



Millennium Challenge Corporation  
Contracts and Grants Management Division  
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## 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 3 *Improper Business Practices and Personal Conflicts of Interest* and 52 *Solicitation Provisions and Contract Clauses* Issued on September 11, 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](mailto:gsaregsec@gsa.gov) for public posting on Acquisition.gov.”

On September 11, 2025, the FAR Council issued completed revisions for [FAR Part 3](#) and [FAR Part 52](#) clause. The RFO FAR Part 3 model deviation text has been retained with minimal deletions and minor updates made for plain language and streamlining. The model deviation does not implement FAR

Case 2023-006, Preventing Organizational Conflicts of Interest in Federal Acquisition. This content will be addressed in subsequent policy.

The fundamental rules of ethical conduct remain exactly the same. We must all continue to:

- Act with Integrity: Always conduct business honestly and transparently.
- Avoid Conflicts of Interest: Continue to identify and report any personal, financial, or family relationships that give rise to actual or apparent biases when working on a government contract.
- Refuse Improper Gifts: The strict rules against accepting gifts, favors, or anything of value from contractors or potential contractors have not changed.
- Report Wrongdoing: Every employee has a duty to report any suspected fraud, waste, abuse, or other violations of law or regulation.
- Protect Sensitive Information: Do not use non-public information you get from your Government work for personal gain.

Statutory requirements retained in the RFO FAR Part 3 model deviation include, but are not limited to, the following:

- 10 U.S.C. § 4651, Expenditure of Appropriations: Limitation
- 10 U.S.C. § 4655 and 41 U.S.C. § 4704, Prohibition of Contractors Limiting Subcontractor Sales Directly to Federal Government
- 18 U.S.C. § 208, Acts Affecting a Personal Financial Interest
- 18 U.S.C. § 218, Voiding Transactions in Violation of Chapter
- 41 U.S.C. § 2101 et seq, Procurement Integrity Act
- 41 U.S.C. § 3509, Notification of Violations of Federal Criminal Law or Overpayments
- 41 U.S.C. § 4712, Enhancement of Contractor Protection from Reprisal for Disclosure of Certain Information
- 41 U.S.C. § 8701 et seq, Anti-Kickback Act of 1986
- E.O. 12731, Principles of Ethical Conduct for Government Officers and Employees

Other key changes include:

*Retained:*

- The majority of the part is retained and updated for plain language and streamlining. These updates are designed to enhance clarity and reduce ambiguity and include employing active voice, breaking down complex sentences, and using formatting such as numbered lists to improve readability.
- All subparts remain and keep the same structure.
- Most existing provisions and clauses are retained (or remain reserved if previously reserved) with no changes to the text. The only exception is clause 52.203-15, Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009, which is deleted as it is no longer needed.

*Removed:*

- Subsection 3.103-3 “The need for further certifications,” was removed as the content is not required in the FAR.
- Section 3.301 “General,” was removed because it provided general background on anticompetitive practices but contained no enforceable rule or procedure.

- Section 3.406 “Records,” was removed because it is redundant of existing record retention requirements.
- Section 3.907 “Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009 (the Recovery Act),” including all subsections, was removed as obsolete because it was specific to contracts funded by the ARRA Recovery Act, a 2009 economic stimulus package.
  - Removing this section includes deleting clause 52.203-15, Whistleblower Protections Under the American Recovery and Reinvestment Act of 2009.

## Determination

To fully comply with the President’s E.O.s and the revised FAR Parts 3 and 52, MCC shall follow the [RFO Part 3 model deviation text](#) instead of FAR Part 3 as codified at 48 CFR Chapter 3 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 3 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 3 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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 Department of Administration and Finance  
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## Attachments

OMB Memo M-25-26 *Overhauling the Federal Acquisition Regulation*