U.S. Department of Labor

Office of the Senior Procurement Executive
Office of the Assistant Secretary for Administration and Management
Washington, D.C. 20210



Class Deviation RFO 2025-31

September 17, 2025

MEMORANDUM FOR DEPARTMENT OF LABOR CONTRACTING OFFICERS

FROM: Carl V. Campbell

Senior Procurement Executive

SUBJECT: Class Deviation for FAR Part 31 in Support of Executive Order 14275,

Restoring Common Sense to Federal Procurement

1. Purpose

This memorandum approves a class deviation to Federal Acquisition Regulation (FAR) part 31 for purposes of implementing the FAR Council's model deviation to FAR part 31.

2. Background

Executive Order (E.O.) 14275, Restoring Common Sense to Federal Procurement, signed April 15, 2025, mandates a comprehensive review and simplification of the FAR.

The FAR is being updated to:

- Eliminate non-statutory language
- Remove redundant or obsolete language
- Enhance clarity through plain language
- Align with the new FAR framework
- Preserve essential governmentwide acquisition standards

This project is referred to as the Revolutionary FAR Overhaul (RFO) initiative.

3. Summary of Changes

FAR part 31, Contract Cost Principles and Procedures, anchored in federal appropriations law, has been streamlined to provide only the essential requirements for the pricing of contracts, subcontracts, and modifications whenever cost analysis is performed.

Statutory requirements retained in the RFO FAR part 31 model deviation include, but are not limited to, the following:

• Armed Services Procurement Act of 1947, Public Law 413

- 41 U.S.C. Chapter 43 and 10 U.S.C. Chapter 273, Allowable Costs
- 31 U.S.C. Chapter 37, Subchapter III, Claims Against the United States Government
- 18 U.S.C. § 1031, Major Fraud Against the United States
- OMB Circular A-122, Cost Principles for Nonprofit Organizations
- OMB Circular A-21, Cost Principles for Educational Institutions
- OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments

Change	Description
Retained	The majority of the content is retained as it implements appropriations
	law.
	 Most definitions and procedures are retained to maintain uniformity
	across Government.
Removed	Plain language edits were made throughout to enhance readability and
	remove redundant, unclear, or non-essential language, decreasing the
	word count by more than 1,300 words.

^{*}This is not an exhaustive list.

4. Instructions

The Department of Labor (DOL) acquisition workforce must follow the RFO part 31 instead of FAR part 31 as codified at 48 CFR Chapter 1. The Council's RFO part 31 model deviation text is available at Acquisition.gov, under the <u>FAR Overhaul link</u>, and is incorporated into this class deviation.

5. Applicability

This class deviation applies to all DOL procurements.

6. Authority

This class deviation is issued under the authority of EO 14275, <u>OMB Memo M-25-26</u>, 48 CFR 1.4, and RFO FAR 1.304.

7. Effective Date

This class deviation is effective immediately and remains in effect until rescinded or incorporated into the FAR.

8. Points of Contact

Questions regarding this class deviation may be directed to the Procurement Policy Branch at OSPE-Policy@dol.gov.