

Acquisition Alert 25-40

TO: All Contracting Activities

FROM: Michael W. Derrios

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SUBJECT: Federal Acquisition Regulation (FAR) Class Deviation for FAR Part 4 in

Support of Executive Order on Restoring Common Sense to Federal

Procurement

1. Introduction: The purpose of this Acquisition Alert is to issue a FAR class deviation to part 4 for purposes of implementing the Federal Acquisition Regulatory Council's model deviation text to that part.

2. Background: On April 15, 2025, Executive Order (E.O.) 14275 on Restoring Common Sense to Federal Procurement was signed. Section 2 of the E.O. establishes the policy that the FAR "should only contain provisions required by statute or essential to sound procurement, and any FAR provisions that do not advance these objectives should be removed."

The FAR is being updated to:

- Remove language that is not required by statute;
- Remove duplicative or outdated language;
- Clarify or provide plain language;
- Revise language for the new FAR framework; and
- Retain language necessary for governmentwide acquisition standards.

This project is referred to as the Revolutionary FAR Overhaul (RFO) initiative. This class deviation is issued under the authority of E.O. 14275, OMB M-25-25, and 48 CFR 1.4.

Deviation Summary

FAR part 4, Administrative and Information Matters, has undergone a comprehensive revision that includes a complete structural reorganization to align with the acquisition lifecycle, narrow the scope of part 4 and move all security concerns to part 40. The summary of changes is as follows:

- (Effective Immediately) Registration in the System for Award Management (SAM) is no longer mandatory for contracts awarded by Contracting Officers located outside the United States and its outlying areas supporting diplomatic or developmental operations. This exemption now applies to all diplomatic missions rather than the previous limitation to only danger pay posts. See section 4 below for implementation guidance for this update.
 - This Acquisition Alert cancels, subsumes and expounds upon the previous deviation dated December 4, 2024, entitled "SAM.gov Registration Exception for Work Being Performed at Posts in Evacuation or Crisis Status or When SAM.gov Access is Prohibited" under Acquisition Alert 25-03.
 - Overseas contracts personnel previously using that deviation may now use the "Contracts Awarded by COs located outside the U.S. and its outlying areas supporting diplomatic or developmental operations" exception herein.
 - Domestic contracts personnel may still rely on the deviation for "When SAM.gov Access is prohibited," which remains in effect and described in Attachment A- Class Deviation to FAR 4.203-1(b) for all contract actions or agreements, such as blanket purchase agreements, regardless of dollar value, when a foreign contractor is prohibited from accessing SAM.gov.
- Service Contract Inventory, executive compensation, and first-tier subcontract reporting requirements no longer apply to commercial contracts.
- Subparts 4.4, 4.19, 4.20, 4.21, 4.22, and 4.23 are relocated to FAR part 40 Information Security and Supply Chain Security.
- The following provisions and clauses are removed and incorporated into FAR part 40:
 - o 52.204-2 Security Requirements.
 - 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.
- 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.
- 52.204-30, Federal Acquisition Supply Chain Security Act Orders— Prohibition.

Statutory requirements retained in the RFO FAR part 4 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

Obsolete requirements removed from FAR part 4 include, but are not limited to, the following:

• Subpart 4.2 "Contract Distribution" (except for the notification requirements which have been moved to FAR 4.307).

- 52.204-1, Approval of Contract.
- 52.204-22, Alternative Line Item Proposal.

Corresponding DOSAR Deviation Summary

Based on the Council's model deviated language, a class deviation is hereby issued to the Department of State Acquisition Regulation (DOSAR) to make the following corresponding changes:

