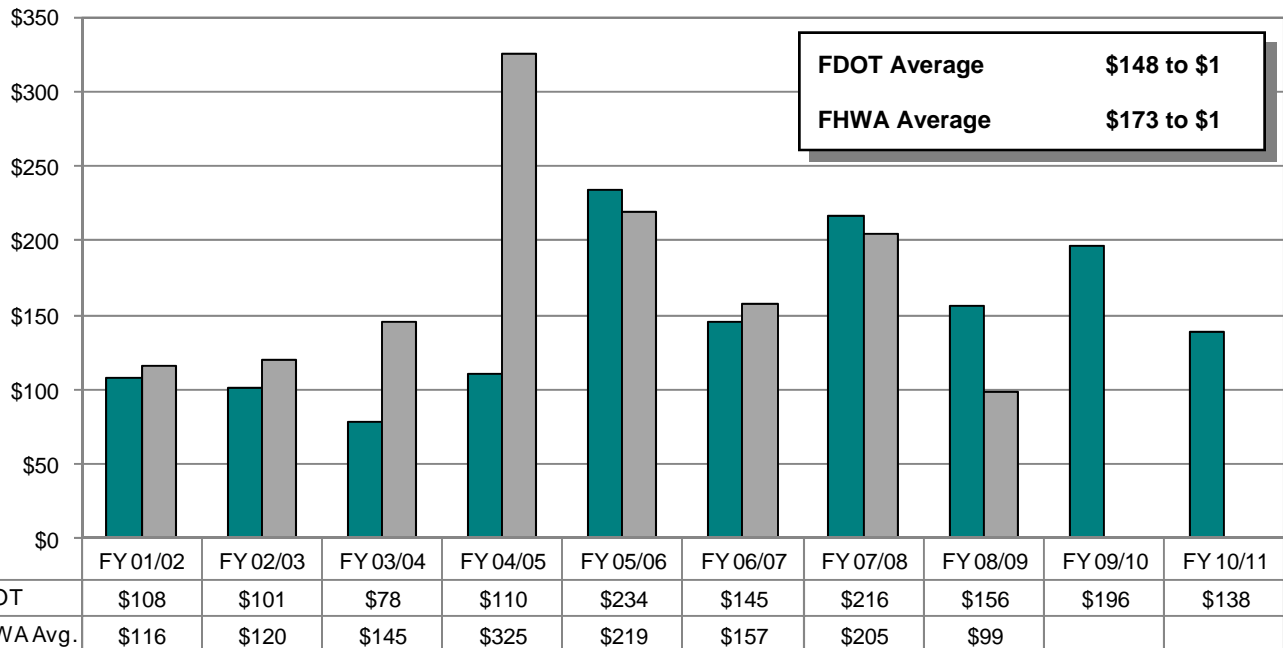


Return on Investment

Q5: Return on Investment
Annual Report Fiscal Year 2010/2011



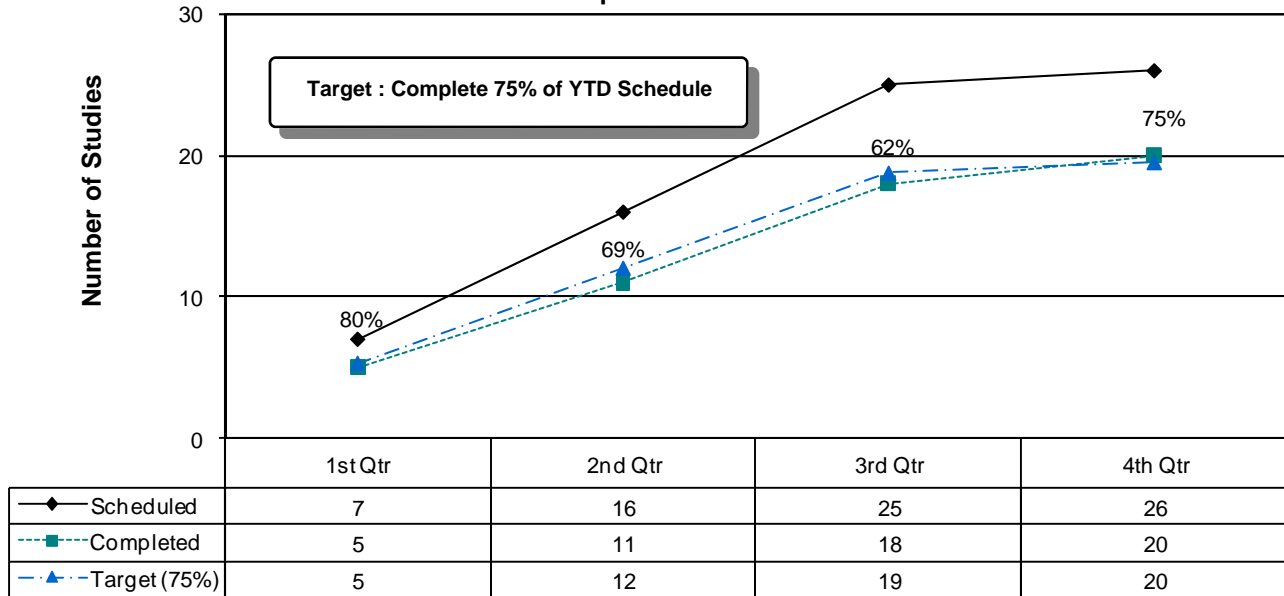
Q5: Annual Return on Investment



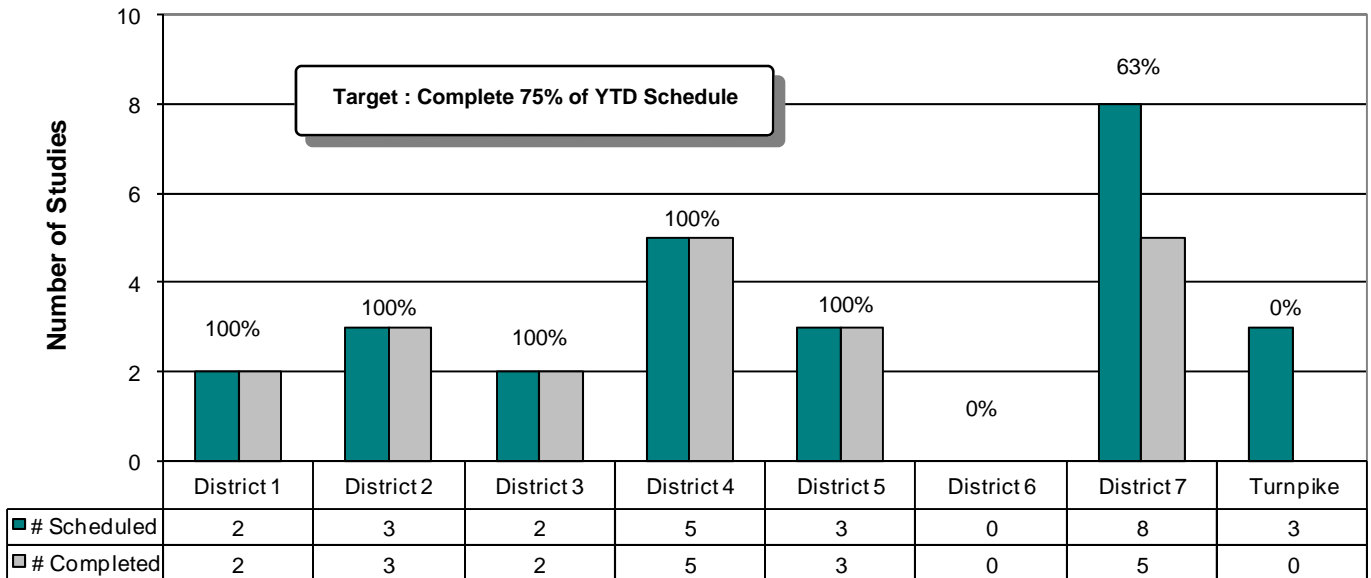
* FHWA data for fiscal year 2009/2010 or 2010/2011 was not available at time of publication.

Work Plan Completion

P1: VE Studies Scheduled vs. Completed
Annual Report FY 2010/2011

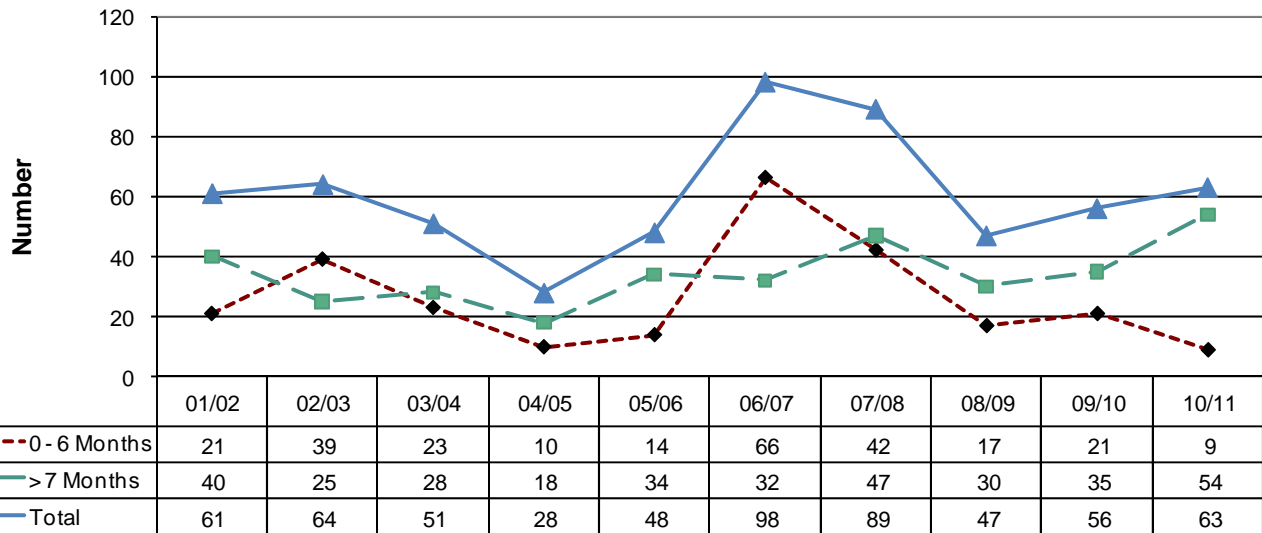


P1: VE Studies Scheduled vs Completed
Annual Report FY 2010/2011

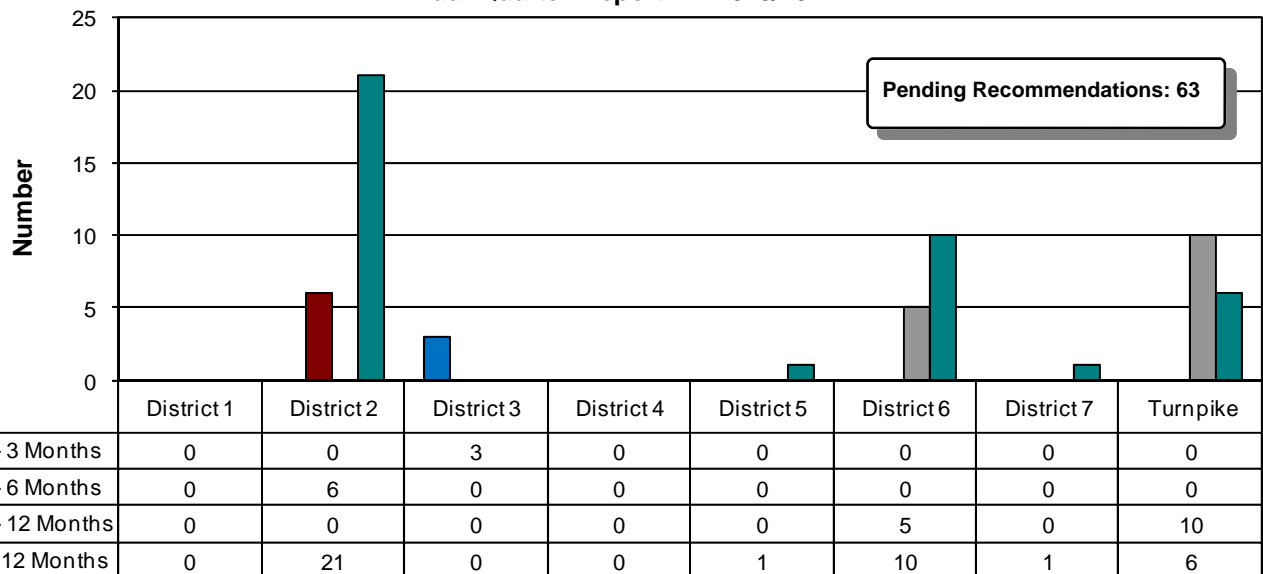


Pending Recommendations

P4: Annual # Pending Recommendations
Annual Report FY 2010/2011



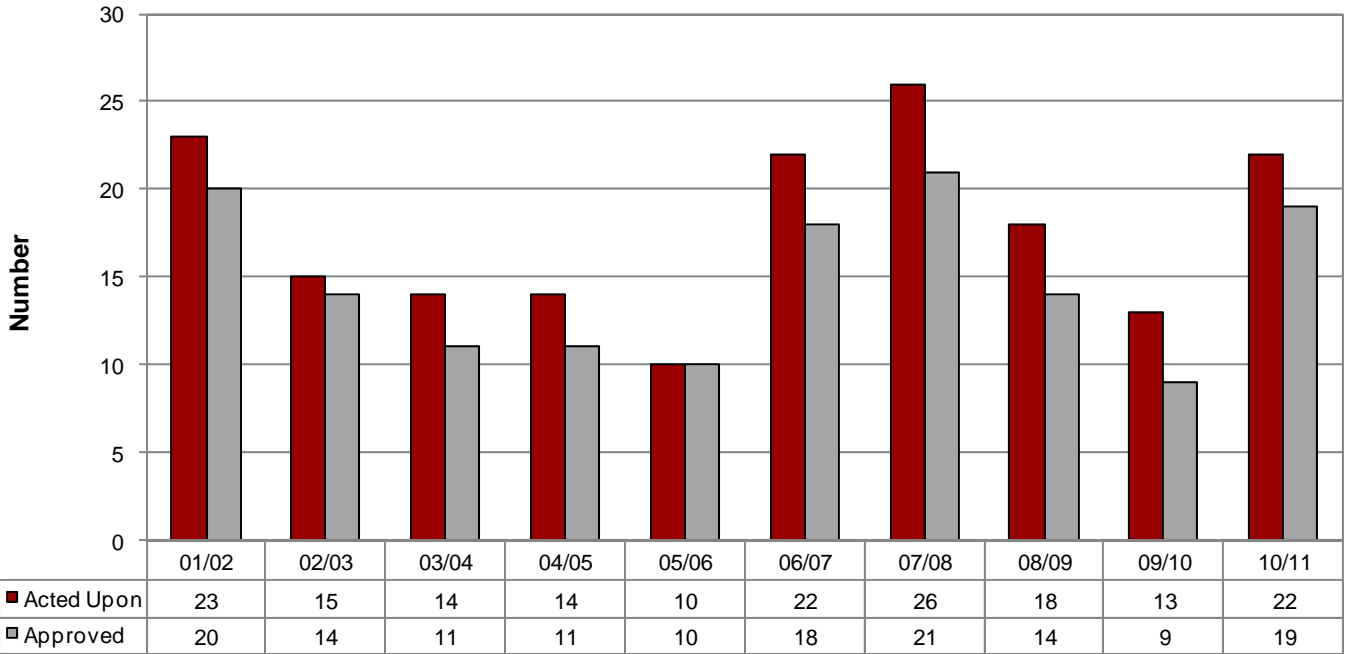
P4: # Pending Recommendations
Annual Quarter Report FY 2010/2011



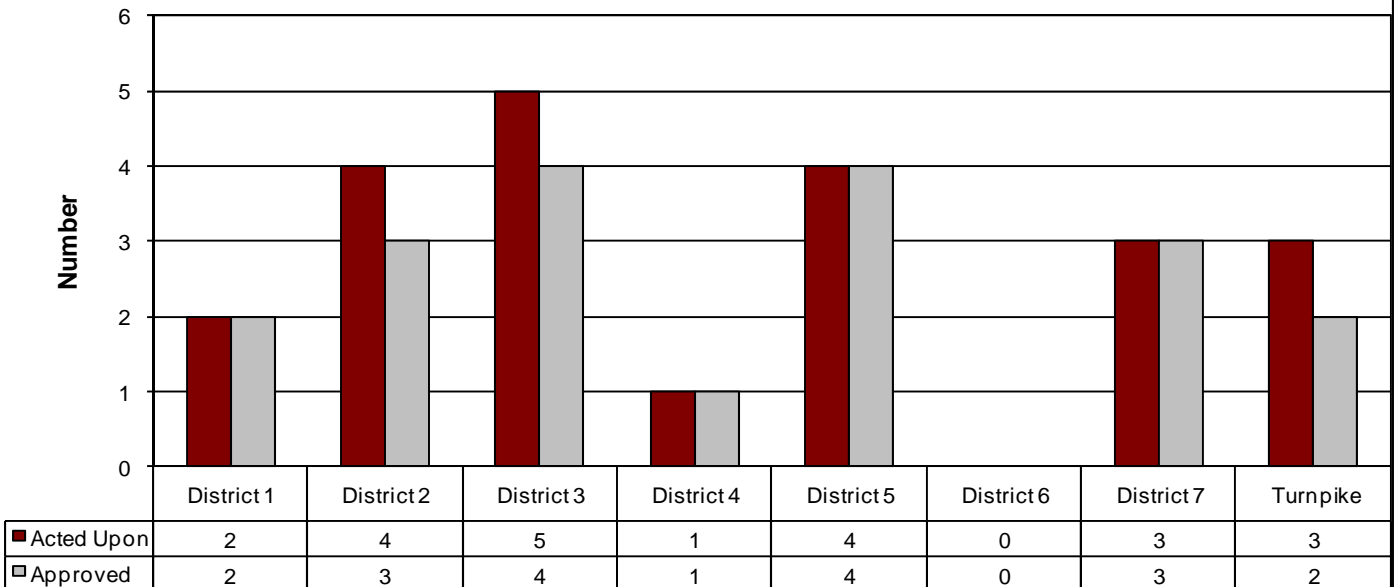
Fiscal Year 2010/2011
Cost Savings Initiative
Performance Measures

