



MEMORANDUM

Date: September 22, 2025

Refer To: TUEC

To: Tom Holland
Chief Financial Officer
for Finance and Management

From: Adam Goldstein
Associate Commissioner
for Acquisition and Grants

Subject: Request for Class Deviation from the Federal Acquisition Regulation (FAR) Parts 3, 7, 13, 17, 24, 27, 44, and 45--DECISION

ISSUE

We request approval of a class deviation from FAR parts 3, 7, 13, 17, 24, 27, 44, and 45 for purposes of implementing the Federal Acquisition Regulatory Council's model deviation text to these parts.

BACKGROUND

Executive Order (E.O.) 14275, *Restoring Common Sense to Federal Procurement*, was signed on April 15, 2025. (See [Attachment \(a\)](#).) 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 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- Remove duplicative or outdated language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. (See [Attachment \(b\)](#).) This initiative will make the FAR more concise, understandable, and focused on core procurement requirements.

SUMMARY OF CHANGES

FAR Part 3, Improper Business Practices and Personal Conflicts of Interest —

FAR part 3, has been retained with minimal deletions and minor updates made for plain language and streamlining. The model deviation does not implement FAR Case 2023-006, Preventing Organizational Conflicts of Interest in Federal Acquisition. This content will be addressed in subsequent policy.

The fundamental rules of ethical conduct remain the same. We must all continue to:

- **Act with integrity:** Always conduct business honestly and transparently.
- **Avoid Conflicts of Interest:** Continue to identify and report any personal, financial, or family relationships that give rise to actual or apparent biases when working on a government contract.
- **Refuse Improper Gifts:** The strict rules against accepting gifts, favors, or anything of value from contractors or potential contractors have not changed.
- **Report Wrongdoing:** Every employee has a duty to report any suspected fraud, waste, abuse, or other violations of law or regulation.
- **Protect Sensitive Information:** Do not use non-public information you get from your government work for personal gain.

Statutory requirements and presidential directives retained in the [RFO FAR part 3](#) model deviation include, but are not limited to, the following:

- 10 United States Code (U.S.C.) § 4651, Expenditure of Appropriations: Limitation
- 10 U.S.C. § 4655 and 41 U.S.C. § 4704, Prohibition of Contractors Limiting Subcontract Sales Directly to Federal Government
- 18 U.S.C. § 208, Acts Affecting a Personal Financial Interest
- 18 U.S.C. § 218, Voiding Transactions in Violation of Chapter
- 41 U.S.C. § 2101 et seq. Procurement Integrity Act
- 41 U.S.C. § 3509, Notification of Violations of Federal Criminal Law or Overpayments
- 41 U.S.C. § 4712, Enhancement of Contractor Protection from Reprisal for Disclosure of Certain Information
- 41 U.S.C. § 8701 et seq., Anti-Kickback Act of 1986
- E.O. 12731, Principles of Ethical Conduct for Government Officers and Employees

See [Attachment \(c\)](#) for a table summarizing various key FAR part 3 retentions and changes because of the RFO part 3 model text deviation.

FAR Part 7, Acquisition Planning—

FAR Part 7 is streamlined to emphasize flexibility and move away from prescriptive checklists in favor of a dynamic planning process. The deviation recognizes the distinctions between task and delivery orders and award of new contracts, requiring appropriate acquisition planning for each. The placing of task and delivery orders is a faster and more streamlined process with

significantly less pre-award actions required than in awarding new contracts. The level of detail should vary with the size and complexity of the acquisition.

The deviation to part 7 also picks up on requirements previously found in FAR 10 to ensure small business concerns are appropriately considered. Requirements for bundling, substantial bundling, and consolidation are unified to ensure common consideration of any potential negative impact on small business. While there is no longer a requirement for acquisition plans with specific elements, there should still be forethought in what is being procured. Having a plan is key to ensuring the guiding principles of the acquisition system are met. By emphasizing early engagement, this change creates more opportunities to foster innovation and achieve successful results, reflecting a shift toward a more agile and strategic approach.