- Renumbering sections in DOSAR part 604 to mirror FAR part 4 numbering changes,
- Adjusting section titles to match the FAR deviated language, and
- Other administrative updates.
- **3. Acquisition Impact:** The changes resulting from this class deviation affect all DoS procurements issued on or after the effective date of the AA.
- **4. Action Required:** The acquisition workforce must follow the RFO part 4 model deviation text instead of FAR part 4 codified at 48 CFR Chapter 1. The FAR Council's RFO model deviation text is available at Acquisition.gov/far-overhaul, and is incorporated into this class deviation.
 - a. Effective immediately FAR 4.203 SAM changes
 - i. Overseas Contracting Officers (COs) must require SAM registration whenever practicable, as it is the primary method of collecting vendor information. If the CO determines that it is impracticable to require SAM in a specific solicitation, they must complete the following steps (see also table below):
 - During solicitation phase (FAR deviated text at 4.208(c))
 - Insert the provision at 52.204-90 Offeror Identification in the solicitation,
 - Include each provision listed in paragraph (c)(1) of the provision at 52.204-7, if applicable based on each provision prescription; and
 - o Include clause 52.204-91, Contractor Identification.

Upon receipt of quote/offer (FAR deviated text at 4.203-2(a)(2))

- Review the information provided in response to the provision at 52.204-90, Offeror Identification, and validate the CAGE (NCAGE for overseas) code using the CAGE code search feature at https://cage.dla.mil; and
- Verify that the offeror has included in its offer the entitylevel representations and certifications normally collected in SAM.

Upon award

- Verify whether the awardee is SAM registered. If not, complete the steps below:
 - Complete and submit the contractor's completed <u>Standard Form 3881 ACH Vendor/ Miscellaneous</u> <u>Payment Enrollment Form</u> to the cognizant <u>Financial</u> <u>Management Point of Contact</u>.
 - Use one of the following generic UEIs when reporting the award to the Federal Procurement Data System (FPDS).
- (a) For unclassified procurements use LN9PU5M2YZN5.
- (b) For secure or sensitive procurements use NN2NGPDNCK2

During solicitation phase (FAR deviated text at 4.208(c)) –

- 1. Insert the provision at 52.204-90 Offeror Identification in the solicitation,
- 2. Include each provision listed in paragraph (c)(1) of the provision at 52.204-7, if applicable based on each provision prescription; and
- **3.** Include clause 52.204-91, Contractor Identification.

Upon receipt of quote/offer (FAR deviated text at 4.203-2(a)(2)) -

- 1. Review the information provided in response to the provision at 52.204-90, Offeror Identification, and validate the CAGE code using the CAGE code search feature at https://cage.dla.mil; and
- 2. Verify that the offeror has included in its offer the entity-level representations and certifications normally collected in SAM.1.

Upon award -

- 1. Complete and submit the contractor's completed ACH Vendor/Miscellaneous Payment Enrollment Form to the cognizant Financial Management Point of Contact.
- 2. Use one of the following generic UEIs when reporting the award to the Federal Procurement Data System (FPDS).
- For unclassified procurements use LN9PU5M2YZN5.
- For secure or sensitive procurements use NN2NGPDNCK2

- b. Effective November 3, 2025 all other FAR Part 4 revisions
 - For new solicitations or contracts, when using any provisions or clauses that have been revised throughout FAR part 4, utilize the RFO model deviation language at RFO FAR part 52. Do not include any of the removed provisions or clauses in future solicitations and contracts.
 - ii. For open solicitations or awarded contracts, the contracting officer has discretion regarding the need to enforce or amend the impacted provisions or clauses. Note that without some of the removed provisions or clauses, the contracting officer may be required to separately address certain aspects in the contract.
- **5. Effective Date:** The model deviated language was released on August 14, 2025. However, this deviation is effective as follows:
 - a. Updates from FAR 4.203, System for Award Management are effective upon signature of this AA.
 - b. The remaining Part 4 updates are effective on November 3, 2025.
- **6. Expiration Date:** This Acquisition Alert expires upon incorporation into the FAR, DOSAR, and/or DOSAM.
- **7. Additional Information:** Questions regarding this Acquisition Alert should be directed to AcquisitionPolicy@state.gov for domestic activities and the cognizant Field Support Desk Officer for overseas activities.
- 8. Attachments:

Attachment A - Class Deviation to FAR 4.203-1(b),
Attachment B - DOSAR Part 604 Deviation Line In/Line Out Document

9. Referenced Documents, Checklists, Guides and Templates:

FAR Part 4 Practitioner Album