



UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF FINANCE AND OPERATIONS

December 12, 2025

ACQUISITION ALERT 2026-16

TO: Heads of Contracting Activities

FROM: Christopher J. Rosier **CHRISTOPHER ROSIER** Digitally signed by CHRISTOPHER ROSIER
Date: 2025.12.12 12:19:55 -05'00'
Acting Deputy Assistant Secretary for the Office of Acquisition Management
Acting Senior Procurement Executive

SUBJECT: FAR Class Deviation for FAR Part 32 in Support of Executive Order 14275, Restoring Common Sense to Federal Procurement.

- 1. Purpose.** This Acquisition Alert (AA) adopts a class deviation to Federal Acquisition Regulation (FAR) Part 32 for purposes of implementing the Federal Acquisition Regulatory Council's (the Council's) model deviation text to FAR Part 32.
- 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 Summary of Changes.** FAR Part 32, Contract Financing, has been updated to simplify the part, remove outdated information, and add a new subpart (and corresponding clause) for Fast Payment Procedures (previously at subpart 13.4) for smaller dollar purchases.

Statutory requirements retained in the RFO FAR Part 32 model deviation include, but may not be limited to, the following:

- 10 U.S.C. §§ 3801 et seq and 41 U.S.C. §§ 4501 et seq, Contract Financing
- 31 U.S.C. § 1341, Anti-Deficiency Act
- 31 U.S.C. § 3324, Advances
- 31 U.S.C. § 3711, Debt Collection Improvement Act of 1996
- 31 U.S.C. § 3727 and 41 U.S.C. § 6305, Assignment of Claims Act of 1940
- 31 U.S.C. §§ 3901 et seq, Prompt Payment Act
- 50 U.S.C. §§ 4501 et seq, Defense Production Act of 1950

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- Pub. L. 102-190 Sec 806 as amended (10 U.S.C. § 4601 note prec.),
Government-wide Application of Payment Protections for Subcontractors and Suppliers

Change	Description
Retained	<ul style="list-style-type: none"> • Section 32.001, “Definitions” is retained with plain language updates. • Most provisions and clauses are retained (or remain reserved). Exceptions are noted in the “Moved / Updated” section below.
Moved / Updated	<ul style="list-style-type: none"> • Section 32.000, “Scope of Part”, is updated to include the statutory references for the part. <ul style="list-style-type: none"> ◦ This section adds “(k) Fast payment procedures” to correspond with the newly introduced Subpart 32.12. • Section 32.002, “Applicability of subparts”, adds reference to “Subpart 32.12, Fast Payment Procedure”. • Subpart 32.12, “Fast Payment Procedure”, formerly at subpart 13.4 is added to the part. This procedure is a method for expediting payments on certain small-dollar supply contracts where traditional receiving and acceptance processes are impractical. Moving the procedure to part 32 enhances acquisition agility. • The following clauses are updated for clarity, to mirror updates made throughout the part, and/or to update cross-references or remove outdated content: <ul style="list-style-type: none"> ◦ 52.232-3 (Clause), Payments Under Personal Services Contracts ◦ 52.232-12 (Clause), Advance Payments <ul style="list-style-type: none"> ▪ Including “Advance Payments Without Special Account” ◦ 52.232-16 (Clause), Progress Payments ◦ 52.232-20 (Clause), Limitation of Cost ◦ 52.232-22 (Clause), Limitation of Funds ◦ 52.232-36 (Clause), Payment by Third Party • The following clause is added to the part: <ul style="list-style-type: none"> ◦ 52.232-90 (Clause), Fast Payment Procedure (previously at 52.213-1) • The FAR Companion is expected to contain best practices

	<p>and guidance on the following:</p> <ul style="list-style-type: none"> ○ Contract Financing Payments ○ Advance Payments for Other Than Commercial Acquisitions ○ Deferment of Collection ○ Limitation of Cost
Removed	<ul style="list-style-type: none"> ● Paragraph (d) under section 32.102, “Description of contract financing methods” is deleted and marked reserved. The content was largely explanatory, as the requirement to pay for accepted partial deliveries is a standard payment method governed by Prompt Payment rules in Subpart 32.9 and standard payment clauses, not a form of contract financing. See the FAR Companion for best practice. ● Sections 32.304 through 32.306, under subpart 32.3, “Loan Guarantees for Defense Production”, are deleted and marked reserved. These sections and associated subsections provided extensive procedural details for the loan guarantee program. While the program's authority remains in sections 32.302 and 32.303, the responsibility for implementation procedures is with the individual guaranteeing agencies and does not need to be spelled out in detail in the FAR. ● Section 32.403 “Applicability”, under subpart 32.4, “Advance Payments for Other Than Commercial Acquisitions”, is deleted and marked reserved. The language provided a detailed list in paragraphs (a) through (h), of eight specific categories where advance payments might be appropriate. This served as illustrative guidance and a non-exhaustive checklist that is not based in statute or required in the FAR. See the FAR Companion for best practice.

This table is not an exhaustive list.

4. Instructions.

- The Department of Education's acquisition workforce shall follow the RFO Part 32 instead of FAR Part 32 as codified at 48 CFR Chapter 1. The Council's RFO Part 32 model deviation text is available at <https://www.acquisition.gov/far-overhaul/far-part-deviation-guide/far-overhaul-part-32> and is incorporated into

this class deviation. A separate Acquisition Alert will be issued for any corresponding changes to EDAR Part 3432.

- For new solicitations or contracts, when using any provisions or clauses that have been revised, utilize the RFO model deviation language at <https://www.acquisition.gov/far-overhaul/far-part-deviation-guide/far-overhaul-part-52>.
- For open solicitations or awarded contracts, the contracting officer has discretion regarding the need to enforce or amend the provisions or clauses.
- 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 32 – Contract Financing” at https://www.acquisition.gov/sites/default/files/practitioner_albums/far-part-32-contract-financing/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 32 is effective January 30, 2026, 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

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.

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Richard Lucas

Acting Chief Acquisition Officer (CAO)

Date