CSI Summary

Q1: Annual CSI (VECP's) Acted Upon

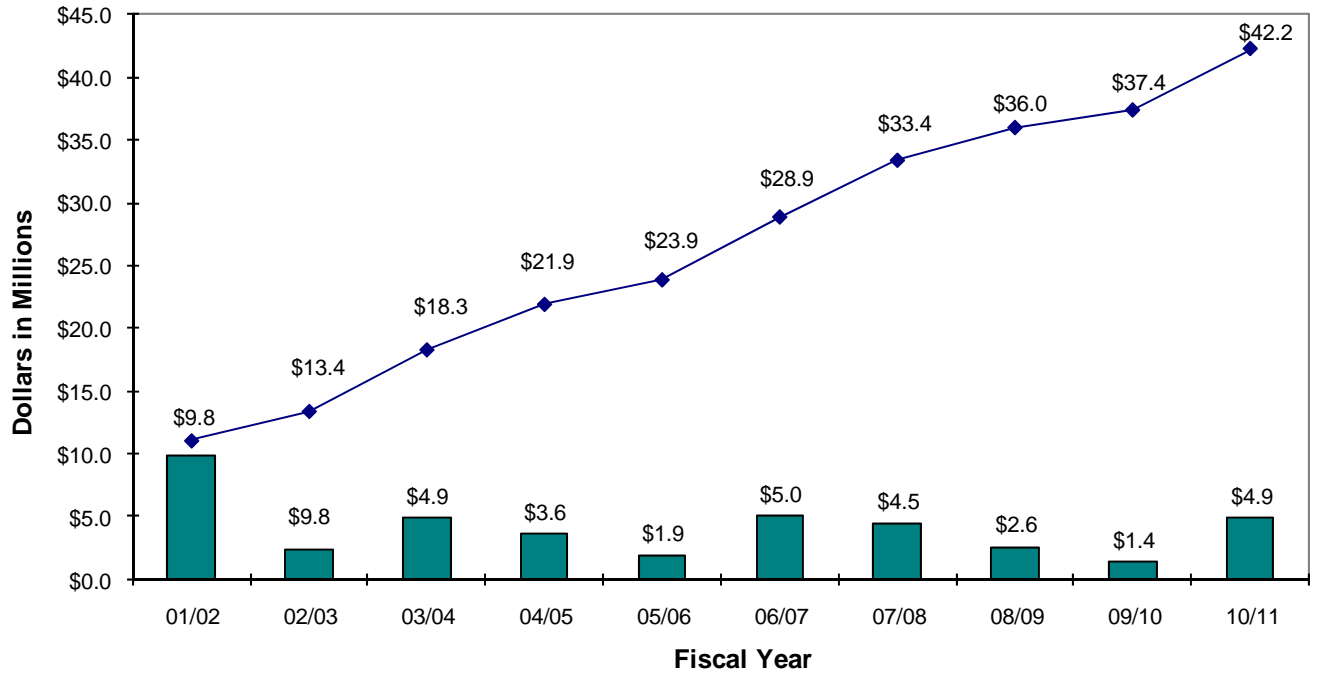


Q1: CSI's Acted Upon Annual Report Fiscal Year 2010/2011

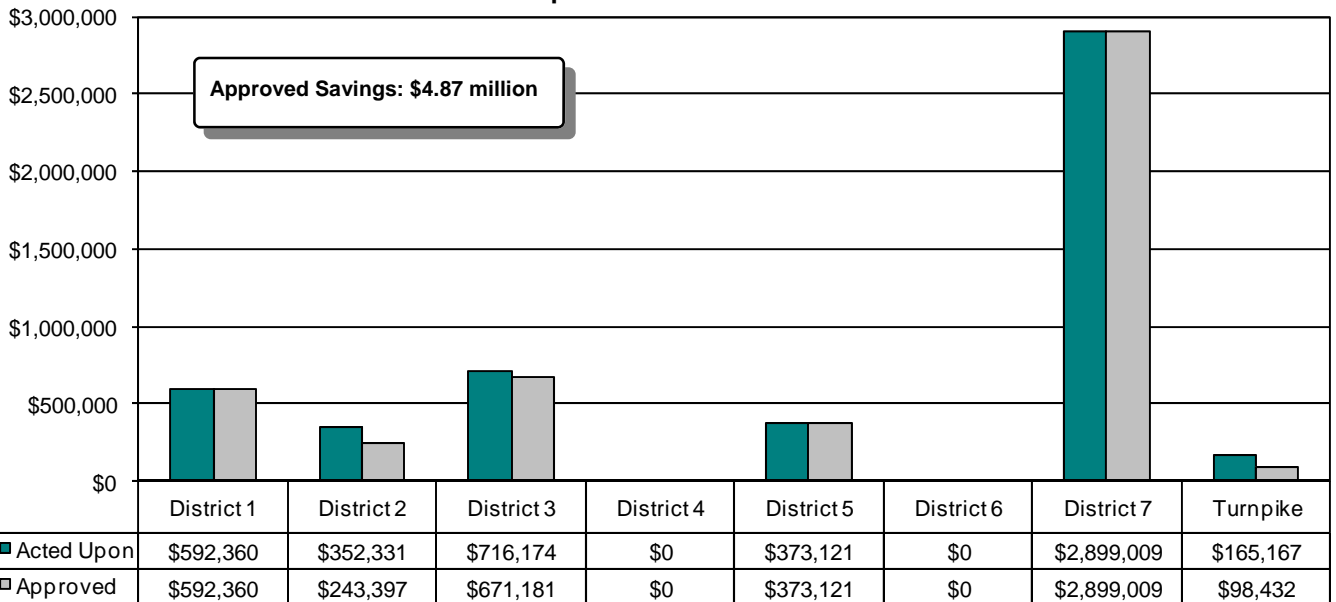


CSI Approved Savings

Q2: Cumulative CSI (VECP) Construction Cost Savings

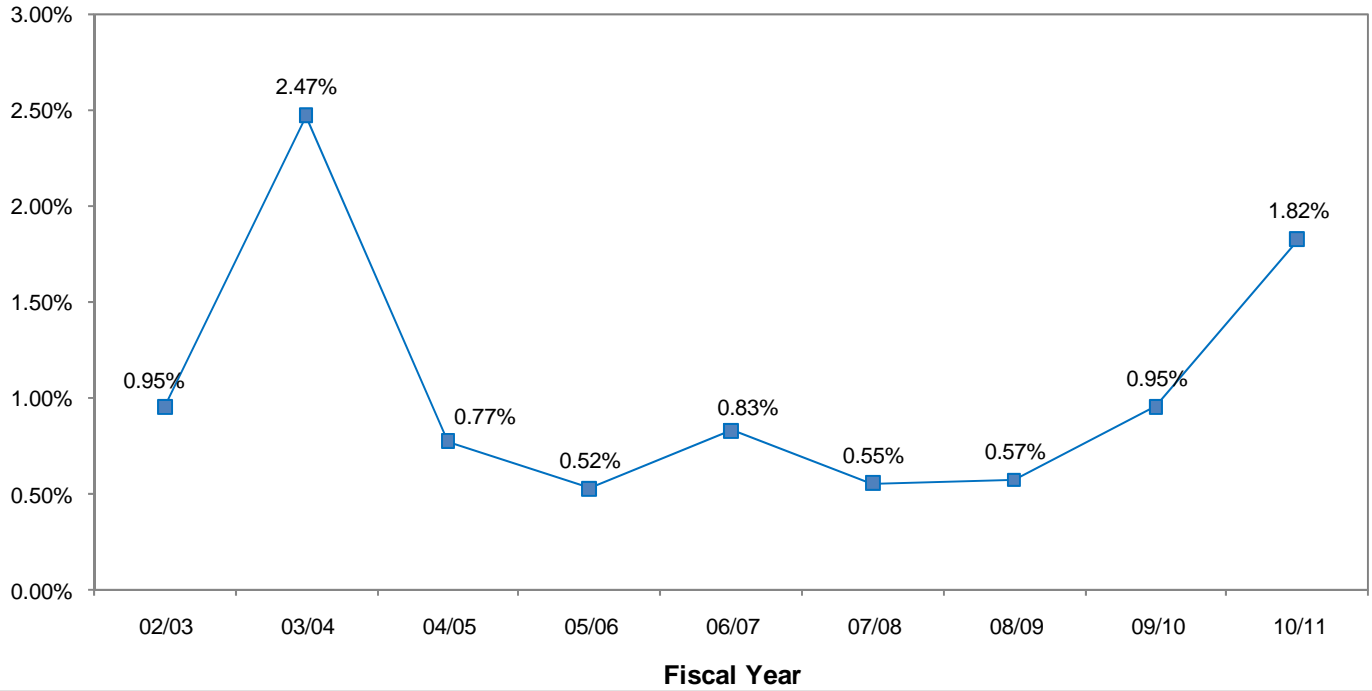


Q2: Approved CSI Savings Annual Report Fiscal Year 2010/2011

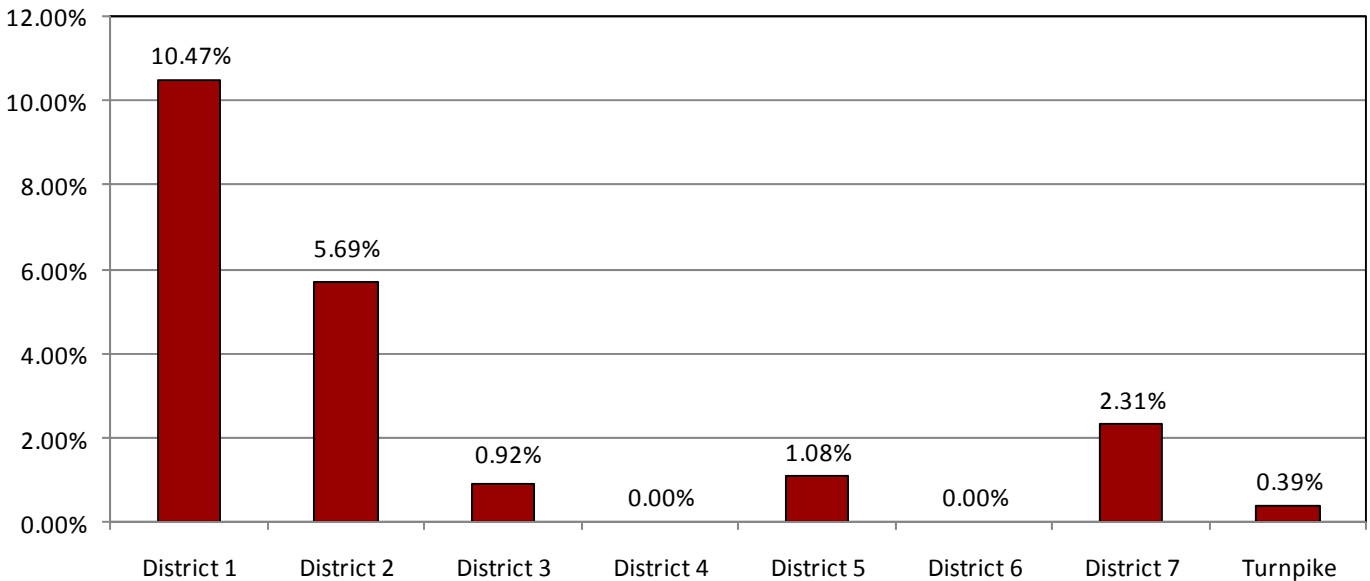


CSI Percent Project Saved

Q3: CSI (VECP) Annual Percent Project Saved

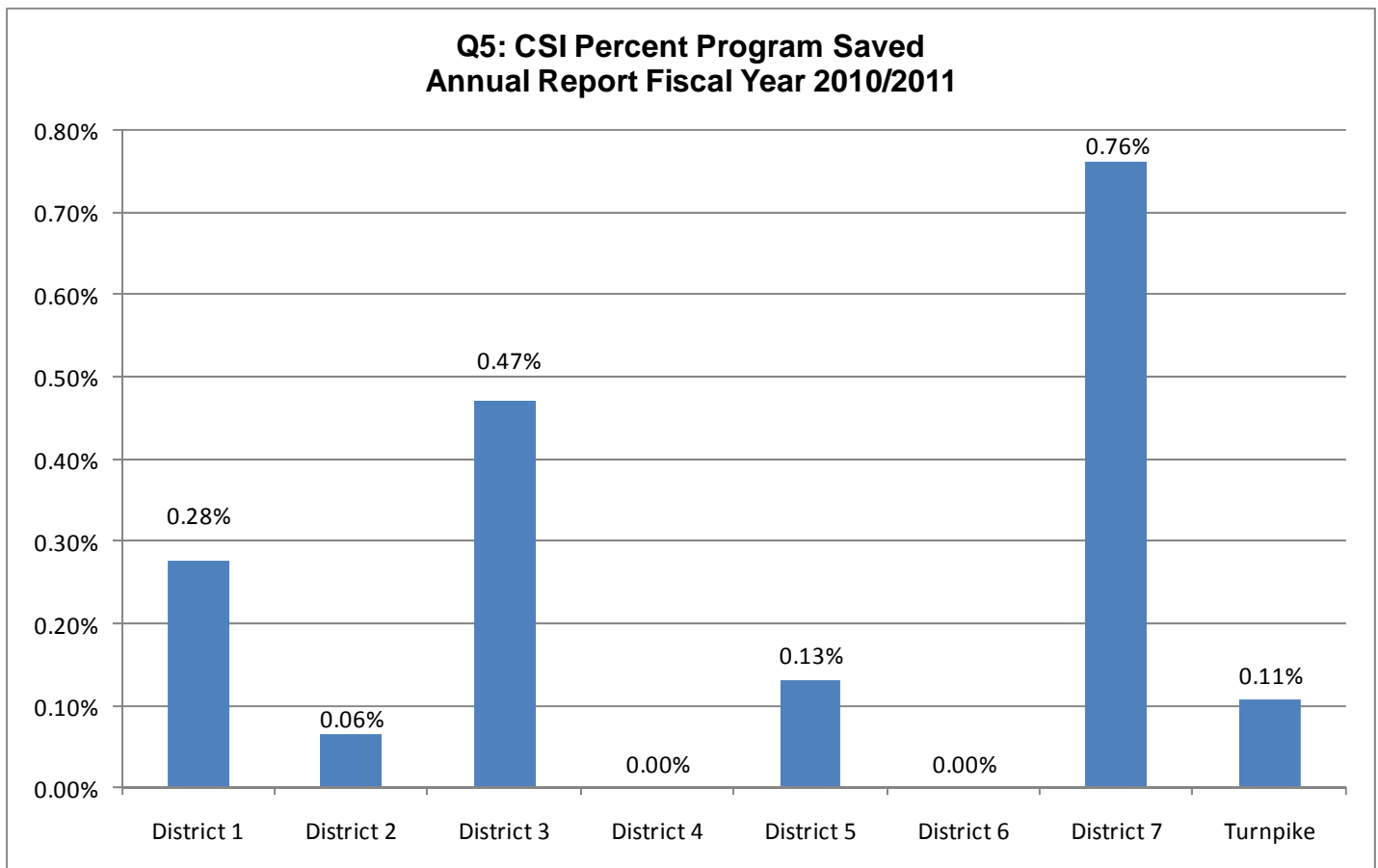


**Q4: CSI Percent Project Saved
Annual Report Fiscal Year 2010/2011**



CSI Percent Program Saved

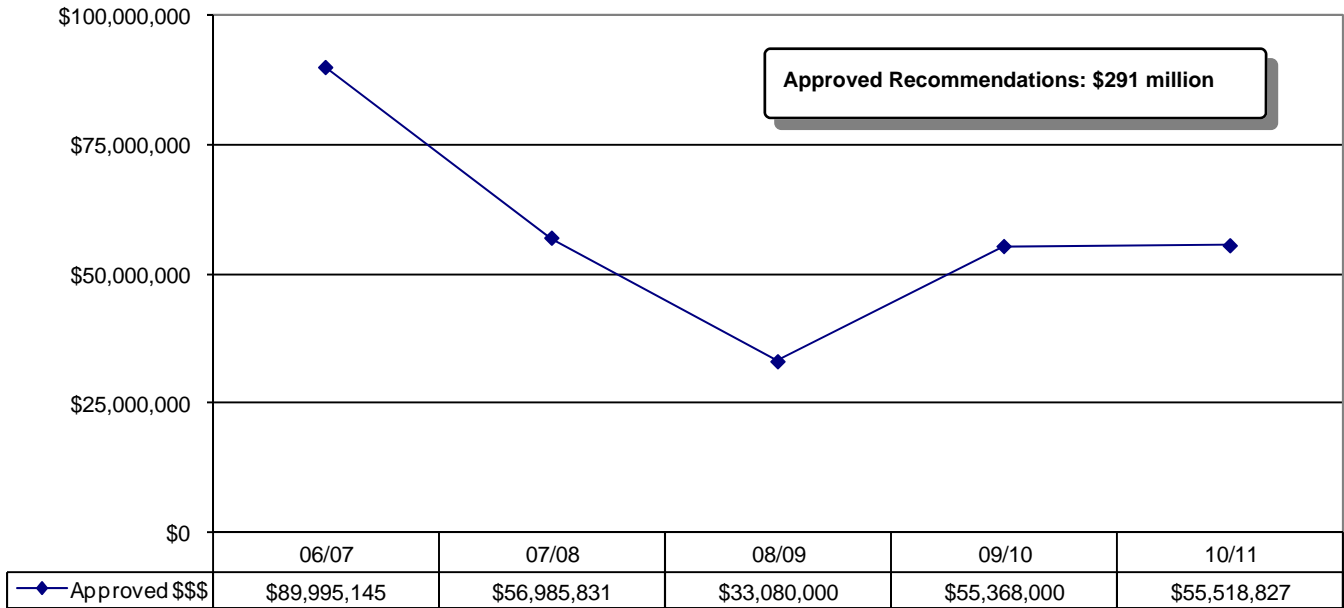
The Percent Program Saved is a new measure introduced this year. The intent is to compare the cost avoidance/savings to the overall work program. The measure is calculated by dividing the three year average monthly lettings into the overall cost avoidance/savings. Line charts showing trends will be developed in future years as data becomes available.



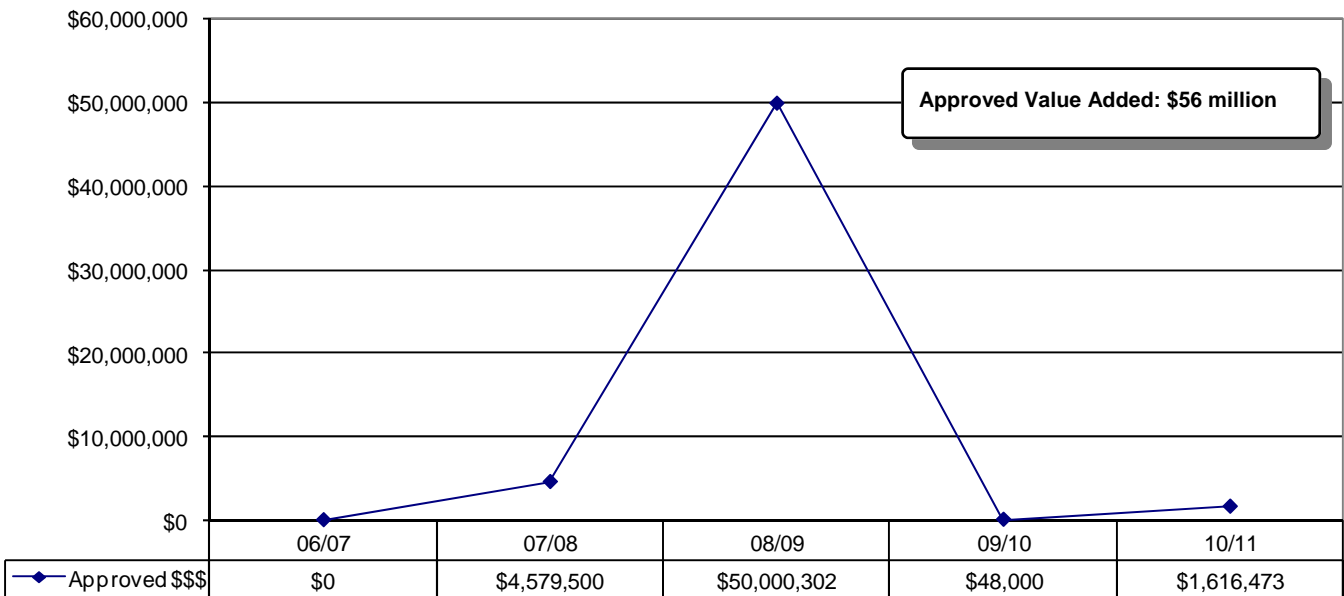
Appendix A
5 year History
Annual Performance Measures
by District