Statutory requirements retained in the [RFO FAR part 7](#) model deviation include, but may not be limited to, the following:

- 41 U.S.C. §§ 3301 et seq, Planning and Solicitation
- 10 U.S.C. § 3453, Preference for Commercial Products and Commercial Services
- 15 U.S.C. § 657q, Consolidation of Contract Requirements
- 15 U.S.C. § 644, Awards or Contracts
- Pub. L. 115-254, Sec 555, Cost-Effectiveness Analysis of Equipment Rental
- OFPP Policy Letter 11-01, Performance of Inherently Governmental and Critical Functions

See [Attachment \(d\)](#) for a table summarizing various key FAR part 7 retentions and changes because of the RFO part 7 model text deviation.

FAR Part 13, Simplified Procedures for Non-commercial Acquisitions —

FAR part 13 is renamed from “Simplified Acquisition Procedures” to “Simplified Procedures for Non-commercial Acquisitions.” The part has been significantly changed:

- **From a focus on:** Simplified procedures for the acquisition of commercial products and commercial services
- **To a focus on:** Simplified procedures for the acquisition of non-commercial products and services valued at or below the simplified acquisition threshold.

The procedures in this part may be used only if:

- There are no commercial products or commercial services that can satisfy the agency’s needs (see RFO part 12)
- The supplies or services are not available from a required source (see RFO part 8).

It’s important to note that some statutory text and other text essential to support sound procurement has been or will be moved to other RFO FAR parts to include:

- Definition of governmentwide commercial purchase card (RFO part 12)
- Simplified procedures for procuring commercial items (RFO part 12)
- Price or cost evaluation factor for multiple-award contracts (RFO part 16)

- Advance payments for subscriptions and fast payment procedures (RFO part 32).

Statutory requirements retained in the RFO FAR part 13 model deviation include, but are not limited to, the following:

- 41 U.S.C. §§ 1901-1905, Simplified Acquisition Procedures
- 41 U.S.C. § 3305 and 10 U.S.C. § 3205, Simplified Procedures for Small Purchases
- 41 U.S.C. § 3306 and 10 U.S.C. § 3206, Planning and Solicitation Requirements

See [Attachment \(e\)](#) for a table summarizing various key FAR part 13 retentions, moves, updates, and removals because of the RFO part 13 model text deviation.

FAR Part 17, Special Contracting Methods —

FAR part 17 has been streamlined. The revisions can be characterized by three overarching themes: organizing information in a way that's easier to understand and use; combining related topics and removing repeated information; and making the language clearer through simpler sentences, active voice, and better formatting.

Statutory requirements retained in the [RFO FAR Part 17](#) model deviation language include, but are not limited to, the following:

- 41 U.S.C. § 3903 and 10 U.S.C. § 3501, Multiyear Contracts
- 31 U.S.C. § 1341, Limitations on Expending and Obliging Amounts
- 31 U.S.C. § 1535, The Economy Act
- Public Law (Pub. L.) 110-417 Sec 865, Preventing Abuse of Interagency Contracts
- Pub. L. 110-181 Sec 801, Internal Controls for Procurements on Behalf of the Department of Defense by Certain Non-defense Agencies

See [Attachment \(f\)](#) for a table summarizing various key FAR part 17 retentions and changes because of the RFO part 17 model text deviation.

FAR Part 24, Protection of Privacy and Freedom of Information—

This part has been retained with minimal deletions and minor updates made for plain language. No changes were made to provisions or clauses. The only change of note is section 24.301 is deleted. This section outlined requirements for contractors to provide their employees with privacy training. The content is duplicative as it is already covered in clause 52.224-3.

