



Millennium Challenge Corporation
Contracts and Grants Management Division
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MEMORANDUM

Date: June 16, 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 43 *Contract Modifications* and 52 *Solicitation Provisions and Contract Clauses* Issued on June 12, 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 gsaregsec@gsa.gov for public posting on Acquisition.gov.”

On June 12, 2025, the FAR Council issued completed revisions for [FAR Part 43](#) and [FAR Part 52](#) clause. The RFO FAR Part 43 model deviation text has been streamlined to provide the essential contract modification standards for the workforce to limit risk to the public and government.

Statutory requirements retained in the RFO FAR Part 43 model deviation include, but are not limited to, the following:

- 31 U.S.C. § 1501, Documentary Evidence Requirement for Government Obligations
- 31 U.S.C. § 1341, Anti-Deficiency Act
- 41 U.S.C. §§ 7101-7109, Contract Disputes Act of 1978

Other key changes include:

Retained:

- Non-statutory definitions and procedures for contract modifications are retained to maintain uniformity across Government.
- Instructions for documenting and definitizing change orders are retained and clarified.

Removed:

- Plain language edits have been made throughout, resulting in a 300-word decrease.

Determination

To fully comply with the President's E.O.s and the revised FAR Parts 43 and 52, MCC shall follow the [RFO Part 43 model deviation text](#) instead of FAR Part 43 as codified at 48 CFR Chapter 43 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 43 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 12, 2025. This deviation does not apply to contracts signed and executed on or before June 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-25-25, the RFO Part 43 model deviation text and the RFO Part 52 model deviation clause are hereby approved effective as of June 12, 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*