District 1

Q1: Annual Approved Cost Avoidance/Savings
District 1

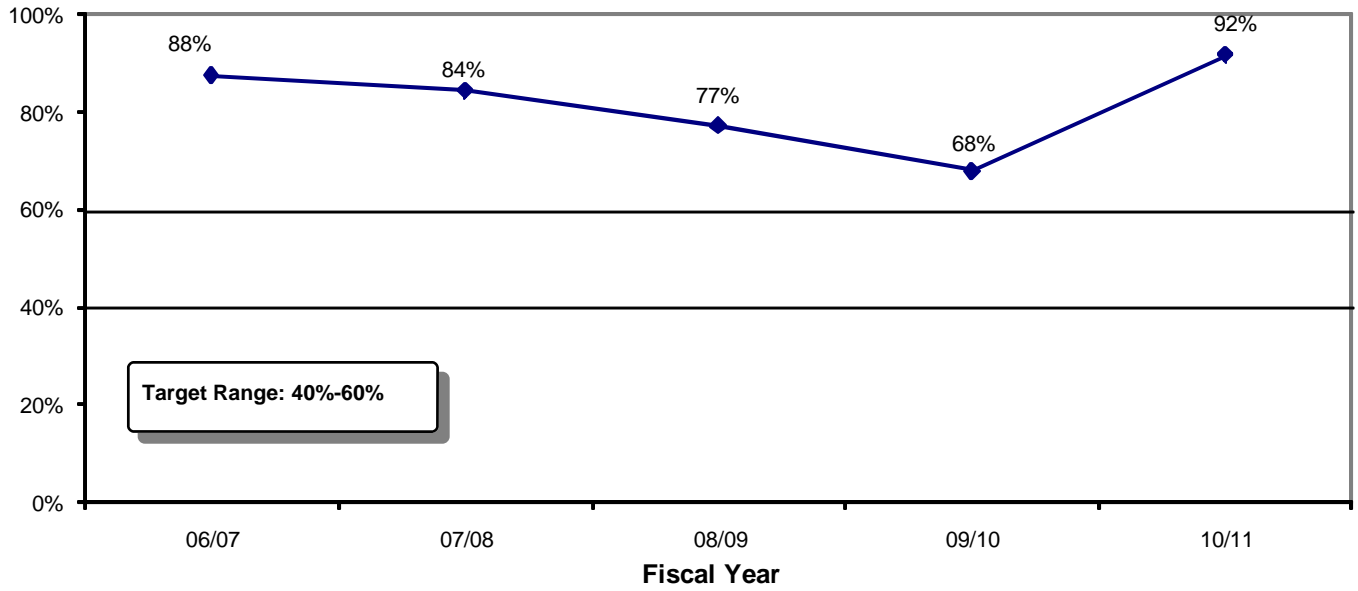


Q2: Annual Approved Value Added Recommendations
District 1

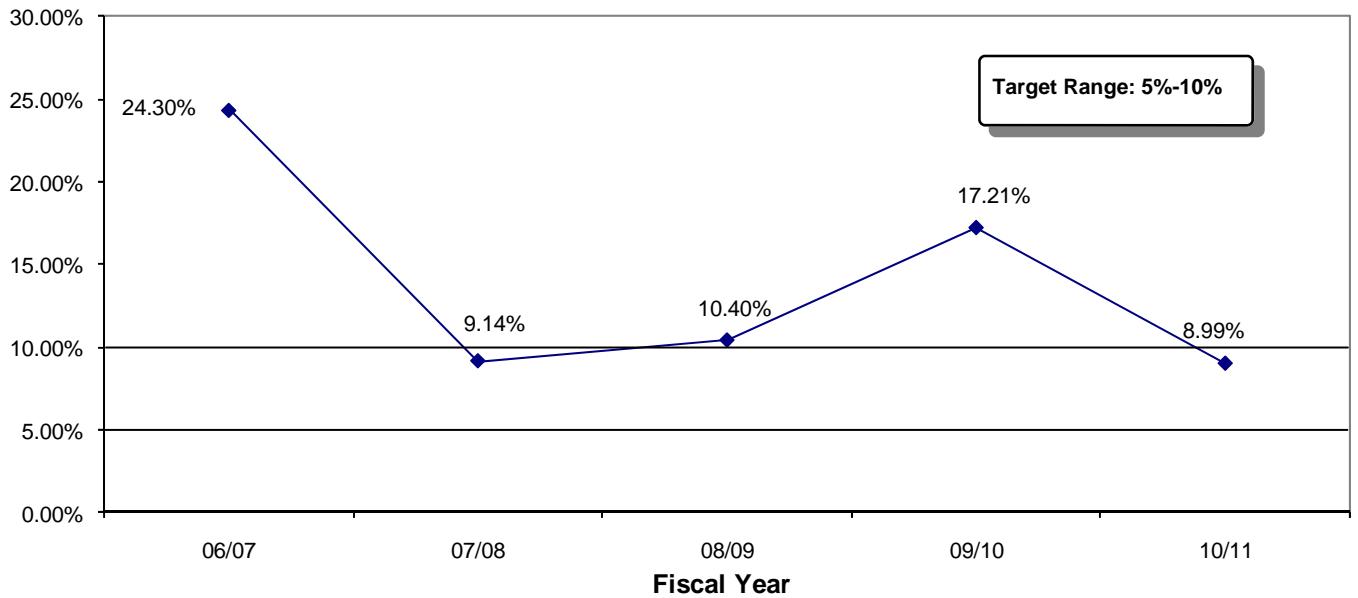


District 1

Q3: Annual Adoption Rate District 1

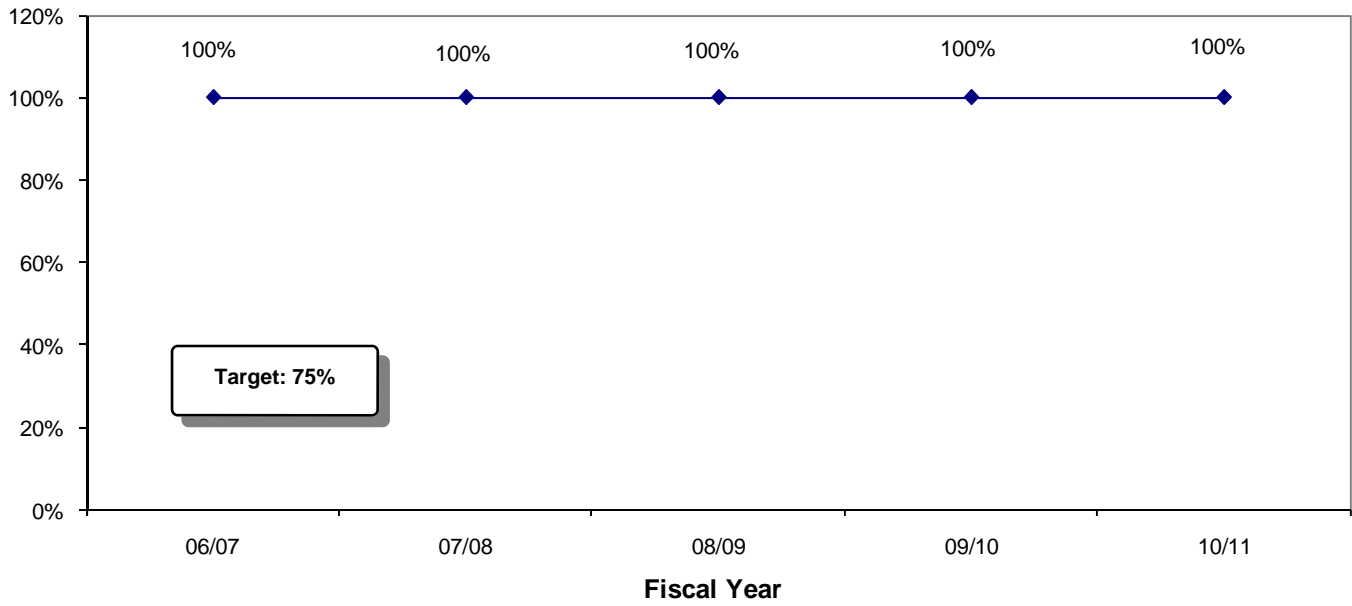


Q4: Annual Percent Project Saved District 1

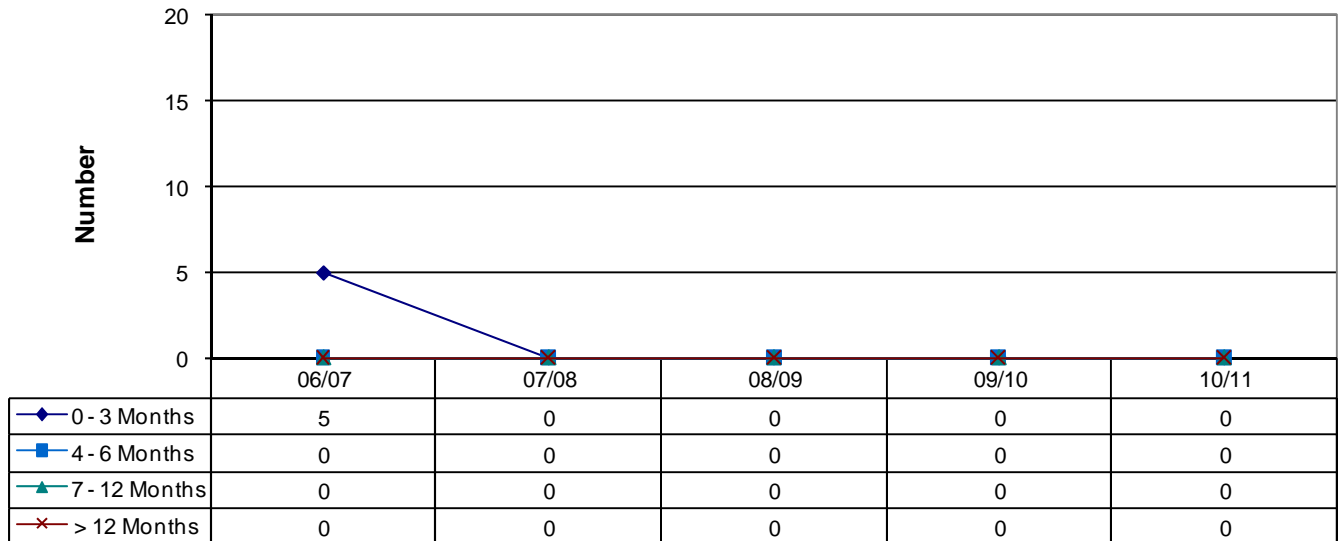


District 1

P1: % Scheduled VE Studies Completed
District 1

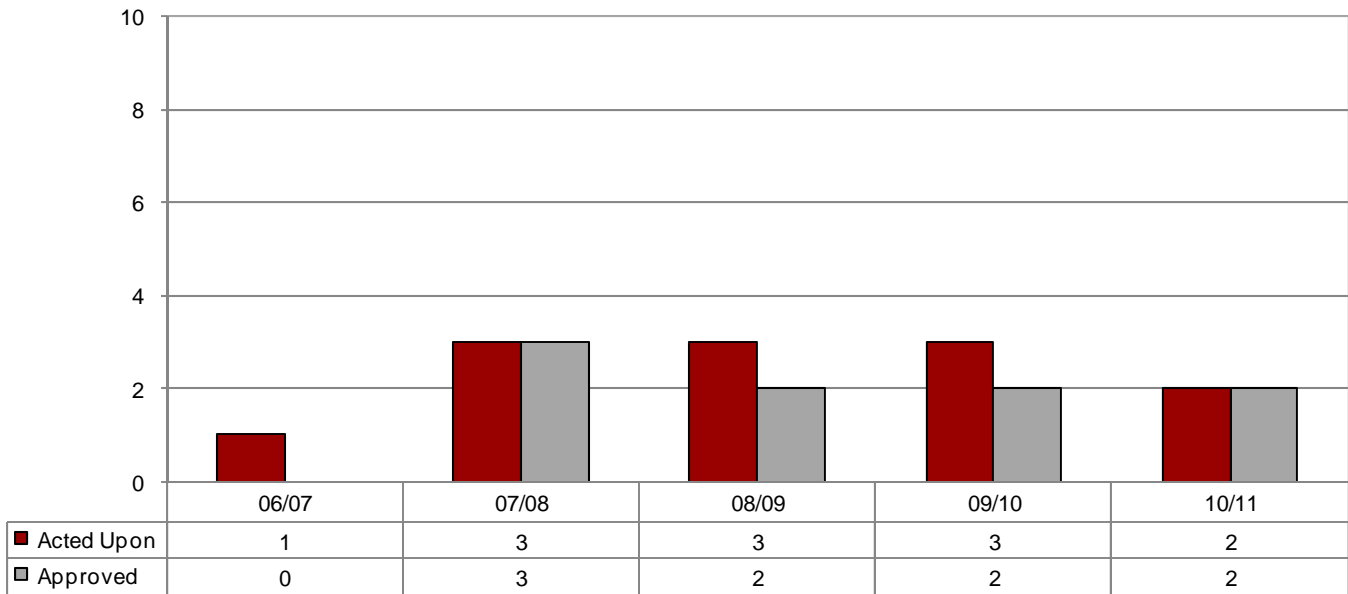


P4: Annual # Pending Recommendations
District 1

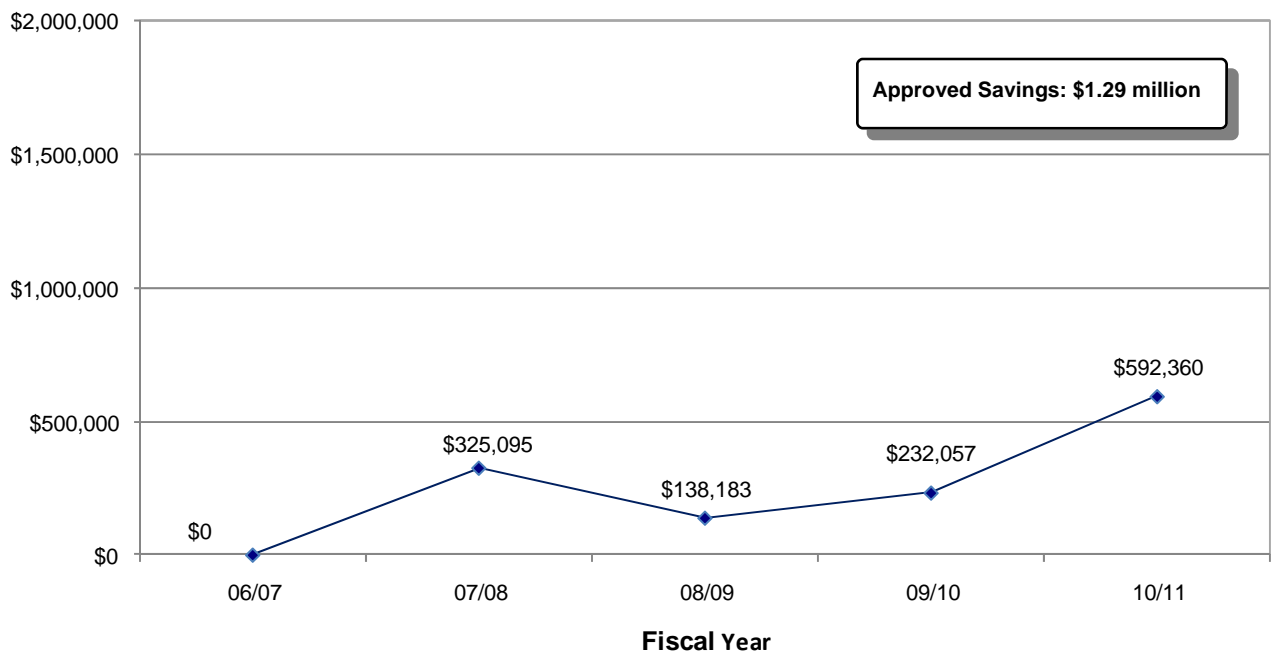


District 1

Q1: Annual VECP's Acted Upon

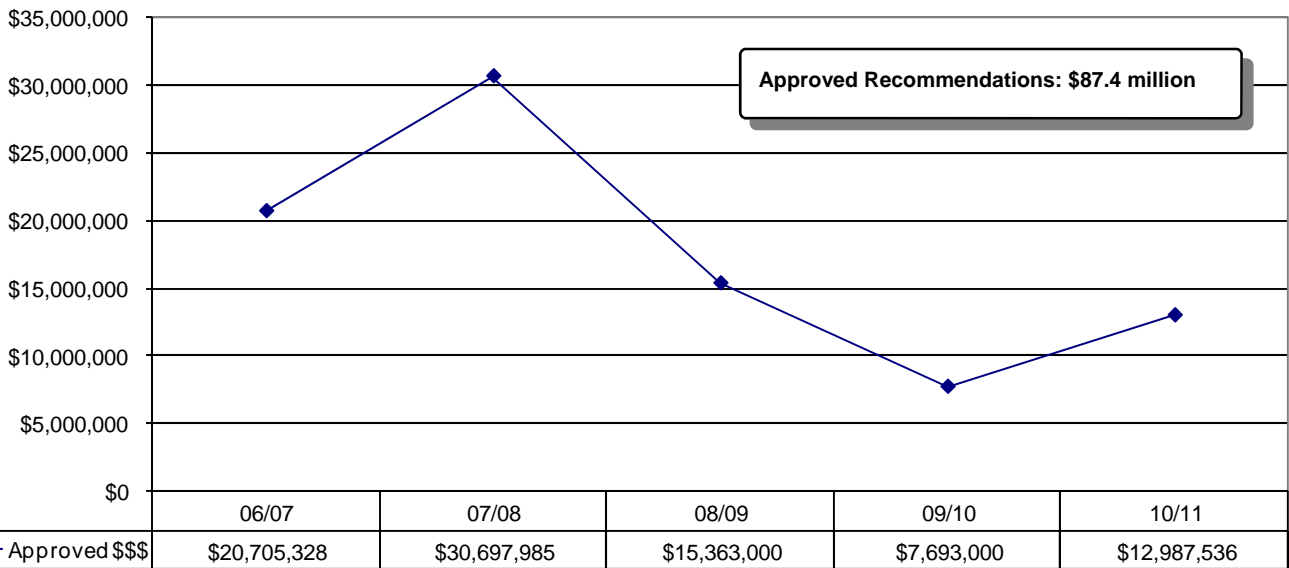


Q2: Annual Approved VECP Savings

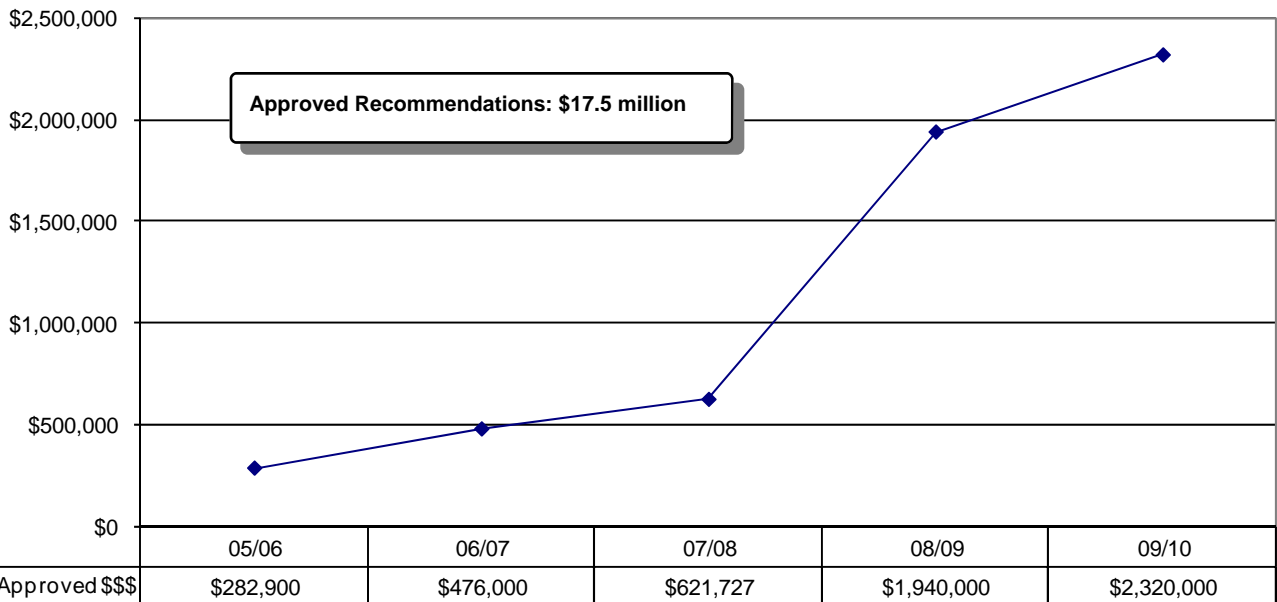


District 2

**Q1: Annual Approved Cost Avoidance/Savings
District 2**

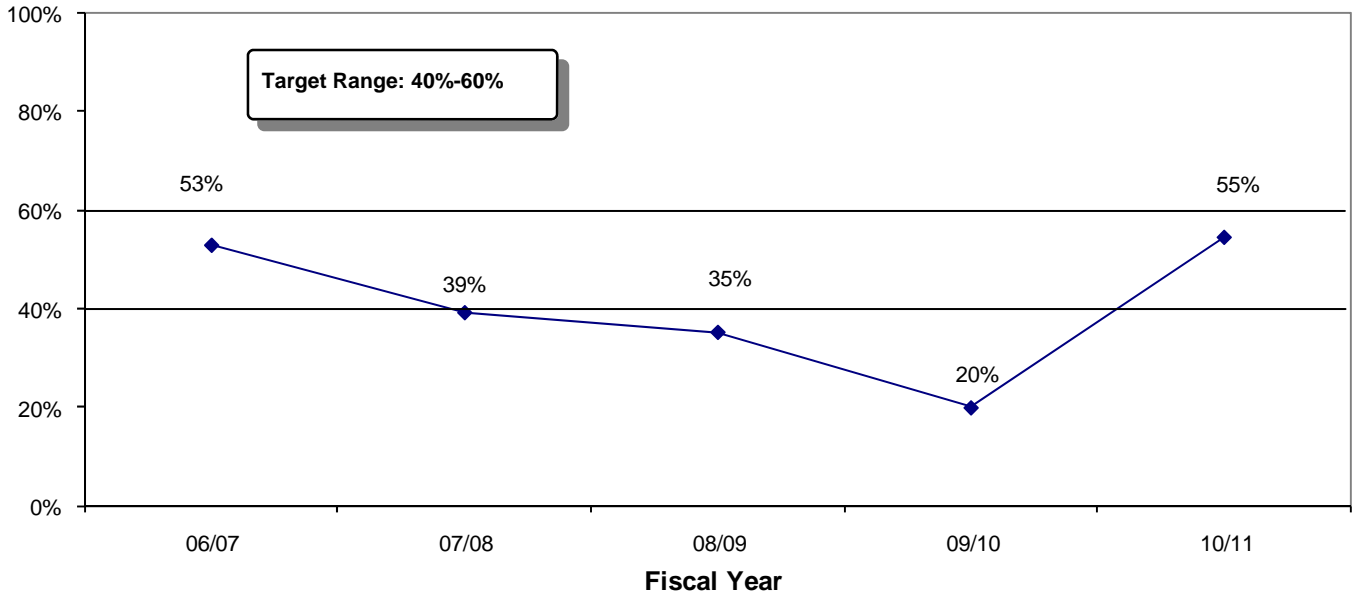


**Q2: Annual Approved Value Added Recommendations
District 2**

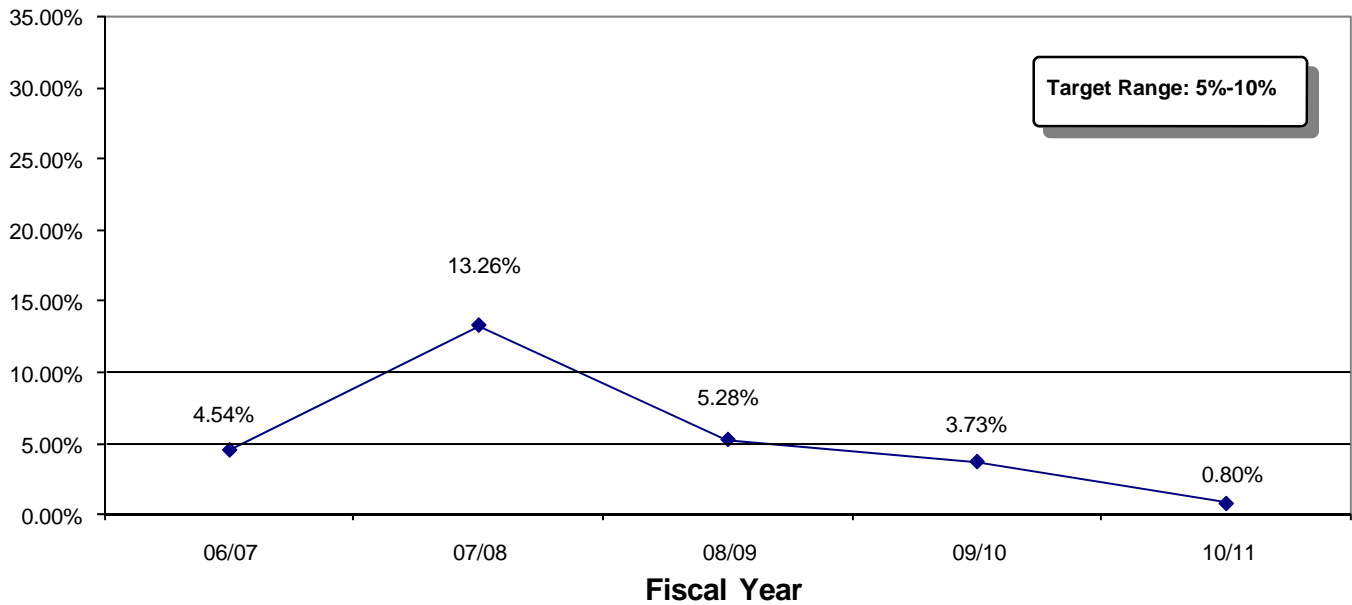


District 2

Q3: Annual Adoption Rate District 2

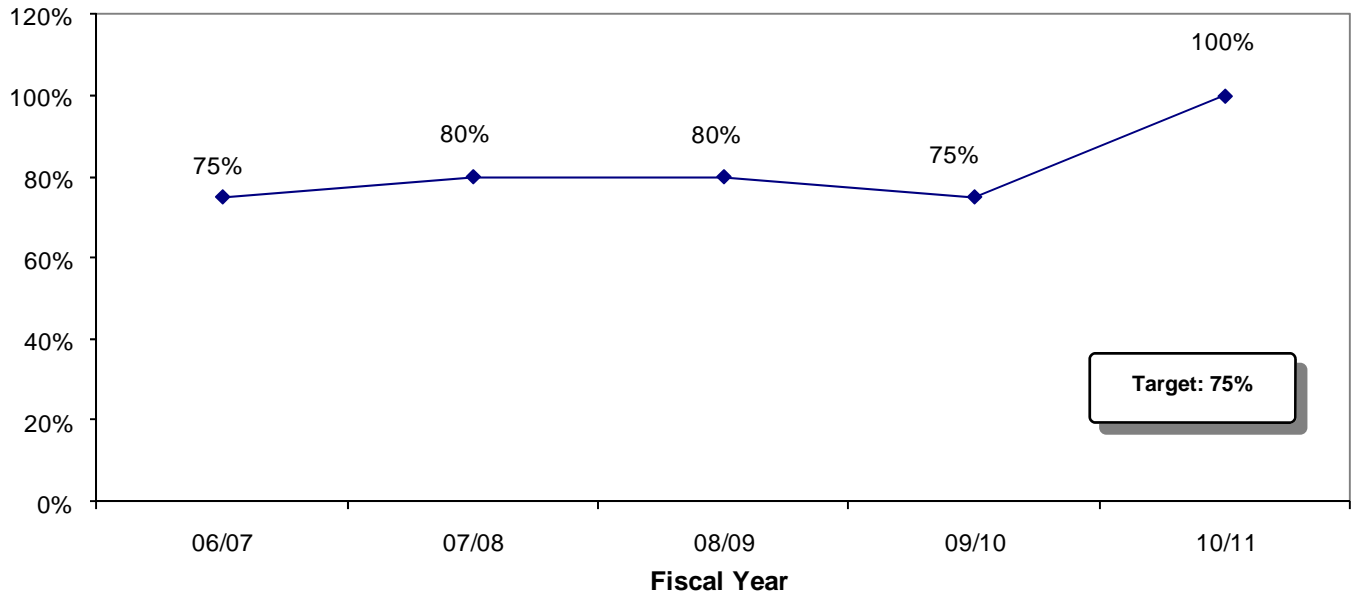


Q4: Annual Percent Project Saved District 2

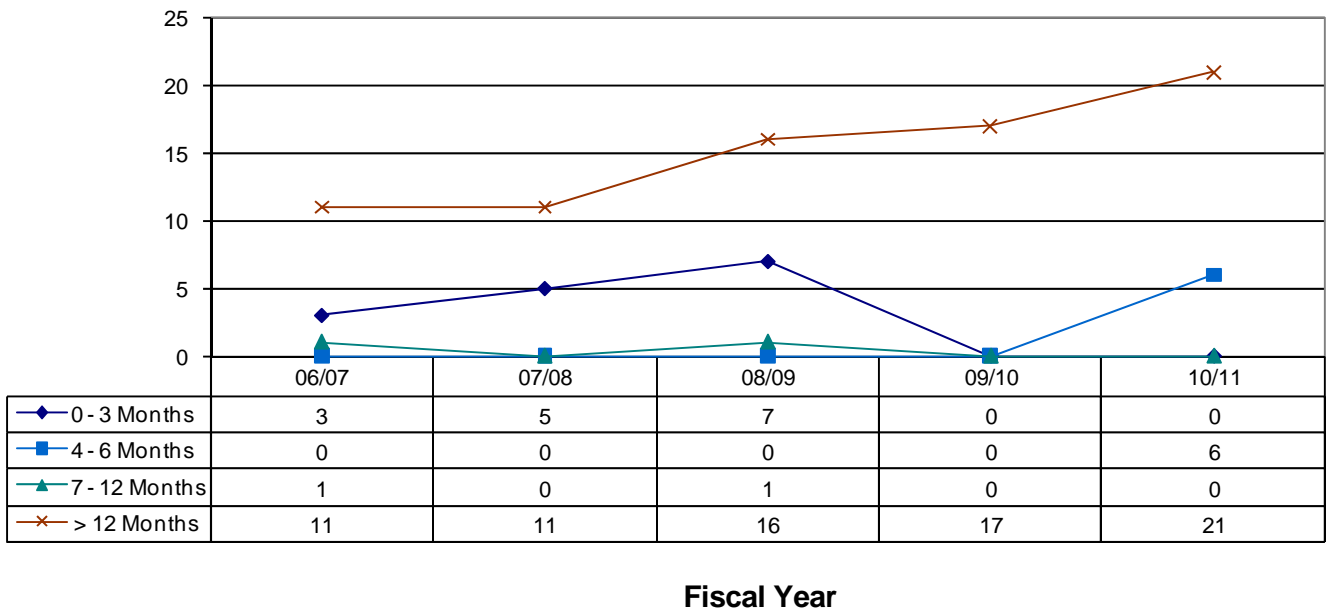


District 2

**P1: % Scheduled VE Studies Completed
District 2**

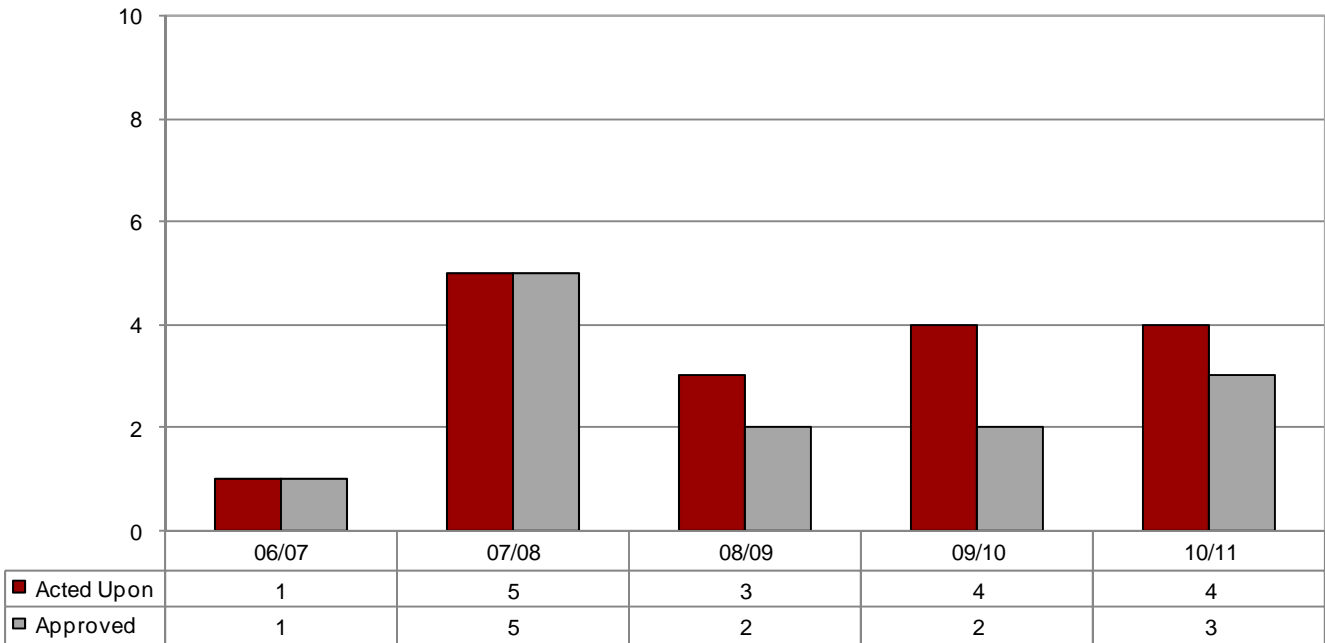


**P4: Annual # Pending Recommendations
District 2**

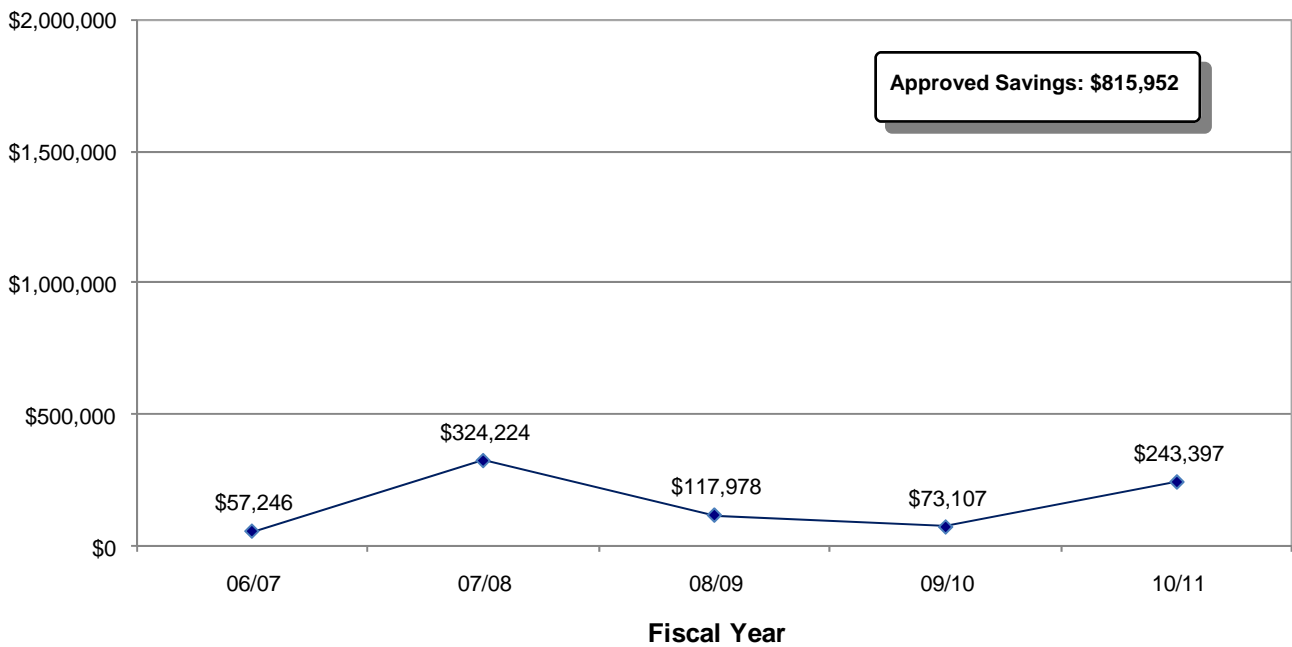


District 2

Q1: Annual VECP's Acted Upon

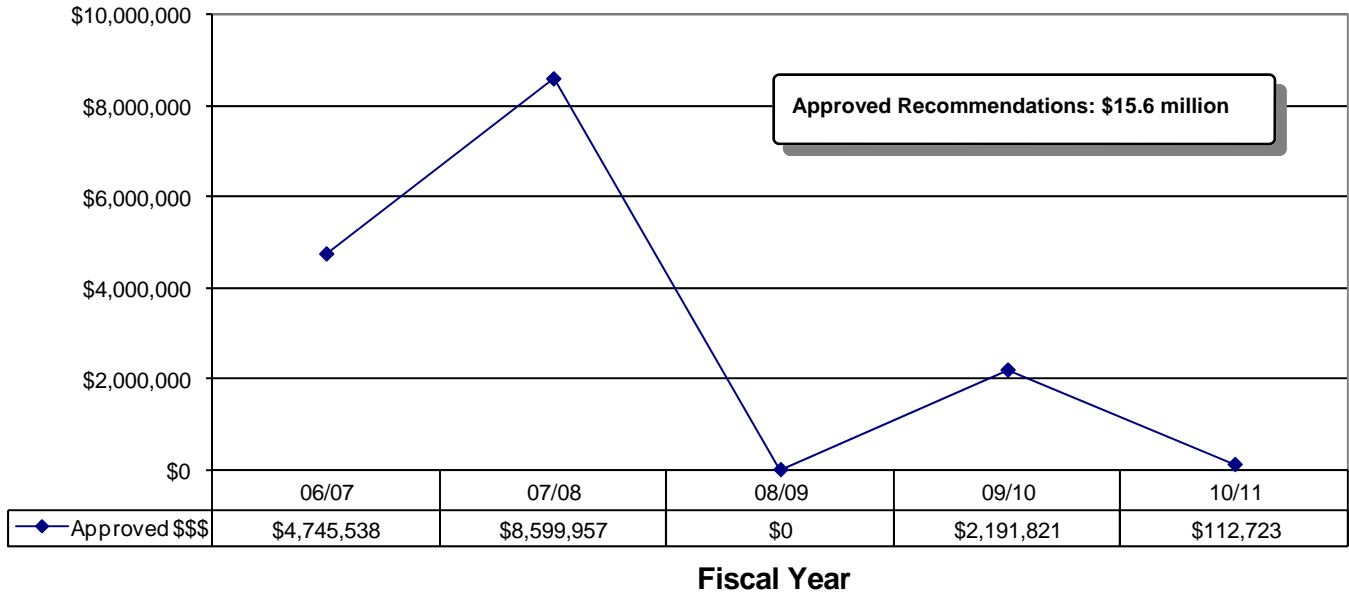


Q2: Annual Approved VECP Savings

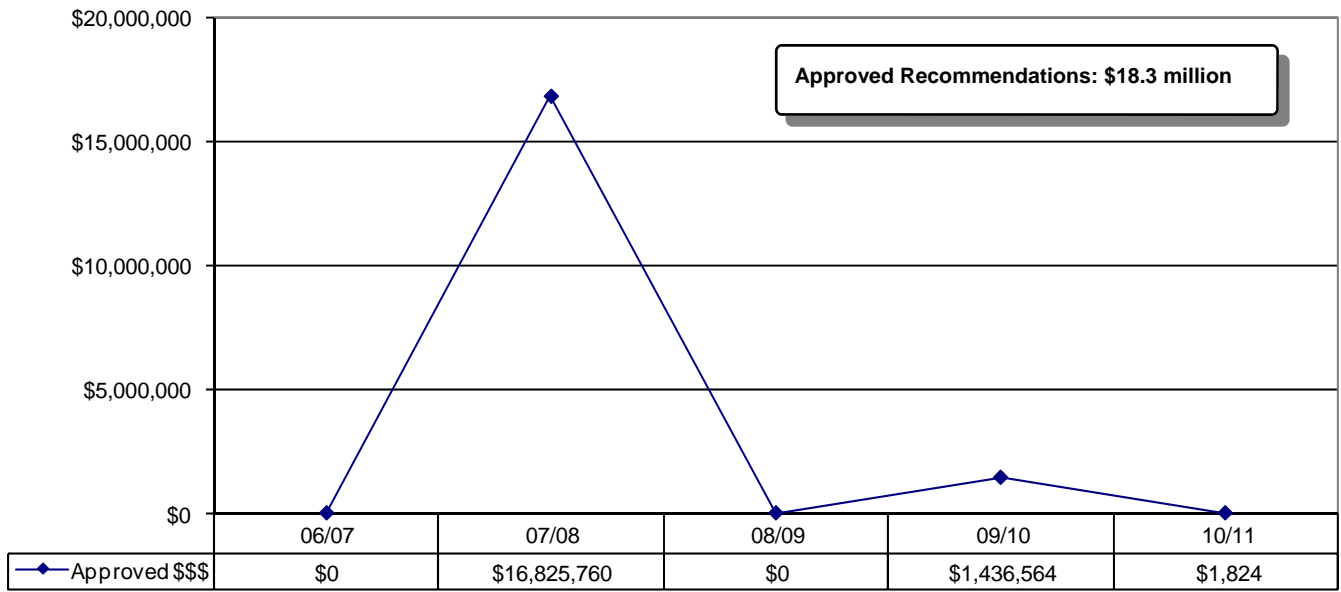


District 3

Q1: Annual Approved Cost Avoidance/Savings
District 3

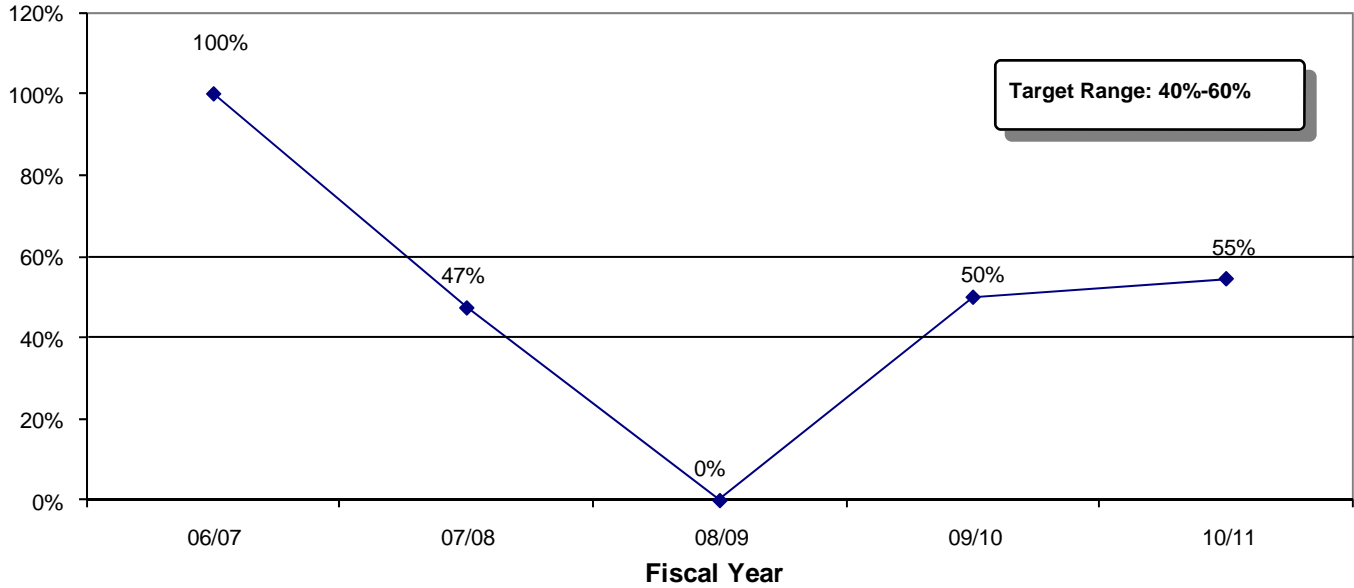


Q2: Annual Approved Value Added Recommendations
District 3

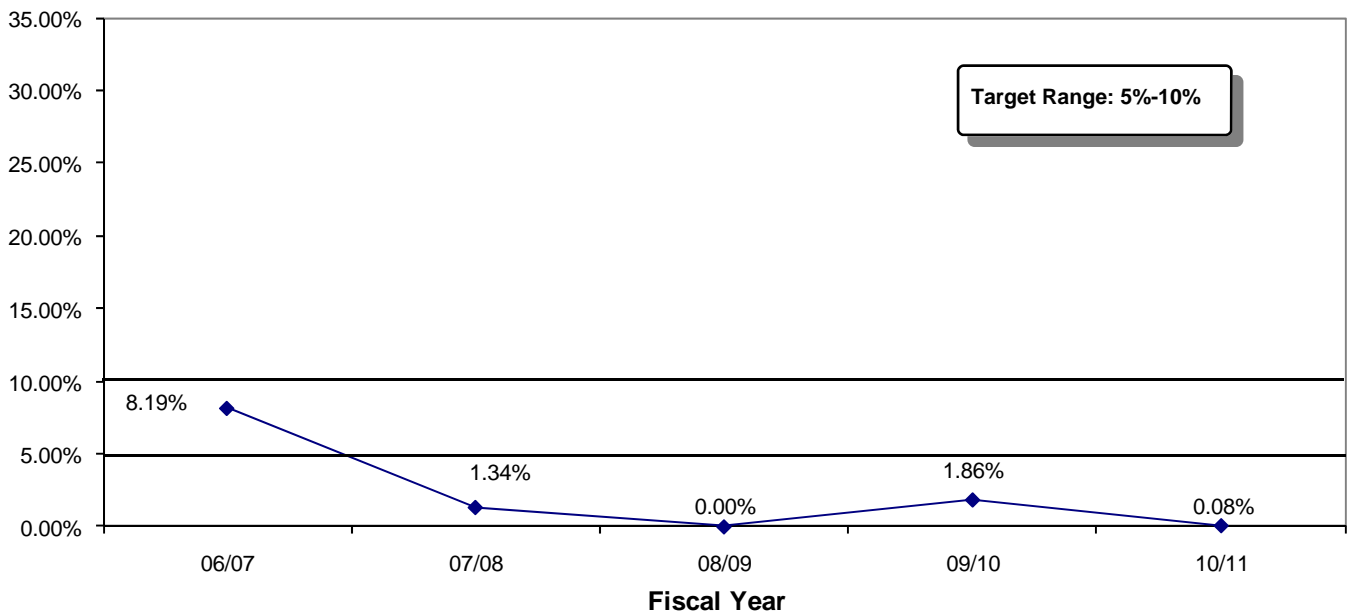


District 3

Q3: Annual Adoption Rate District 3

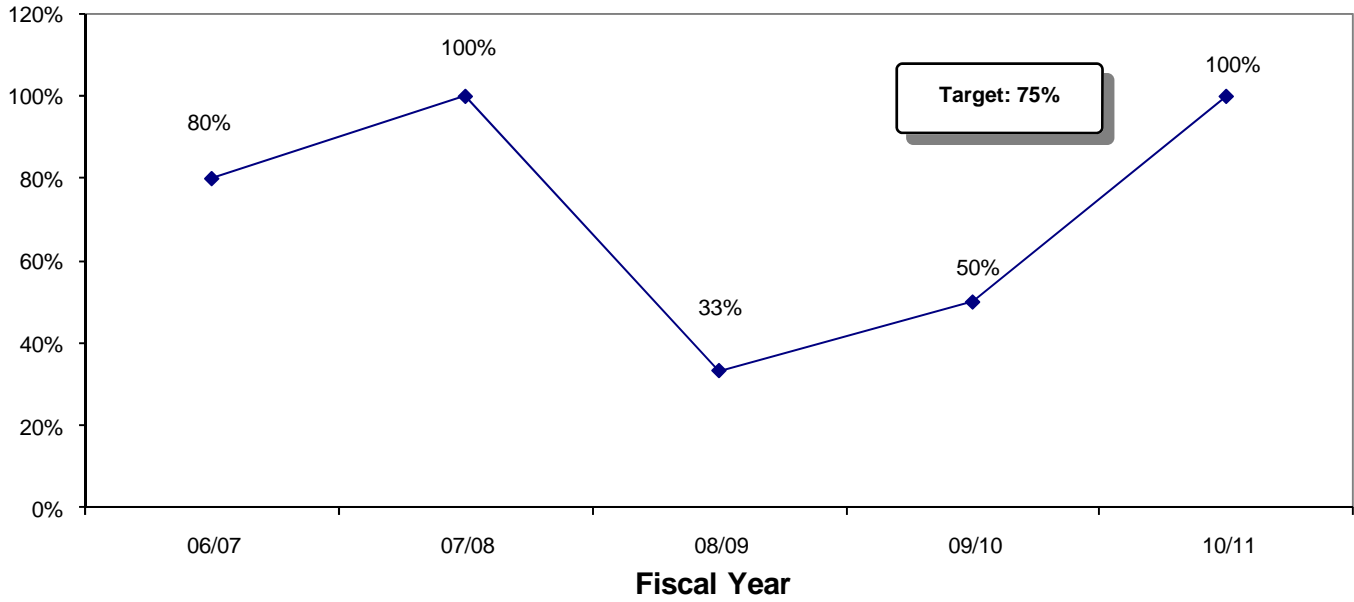


Q4: Annual Percent Project Saved District 3

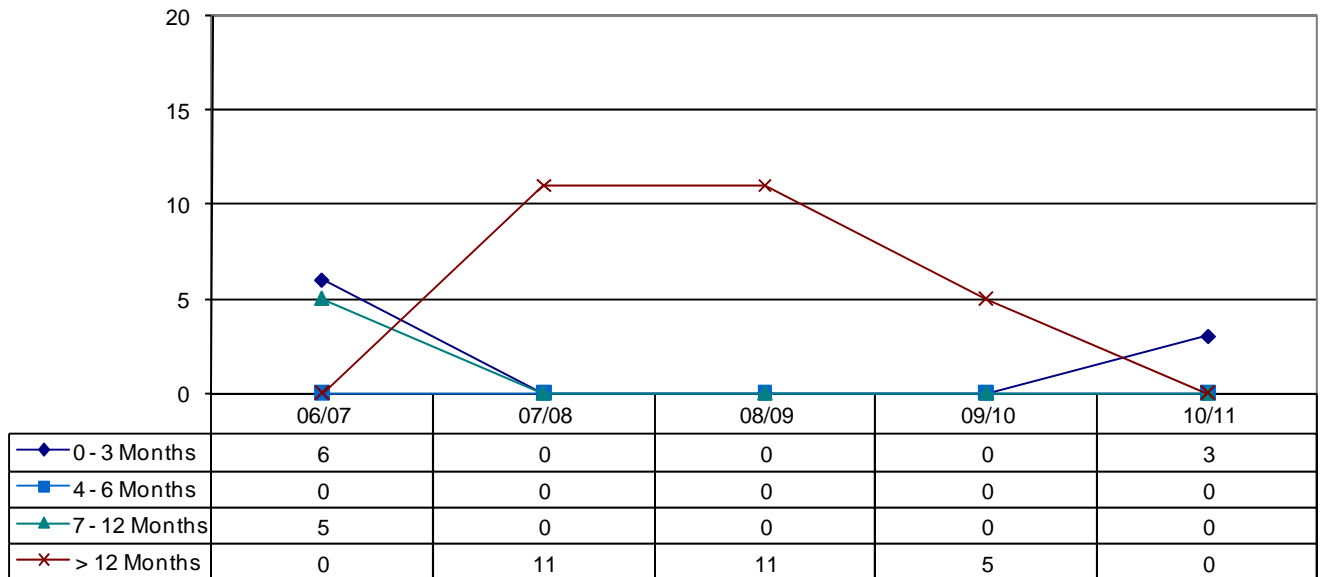


District 3

P1: % Scheduled VE Studies Completed
District 3

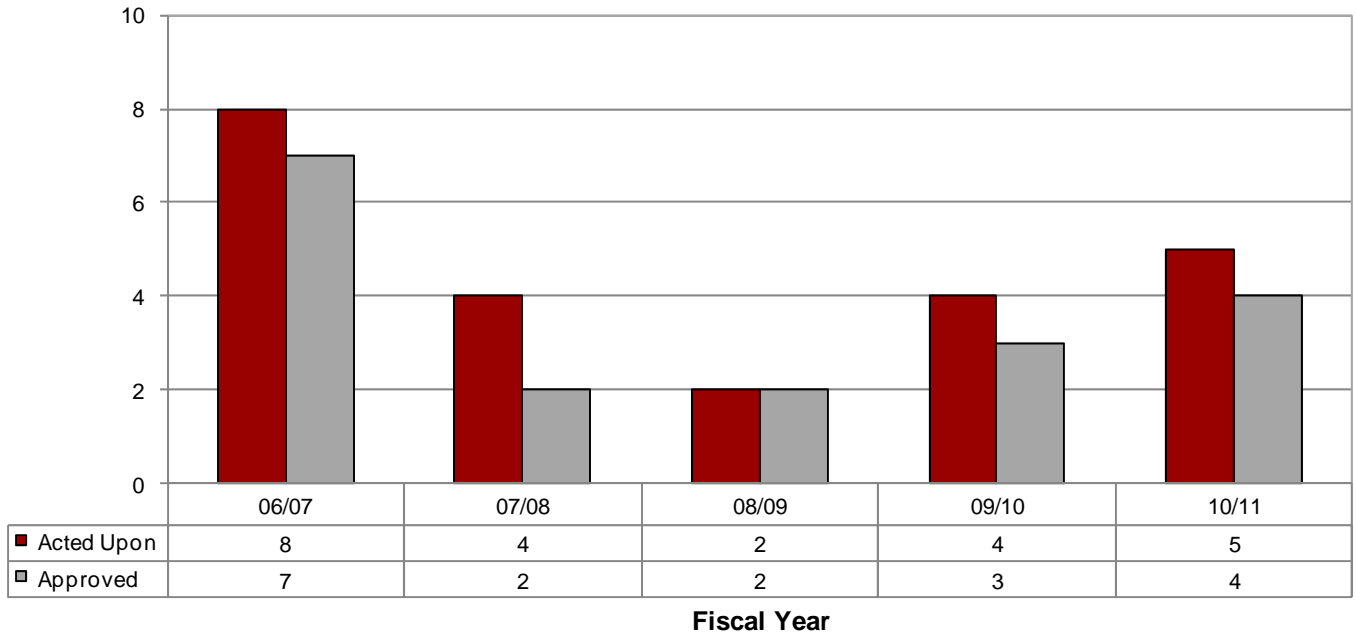


P4: Annual # Pending Recommendations
District 3

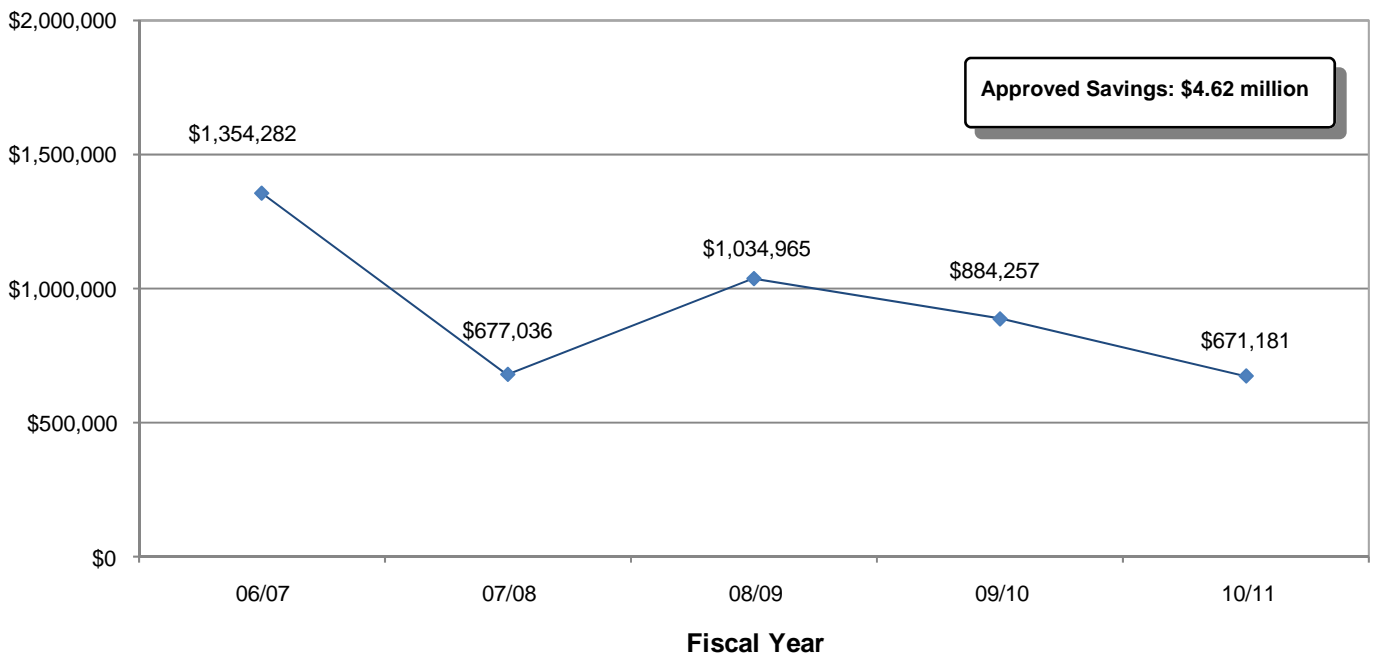


District 3

Q1: Annual VECP's Acted Upon

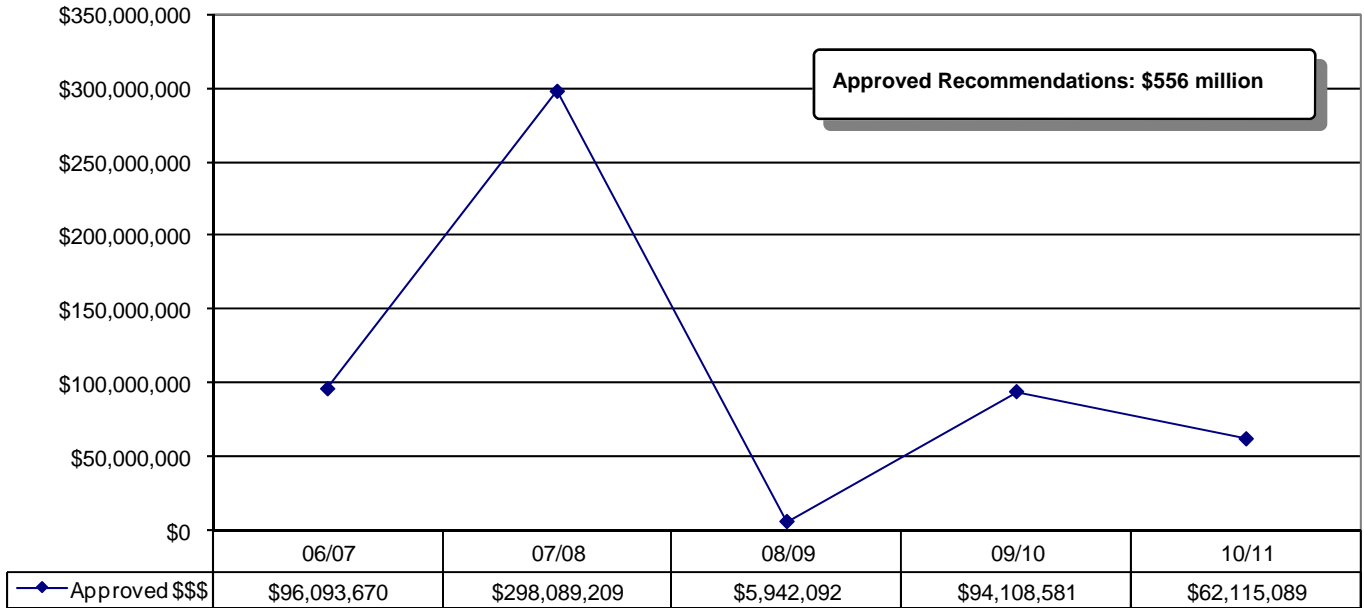


Q2: Annual Approved VECP Savings

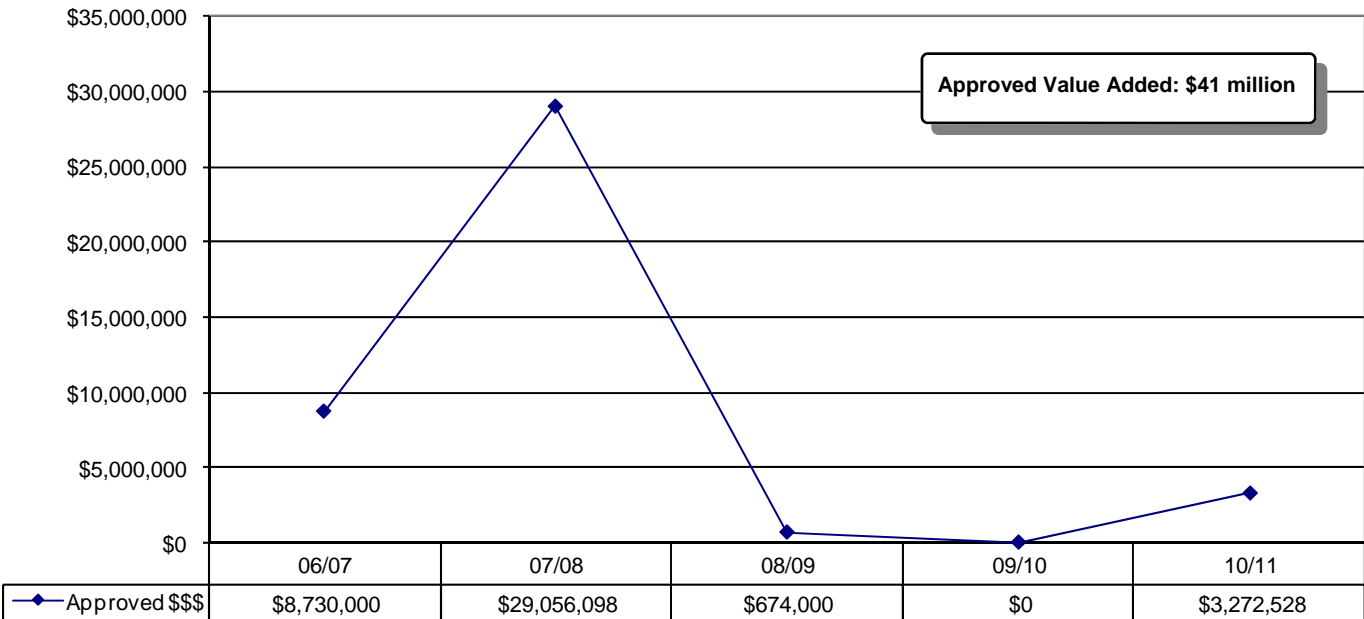


District 4

P1: Annual Approved Cost Avoidance/Savings
District 4

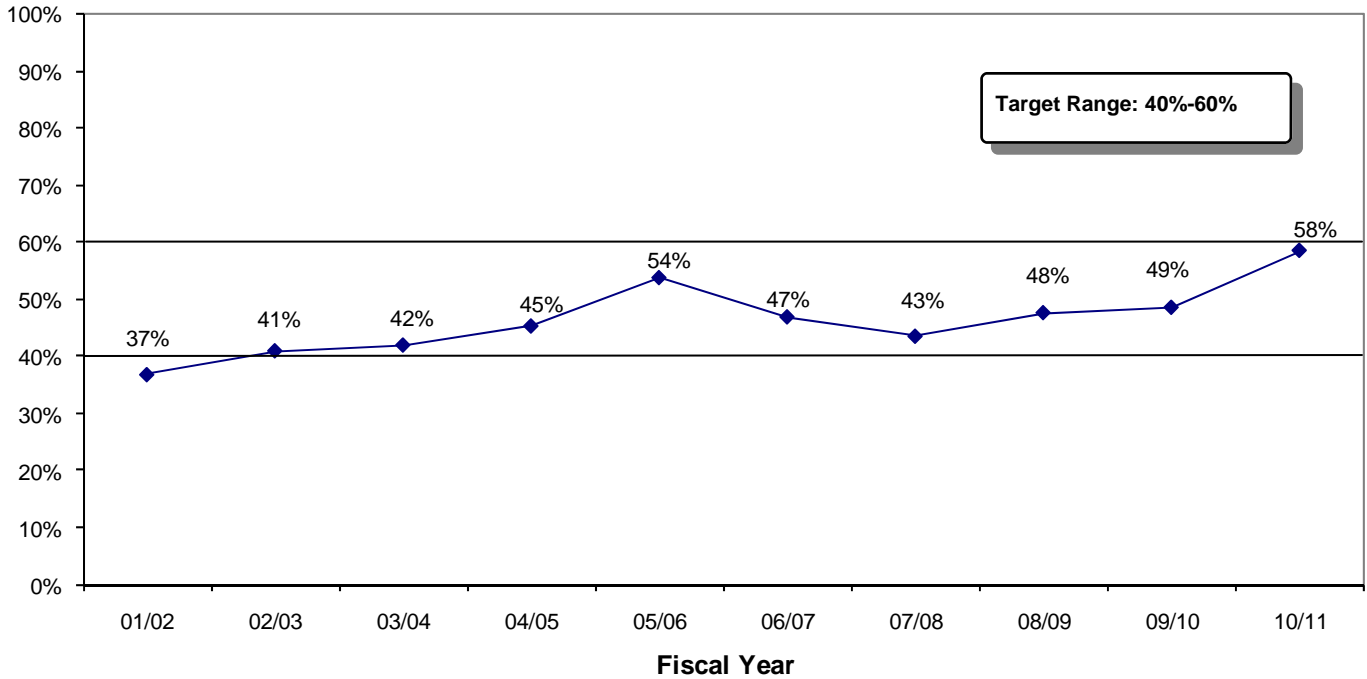


Q2: Annual Approved Value Added Recommendations
District 4

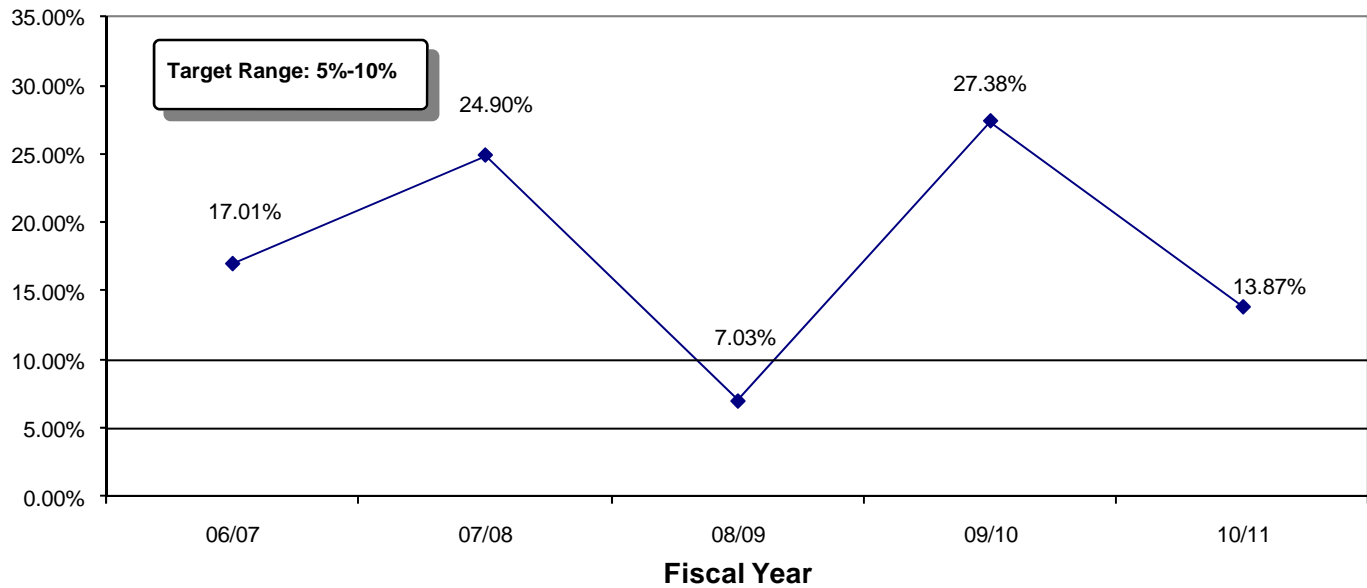


District 4

Q3: Annual Adoption Rate

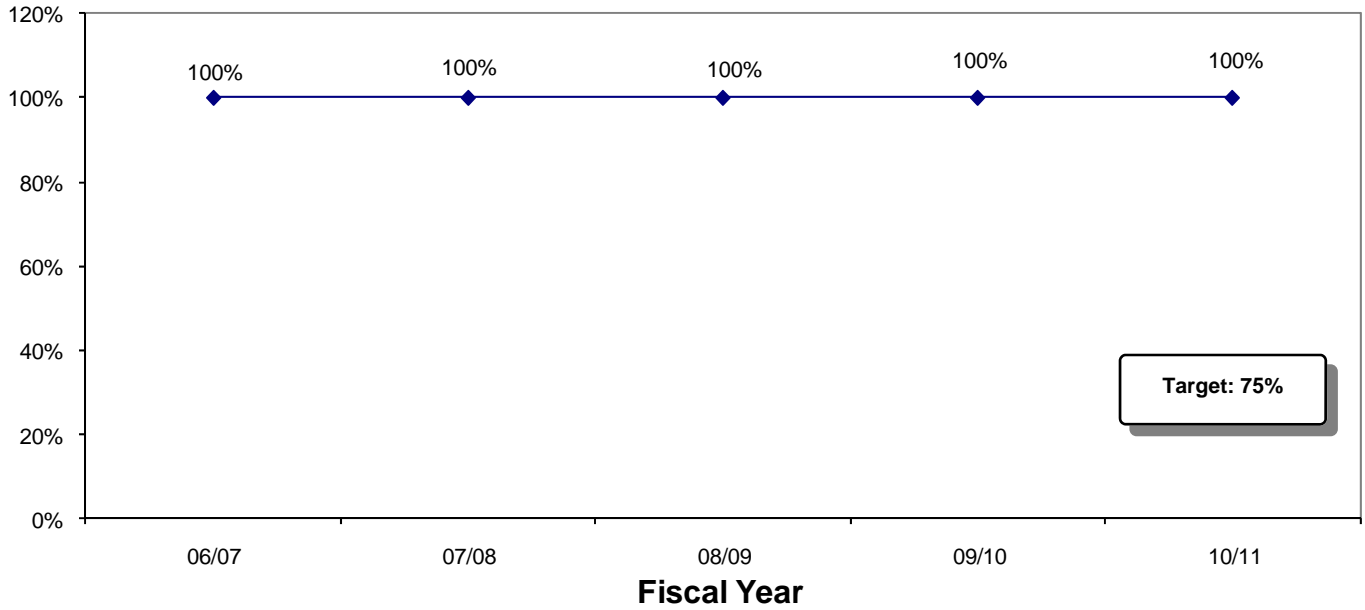


Q4: Annual Percent Project Saved District 4

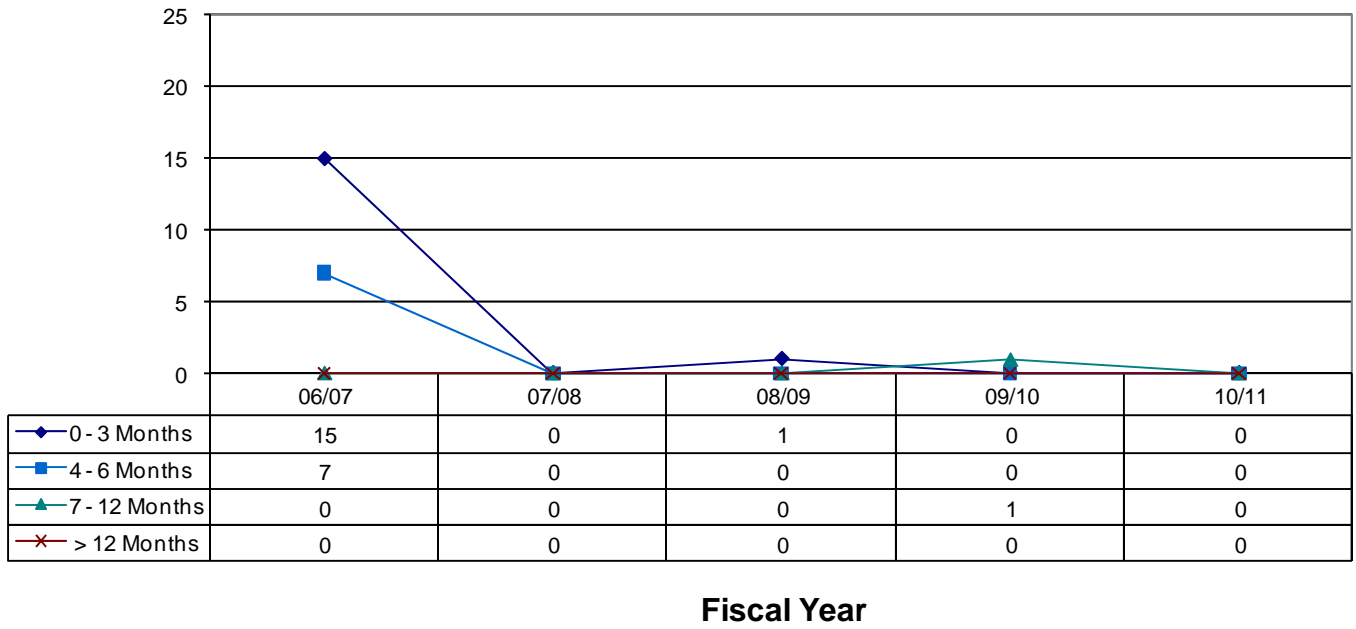


District 4

P1: % Scheduled VE Studies Completed
District 4

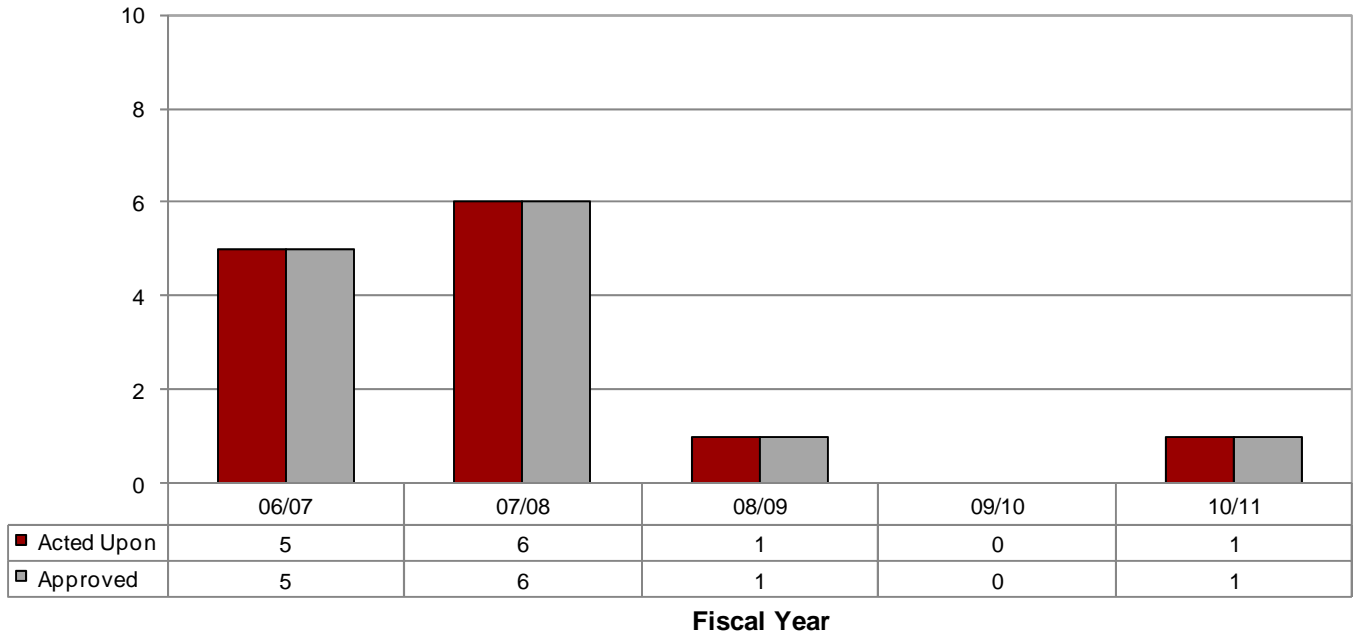


P4: Annual # Pending Recommendations
District 4

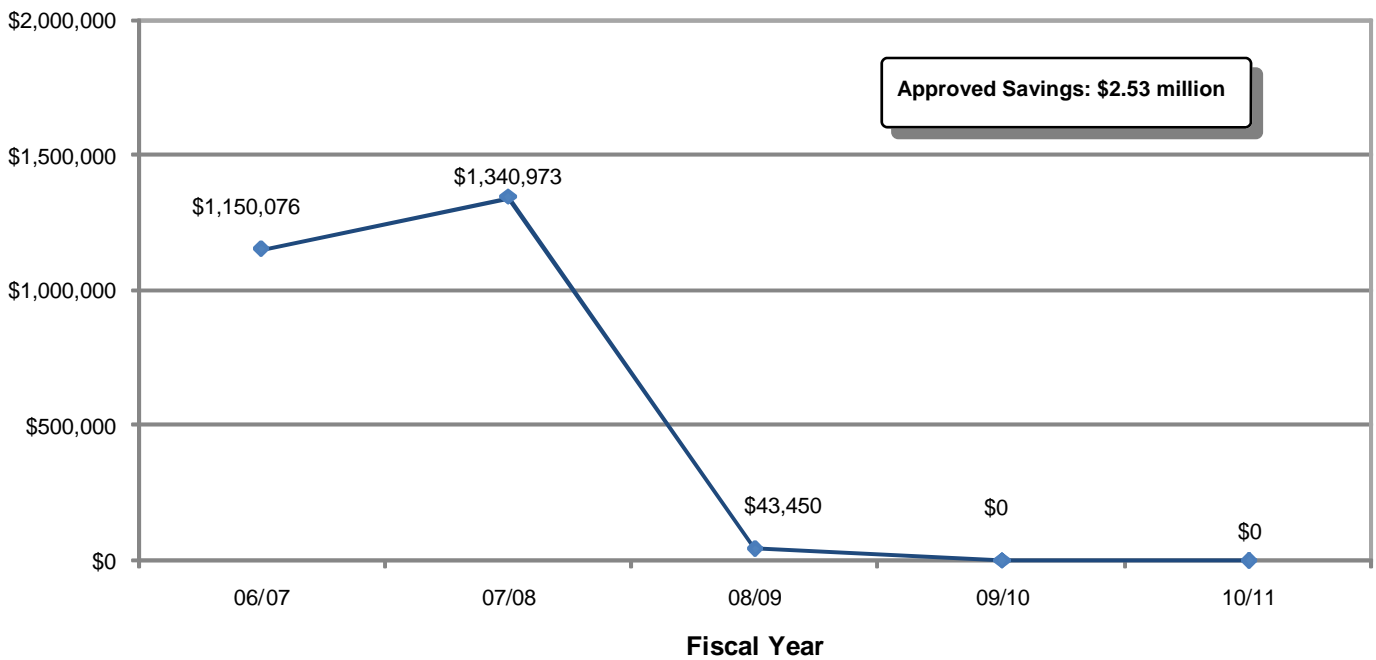


District 4

Q1: Annual VECP's Acted Upon

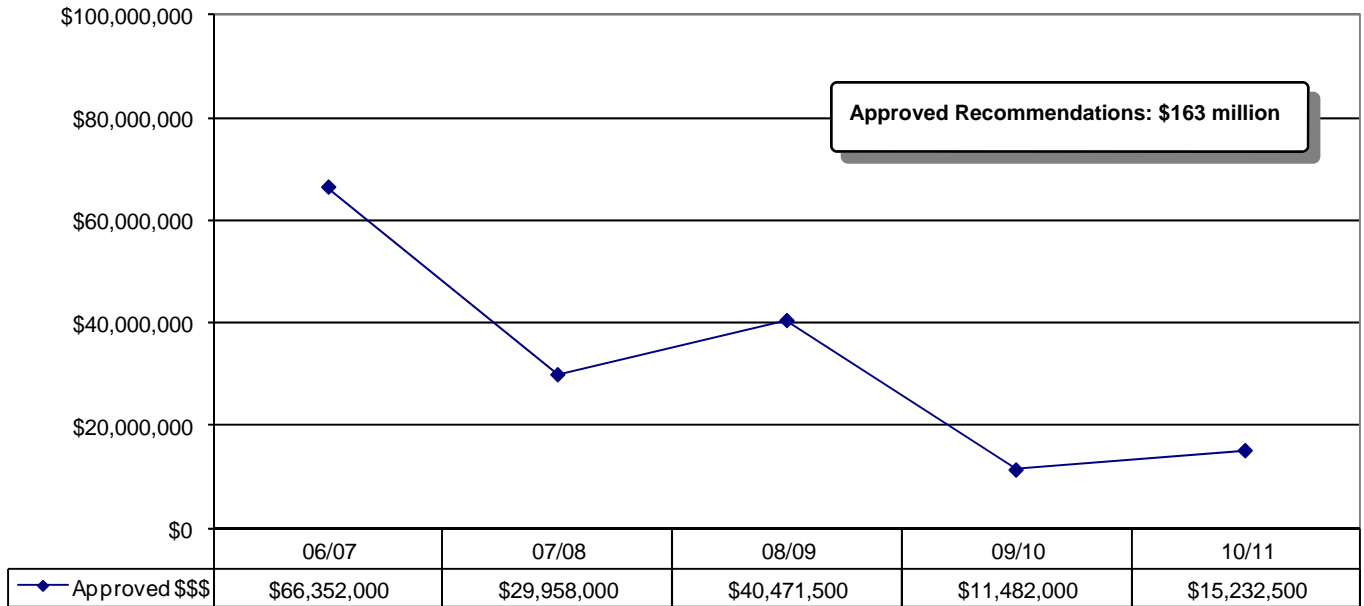


Q2: Annual Approved VECP Savings

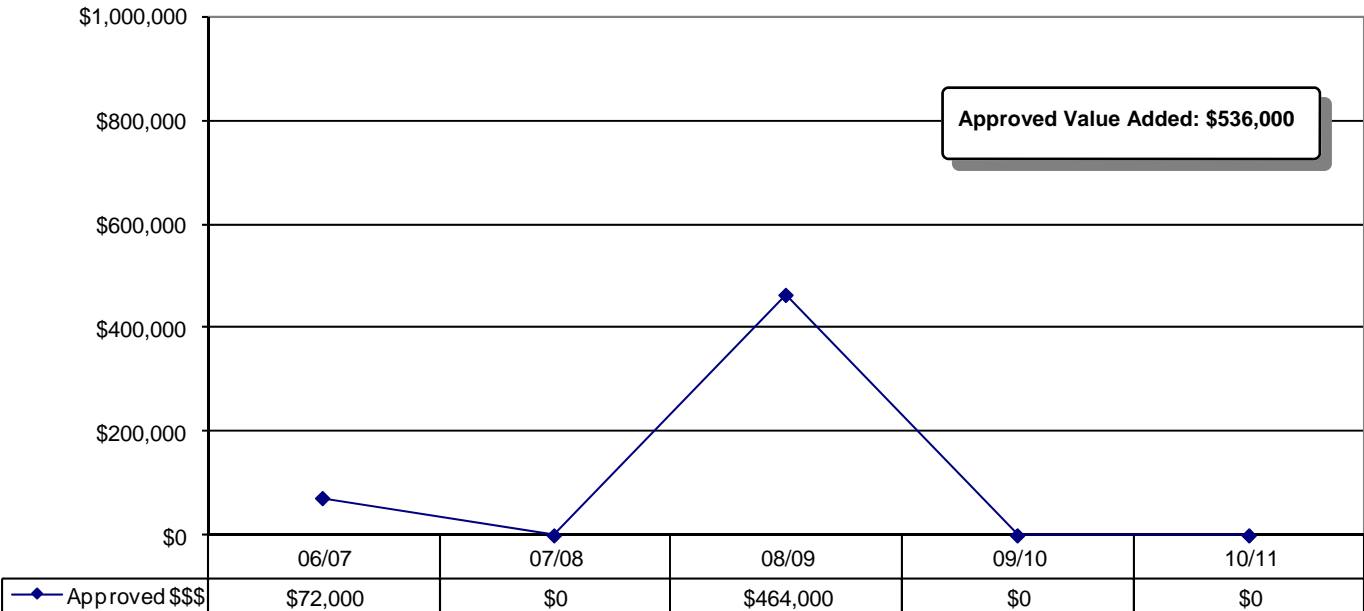


District 5

**Q1: Annual Approved Cost Avoidance/Savings
District 5**

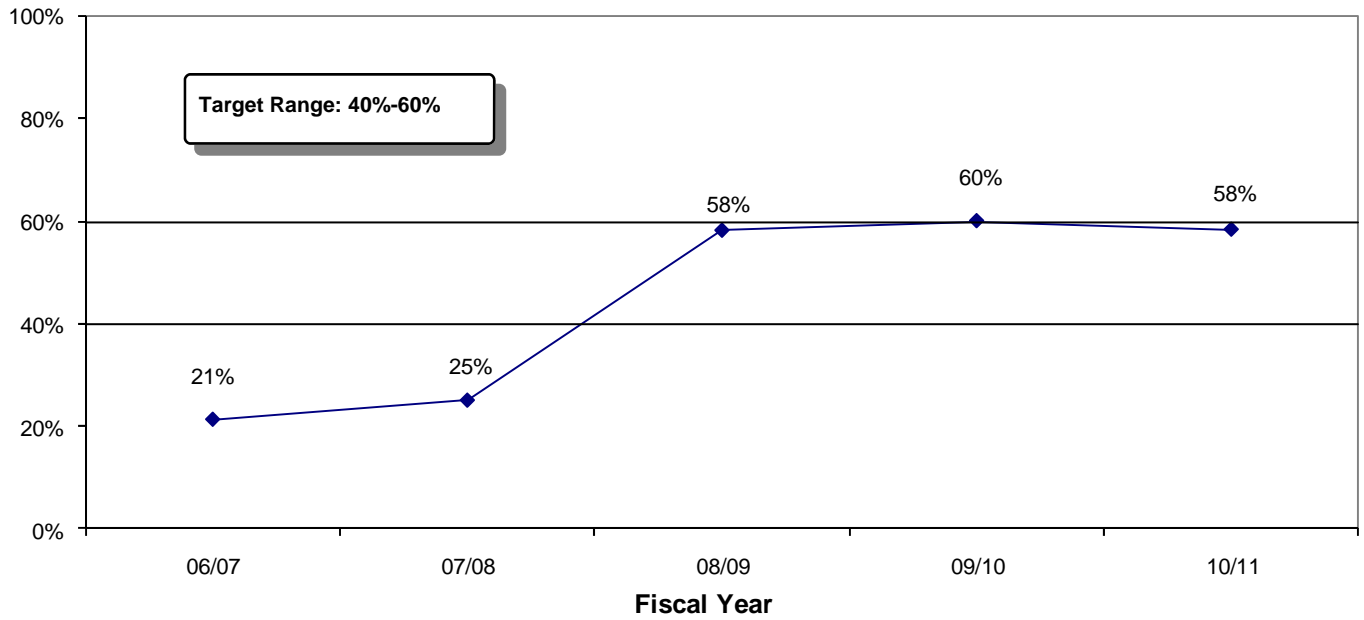


**Q2: Annual Approved Value Added Recommendations
District 5**

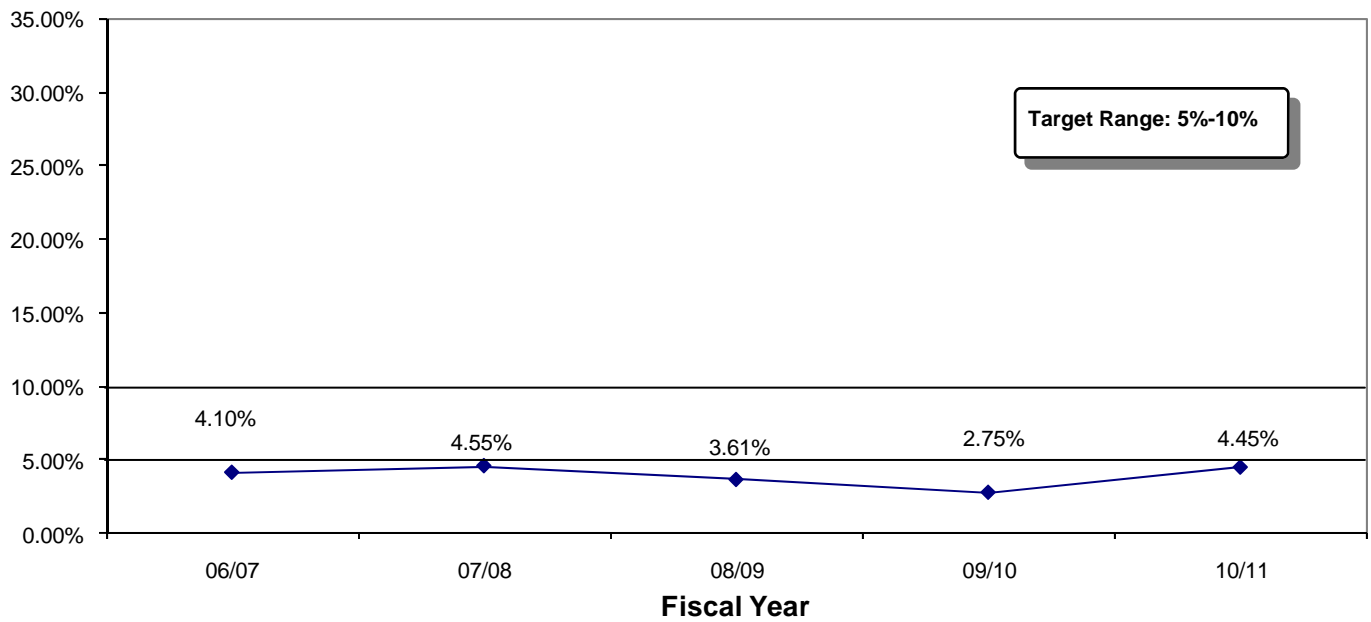


District 5

Q3: Annual Adoption Rate District 5

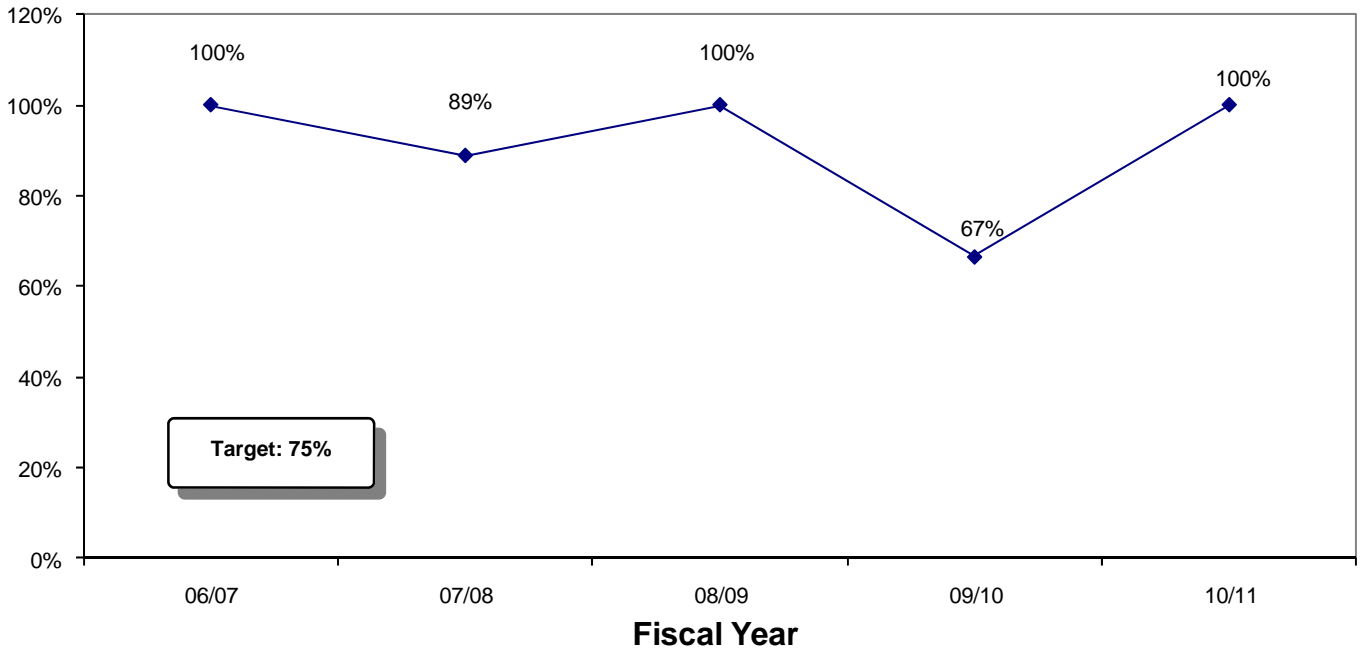


Q4: Annual Percent Project Saved District 5

