

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

MEMORANDUM

Date: November 13, 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 4 Administrative and

Information Matters and 52 Solicitation Provisions and Contract Clauses Issued on

August 14, 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 August 14, 2025, the FAR Council issued completed revisions for <u>FAR Part 4</u> and <u>FAR Part 52</u> clause. The RFO FAR Part 4 model deviation text has been reorganized within each subpart to follow the acquisition process (i.e., steps to take before solicitation vs. after award). This new structure

makes it easier and faster to find needed information at each stage of a procurement. A significant amount of content is also relocated to FAR Part 40 to better align with security requirements.

Statutory requirements retained in the RFO FAR Part 4 model deviation include, but are not limited to, the following:

- 26 U.S.C. §§ 6041 et seq, Information Concerning Transactions with Other Persons
- 26 U.S.C. § 6109, Identifying Numbers
- 31 U.S.C. § 6303, Using Procurement Contracts
- 31 U.S.C. § 7701, Taxpayer Identifying Number
- 41 U.S.C. § 1122, Functions, Federal Procurement Data System
- 41 U.S.C. § 1712, Record Requirements
- 41 U.S.C. § 2301, Use of Electronic Commerce in Federal Procurement
- 41 U.S.C. § 4706, Examination of Facilities and Records of Contractor
- Pub. L. 109-282, Federal Funding Accountability and Transparency Act of 2006
- Pub. L. 113-101, Digital Accountability and Transparency Act of 2014

Other key changes include:

Retained:

- The revised part structure consolidates relevant guidance into process-oriented subparts:
 - Subpart 4.1 Presolicitation
 - o Subpart 4.2 Solicitation, Evaluation, and Award
 - Subpart 4.3 Post-award
- Contents of subparts 4.4 4.6 are retained, streamlined, and moved throughout the new subpart structure.
- Subpart 4.7 "Contractor Records Retention" is retained and streamlined.
- Contents of subparts 4.8 through 4.23 are either retained, streamlined, and moved throughout the new subpart structure or are moved to new FAR Part 40.
- Section 4.000 "Scope of Part" is retained with updates to remove reference to security prohibitions and exclusions. This content is moved to FAR Part 40.
- Section 4.001 "Definitions" is retained and updated. 4.001 now includes definitions of "Executive", "First-tier subcontract", "Generic entity identifier", and "Total compensation". These terms are consolidated from the former subparts 4.6, 4.14, and 4.17 and now support the post-award reporting requirements in the new subpart 4.3.
- Section 4.002 "Electronic Commerce in Contracting", is a new section that retains the essential contents of section 4.502(a).
- Section 4.101 "Contract Files" significantly updates the requirements for contract files. Best practices for contract files are moved to non-regulatory guidance.
- Section 4.201 "Unique Procurement Instrument Identifiers" is moved from subpart 4.16.
 The policy regarding the structure and use of PIIDs and supplementary PIIDs is retained and the language is streamlined for clarity.
- Section 4.202 "Uniform Use of Line Items" is moved from subpart 4.10. The substance of the policy is retained.
- Section 4.203 "System for Award Management" represents a significant consolidation of policies from subparts 4.11 (System for Award Management) and 4.12 (Representations and Certifications). It streamlines the list of exceptions to the SAM registration

requirement and clarifies the contracting officer's procedures for verifying an offeror's active registration. In another example of streamlining, the model deviation text removes the list of 33 specific representations and certifications from section 4.1202. Instead, the revised provision at 52.204-7 now contains the authoritative list, moving detailed procedural information into the provision itself. Changes to SAM will not be made immediately.

