



Millennium Challenge Corporation
Contracts and Grants Management Division
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MEMORANDUM

Date: November 13, 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 8 *Required Sources of Supplies and Services* and 52 *Solicitation Provisions and Contract Clauses* Issued on August 14, 2025 and Updated on August 29, 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 [FAR Part 8](#) and [FAR Part 52](#) clause, then they were updated on August 29, 2025. The RFO FAR Part 8 model deviation text has been updated to:

- Enhance usability by restructuring and organizing the part in the logical flow of the acquisition lifecycle.
- Simplify mandatory source guidance.
- Establish the mandatory use of the existing government-wide contract or blanket purchase agreement to buy the supply or service if the contract has been designated by the Office of Federal Procurement Policy a “required use” contract.
- Retain focus on the importance of the AbilityOne Program.

This revolutionary change also moves the procedures for ordering under the Federal Supply Schedule (FSS) from the FAR into the General Services Administration Acquisition Regulation (GSAR). The new language represents a significant shift from the overly prescriptive framework found in FAR subpart 8.4. FSS ordering procedures have been revised to create a streamlined structure that provides only the essential requirements needed to place orders and establish blanket purchase agreements (BPAs) against FSS contracts. This streamlined structure enhances the speed of acquisition and empowers acquisition professionals to use innovative approaches to acquire products/services/solutions under the FSS program.

On September 16, 2025, OFPP sent an email to all Senior Procurement Executives to clarify the update to the initial [FAR Part 8](#) revision. In this email, OFPP notes that the “[u]se of BICs [Best-in-Class Contracts] will continue to be prioritized but not mandated. OFPP expects significant work to continue to go to the existing BIC holders.

Statutory requirements retained in the RFO FAR Part 8 model deviation include, but are not limited to, the following:

- 10 U.S.C. § 3905, Products of Federal Prison Industries
- 18 U.S.C. § 4124, Purchase of Prison-Made Products by Federal Departments
- 40 U.S.C. § 501, Services for Executive Agencies
- 41 U.S.C. § 152(3), Competitive Procedures
- 41 U.S.C. § 3302, Requirements for Purchase of Property and Services Pursuant to Multiple Award Contracts
- 41 U.S.C. §§ 8501 et seq, Committee for Purchase from People Who are Blind or Severely Disabled
- 44 U.S.C. §§ 501 et seq, Production and Procurement of Printing and Binding
- Pub. L. 108-136, Title XIV, Services Acquisition Reform Act of 2003

Other key changes include:

Retained:

- The substance of the “Scope” in 8.000 is retained.
- Many definitions, previously scattered across different subparts of Part 8, are now consolidated at new section 8.001.
- Use of Mandatory Sources. The priorities and requirements for the use of mandatory sources are moved from 8.002 to new sections 8.102, and 8.103. Former section 8.003, “Use of Other Mandatory Sources”, is deleted, but its content is preserved and merged into the new section 8.101.
- Use of Existing Contracts. 8.104 replaces section 8.004, “Use of Other Sources.” OFPP will designate certain existing government-wide contract or blanket purchase agreement

as “required use” contracts from which all agencies must use to buy the supply and service, unless the head of the contracting activity provides an exception (e.g., because the contract’s terms and conditions, scope, or performance period do not meet the agency’s needs).

- Contractor permitted use of Government supply sources. This new content moves from FAR Part 51 to the new section at 8.105. A new clause is prescribed in section 8.105-1 and discussed below.
- Contractor Use of GSA Fleet. Former subpart 8.11, “Leasing of Motor Vehicles”, is deleted but guidance for authorizing contractor use of GSA Fleet is preserved and moved to section 8.105-3.
- Ordering under the Federal Supply Schedule. This new subpart 8.4 directs agencies to follow the ordering procedures established by GSA found at General Services Acquisition Regulation (GSAR) Part 538.
- Requirements and procedures for Acquisition from Federal Prison Industries, Inc. are retained and streamlined. The content has been moved from subpart 8.6 to new subpart 8.3.
- Requirements and procedures for Acquisition from AbilityOne Participating Nonprofit Agencies are retained and streamlined. The content has been moved from subpart 8.7 to new subpart 8.2.
- Requirements and procedures for Acquisitions of Government Printing and Related Supplies are retained and streamlined. The content has been moved from subpart 8.8 to new subpart 8.5.
- The following clauses are retained or relocated from other parts:
 - Clause 52.208-9, Contractor Use of Mandatory Sources of Supply and Services, is streamlined.
 - The prescription is now at 8.105-1(b).
 - Clause 52.208-10 Government Supply Sources (previously at 52.251-1)
 - The prescription is now at 8.105-2(c).
 - Clause 52.208-11, GSA Fleet and Related Services (previously at 52.251-2)
 - The prescription is now at 8.105-3(c).
 - 52.208-1 through 52.208-8 remain reserved.

Removed:

- Section 8.001, “General”, is removed. It contained a general requirement for IT acquisitions to comply with capital planning rules. This information is not specific to the core purpose of Part 8.
- Subpart 8.1, “Excess Personal Property” is removed. The new 8.103(a)(2) points readers to the authoritative Federal Management Regulation (41 C.F.R. 102-36) to avoid outdated information.
- Subpart 8.4, “Federal Supply Schedules” is retitled to “Ordering under the Federal Supply Schedule” and streamlined with the majority of the content moving to GSAM/R 538.
- The following clauses associated with “Leasing of Motor Vehicles” are removed:
 - 52.208-4, Vehicle Lease Payments
 - 52.208-5, Condition of Leased Vehicles
 - 52.208-6, Marking of Leased Vehicles
 - 52.208-7, Tagging of Leased Vehicles

Determination

To fully comply with the President's E.O.s and the revised FAR Parts 8 and 52, MCC shall follow the [RFO Part 8 model deviation text](#) instead of FAR Part 8 as codified at 48 CFR Chapter 8 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 8 and 52 model deviation texts are available at [Acquisition.gov](#), under the "[FAR Overhaul](#)" link.

The RFO subpart 8.4 Ordering under the Federal Supply Schedule refers to the [General Services Acquisition Regulation \(GSAR\) subsection 538.71](#) for the ordering procedures. MCC shall refer to and adhere to this GSAR subsection for the Federal Supply Schedule Ordering Procedures.

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 8 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*
GSASR subpart 538.7 *Federal Supply Schedule Ordering Procedures*
OFPP Email to SPEs Dated September 16, 2025