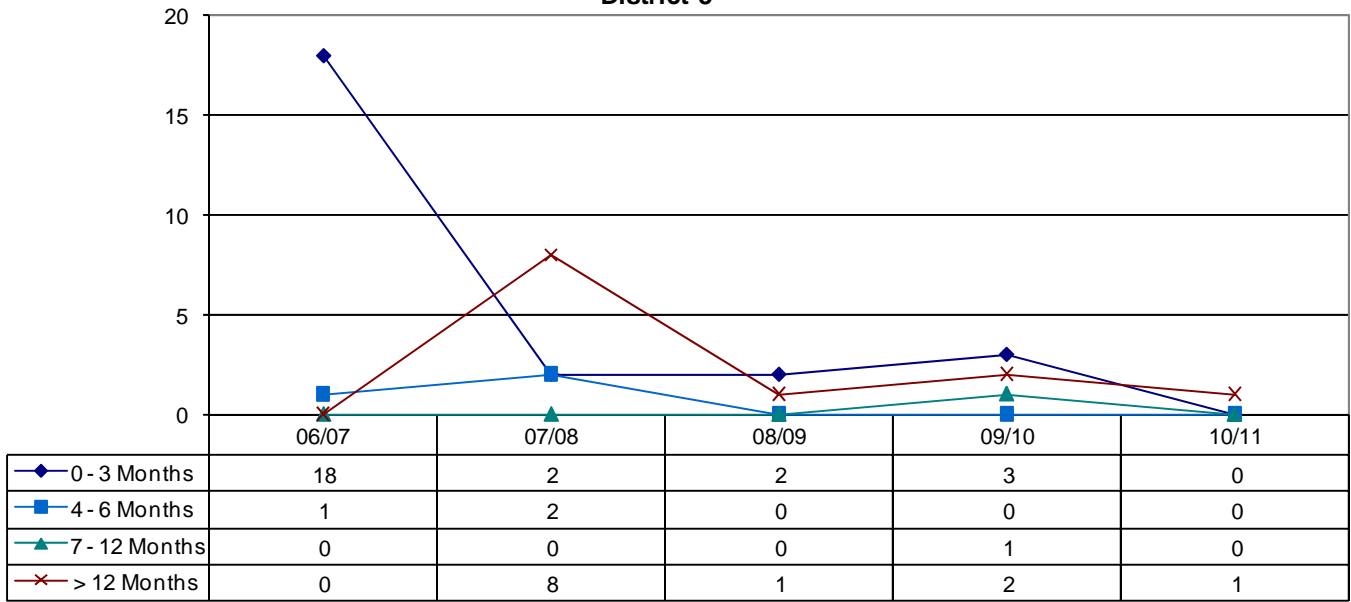


District 5

P1: % Scheduled VE Studies Completed
District 5

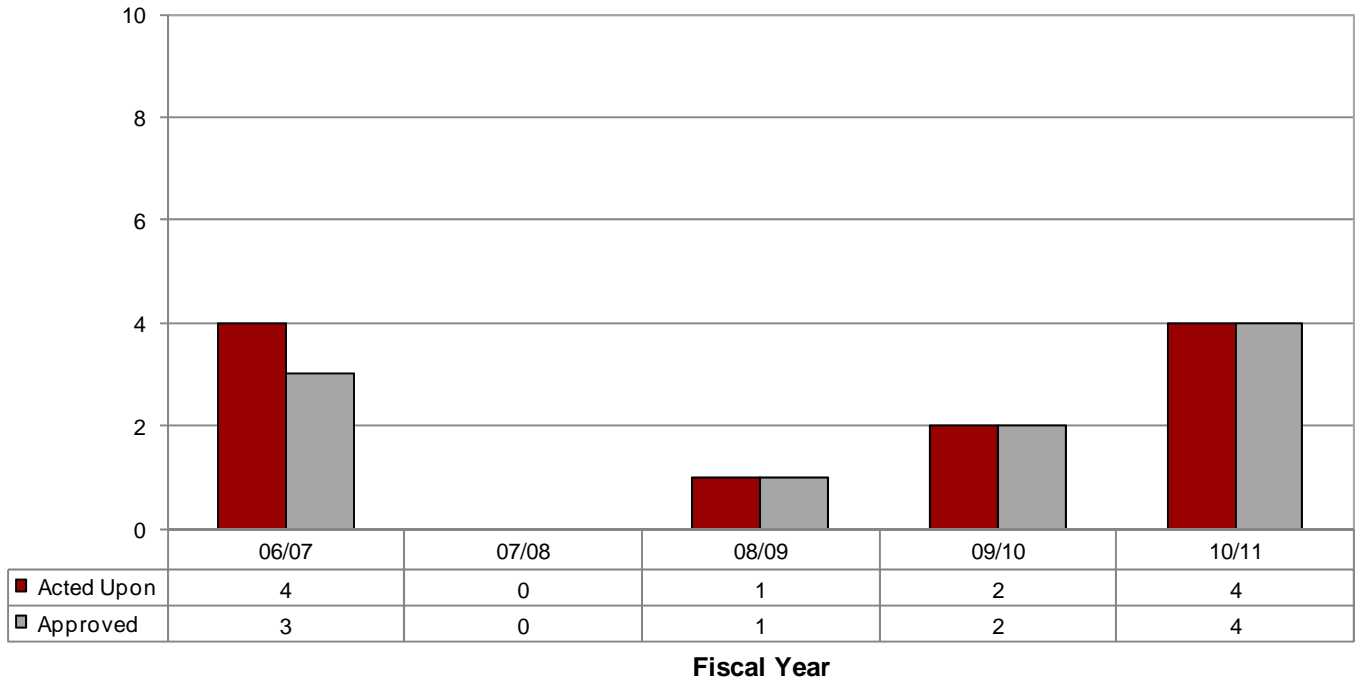


P4: Annual # Pending Recommendations
District 5

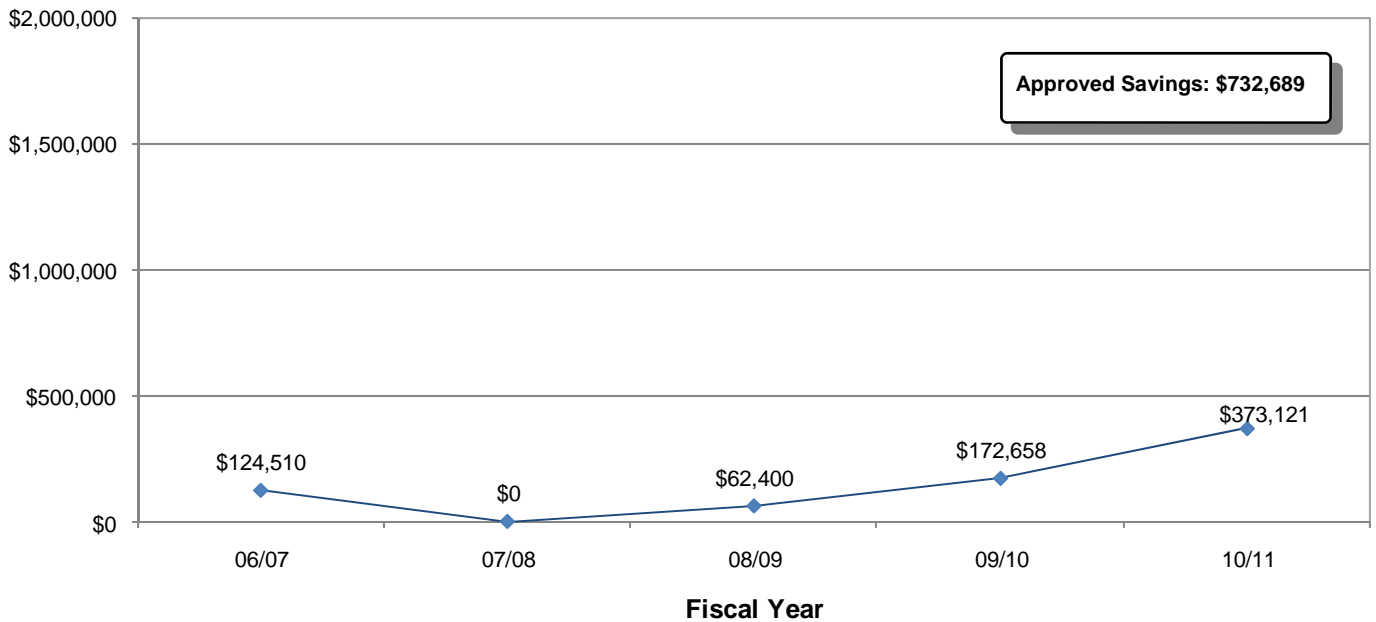


District 5

Q1: Annual VECP's Acted Upon

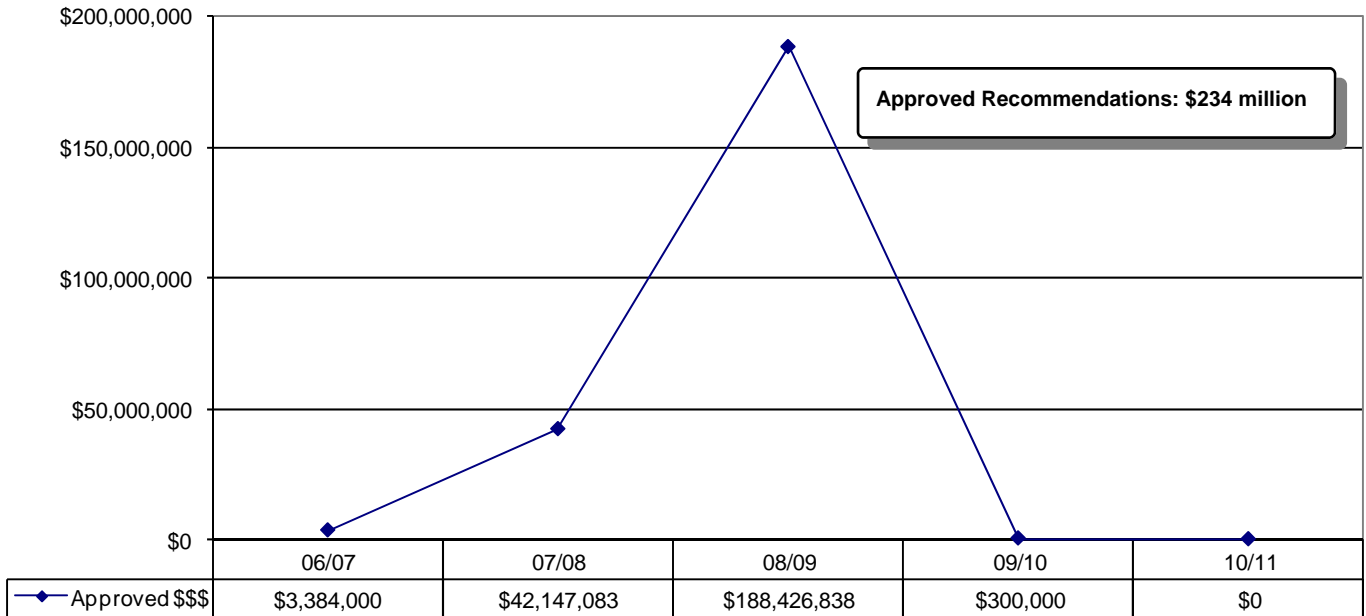


Q1: Annual VECP's Acted Upon

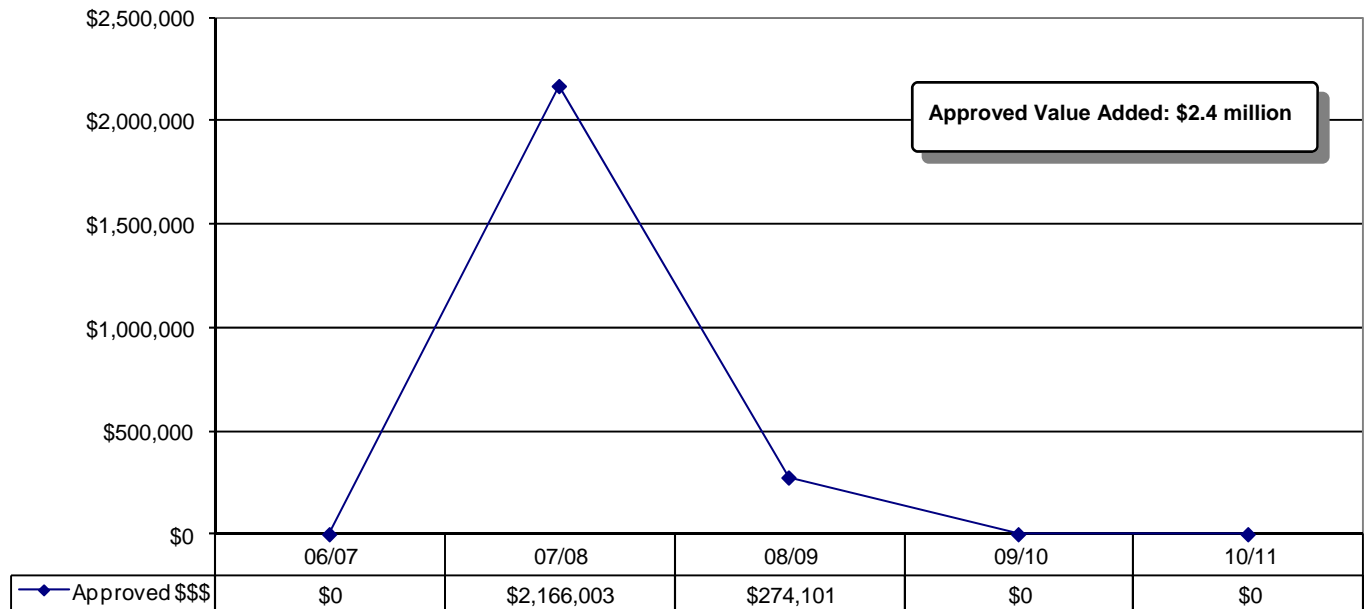


District 6

Q1: Annual Approved Cost Avoidance/Savings
District 6

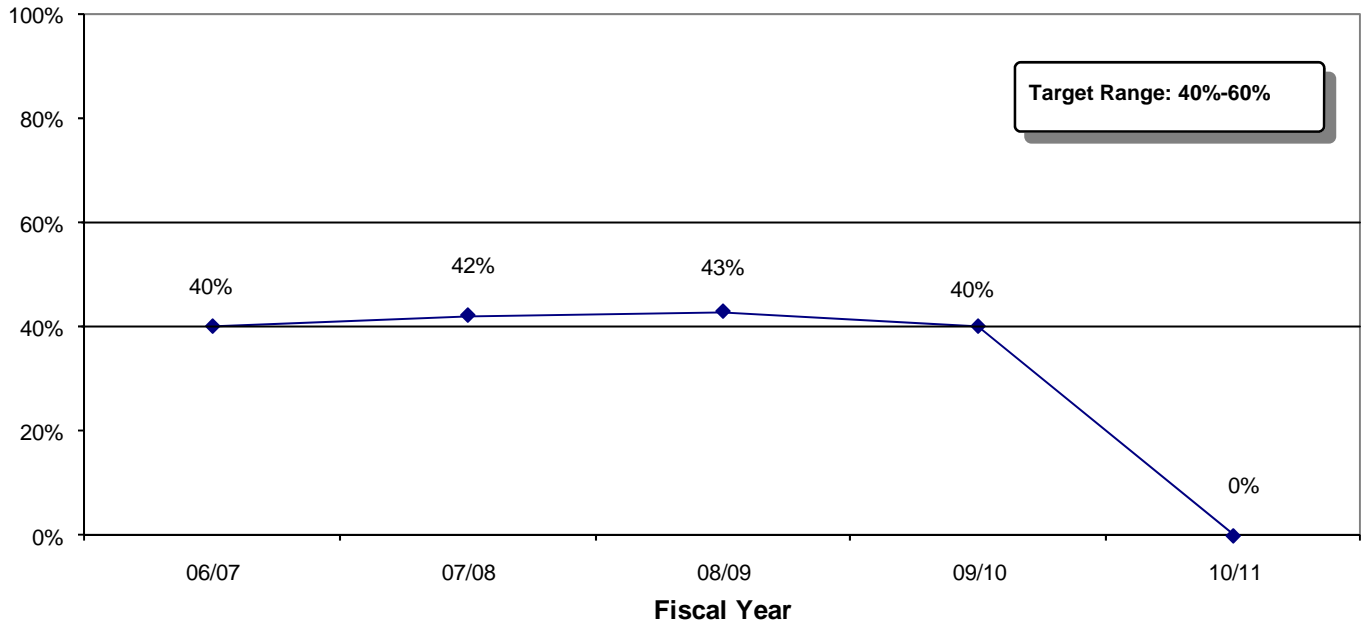


Q2: Annual Approved Value Added Recommendations
District 6

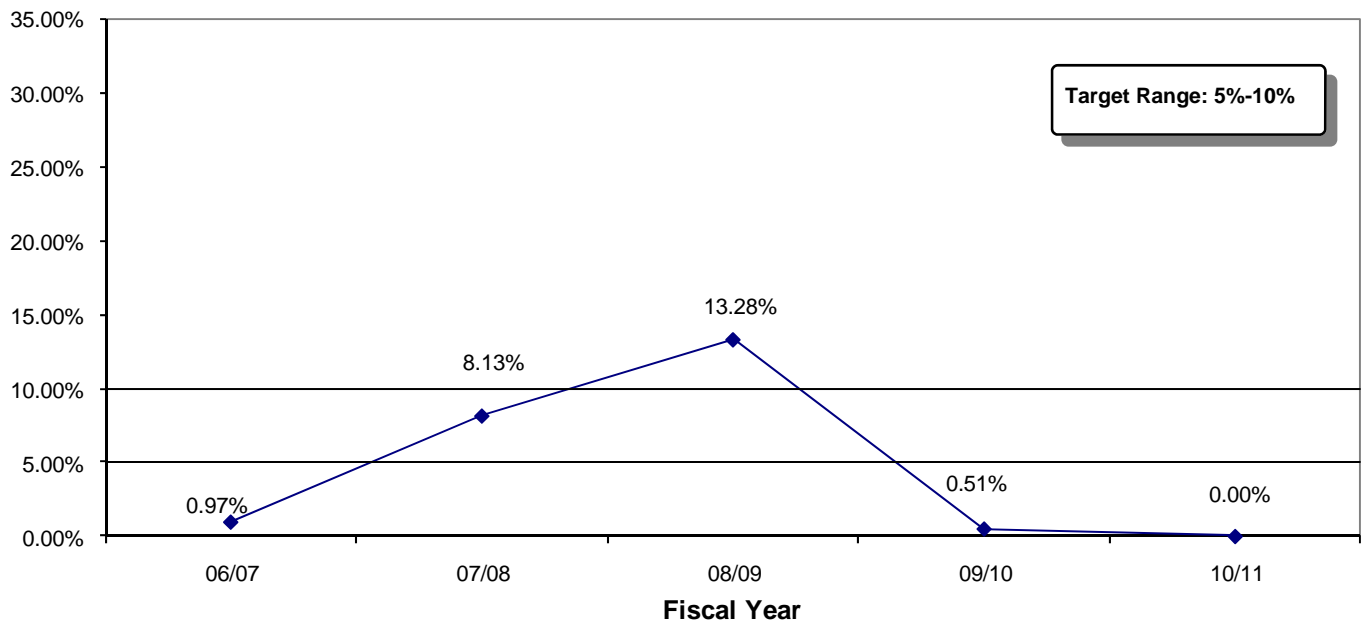


District 6

Q3: Annual Adoption Rate District 6

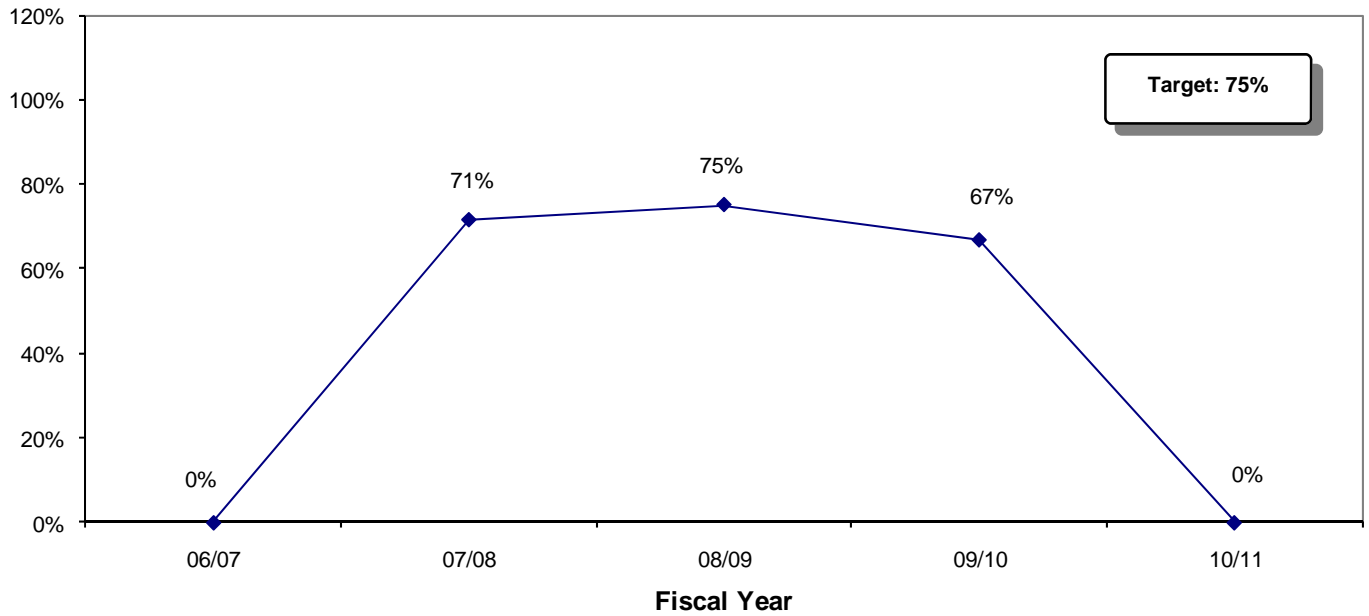


Q4: Annual Percent Project Saved District 6

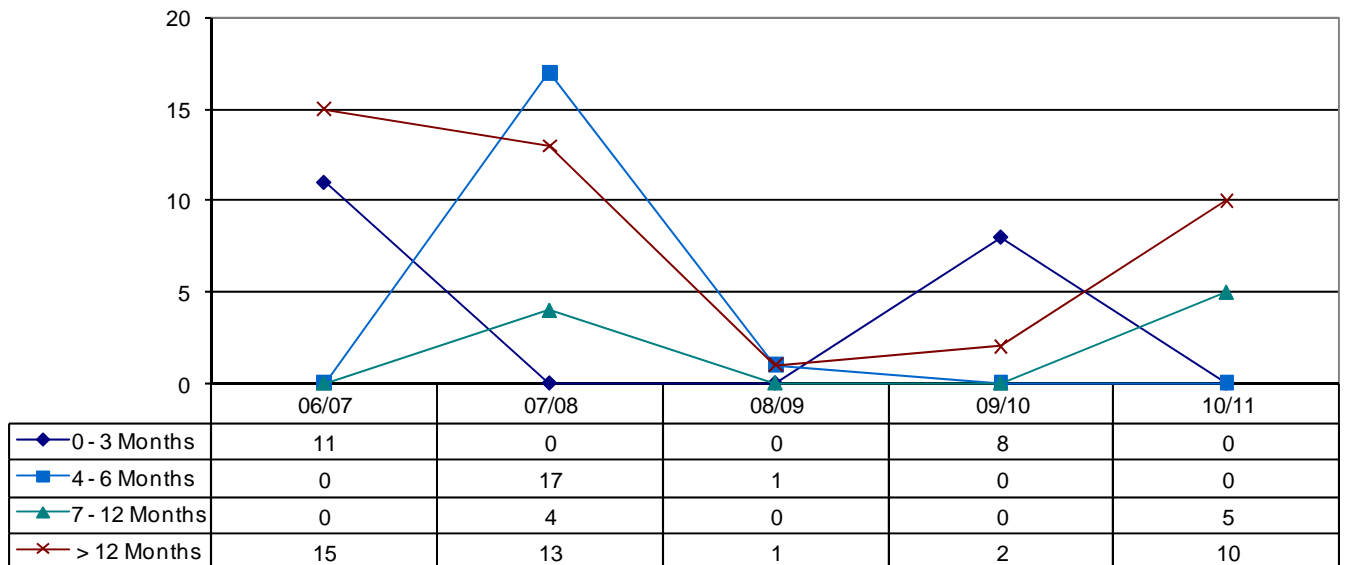


District 6

P1: % Scheduled VE Studies Completed
District 6

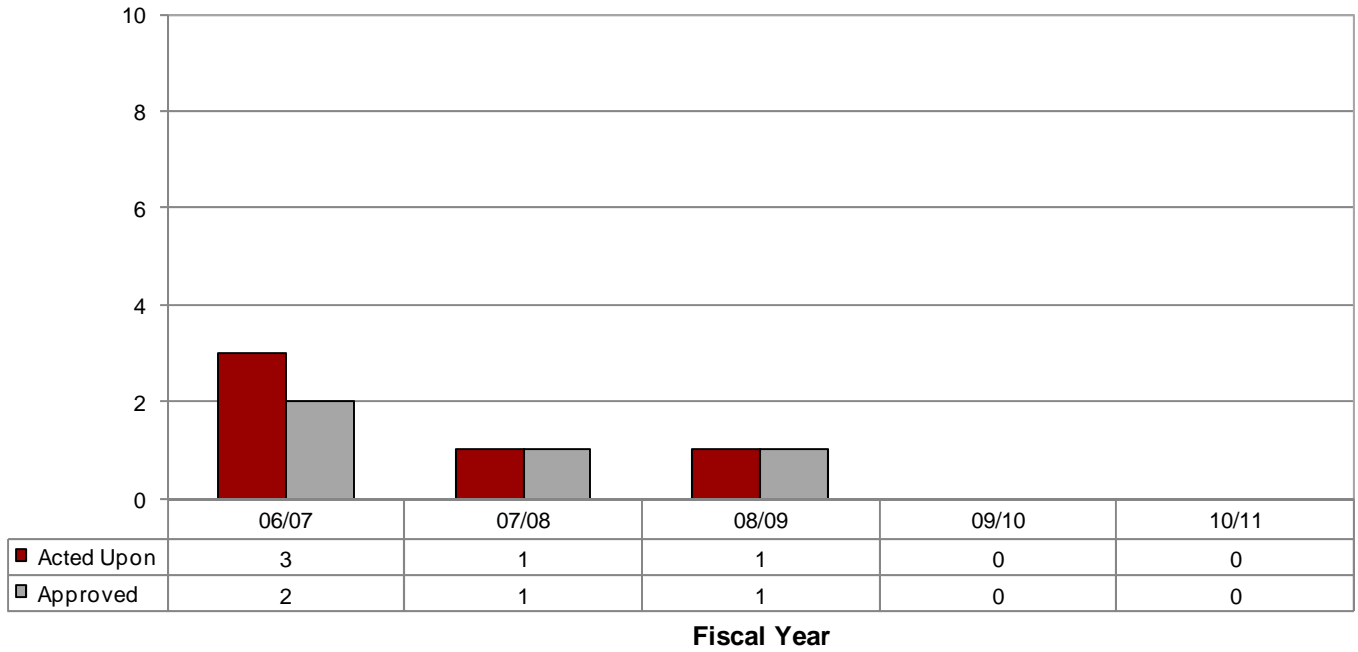


P4: Annual # Pending Recommendations
District 6

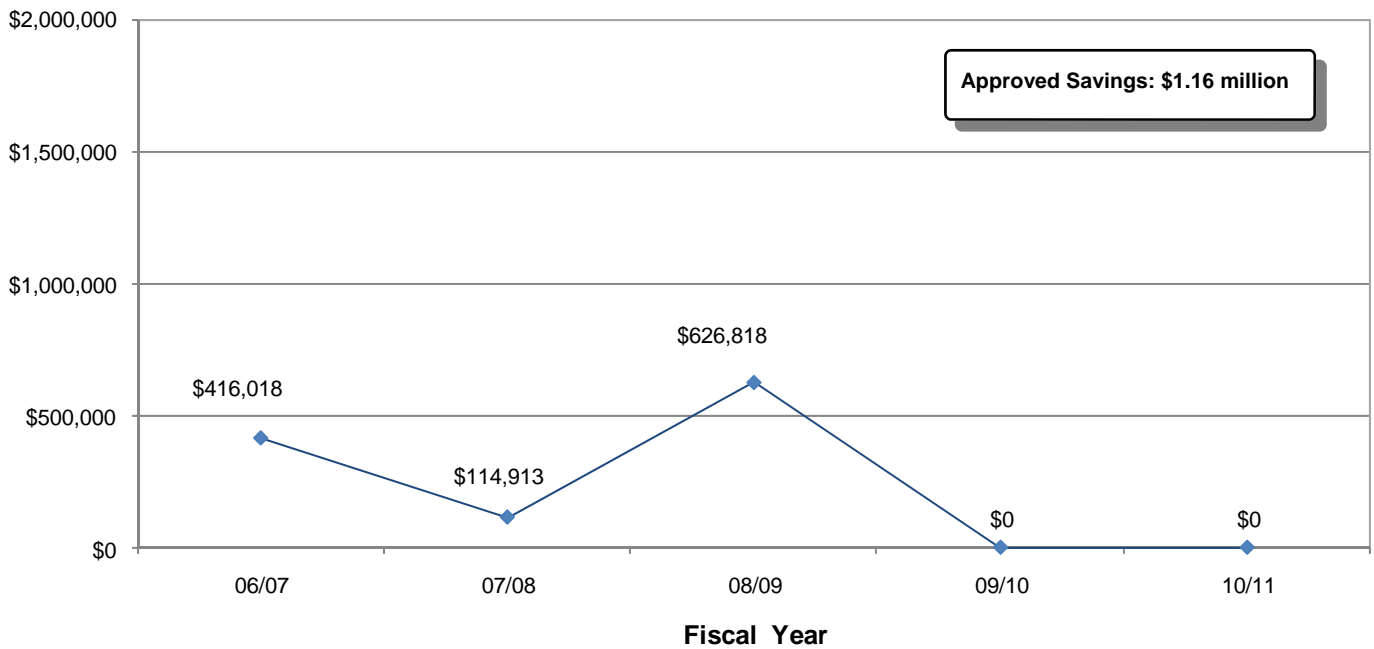


District 6

Q1: Annual VECP's Acted Upon

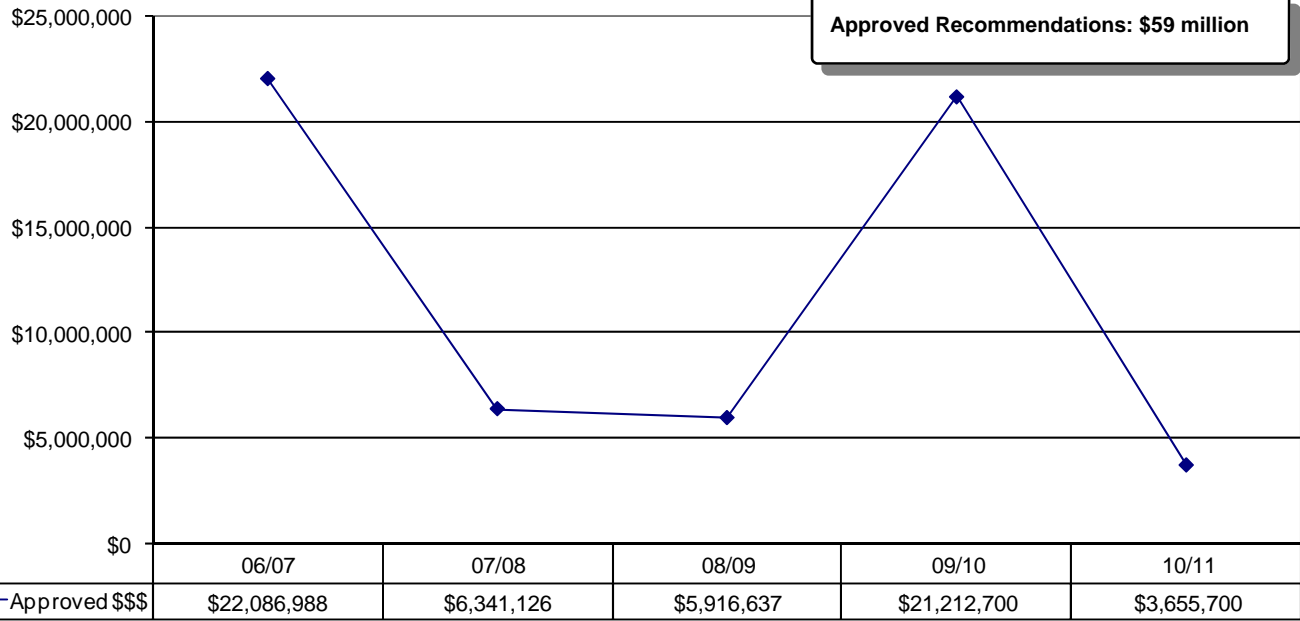


Q2: Annual Approved VECP Savings

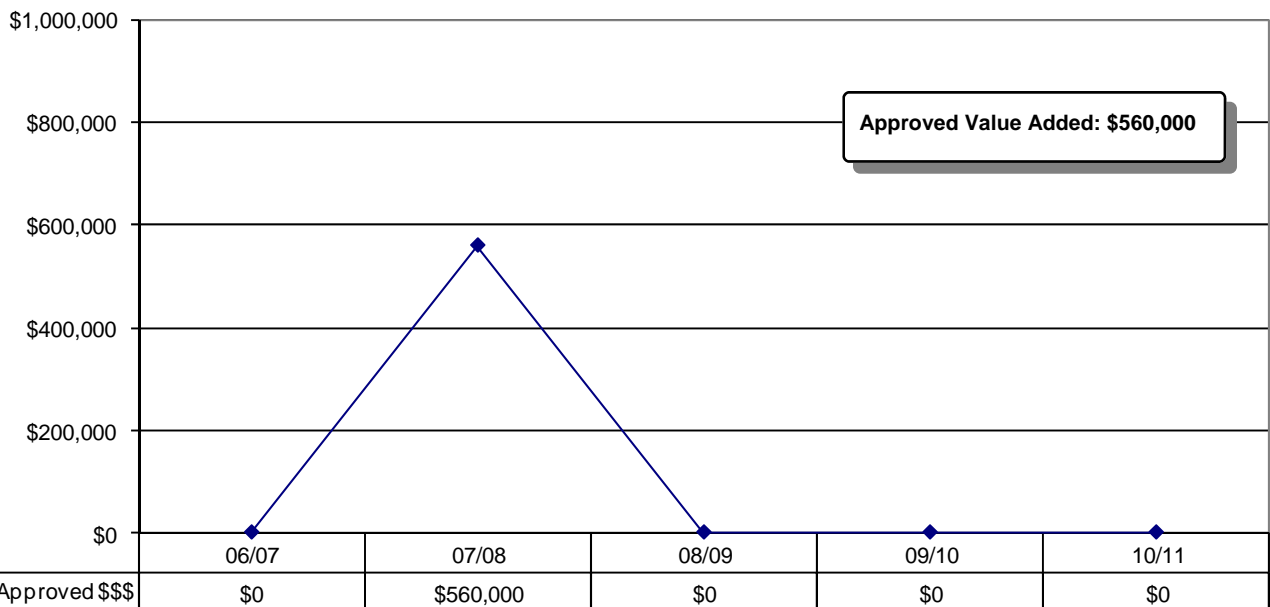


District 7

Q1: Annual Approved Cost Avoidance/Savings
District 7

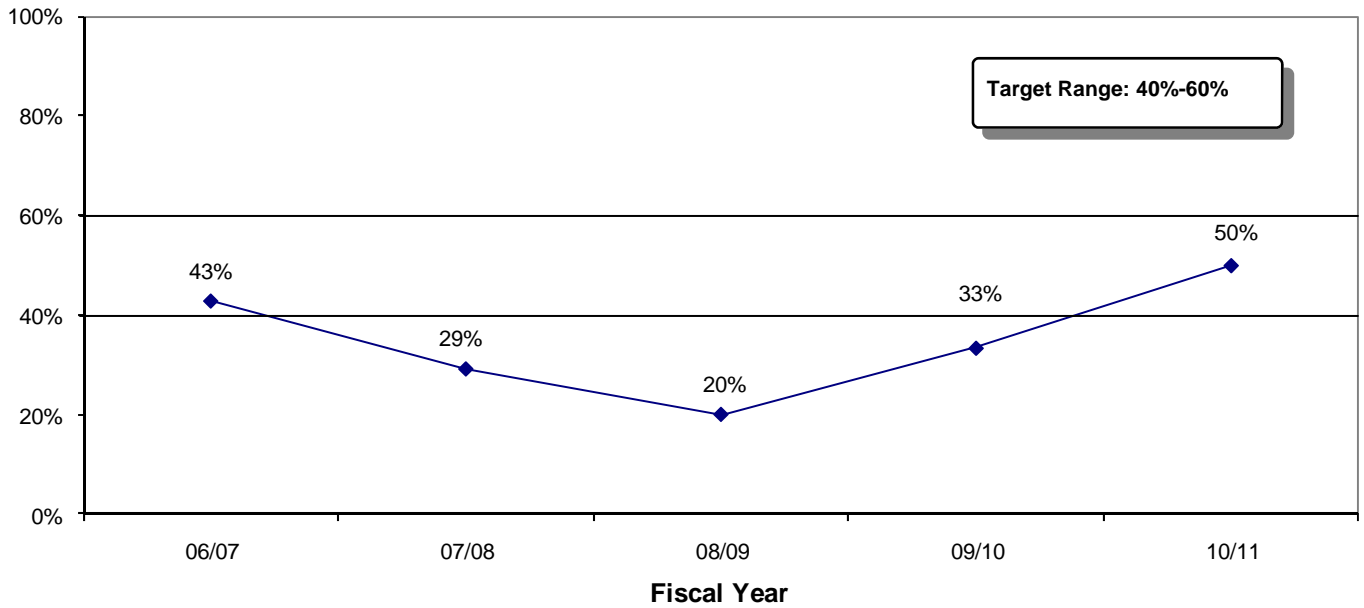


Q2: Annual Approved Value Added Recommendations
District 7

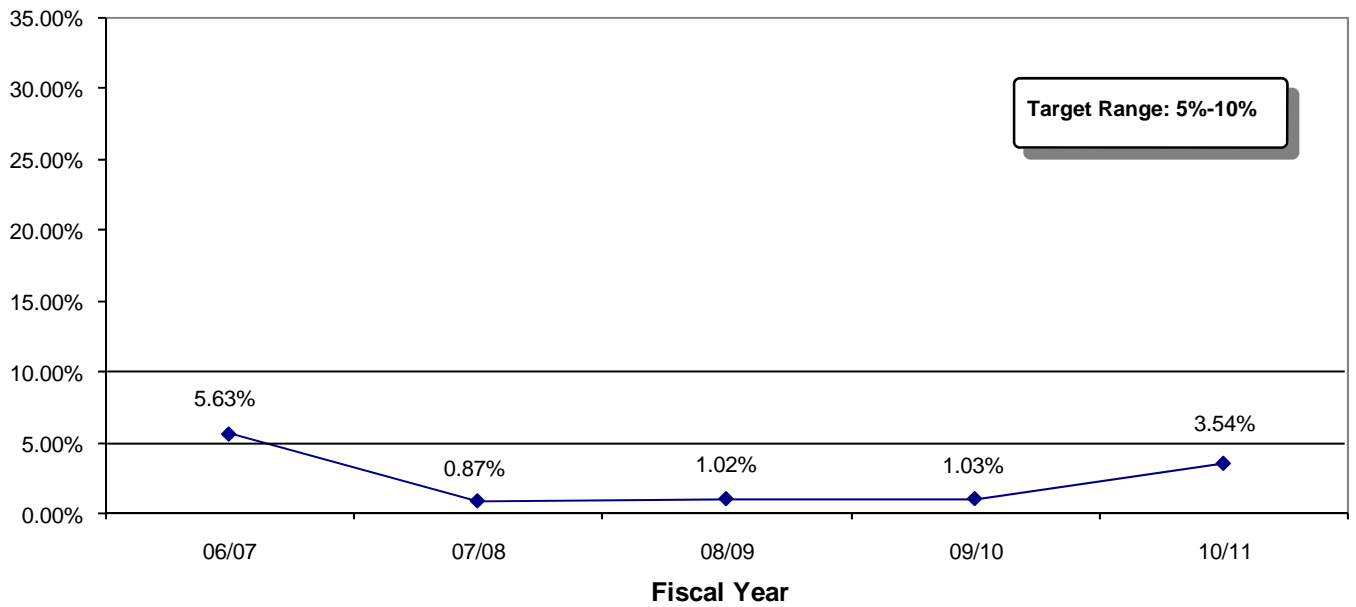


District 7

Q3: Annual Adoption Rate District 7

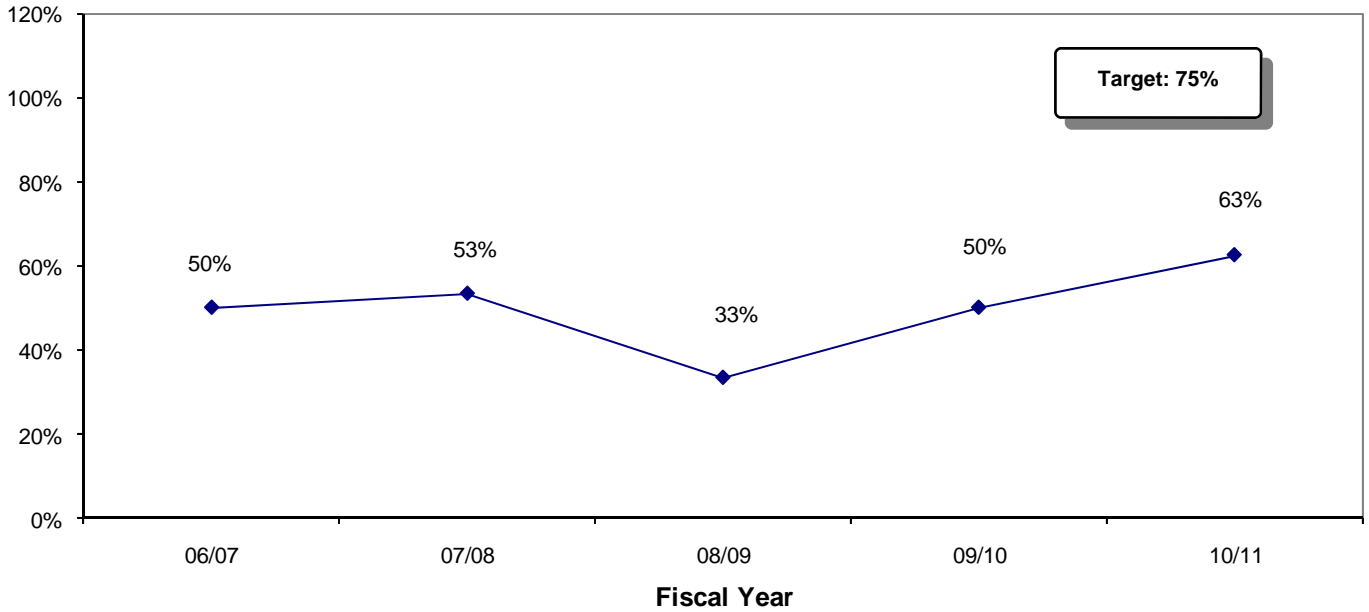


Q4: Annual Percent Project Saved District 7

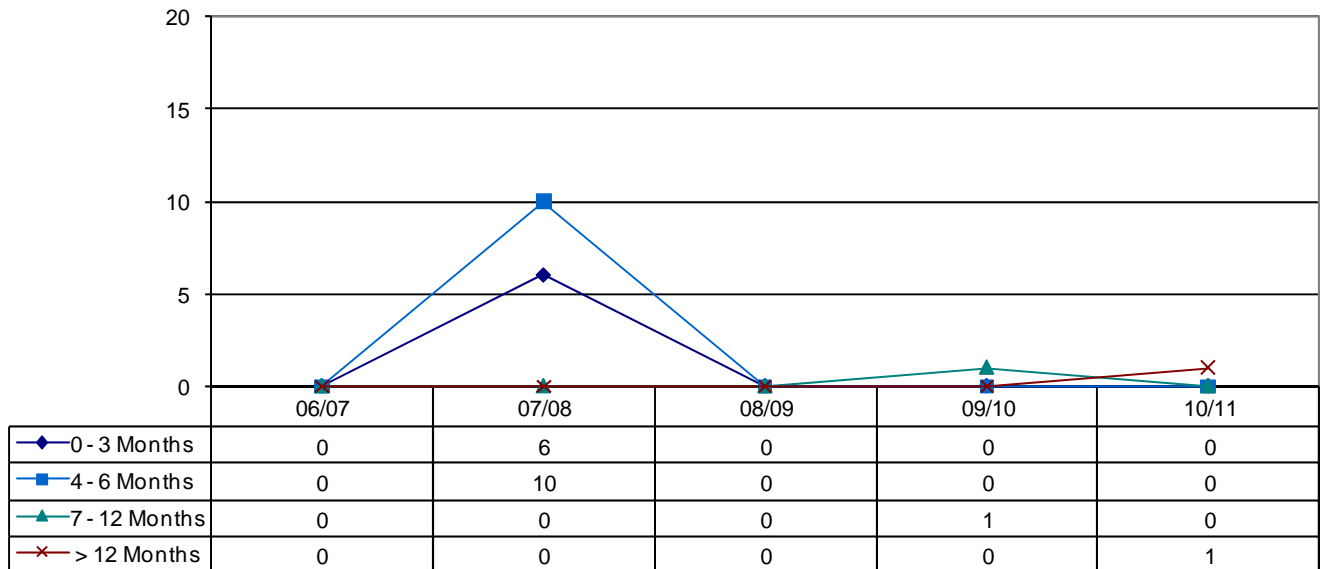


District 7

P1: %Scheduled VE Studies Completed
District 7

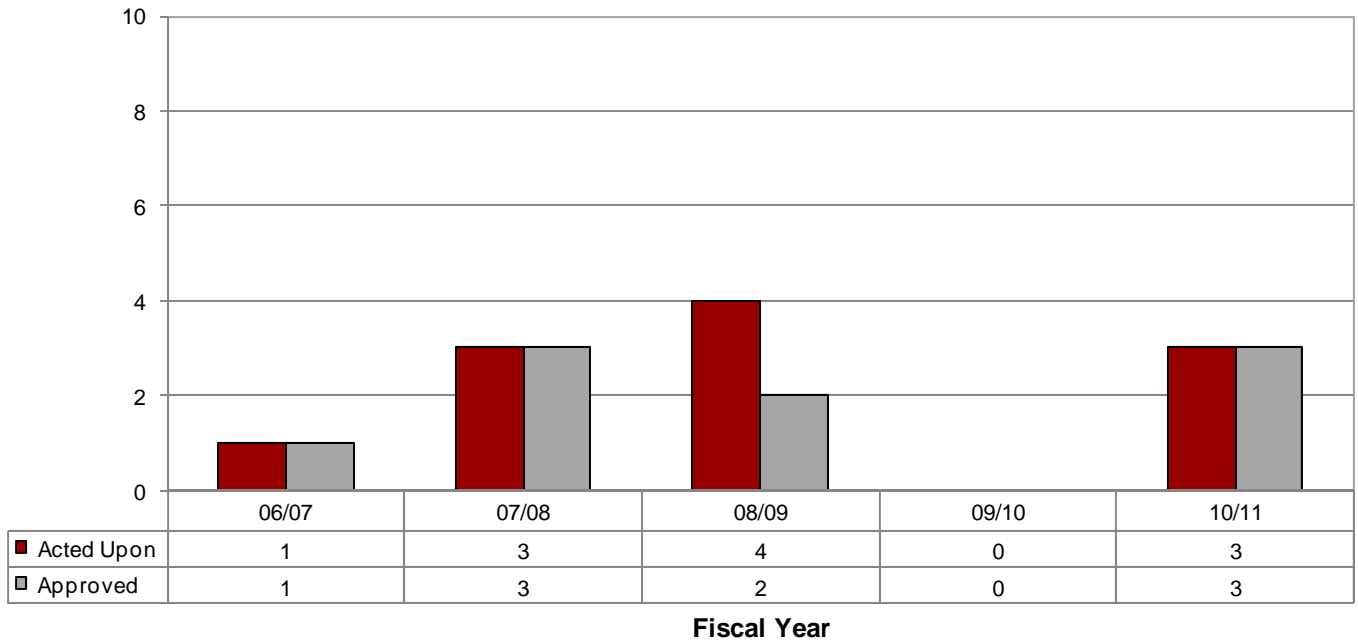


P4: Annual # Pending Recommendations
District 7

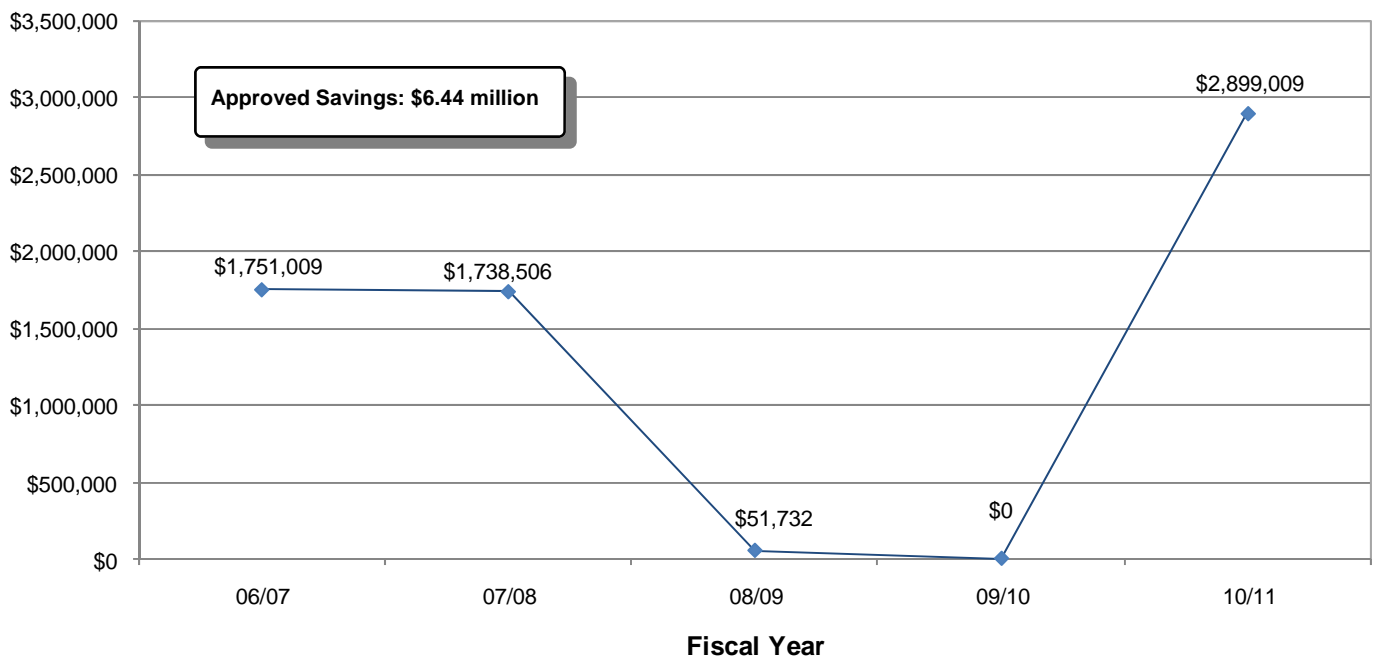


District 7

Q1: Annual VECP's Acted Upon

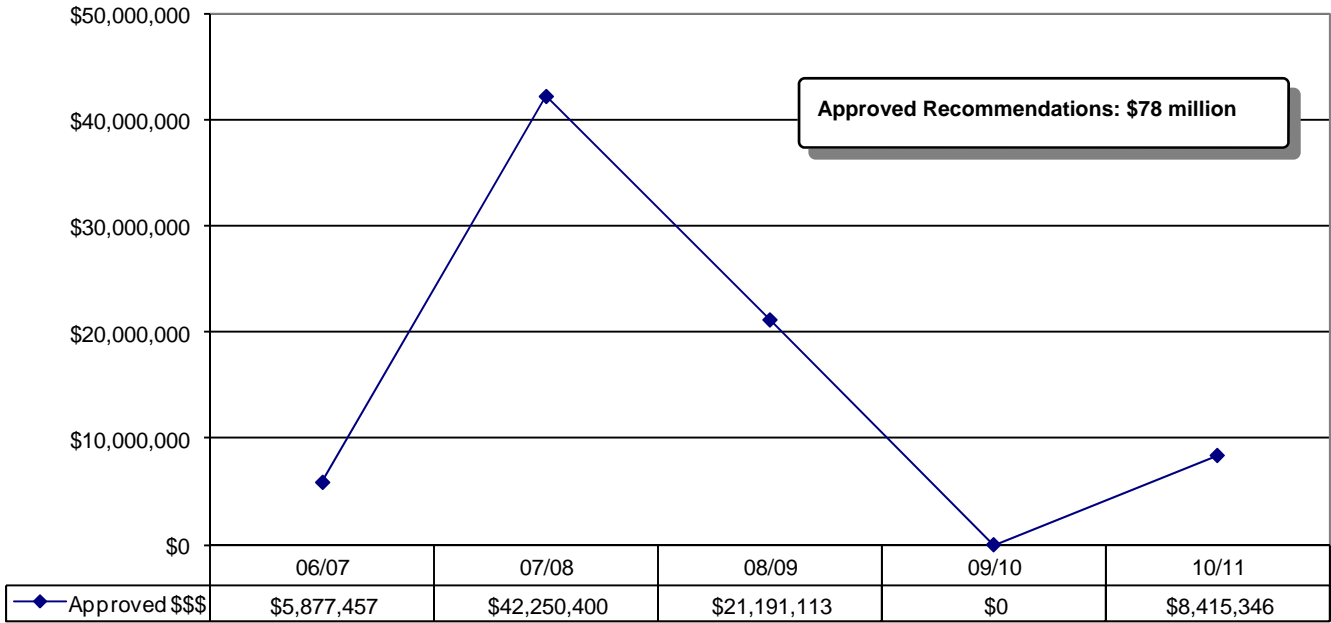


Q1: Annual VECP's Acted Upon

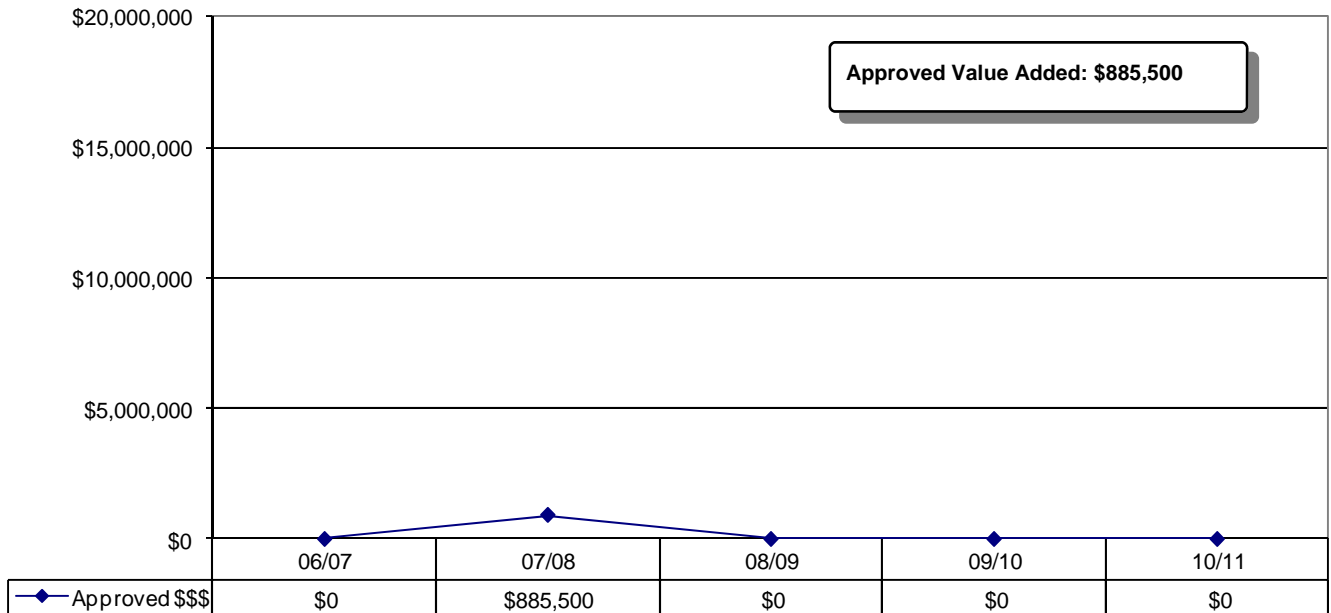


Turnpike Enterprise

**Q1: Annual Approved Cost Avoidance/Savings
Turnpike Enterprise**

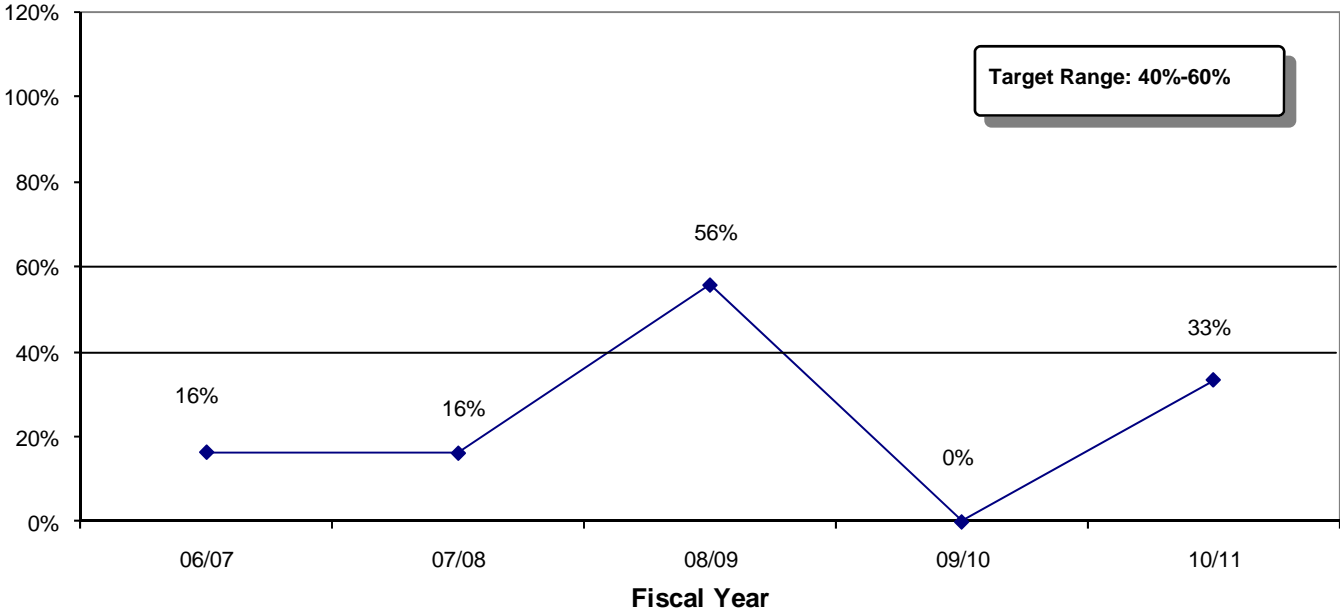


**Q2: Annual Approved Value Added Recommendations
Turnpike Enterprise**

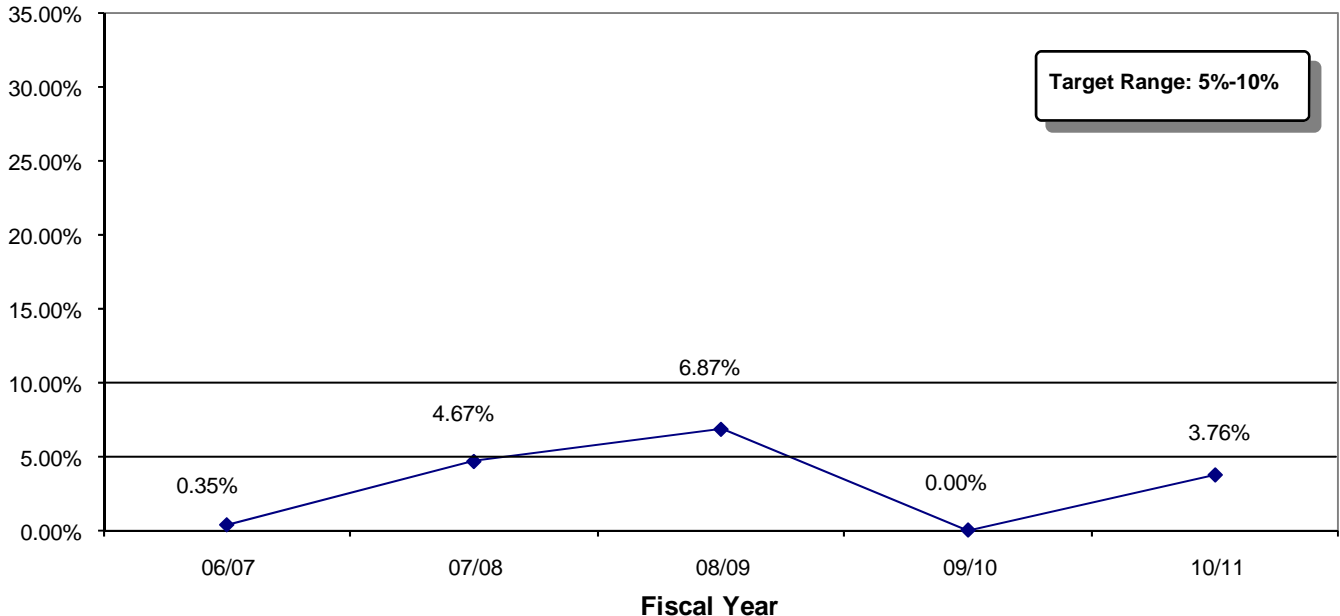


Turnpike

Q3: Annual Adoption Rate Turnpike Enterprise

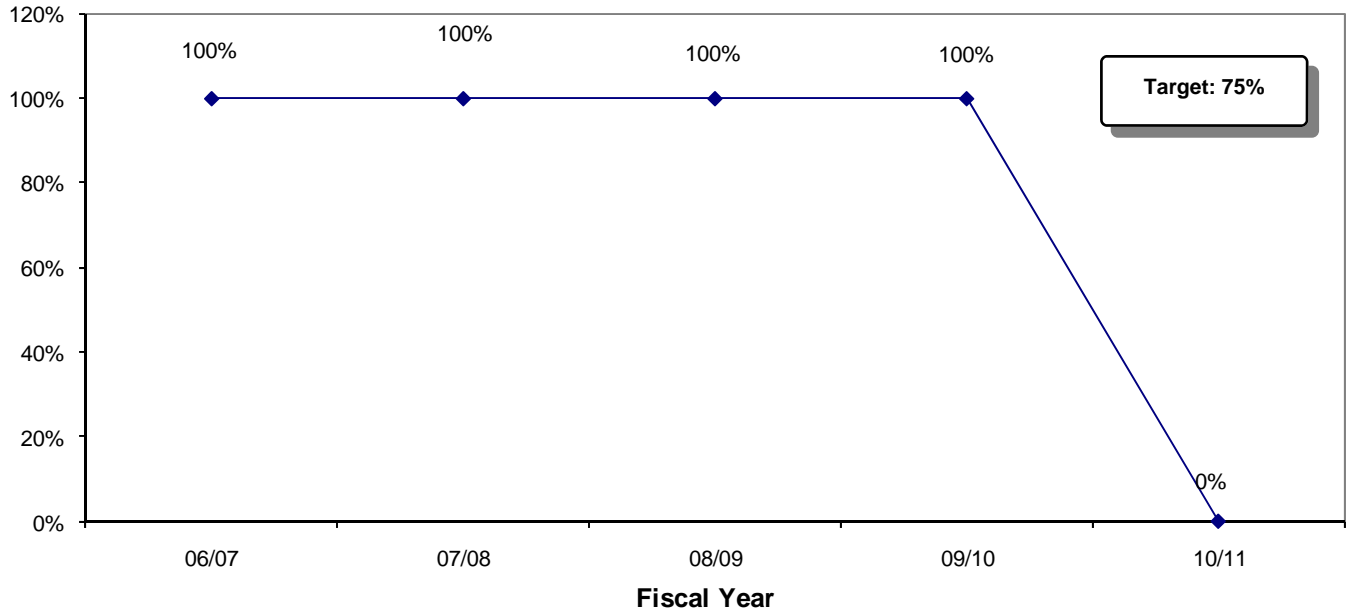


Q4: Annual Percent Project Saved Turnpike Enterprise

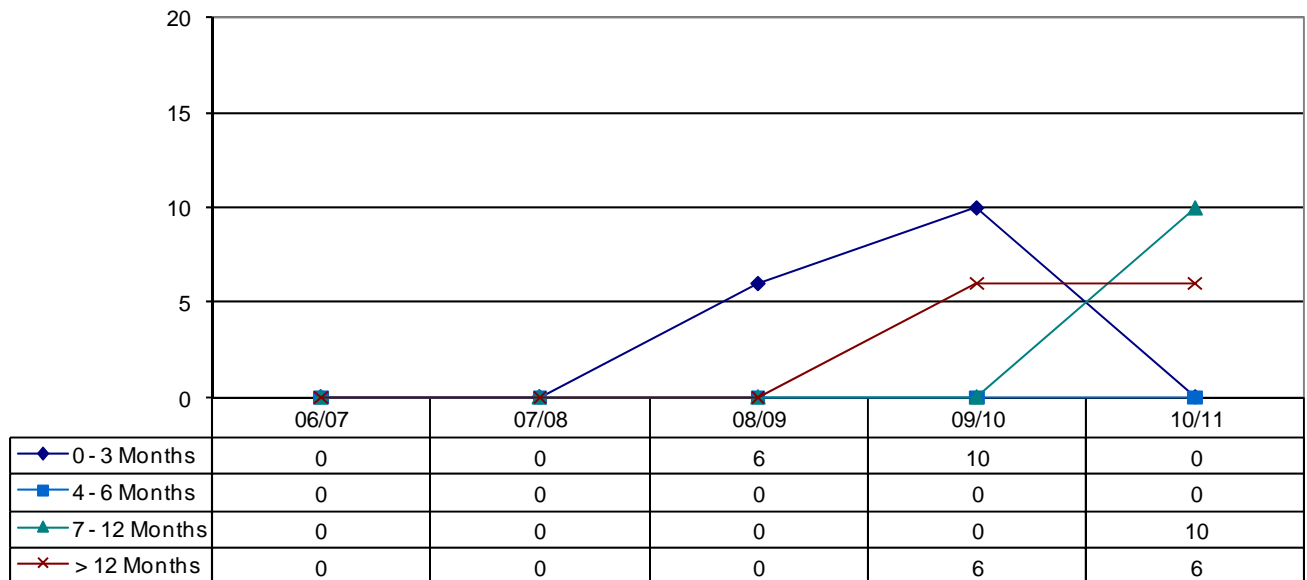


Turnpike

P1: % Scheduled VE Studies Completed
Turnpike Enterprise

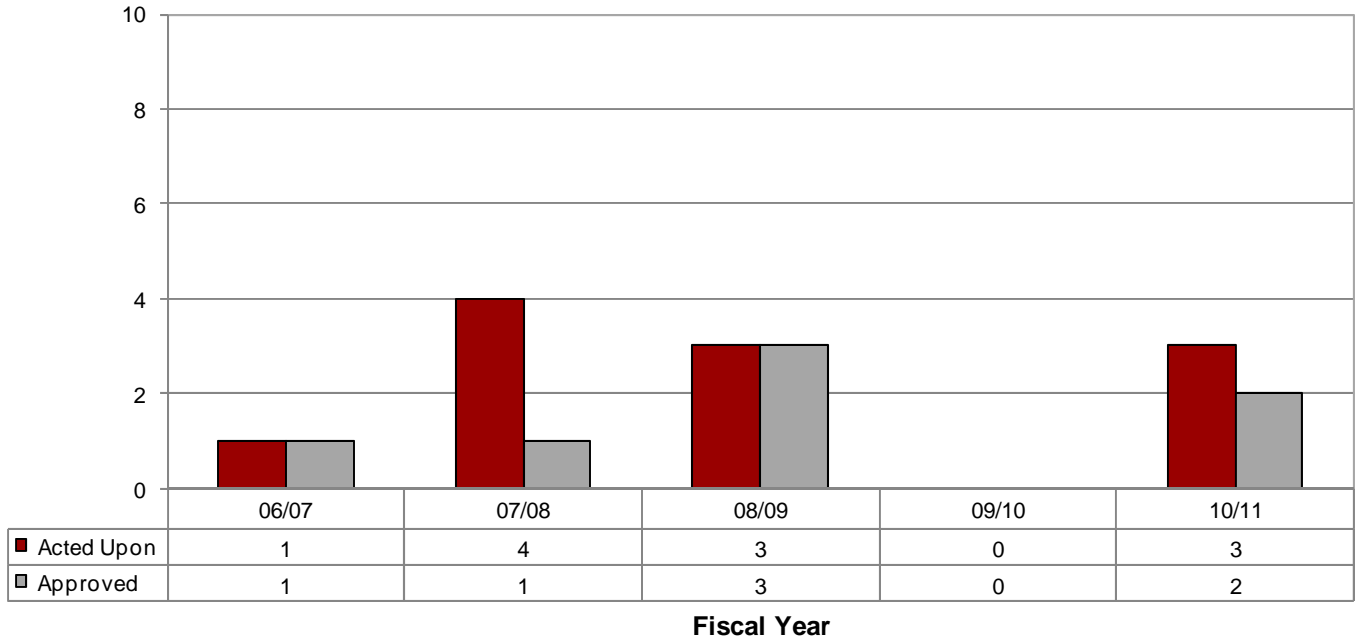


P4: Annual # Pending Recommendations
Turnpike Enterprise

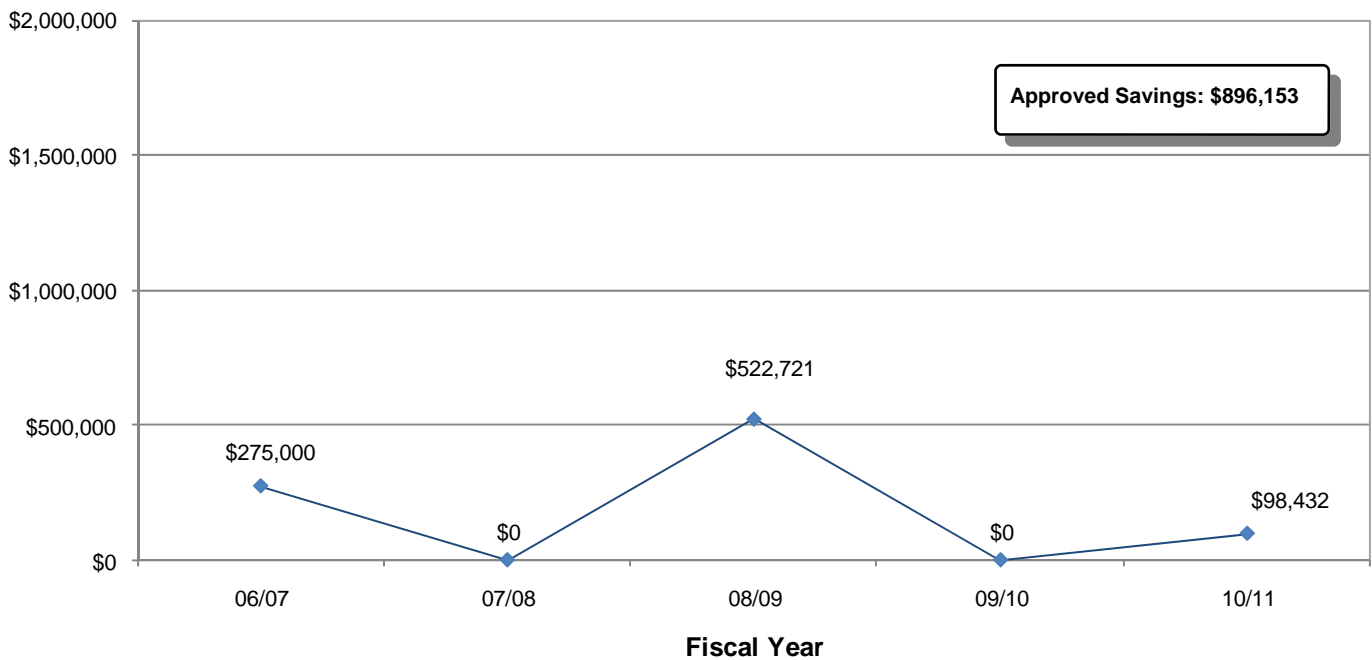


Turnpike

Q1: Annual VECP's Acted Upon



Q2: Annual Approved VECP Savings



Appendix B

Process Control Systems

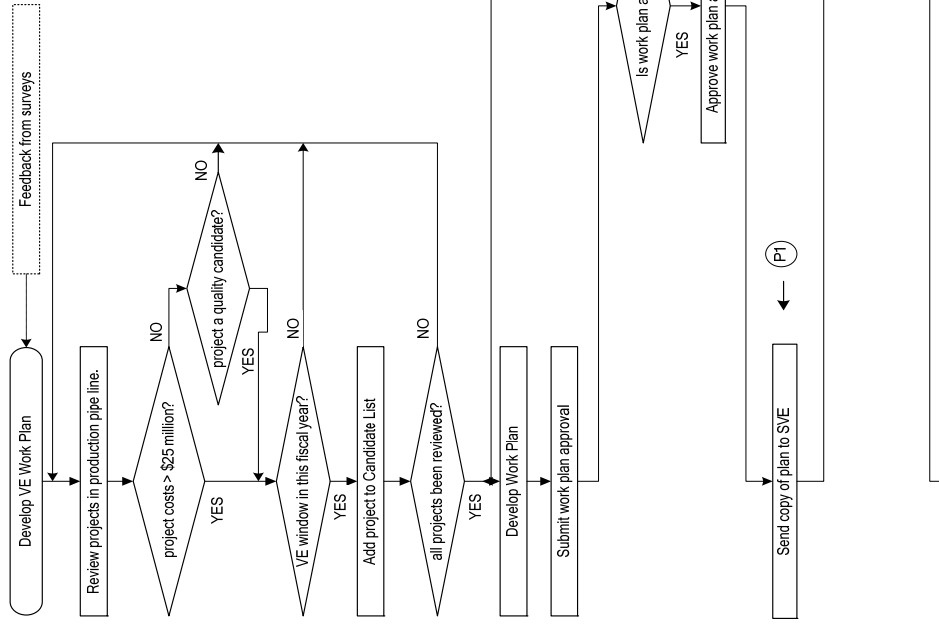
Process Control System

Process Name: Value Engineering Program		Product/Service: Perform Value Engineering analysis on selected projects and document findings	Primary Customers: Management Regulators: FHWA	Customers Valid Requirements: Effective use of resources to produce a quality transportation system.	Regulator's Valid Requirement(s): Projects with total costs of \$25 million or more have a VE study performed during the design process.				
Flow Chart									
Inputs: Projects Supplier(s): Work Program	DISTRICT VALUE ENGINEER	VALUE ENGINEERING TEAM	STATE VALUE ENGINEER	Checking / Measurement Monitoring					
