



Millennium Challenge Corporation
Contracts and Grants Management Division
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MEMORANDUM

Date: November 14, 2025

From: Jonathan C. Hamlet
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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 30 *Cost Accounting Standards Administration* and 52 *Solicitation Provisions and Contract Clauses* Issued on September 28, 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 gsaregsec@gsa.gov for public posting on Acquisition.gov.”

On September 28, 2025, the FAR Council issued completed revisions for [FAR Part 30](#) and [FAR Part 52](#) clause. The RFO FAR Part 30 has undergone a comprehensive revision that includes a complete

structural reorganization to align with the acquisition lifecycle, enhanced clarity, and a strategic consolidation of policies coupled with the elimination of obsolete requirements.

Statutory requirements retained in the RFO FAR Part 30 model deviation include, but are not limited to, the following:

- 10 U.S.C. § 3702, Required Cost or Pricing Data and Certification
- 10 U.S.C. § 3761, Restructuring Costs
- 26 U.S.C. § 6621, Determination of Rate of Interest
- 41 U.S.C. §§ 1501 et seq, Cost Accounting Standards
- Pub. L. 100-679 Sec 5, Cost Accounting Standards Board
- Pub. L. 106-65 Sec 802, Streamlined Applicability of Cost Accounting Standards

Other key changes include:

Retained:

- The revised part structure consolidates all relevant guidance into process-oriented subparts:
 - Subpart 30.1 – General
 - Subpart 30.2 – Presolicitation
 - Subpart 30.3 - Evaluation and Award
 - Subpart 30.4 – Postaward
- “Definitions” at 30.001, are retained, streamlined, and updated for clarity.
- Subpart “30.1 - General” is retained and updated to consolidate helpful reference information:
 - The references in the previously reserved Subparts 30.3 (CAS Rules and Regulations), 30.4 (Cost Accounting Standards), and 30.5 (Cost Accounting Standards for Educational Institutions) have been moved into the new section 30.101 as paragraphs (e), (f), and (g).
 - References for cognizant Federal agency official (CFAO) and auditor responsibilities and disclosure requirements are added as paragraphs (c) and (d). This information was previously buried deeper within the regulation in Subpart 30.2.
 - Note - The FAR Companion Guide provides best practice considerations for coordination with the cognizant Federal agency official (CFAO).
- Subpart “30.2 - Presolicitation” now logically groups all CAS-related determinations and requirements that a contracting officer must address before a solicitation is issued. It retains, but reorganizes, content such as waiver information and exemptions.
 - Note: The FAR Companion Guide provides best practice considerations for exemptions and waivers.
- Subpart “30.3 - Evaluation and Award” now logically groups all CAS-related activities that occur after proposals are received but before a contract is awarded. It retains and reorganizes content such as contractor disclosure statements and processing changes identified pre-award (e.g., unilateral, or desirable changes to a contractor's cost accounting practices identified during the evaluation phase).
- Subpart “30.4 - Postaward” is now the comprehensive location for all postaward CAS administration activities. It retains and reorganizes content such as CAS administration responsibilities, processing changes, materiality, remedies, resolving cost impacts, and subcontract administration.

- The following provisions and clauses are retained with edits (mostly to reflect new cross-references within the part).
 - 52.230-1 Cost Accounting Standards Notices and Certifications
 - Alternate I is deleted. This alternate applied only to contracts with educational institutions contemplated prior to July 1, 1997. As this date is long past, the alternate is obsolete and its removal updates the regulation
 - 52.230-2 Cost Accounting Standards
 - 52.230-3 Disclosure and Consistency of Cost Accounting Practices
 - 52.230-4 Disclosure and Consistency of Cost Accounting Practices-Foreign Concerns
 - 52.230-5 Cost Accounting Standards-Educational Institution
 - 52.230-6 Administration of Cost Accounting Standards
- The following provision was retained with no changes to the text: ○ 52.230-7 Proposal Disclosure-Cost Accounting Practice Changes

Removed:

- There are no longer six subparts. Content from subparts 30.5 and 30.6 is moved and reorganized within the new part structure.
- The contact information for "Cost Accounting Standards Board Publication," formerly at section 30.102, is removed and the part now includes a direct hyperlink to the electronic Code of Federal Regulations (eCFR) providing immediate access to the source regulations.
- The prescription at 30.201-3(b), which applied to awards contemplated to an educational institution prior to 1997 is obsolete and removed.
- Instructions for contracting officers to support the determination of a contract's exemption from cost accounting standards was moved from 30.202-7 (Adequacy determinations) to the FAR Companion Guide.

Determination

To fully comply with the President's E.O.s and the revised FAR Parts 30 and 52, MCC shall follow the [RFO Part 30 model deviation text](#) instead of FAR Part 30 as codified at 48 CFR Chapter 30 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 30 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 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 30 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*