



DEPARTMENT OF THE ARMY
U.S. ARMY CORPS OF ENGINEERS
441 G STREET, NW
WASHINGTON, DC 20314-1000

CECW-P

09 April 2021

MEMORANDUM FOR MSC Programs Directors

SUBJECT: Guidance: Capturing Cost and Time Impacts, Comprehensive Documentation of Benefits in Decision Documents

1. The Assistant Secretary of the Army (Civil Works) (ASA (CW)) R. D. James issued a policy directive entitled "Comprehensive Documentation of Benefits in Decision Document" dated 5 January 2021. A copy of the directive and supporting fact sheet are available at the Planning Toolbox:

Policy Directive -

https://planning.erdcdren.mil/toolbox/library/MemosandLetters/ComprehensiveDocumentationofBenefitsonDecisionDocument_5January2021.pdf

Fact sheet -

https://planning.erdcdren.mil/toolbox/library/FactSheets/ComprehensiveBenefitsFactsheet_March2021.pdf

The directive updates procedures for describing and evaluating all Civil Works project benefit categories and applies to all current and future studies. For current studies, the directive provides for implementation based on completed and upcoming study milestones. Collaboration with non-federal partners and consideration of the views of the public and stakeholders are emphasized to ensure all benefit types are assessed and receive equal consideration.

2. Headquarters Planning and Policy acknowledges that comprehensive benefits evaluations as required in the ASA(CW)'s policy directive are, in all likelihood, not included in the schedules and budgets for studies that were underway prior to the date of the directive. Consultation services with subject matter experts are available at no cost to studies to assist development of methods for qualitatively and quantitatively describing and incorporating benefits into alternative plan comparisons and for determining plans that maximize net total benefits and benefits consistent with the study purpose.

3. Study scopes should be re-evaluated immediately to confirm that the additional tasks necessary to evaluate all benefit types can be accomplished within current approved study schedules and budgets, including contingencies. If a total benefits evaluation causes a study to exceed its approved schedule and budget beyond the requirements of Section 1001 of the Water Resources Reform Development Act of 2014, an

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exception request establishing the additional time and funding required must be submitted to Headquarters, U.S. Army Corps of Engineers (HQUSACE). Wherever possible, utilization of contingencies consistent with local and regional cost-growth management policies should be considered before requesting increases of study schedules and budgets.

4. To the extent possible and using existing project management tools, the cost and time impacts of performing the analyses required to comply with the policy directive should be tracked via activity and labor codes for purposes of determining the effect, if any, of the additional requirements on study schedules and budgets. Activity code 096 3121 910 (Benefit-Cost Analysis) has been identified as the appropriate code for scheduling work on benefit and cost analysis in P2. To assist with tracking time and cost effects, labor codes should be assigned to those offices (typically but not limited to: Plan Formulation, Economics, Environmental, Cost Engineering, Real Estate) performing work on these analyses.

5. Economic Updates. The 5 January 2021 policy directive also states in paragraph 1 “the directive may be applied to benefit-cost analyses required to support budgetary decision-making processes.” While not mandatory at this time, districts are strongly encouraged to comprehensively evaluate (see paragraph 6 of the policy directive) all benefit types accruing to projects and/or remaining features of projects included in budget requests and to document total benefits in J-sheets included with budget packages. As previously stated, consultation services with HQ SMEs are available to assist in this effort.

6. The Point of Contact for this guidance is Joe Redican, Deputy Chief, Planning and Policy, HQUSACE, at 202-761-4523, or joseph.h.redican@usace.army.mil.

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