Step / Time	Dept / Person			Checking Item	Timeframe (Frequency)	Responsibility	Date of Last Review	QAR	Miscellaneous Information
PROJECT SELECTION				VER & Work Plan	Quarterly	SVE	D1: 11/2006 C		Federal Regulation 23 CFR 627
TEAM SELECTION				Work Program	Annual	SVE	D2: 12/2006 C		VE Procedure 625-030-002 1989 AASHTO Guidelines for VE
STUDY				VER	Quarterly	SVE	D3: 12/2006 C		NCHRP Synthesis 352 - Value Engineering Applications in Transportation
RESOLUTION				VER	Quarterly	SVE	D5: 1/2007 C		
REPORTING				Surveys	Annual	DVE	D6: 5/2007 C		
				VER	Quarterly	SVE	D7: 1/2006 C		
				Surveys	Annual	DVE	TPK: 1/2007 C		
				Control Limits Specs / Targets			D4: 5/2007 C		
				Process Measures Quality Measures			D5: 1/2007 C		
				P1: % scheduled studies completed			D6: 5/2007 C		
				P2: # projects > \$25 million never studied			D7: 1/2006 C		
				P3: % projects studied in PUBE			D8: 5/2007 C		
				P4: # of pending rec. per time perio			D9: 1/2007 C		
				C1: \$\$\$ Saved per time period			D10: 1/2007 C		
				C2: Value Added \$\$\$ per time period			D11: 1/2007 C		
				C3: Adoption Rate			D12: 1/2007 C		
				C4: Percent Saved			D13: 1/2007 C		
				C5: Return on Investment			D14: 1/2007 C		
				C6: % Customer Satisfaction			D15: 1/2007 C		
				\$130 to \$1			D16: 1/2007 C		
				40%-60%			D17: 1/2007 C		
				5% - 10%			D18: 1/2007 C		
				\$130 to \$1			D19: 1/2007 C		
				% Customer Satisfaction			D20: 1/2007 C		

Approved: _____ Date: _____ Process Owner: State Value Engineer Rev#: 1.5 Rev Date: 10/2007

Process Control System

Process Name: Value Engineering Project Selection	Product/Service: Develop a Value Engineering Work Plan by July 1 of each fiscal year.	Primary Customers: District Management, State Value Engineer. Partners: FHWA	Regulator's Valid Requirement(s): All projects on the NHS system with estimated total costs > \$25 million have a VE analysis	Valid Requirement(s): All projects with the most potential for improvement have a VE Analysis.	Regulator's Valid Requirement(s): All projects on the NHS system with estimated total costs > \$25 million have a VE analysis
Flow Chart					
Inputs: Projects Supplier(s): Work Program	DISTRICT VALUE ENGINEER	DISTRICT MANAGEMENT	STATE VALUE ENGINEER		
Dept/Person					
Step/Time	NEED				
	REVIEW				
	DEVELOP				
	APPROVAL				
	DISTRIBUTE				
	EXECUTE				



Process and Quality Indicators		Checking / Indicator Monitoring			Miscellaneous Information
Process Indicators	Control Limits and Specs/Targets	Checking Item	Timeframe (Frequency)	Responsibility	QAR
P1: % work plans approved by July 1	100%	Work Plan Received	Annual	SVE	D1: 11/2006 C
C1: % scheduled studies completed	75%	VER & Work Plan	Quarterly	SVE	D2: 12/2006 C
C2: # projects > \$25 million never studied	0	Work Program	Annual	SVE	D3: 12/2006 C
C3: % projects studied in Pre-Design phase	60%	VER	Quarterly	SVE	D4: 5/2007 C
					D5: 1/2007 C
					D6: 5/2007 C
					D7: 1/2006 C
					TPK: 1/2007 C

CODES:
C- Compliance
NC- Noncompliant
BP Best Practice

Process Control System

Process Name: Value Engineering Team Selection Input(s): Project disciplines Supplier(s): Department Heads, Consultants	Product/Service: Team with the necessary skills and experience to conduct a value engineering analysis	Primary Customers: Team Leaders & Team Members Partner: FHWA & Project Manager	Regulator's Valid Requirement(s): Multi-disciplined team of individuals not personally involved in the design of the project
