

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

**MEMORANDUM** 

Date: November 14, 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 13 Simplified Procedures for

Noncommercial Acquisitions and 52 Solicitation Provisions and Contract Clauses

Issued on September 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-25-26 "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 <a href="mailto:gsaregsec@gsa.gov">gsaregsec@gsa.gov</a> for public posting on Acquisition.gov."

On September 18, 2025, the FAR Council issued completed revisions for <u>FAR Part 13</u> and <u>FAR Part 52</u> clause. The RFO FAR Part 13 has been renamed from "Simplified Acquisition Procedures" to "Simplified Procedures for Non-commercial Acquisitions." The part has been significantly changed:

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- 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 noncommercial products and services valued at or below the simplified acquisition threshold (SAT).

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 2)
- 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

## Other key changes include:

#### Retained:

- 13.001, "Applicability," retains the prohibition on splitting requirements to stay below the SAT.
- 13.101, "Competition," retains the requirement that agencies must promote competition to the maximum extent practicable when procuring noncommercial products and services valued at or below the SAT.
- 13.102, "Small Business," retains the requirement that acquisitions of supplies or services with an anticipated dollar value above the MPT, but at or below the SAT, must be set aside for small business concerns.
- 13.301, "Notifications," consolidates instructions for notifying unsuccessful quoters. It retains award notice posting requirements of FAR subpart 5.3 and brief explanations.
- 13.302, "Cancellations and Terminations," provides a clear distinction between canceling an unaccepted purchase order and terminating an accepted purchase order and directs the contracting officer to FAR part 49 or clause 52.213-4 for terminations.

#### Updated:

- The revised part structure now reflects the acquisition lifecycle:
  - Subpart 13.1 Presolicitation
  - Subpart 13.2 Solicitation, Evaluation, and Award
  - o Subpart 13.3 Postaward
  - Subpart 13.4 Micro-purchases

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- The lengthy list of inapplicable laws in former 13.005 is moved to a dynamic link, now at 13.001 (<a href="https://www.acquisition.gov/inapplicablelaws">https://www.acquisition.gov/inapplicablelaws</a>). This is a significant modernization, ensuring the regulation points to a continuously updated official source rather than a static list that could become outdated.
- The definition of "governmentwide commercial purchase card" is moved from the former 13.001, "Definitions," to section 2.101.
- Content regarding price or cost evaluation factors for multiple-award contracts is moved from the former 13.106-1 to RFO part 16.
- 13.201, "Procedures," and 13.202, "Evaluation," cross reference Part 12. This cross-referencing achieves several goals. It promotes consistency in government procurement practices, reducing the need for contracting officers to master two distinct sets of procedures for simple buys and leverages the best practices in commercial acquisitions.
- 13.204, "Contract Clauses," authorizes the use of the revised clause 52.213-4 for a streamlined set of terms and conditions for inspection/acceptance, excusable delays, terminations, and warranties.
  - The primary clause for noncommercial simplified acquisitions, 52.213-4, has been retitled and revised. The title is changed from "Terms and Conditions—Simplified Acquisitions (Other Than Commercial Products and Commercial Services)" to "Terms and Conditions—Simplified Acquisitions (Noncommercial)" to align with the new focus of part 13.
  - o 13.204(c) explicitly prohibits the use of part 12 clauses (52.212-1, 52.212-2, and 52.212-4) in noncommercial acquisitions
- 13.303, "Contractor Financing and Payments," now directs readers to Part 32 for payment procedures, including fast payment procedures.
- 13.401, "General," for micropurchases, now points to part 12 when making purchases below the micropurchase threshold (MPT) ensuring that the simplest and most common type of acquisition is governed by a single, consistent set of rules, regardless of whether the item is commercial or noncommercial.

## Removed:

- A significant amount of content has been streamlined, and removed from part 13 and shifted to other parts of the FAR as highlighted in the summary of changes above the table.
- The following clauses were deleted:
  - 52.213-1, Fast Payment Procedure. Fast payments procedures will be covered in part
     32.
  - o 52.213-2, Invoices. General payment procedures will be covered in part 32.
  - 52.213-3, Notice to Supplier. The streamlined procedures and the general principles of offer and acceptance are deemed adequate without this specific clause.

#### **Determination**

To fully comply with the President's E.O.s and the revised FAR Parts 13 and 52, MCC shall follow the RFO Part 13 model deviation text instead of FAR Part 13 as codified at 48 CFR Chapter 13 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 13 and 52 model deviation texts are available at Acquisition.gov, under the "FAR Overhaul" link.

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This deviation applies to all solicitations and new contracts as of November 14, 2025. This deviation does not apply to contracts signed and executed on or before November 13, 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-25-26, the RFO Part 13 model deviation text and the RFO Part 52 model deviation clause are hereby approved effective as of November 14, 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-25-26 Overhauling the Federal Acquisition Regulation