



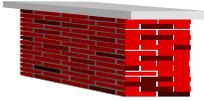
# ARMY ACQUISITION REFORM



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## ***CORPS OF ENGINEERS*** ***INNOVATIVE ACQUISITION REFORM INITIATIVE***



### ***REMOTE ELECTRONIC*** ***CONTRACT ADMINISTRATION PROGRAM (RECAP)***

The ***RECAP*** is a fully automated contractor oversight system that provides almost real time digital monitoring and recording of project progress and performance. It's prime purpose is to provide low cost effective and efficient monitoring, administration and supervision of HTRW and construction projects under USACE management. RECAP supplements off-site administration and monitoring of remote project locations from anywhere in the world using a phone line and the Internet. The system consists of a digital camera(s) taking pictures at preset or adjustable intervals that are then digitized, compressed and incorporated into a website. RECAP has the potential of reducing project costs (actual observed costs are projected to decrease to \$11.65 per hour from around \$80.00) while increasing engineering and contract administration support to the field. It will deter fraud and assist in site security, safety, modifications, claims and any litigation resulting from the project. USACE currently has a working prototype and is seeking prospective projects to apply and evaluate the concept. Contact LTC Jeffrey Hills, (202) 761-8644 for more information on this initiative.

### ***VALUE ENGINEERING DEVIATION APPROVED***

The Director, Defense Procurement, approved a ***class deviation*** requested by the Army which authorizes all military departments and defense agencies to deviate from the requirements of FAR 48.001, 48.102, 48.104, 48.201, and the clause at FAR 52.248-1, ***Value Engineering***, when providing value engineering incentives to contractors. The deviation changes the sharing period from the current 3 years to a range of 3 to 5 years; the incentive sharing arrangement from the current fixed rate for the contractor of 50 percent to a range of 50 to 75 percent; and the current fixed contractor shared collateral savings rate of 20 percent to a range of 20 to 100 percent. FAR 48.201 requires the use of the clause at 52.248-1 when providing a value engineering incentive. The deviation is approved for a 2-year period ending March 31, 1999, or until the FAR is revised, whichever occurs first.