<h2 style="margin: 0;">Flow Chart</h2>			
DISTRICT VALUE ENGINEER DEPARTMENT HEAD STATE VALUE ENGINEER			
Dept/Person Step/Time			
NEED	<pre> graph TD Start([Select VE Team]) --> Determine[Determine required disciplines] Determine --> Inhouse{Inhouse Study?} Inhouse -- YES --> DVELead{DVE Lead Team?} Inhouse -- NO --> DistrictContract{District Contract?} DistrictContract -- YES --> RequestDistrict[Request District Consultant Services] DistrictContract -- NO --> RequestState[Request State Consultant Services] DVELead -- YES --> RequestTeamLead[Request Team Leader] DVELead -- NO --> RequestState RequestTeamLead --> RequestDiscipline[Request Team Members for each discipline] RequestDiscipline --> ReviewRequest[Review request] ReviewRequest --> MakeSelections[Make selections & send to DVE] MakeSelections --> ReviewTeam[Review team selections] ReviewTeam --> TeamAcceptable{Team acceptable?} TeamAcceptable -- YES --> SendNotification([Send Team Notification]) TeamAcceptable -- NO --> ReviewRequest </pre>		
CONSULTANT REQUESTS			
TEAM SELECTION			
NOTIFICATION			
Process and Quality Indicators		Checking / Indicator Monitoring	
Process Indicators Quality Indicators	Control Limits Specs / Targets	Checking Item What is to be checked?	Timeframe (Frequency) When to check?
# of teams missing required disciplines (Q1)	0	VER & VE Study Report	Annual D1: 11/2006 C
# of teams with more than 2 untrained team members serving as primary team member (Q2)	0	VER & VE Study Report	Annual D2: 12/2006 C
# of team leaders not meeting qualifications (Q3)	0	VER, VE study report, SAVE, FLPE, TRESS	Annual D3: 12/2006 C
		D4: 5/2007 C	D5: 1/2007 C
		D6: 5/2007 C	D7: 11/2006 C
		TPK: 12/2007 C	CODES: C-Compliance NC- Noncompliant BP Best Practice
Miscellaneous Information			
		- Abbreviations - Procedure - Reference - Notes, etc. Federal Regulation 23 CFR 627 VE Procedure 625-030-002 AASHTO Guidelines for VE NCHRP Synthesis 352 - Value Engineering Applications in Transportation	

Process Control System

Process Name: Conduct Value Engineering Study	Product/Service: Completed VE Analysis with a report documenting the findings of the team.	Primary Customers: Management & DVE Partners: FHWA, State Value Engineer	Customer's Valid Requirement(s): Follow the VE Job Plan to produce quality recommendations that can be implemented.	Regulator's Valid Requirement(s): Follow widely recognized systematic problem solving process that is used throughout private industry and government agencies.	Miscellaneous Information
Flow Chart					
DISTRICT VALUE ENGINEER	VALUE ENGINEERING TEAM				
Dept/ Person	<pre> graph TD subgraph Investigation_Phase [Investigation Phase] I1[Conduct VE Study] --> I2[Investigation Phase: Gather information about the present design from engineering reports, design plans, estimates, alternatives, right of way maps etc. Gather information about project from Project Manager, Designer and anyone else familiar with the project.] end subgraph Analysis_Phase [Analysis Phase] A1[Analysis Phase: Team identifies the elements with the greatest potential for value improvement.] end subgraph Speculation_Phase [Speculation Phase] S1[Speculation Phase: Team generates alternatives to the proposed design by using brainstorming techniques.] end