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Millennium Challenge Corporation Contracts and Grants Management Division 1099 14th Street NW | Suite 700 | Washington, DC 20005

MEMORANDUM

Date: June 30, 2025

From: Jonathan C. Hamlet

Managing Director & Senior Procurement Executive

Contracts and Grants Management Division Department of Administration and Finance

Millennium Challenge Corporation

To: MCC Contracts and Grants Management Division Staff

Subject: Class Deviation to Implement the FAR Revisions Parts 11 Describing Agency Needs

and 52 Solicitation Provisions and Contract Clauses Issued on June 18, 2025

Findings

On April 15, 2025, President Trump signed the Executive Order (E.O.) 14275, "Restoring Common Sense to Federal Procurement" to reform the Federal Acquisition Regulation (FAR). This E.O. further advances the intent of the E.O. 14192, "Unleashing Prosperity Through Deregulation," signed on January 31, 2025, which established that the policy of the executive branch is to be prudent and financially responsible in the expenditure of funds and to alleviate unnecessary regulatory burdens placed on the American people.

The E.O. orders the Administrator of the Office of Federal Public Procurement Policy (OFPP), in coordination with the other members of the Federal Acquisition Regulatory Council (FAR Council), the heads of agencies, and appropriate senior acquisition and procurement officials from agencies to amend the FAR to ensure that it contains only provisions that are required by statute or that are otherwise necessary to support simplicity and usability, strengthen the efficacy of the procurement system, or protect economic or national security interests. This project is referred to as the Revolutionary FAR Overhaul (RFO) initiative.

On May 2, 2025, the Office of Management and Budget (OMB) released its memo M-25-25 "Overhauling the Federal Acquisition Regulation" that directs all agencies to "Generally issue individual or class deviations to implement the FAR Council's deregulated coverage within 30 days after the Council releases its model deviation text. Provide copies of class deviations to the FAR Secretariat at gsa.gov for public posting on Acquisition.gov."

On June 18, 2025, the FAR Council issued completed revisions for <u>FAR Part 11</u> and <u>FAR Part 52</u> clause. The RFO FAR Part 11 model deviation text has been updated to ensure requirements are clear, focused on commercial standards, and do not unnecessarily limit competition.

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Statutory requirements retained in the RFO FAR Part 11 model deviation include, but are not limited to, the following:

- 41 U.S.C. § 3306(a) and 10 U.S.C. § 3206(a): Planning and Solicitation Requirements
- 41 U.S.C. § 3307 and 10 U.S.C. § 3453: Preference for Commercial Products and Commercial Services
- 15 U.S.C. § 637(d)(4)(F): Requirements related to liquidated damages

Other key changes include:

Retained:

- Definitions specific to Part 11 for Reconditioned and Remanufactured.
- Using market research to promote full and open competition.
- Encouraging commercial products and commercial services to the maximum extent practicable.
- Procedures and corresponding clauses related to liquidated damages.
- Requirements related to the Defense Priorities and Allocations System (DPAS), a
 Department of Commerce regulation in support of approved national defense,
 emergency preparedness, and energy programs.
- Retained clauses and provisions to this Part include:
 - o 52.211-5, Material Requirements
 - 52.211-11, Liquidated Damages—Supplies, Services, or Research and Development
 - o 52.211-12, Liquidated Damages—Construction
 - o 52.211-13, Time Extensions
 - 52.211-14, Notice of Priority Rating for National Defense, Emergency Preparedness, and Energy Program Use
 - o 52.211-15, Defense Priority and Allocation Requirements

Removed:

- Requirements related to identification and availability of specifications.
- Prescriptive procedures, such as:
 - Requirements to include ecolabels in specifications based on information in the Green Procurement Compilation.
 - o Requirements for brand name or equal purchase descriptions.
- Twelve (12) clauses and provisions are removed:
 - The following provisions related to the availability of Federal specifications, applicable to GSA and DOD standard indices:
 - 52.211-1, Availability of Specifications Listed in the GSA Index of Federal Specifications, Standards and Commercial Item Descriptions, FPMR Part 101-29
 - 52.211-2, Availability of Defense Specifications, Standards, and Data Item Descriptions in the Acquisition Streamlining and Standardization Information System (ASSIST) Website
 - 52.211-3, Availability of Specifications Not Listed in the GSA Index of Federal Specifications, Standards and Commercial Item Descriptions
 - 52.211-4, Availability of Specifications Not Listed in the GSA Index of Federal Specifications, Standards and Commercial Item Descriptions
 - o The following provisions related to brand name or equal procurements:
 - 52.211-6, Brand Name or Equal

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- 52.211-7, Alternatives to Government-Unique Standards
- o The following clauses related to delivery schedules for the contract:
 - 52.211-8, Time of Delivery
 - 52.211-9, Desired and Required Time of Delivery
 - 52.211-10, Commencement, Prosecution, and Completion of Work (for construction contracts only)
- o The following clauses that address variations from firm fixed price contracts:
 - 52.211-16, Variation in Quantity
 - 52.211-17, Delivery of Excess Quantities
 - 52.211-18, Variation in Estimated Quantity

Determination

To fully comply with the President's E.O.s and the revised FAR Parts 11 and 52, MCC shall follow the RFO Part 11 model deviation text instead of FAR Part 11 as codified at 48 CFR Chapter 11 and replace the relevant RFO Part 52 model deviation clause instead of the FAR Part 52 clause as codified at 48 CFR Chapter 52. The FAR Council's RFO Parts 11 and 52 model deviation texts are available at Acquisition.gov, under the "FAR Overhaul" link.

This deviation applies to all solicitations and new contracts as of June 18, 2025. This deviation does not apply to contracts signed and executed on or before June 18, 2025.

Approval

In accordance with RFO FAR 1.304 *Class deviations*, MCC Contracts Operating Manual (COM) 1.305-3 *Contracts and Grants Management Division MD/SPE*, and the OMB memo M-25-25, the RFO Part 11 model deviation text and the RFO Part 52 model deviation clause are hereby approved effective as of June 18, 2025 for use by all MCC Contracting Officers until final implementation of the FAR update or rescission of this Memo by the SPE. Additional instructions related to this Memo may be issued by the Senior Procurement Executive, Deputy Managing Director, and the Supervisory Procurement Analyst of the MCC CGM Division on an *ad hoc* basis.

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Attachments

OMB Memo M-25-25 Overhauling the Federal Acquisition Regulation