



FAR CLASS DEVIATION 2025-03

MEMORANDUM TO: Heads of the Contracting Activities (HCA)

FROM: Jennifer D. Johnson *Jennifer Johnson*
Jennifer Johnson (Jun 2, 2025 16:04 EDT)
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Office of Assistant Secretary for Financial Resources (ASFR)
Department of Health and Human Services (HHS)

SUBJECT: Federal Acquisition Regulation (FAR) Class Deviation (CD) No. 2025-03 in Support of Executive Order (EO) 14275, "Restoring Common Sense to Federal Procurement;" Deviation to FAR Parts 1, 34 & Applicable Portions of Part 52.

1. EFFECTIVE DATE:

Immediately upon signature.

2. EXPIRATION DATE:

This CD remains in effect until the changes described herein are incorporated in the FAR, superseded, or otherwise rescinded.

3. PURPOSE:

This FAR CD implements requirements to comply with [EO 14275, Restoring Common Sense to Federal Procurement](#), for purposes of implementing the Federal Acquisition Regulatory Council's changes to FAR Part 1, 34, and 52. It also incorporates and adopts the FAR Council's model deviation text to the affected FAR Parts.

4. APPLICABILITY:

The requirements in this CD apply to all HHS Operating Divisions and Staff Divisions (OpDiv/StaffDiv) for applicable solicitations, contracts, and orders.

5. ROLES AND RESPONSIBILITIES:

Heads of the Contracting Activities (HCA) must ensure this CD is disseminated to the acquisition workforce and ensure compliance with the requirements in the CD. Additionally, HCAs must review and update any applicable internal procedures and guidance to reflect the policies and guidance contained herein.

6. BACKGROUND:

On April 15, 2025, EO 14275, *Restoring Common Sense to Federal Procurement*, was signed. Section 2 of the EO 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- Remove duplicative or outdated language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 more plain language
- Revise language for the new FAR framework
- Retain language necessary for governmentwide acquisition standards.

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

On May 2, 2025, the FAR Council issued the RFO model deviation text for FAR parts 1, 34, and applicable portions of part 52.

7. POLICY/GUIDANCE:

Effective immediately, HHS contracting staff must comply with the following:

- A. Follow the RFO FAR parts 1 and 34 model deviation text instead of FAR parts 1 and 34 as codified at 48 CFR Chapter 1. The Council’s RFO model deviation texts are available in the [FAR Overhaul](#) section at Acquisition.gov, and is incorporated into this CD.

B. When issuing new solicitations or contracts/orders:

1. **Do not include** any of the following provisions and clauses:

- 52.201-1 Acquisition 360: Voluntary Survey
- 52.234-2 Notice of Earned Value Management System Preaward Integrated Baseline Review
- 52.234-3 Notice of Earned Value Management System Postaward Integrated Baseline Review

2. **Include** the following provisions and clauses, if applicable: (RFO FAR deviation text is available at <https://www.acquisition.gov/far-overhaul>.)

- 52.234-1 Industrial Resources Developed Under Title III, Defense Production Act (DEVIATION)
- 52.234-4 Earned Value Management System (DEVIATION)

C. For open solicitations:**1. Amend the solicitation to remove** any of the following provisions and clauses:

- 52.201-1 Acquisition 360: Voluntary Survey
- 52.234-2 Notice of Earned Value Management System Preaward Integrated Baseline Review
- 52.234-3 Notice of Earned Value Management System Postaward Integrated Baseline Review

2. Amend the solicitation to include the following provisions and clauses, if applicable:

- 52.234-1 Industrial Resources Developed Under Title III, Defense Production Act (DEVIATION)
- 52.234-4 Earned Value Management System (DEVIATION)

D. For existing contracts and orders:**1. At the next available opportunity, modify the contract/order to remove:**

- 52.201-1 Acquisition 360: Voluntary Survey

2. At the next available opportunity, modify the contract/order to include the following clauses, if applicable:

- 52.234-1 Industrial Resources Developed Under Title III, Defense Production Act (DEVIATION)
- 52.234-4 Earned Value Management System (DEVIATION)

8. AUTHORITY:

This CD is issued under the authority of EO 14275, 48 CFR 1.4, and OMB [M-25-26](#).

9. DEVIATION:

The RFO Parts 1, 34, and 52 model deviation text are available at <https://www.acquisition.gov/far-overhaul>, and are incorporated into this class deviation.

Summary of Changes:

In explaining the Federal Acquisition System, the RFO FAR part 1 model deviation text establishes bedrock principles. Most centrally, it sets a “mission first” message at the top of the guiding principles. The RFO FAR part 1 model deviation also increases the emphasis on the best use of taxpayer dollars and calls out the value of time as another guiding principle. Additionally, it retains a focus on satisfying the customer, maximizing use of commercial products and services, promoting competition, and encouraging innovation.

FAR part 34 describes acquisition policies and procedures for use in acquiring major systems consistent with Office of Management and Budget (OMB) Circular No. A-109; and the use of an Earned Value Management System in acquisitions designated as major acquisitions consistent with OMB Circular A-11, part 7. The RFO part 34 model deviation text retains FAR subparts 34.1 and 34.2.

Statutory requirements retained in the RFO FAR parts 1 and 34 model deviation include, but are not limited to, the following:

- 31 U.S.C. 3702, Authority to settle claims
- 41 U.S.C. ch. 13, Acquisition Councils
- 41 U.S.C. ch. 17, Agency Responsibilities and Procedures
- 41 U.S.C. 1908, Inflation adjustment of acquisition-related dollar thresholds
- 41 U.S.C. 3102, Delegation and assignment of powers, functions, and responsibilities
- 50 U.S.C. 4531 et seq., Presidential authorization for the national defense

Non-statutory requirements removed from FAR parts 1 and 34 include, but are not limited to, the following:

- The list of OMB approved control numbers contained in subpart 1.1. These controls numbers are now listed on [Acquisition.gov](https://www.acquisition.gov).
- Subpart 1.2 - Administration
- Subpart 1.5 - Agency and Public Participation
- Sections 34.001 through 34.005

Other key changes include:

- Class deviations require approval by the FAR Council except where required to implement agency-specific executive or statutory direction.

RFO FAR Part 52 model deviation text reflects updates to clauses associated with affected parts 1 and 34.

10. CONTACT:

Acquisition workforce members with questions regarding this CD should contact their cognizant OpDiv/StaffDiv Acquisition Office or Acquisition Policy Council (APC) Representative(s), as appropriate.

The current list of APC Representatives may be found on the [Acquisition Councils and Workgroups Page](#) of the [HHS Acquisition Portal](#) (HHSAP).

All other questions should be directed to Acquisition_Policy@hhs.gov.