subgraph Evaluation_Phase [Evaluation Phase] E1[Evaluation Phase: Team evaluates the alternatives and determines which offer the greatest potential for savings and approval. Advantages and disadvantages are considered at this point.] end subgraph Development_Phase [Development Phase] D1[Development Phase: Team develops the alternatives selected. Sketches, cost estimates, validation of data and other technical work are done at this point.] end subgraph Presentation_Phase [Presentation Phase] P1[Presentation Phase: Team presents its recommendations to management and appropriate staff with time allocated for question and answer. VE Study report is developed during the study as a step-by-step record.] end subgraph Results_Phase [RESULTS] R1[Post Study Surveys of Team, Project Manager and Management. Feedback results to Project Selection and Team Selection Processes & Team Leader.] R2[Enter data into VE database] end I2 --> A1 A1 --> S1 S1 --> E1 E1 --> D1 D1 --> P1 P1 --> R1 R1 --> R2 R1 -.-> I2 </pre>				
NEED	Conduct VE Study				
INVESTIGATION	Investigation Phase: - Gather information about the present design from engineering reports, design plans, estimates, alternatives, right of way maps etc. - Gather information about project from Project Manager, Designer and anyone else familiar with the project.				
ANALYSIS	Analysis Phase: - Team identifies the elements with the greatest potential for value improvement.				
SPECULATION	Speculation Phase: - Team generates alternatives to the proposed design by using brainstorming techniques.				
EVALUATION	Evaluation Phase: - Team evaluates the alternatives and determines which offer the greatest potential for savings and approval. Advantages and disadvantages are considered at this point.				
DEVELOPMENT	Development Phase: - Team develops the alternatives selected. Sketches, cost estimates, validation of data and other technical work are done at this point.				
PRESENTATION	Presentation Phase: - Team presents its recommendations to management and appropriate staff with time allocated for question and answer. - VE Study report is developed during the study as a step-by-step record.				
RESULTS	Post Study Surveys of Team, Project Manager and Management. Feedback results to Project Selection and Team Selection Processes & Team Leader. Enter data into VE database				
	Process Indicators	Checking Item	Timeframe (Frequency)	Responsibility	QAR
	Process Indicators And Quality Indicators	What is to be checked?	When to check?	Who will check?	Date of Last Review
Adoption Rate	Control Limits And Specs/Targets	VER	Quarterly	SVE	D1: 11/2006 C
					D2: 12/2006 C
					D3: 12/2006 C
					D4: 3/2007 C
					D5: 12/007 C
					D6: 5/2007 C
					D7: 1/2006 C
					TPK: 12/007 C
					CODES: C- Compliance NC- Noncompliant BP Best Practice

Approved: _____ **Date:** _____ **Process Owner:** District Value Engineer **Rev #:** 1.5 **Rev Date:** 8/2007

Process Control System

Process Name: Value Engineering Recommendation Resolution Process.		Product/Service: Resolution of VE Team Recommendations	Primary Customers: Project Manager, SVE Partners: FHWA	Customer's Valid Requirement(s): Recommendations are acted upon in a timely manner, but that a recommendation is acted upon based on information and not time.	Regulator's Valid Requirement(s): Process to approve or reject recommendations to ensure the prompt review of VE recommendations