- Section 4.204 "Taxpayer Identification Information" consolidates and simplifies the policy from subpart 4.9. It streamlines the text by directly linking the requirement to collect a contractor's Taxpayer Identification Number (TIN) to one of two mechanisms: the contractor's SAM registration through the revised 52.204-7, or, for entities not required to register, the submission of the new provision at 52.204-90 "Offeror Identification".
- Section 4.205 "Personal Identity Verification" moves and condenses the pre-award policies on Personal Identity Verification (PIV) from subpart 4.13. The post-award requirement concerning the return of PIV cards has been relocated to the new postaward subpart at 4.302.
- Sections 4.206 "Contracting Officer's Signature" and 4.207 "Contractor's Signature" move and update the policies on contract execution from subpart 4.1. A significant modernization is the explicit acceptance of digital signatures for both Government and contractor personnel, provided they use a certificate from a PIV or Common Access Card (CAC). This formally recognizes and standardizes a common business practice in the digital age.
- Section 4.208 "Solicitation Provisions and Contract Clauses" serves as a consolidated prescription hub for all provisions and clauses related to the solicitation and award phase. It gathers the prescriptions previously scattered across multiple sections (e.g., 4.1105, 4.1303, 4.1403, etc.), providing a single point of reference for readers.
- Section 4.301 "Contract Reporting", consolidates and streamlines the reporting requirements from subpart 4.6. It governs the requirements for reporting in the Federal Procurement Data System (FPDS).
- Section 4.303 "Service Contracts Inventory" moves and updates the reporting requirements from subpart 4.17. However, reporting is also no longer required for commercial services contracts.
- Sections 4.304 "System for Award Management" and 4.305 "Contractor Identification", contain the post-award maintenance requirements for SAM and other contractor identifiers. This content has been moved from section 4.1102(d) and subpart 4.18. Creating these distinct post-award sections provides a clear separation between the preaward requirement to register in SAM and the ongoing post-award obligation to maintain that information.
- Section 4.306 "Executive Compensation" moves the post-award reporting requirement for executive compensation and first-tier subcontracts from subpart 4.14. However, this reporting is also no longer required for commercial product and services contracts.
- Section 4.307 "Payment Office" consolidates the various requirements for providing essential information to the payment office (such as TIN, UEI, and EFT) that were embedded within other areas, such as sections 4.203 and 4.902.
- Sections 4.308 "Contract Closeout" and 4.309 "Storage, Handling, and Contract Files" move and reorganize the content from sections 4.804 and 4.805.
- The following provisions and clauses are retained with no changes.

- o 52.204-5, Women-Owned Business (Other Than Small Business)
- o 52.204-9, Personal Identity Verification of Contractor Personnel
- 52.204-19, Incorporation by Reference of Representations and Certifications
- The following provisions and clauses are retained with plain language and other edits.
 - 52.204-10, Reporting Executive Compensation and First-Tier Subcontract Awards
 - o 52.204-14, Service Contract Reporting Requirements
 - 52.204-15, Service Contract Reporting Requirements for Indefinite-Delivery Contracts
- Several provisions and clauses are consolidated into new provisions and clauses. This consolidation provides significant changes to reflect acquisitions with and without SAM registration, and to reflect pre- and post-award requirements.
 - Updated Provision 52.204-7, System for Award Management–Registration and New Provision 52.204-90, Offeror Identification, consolidate the following provisions:
 - 52.204-3, Taxpayer Identification
 - 52.204-6, Unique Entity Identifier
 - 52.204-8, Annual Representations and Certifications
 - 52.204-16, Commercial and Government Entity Code Reporting
 - 52.204-17, Ownership or Control of Offeror
 - 52.204-20, Predecessor of Offeror
 - Updated Clause 52.204-13, System for Award Management–Maintenance and New Clause 52.204-91, Contractor Identification consolidate the following clauses
 - 52.204-12, Unique Entity Identifier Maintenance
 - 52.204-18, Commercial and Government Entity Code Maintenance

Removed:

- The model deviation text deletes subpart 4.2 "Contract Distribution." This subpart, which prescribed procedures for distributing paper copies of contracts, is now obsolete in an acquisition environment dominated by electronic contract writing, signature, and distribution systems. Essential notification requirements, such as informing the payment office, are now covered in other sections, to include the new 4.307.
- Subparts 4.4, 4.19, 4.20, 4.21, 4.22, and 4.23 are all security related and are relocated to RFO FAR Part 40.
- The following provisions and clauses are removed and incorporated into RFO FAR Part 40.
 - o 52.204-2 Security Requirements.
 - o 52.204-21 Basic Safeguarding of Covered Contractor Information Systems.
 - 52.204-23, Prohibition on Contracting for Hardware, Software, and Services
 Developed or Provided by Kaspersky Lab Covered Entities.
 - 52.204-24, Representation Regarding Certain Telecommunications and Video Surveillance Services or Equipment.
 - 52.204-25, Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment.
 - 52.204-26, Covered Telecommunications Equipment or Services— Representation.

- o 52.204-27, Prohibition on a ByteDance Covered Application.
- 52.204-28, Federal Acquisition Supply Chain Security Act Orders—Federal Supply Schedules, Governmentwide Acquisition Contracts, and Multi-Agency Contracts.
- 52.204-29, Federal Acquisition Supply Chain Security Act Orders— Representation and Disclosures.
- o 52.204-30, Federal Acquisition Supply Chain Security Act Orders—Prohibition.
- The following provisions and clauses are removed as they are obsolete.
 - o 52.204-1, Approval of Contract.
 - o 52.204-22, Alternative Line Item Proposal.

Determination

To fully comply with the President's E.O.s and the revised FAR Parts 4 and 52, MCC shall follow the RFO Part 4 model deviation text instead of FAR Part 4 as codified at 48 CFR Chapter 4 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 4 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 13, 2025. This deviation does not apply to contracts signed and executed on or before November 12, 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 4 model deviation text and the RFO Part 52 model deviation clause are hereby approved effective as of November 13, 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