Statutory requirements and executive directives retained in the [RFO FAR part 24](#) model deviation include, but may not be limited to, the following:

- 5 U.S.C. § 552, as amended, Freedom of Information Act
- 5 U.S.C. § 552a (Pub. L. 93-579), Privacy Act of 1974
- 5 U.S.C. § 574, Confidentiality
- 10 U.S.C. § 3309 and 41 U.S.C. § 4702, Prohibition on Release of Contractor Proposals
- 10 U.S.C. § 3705 and 41 U.S.C. § 3505, Submission of Other Information

- OMB Circular No. A-130, Managing Information as a Strategic Resource

Note: Because of the minimal deletions and updates for this FAR part, there is no attached table summarizing its retentions and changes.

FAR Part 27, Patents, Data, and Copyrights—

FAR part 27 governs intellectual property rights in government contracts, explaining how parties acquire rights, how rights are licensed or shared, and how to protect both government and contractor interests. It has been updated with important plain language updates, enhanced clarity, and improved readability.

Statutory requirements retained in the [RFO FAR part 27](#) model deviation include, but are not limited to, the following:

- 10 U.S.C. § 3793, Copyrights, Patents, Designs
- 15 U.S.C. § 638, Research and Development
- 17 U.S.C. §§ 101 et seq., Copyrights
- 18 U.S.C. § 798, Disclosure of Classified Information
- 28 U.S.C. § 1498, Patent and Copyright Cases
- 35 U.S.C. §§ 200 et. seq., Patent Rights in Inventions Made with Federal Assistance
- 41 U.S.C. § 2302, Rights in Technical Data

See [Attachment \(g\)](#) for a table summarizing various key FAR part 27 retentions and changes because of the RFO part 30 model text deviation.

FAR Part 44, Subcontracting Policies and Procedures—

This FAR part has been updated to create a more agile, risk-based, and efficient system that empowers contracting officers, reduces administrative burdens on contractors, and encourages broader participation from the commercial sector.

Statutory requirements retained in the [RFO FAR part 44](#) model deviation include, but may not be limited to, the following:

- 10 U.S.C. § 3322(c) and 41 U.S.C. § 3905(c), Advance Notice of Certain Subcontracts
- 41 U.S.C. § 3307, Preference for Commercial Products and Commercial Services

See [Attachment \(h\)](#) for a table summarizing various key FAR part 44 retentions and changes because of the RFO part 44 model text deviation.

FAR Part 45, Government Property—

FAR part 45 has been retained with minimal deletions and minor updates made for plain language. No changes were made to provisions or clauses.

Statutory requirements retained in the [RFO FAR part 45](#) model deviation include, but are not limited to, the following:

- 40 U.S.C. § 503, Exchanges of Sale or Similar Items
- 40 U.S.C. § 524, Duties of Executive Agencies
- 40 U.S.C. § 546, Contractor Inventories

Note: Because of the minimal deletions and updates for this FAR part, there is no attached table summarizing its retentions and changes.

RECOMMENDATION

FAR 1.404(a) authorizes the approval of class deviations by the agency head or his or her designee. The Commissioner delegated this authority to grant deviation requests to the Chief Financial Officer for the Office of Finance and Management.

I recommend approval of the class deviations under the authority of FAR 1.404(a), E.O. 14275, and OMB Memorandum M-25-26.

DECISION

Concurrence of the class deviation is:

Concurred [X] Opposed []

/s/ Bruce Staff
 Bruce Starr
 Head of Strategic Sourcing
 for Finance and Management

9/22/2025
 Date

Approval of the class deviation is:

Approved [X] Disapproved []



 Thomas J. Holland
 Chief Financial Officer
 for Finance and Management

9/23/2025
 Date

Attachments

(a) E.O 14275



E.O. 14275.pdf

(b) OMB Memorandum M-25-26



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(c) Table – Summary of RFO Part 3 Deviation Changes



Table of RFO
Deviation Model Text

(d) Table – Summary of RFO Part 7 Deviation Changes



Table of Changes -
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(e) Table – Summary of RFO Part 13 Deviation Changes



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(f) Table – Summary of RFO Part 17 Deviation Changes



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Deviation Model Text

(g) Table – Summary of RFO Part 27 Deviation Changes



Table of RFO
Deviation Model Text

(h) Table – Summary of RFO Part 44 Deviation Changes



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