Input(s): Recommendations Supplier(s): VE Team	Flow Chart				Miscellaneous Information
Dept/Person Step/Time	DISTRICT VALUE ENGINEER	STATE VALUE ENGINEER			Checking / Indicator Monitoring
Process and Quality Indicators		Checking Item	Timeframe (Frequency)	Responsibility	Date of Last Review
Process Indicators	Control Limits And Specs/Targets	What is to be checked?	When to check?	Who will check?	QAR
NEED		VER	Quarterly	SVE	D1: 11/2006 C
REVIEW	<p>01 Adoption Rate 40%-60%</p> <p>02 # of pending rec. per time period</p>	VER	Quarterly	SVE	D2: 12/2006 C
RESOLUTION MEETING					D3: 12/2006 C
MONITOR					D4: 5/2007 C
					D5: 1/2007 C
					D6: 5/2007 C
					D7: 11/2006 C
					TPK: 1/2007 C
				CODES:	
					C- Compliance NC- Noncompliant BP Best Practice

Approved: _____ Date: _____ Process Owner: District Value Engineer Rev #: 1.5 Rev Date: 08/2007

Process Control System

Process Name: Value Engineering Reporting Process. Product/Service: Report detailing the results of the Value Engineering Program Primary Customers: Management. Partners: FHWA	Customer's Valid Requirement(s): Prepare accurate and reliable reports Regulator's Valid Requirement(s): Report accurate results of the Value Engineering Program		
Flow Chart <div style="display: flex; justify-content: space-around;"> <div style="width: 45%; text-align: center;"> <p>STATE VALUE ENGINEER</p> </div> <div style="width: 45%; text-align: center;"> <p>DISTRICT VALUE ENGINEER</p> </div> </div>			
NEED	MATERIALS	DATA VERIFICATION	REPORT
Dept/Person	STATE VALUE ENGINEER	DISTRICT VALUE ENGINEER	MISCELLANEOUS INFORMATION
Step/Time	P1	C1	C
NEED	MATERIALS	DATA VERIFICATION	REPORT
Dept/Person	STATE VALUE ENGINEER	DISTRICT VALUE ENGINEER	MISCELLANEOUS INFORMATION
Step/Time	P1	C1	C
NEED	MATERIALS	DATA VERIFICATION	REPORT
Dept/Person	STATE VALUE ENGINEER	DISTRICT VALUE ENGINEER	MISCELLANEOUS INFORMATION
Step/Time	P1	C1	C

Process Control System

Process Name: Cost Savings Initiative (CSI) Proposal		Product/Service: Resolution of CSI proposed by the Construction Contractor		Primary Customers: Construction Contractor Partners: FHWA		Customer's Valid Requirements(s): Review and either approve or reject the CSI proposal in a timely manner.		Regulator's Valid Requirements(s): Program that encourages the use of a cost reduction incentive clause.		Miscellaneous Information				
Step/ Time	Dept/ Person	Flow Chart						Checking / Indicator Monitoring		- Abbreviations - Procedure Reference - Notes, etc.				
		CONTRACTOR	RESIDENT ENGINEER	DISTRICT VALUE ENGINEER	REVIEWERS DESIGN CONST. OTHERS	DISTRICT CONSTRUCTION ENGINEER	DISTRICT DIRECTOR OF OPERATIONS	Process Measures (QA/QC)	Checking Item			Timeframe (Frequency)	Responsibility	QAR
PRIOR TO BEGINNING OF CONTRACT TIME												D1: 11/2006 C	DVE/SVE	Federal Regulation 23 CFR 627
AFTER CONTRACT TIME BEGINS												D2: 12/2006 C	DVE/SVE	Section 4 FDOT Specifications
SUBMITTAL												D3: 12/2006 C	SVE	Procedure Topic 625-50-005
REVIEW												D4: 5/2007 C	SVE	
NOTIFICATION												D5: 12/2007 C	SVE	
										D6: 5/2007 C	SVE			
										D7: 11/2006 C	SVE			
										TPK: 12/2007 C	SVE			
										CODES:		C - Compliance NC - Noncompliant BP - Best Practices		

Approved: _____ Date: _____ Process Owner: _____ Rev.#: 1.6 Rev Date: 5/2011