



UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF FINANCE AND OPERATIONS

August 5, 2025

ACQUISITION ALERT 2025-16

TO: Heads of Contracting Activities

FROM: Calvin J. Mitchell Jr. **CALVIN MITCHELL** Digitally signed by CALVIN MITCHELL
Deputy Assistant Secretary for the Office of Acquisition Management
Senior Procurement Executive
Date: 2025.08.05 17:21:24 -04'00'

SUBJECT: FAR Class Deviation for FAR Part 31 in Support of Executive Order on Restoring Common Sense to Federal Procurement

- 1. Purpose.** This Acquisition Alert (AA) adopts a class deviation to Federal Acquisition Regulation (FAR) Part 31 for purposes of implementing the Federal Acquisition Regulatory Council's (the Council's) model deviation text to FAR Part 31.
- 2. Background.** On April 15, 2025, the Executive Order (E.O.) 14275 on Restoring Common Sense to Federal Procurement was signed. Section 2 of the E.O. establishes the policy that the FAR "should only contain provisions required by statute or essential to sound procurement, and any FAR provisions that do not advance these objectives should be removed." On May 31, 2025, the enclosed class deviation was issued for the use of all Revolutionary FAR Overhaul (RFO) model deviation texts and corresponding EDAR deviations.
- 3. Summary of Changes.** FAR Part 31, Contract Cost Principles and Procedures, anchored in federal appropriations law, has been streamlined to provide only the essential requirements for the pricing of contracts, subcontracts, and modifications whenever cost analysis is performed.

Statutory requirements and principles retained in the RFO FAR Part 31 model deviation include, but are not limited to, the following:

- Armed Services Procurement Act of 1947, Public Law 413
- 41 U.S.C. Chapter 43 and 10 U.S.C. Chapter 273, Allowable Costs
- 31 U.S.C. Chapter 37, Subchapter III, Claims Against the United States Government
- 18 U.S.C. § 1031, Major Fraud Against the United States
- OMB Circular A-122, Cost Principles for Nonprofit Organizations
- OMB Circular A-21, Cost Principles for Educational Institutions

400 MARYLAND AVE. S.W., WASHINGTON, DC 20202-4500
www.ed.gov

The Department of Education's mission is to promote student achievement and preparation for global competitiveness by fostering educational excellence and ensuring equal access.

- OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments

Change	Description
Retained	• The majority of the content is retained as it implements appropriations law. • Most definitions and procedures are retained to maintain uniformity across Government.
Removed	• Plain language edits were made throughout to enhance readability and remove redundant, unclear, or non-essential language, decreasing the word count by more than 1,300 words.

This table is not an exhaustive list.

4. Instructions.

- The Department of Education’s acquisition workforce shall follow the RFO Part 31 model deviation text instead of FAR Part 31 as codified at 48 CFR Chapter 1. The Council’s RFO Part 31 model deviation text is available at <https://www.acquisition.gov/far-overhaul/far-part-deviation-guide/far-overhaul-part-31> and is incorporated into this class deviation. A separate Acquisition Alert will be issued for corresponding changes to the EDAR.
 - Review templates and related standard operating procedures to align with this deviation and remove unnecessary processes and steps.
5. **Training.** Acquisition Professionals are highly encouraged to complete “Practitioner Album: FAR Part 31 – Contract Cost Principles and Procedures” at https://www.acquisition.gov/sites/default/files/practitioner_albums/far-part-31-contract-cost-principles-and-procedures/content/index.html# within 30 days. Please complete the Practitioner Album and mark “yes” under the completion attestation within FAI CSOD.
6. **Effective Date.** This class deviation to FAR Part 31 is effective immediately and remains in effect until rescinded or incorporated into the FAR.
7. **Points of Contact.** Direct questions regarding this class deviation to your respective policy points of contact.
8. **Enclosure.** Determination and Findings - Class Deviation for the Revolutionary FAR Overhaul

400 MARYLAND AVE. S.W., WASHINGTON, DC 20202-4500
www.ed.gov

The Department of Education’s mission is to promote student achievement and preparation for global competitiveness by fostering educational excellence and ensuring equal access.

DETERMINATION AND FINDINGS
Department of Education, All Contracting Activities
Class Deviation for the Revolutionary FAR Overhaul

This approves a class deviation to all Federal Acquisition Regulation (FAR) and Department of Education Acquisition Regulation (EDAR) parts for purposes of implementing the Federal Acquisition Regulatory Council's (the Council's) model deviation text.

Findings

On April 15, 2025, the Executive Order (E.O.) 14275 on Restoring Common Sense to Federal Procurement was signed. Section 2 of the E.O. establishes the policy that the FAR "should only contain provisions required by statute or essential to sound procurement, and any FAR provisions that do not advance these objectives should be removed."

The FAR is being updated to:

- Remove language that is not required by statute
- Remove duplicative or outdated language
- Clarify or provide more plain language
- Revise language for the new FAR framework
- Retain language necessary for governmentwide acquisition standards

This project is referred to as the Revolutionary FAR Overhaul (RFO) initiative.

In explaining the Federal Acquisition System, the RFO FAR Part deviation text establishes bedrock principles. Most centrally, it sets a "mission first" message at the top of the guiding principles. The RFO model deviation also increases the emphasis on the best use of taxpayer dollars and calls out the value of time as another guiding principle. Additionally, it retains a focus on satisfying the customer, maximizing use of commercial products and services, promoting competition, and encouraging innovation.

The FAR Council Deviation guidance allows for agencies to deviate agency acquisition regulation supplements as it relates to the RFO.

Determination

In accordance with FAR 1.404 and EDAR 3401.404, I hereby issue a class deviation for the use of all RFO model deviation texts and corresponding EDAR deviations. The adoption date for each RFO part model deviation text will be the date of the corresponding Acquisition Alert. EDAR deviation texts may be issued in a separate Acquisition Alert. All Department of Education contracting activities must follow the RFO model deviation texts instead of the FAR Parts codified at 48 CFR. Should the language of the RFO FAR contradict any statutorily granted procurement authorities to the Department of Education including the Office of Federal Student Aid, the statutorily granted authorities prevail.

In the unlikely event that the Department wishes to vary from a RFO model deviation text, a separate deviation will be issued. This class deviation will remain in effect until incorporated into the FAR, EDAR or rescinded.

RICHARD LUCAS Digitally signed by RICHARD LUCAS
Date: 2025.05.31 08:30:12 -04'00'

Richard Lucas

Acting Chief Acquisition Officer (CAO)

Date