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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 9 Contractor Qualifications

and 52 Solicitation Provisions and Contract Clauses Issued on August 21, 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 21, 2025, the FAR Council issued completed revisions for <u>FAR Part 9</u> and <u>FAR Part 52</u> clause. The RFO FAR Part 9 model deviation text establishes the standards and procedures for determining contractor responsibility and eligibility for federal contracts, ensuring that only qualified, reliable contractors receive government awards. It protects the government's interests by

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requiring contractors to demonstrate they have adequate financial resources, technical capability, integrity, and past performance to successfully fulfill contract requirements.

Statutory requirements retained in the RFO FAR Part 9 model deviation include, but are not limited to, the following:

- 6 U.S.C. § 395, Prohibition on Contracts with Corporate Expatriates
- 10 U.S.C. § 3206 and 41 U.S.C. § 3306, Planning and Solicitation Requirements
- 10 U.S.C. § 3243 and 41 U.S.C. § 3311, Qualification Requirements
- 22 U.S.C. § 2593e, Measures Against Activities that Violate Arms Control Treaties
- 41 U.S.C. § 113, Responsible Source
- 41 U.S.C. § 2303, Ethics Safeguards Related to Contractor Conflicts of Interest
- 41 U.S.C. § 2304, Conflict of Interest Standards for Consultants
- 41 U.S.C. § 2313, Database for Suspension and Debarment Officials
- Pub. L. 103-355 Sec 2455, Uniform Suspension and Debarment
- Pub. L. 111-84 Sec 815, Clarification of Uniform Suspension and Debarment Requirement
- Pub. L. 117-324, Preventing Organization Conflicts of Interest in Federal Acquisition
- E.O. 12549 and E.O. 12689, Debarment and Suspension

Other key changes include:

Retained:

- Subparts 9.1, 9.2, and 9.3 are significantly streamlined with some shifting and reorganizing of sections and subsections throughout.
- Subparts 9.4 "Debarment, Suspension, and Ineligibility", and 9.5 "Organizational and Consultant Conflicts of Interest", are retained and updated with plain language edits.
- All existing provisions and clauses are retained (or remain reserved if previously reserved) with no changes to the text.

Removed:

- Section 9.000 "Scope of Part," has been removed as the language was duplicative.
- The definition of "Surveying activity" has been removed from section 9.101, "Definitions."
- Section 9.104-2 "Special Standards," has been removed and may be moved to non-regulatory content.
- Section 9.106 "Preaward Surveys," has been removed and may be moved to non-regulatory content. This includes the reference to utilizing the Standard Form 1403, Preaward Survey of Prospective Contractor (General).
- Section 9.107 "Surveys of Nonprofit Agencies Participating in the AbilityOne Program" has been removed. The AbilityOne Program is covered in part 8 and nuances of pre-award surveys relevant to the AbilityOne Program are now covered in nonregulatory content.
- Subpart 9.6 "Contractor Team Arrangements," has been removed and may be moved to non-regulatory content.
- Subpart 9.7 "Defense Production Pools and Research and Development Pools," has been removed and may be moved to non-regulatory content.

Determination

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To fully comply with the President's E.O.s and the revised FAR Parts 9 and 52, MCC shall follow the RFO Part 9 model deviation text instead of FAR Part 9 as codified at 48 CFR Chapter 9 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 9 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 9 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