

**PN 103 – 1/7/1998 - VALUE ENGINEERING CHANGE PROPOSAL -
CONSTRUCTION COSTS**

The Department will consider the Contractor's submission of a Value Engineering Change Proposal (VECP) which will reduce project costs. The purpose of this provision is to encourage the use of the ingenuity and expertise of the Contractor in arriving at alternate plans, specifications or other requirements of the contract. Any savings will be shared equally between the Contractor and the Department. The Contractor's costs for development, design and implementation of the VECP are not eligible for reimbursement. The VECP must not impair any of the essential functions and characteristics of the project such as service life, reliability, economy of operation, ease of maintenance, safety and necessary standardized features. The submission of the value engineering change proposal shall conform with the current Guidelines on Value Engineering Change Proposals adopted by the Director. Acceptance of a VECP is at the sole discretion of the Director.

Reviewer's Note: *For information on the policy and application of this note, consult the Innovative Contracting Manual, or the Division of Construction Management.*