

Date: September 29, 2025

From: Darnese M. Wilkerson, Chief Acquisition Officer DWW

To: Office of the Chief Acquisition Officer (OCAO)

Subject: CLASS DEVIATION (CD) in Support of Executive Order (EO) 14275,

"Restoring Common Sense to Federal Procurement" - Deviation to FAR Part 12,

Acquisition of Commercial Products and Commercial Services

1. Purpose

This Class Deviation (CD) implements the FAR Council's model deviation text for FAR Part 12, Acquisition of Commercial Products and Services. This action aligns with Executive Order (EO) 14275, "Restoring Common Sense to Federal Procurement," and the Revolutionary FAR Overhaul (RFO) initiative.

The revised FAR Part 12 streamlines policies and procedures related to contract cost principles. Burdensome, duplicative, or outdated language not required by statute has been removed. Key changes include:

- Removal of Non-Statutory Content: Much of the procedural and detailed guidance that is not required by law is moved out of the FAR and into new "Buying Guides."
- Commercial procedures are now consolidated in Part 12.
- Simplified procedures for commercial acquisitions move from Part 13 to Part 12.
- Fewer Clauses and Provisions
- Commercial service definition now includes construction.
- Evaluations are streamlined to more efficient and minimally burdensome.
- Documentation for Commercial purchases are more streamlined.

2. Background

EO 14275, signed on April 15, 2025, established a policy that the FAR should contain only provisions required by statute or those essential for sound procurement. To implement this EO, the Office of Federal Procurement Policy (OFPP) is leading the Revolutionary FAR Overhaul (RFO) initiative, supported by the Federal Acquisition Regulatory Council. The initiative aims to eliminate unnecessary regulations and policies across all levels of the federal government.

Further guidance was provided by OMB Memorandum M-25-26, "Overhauling the Federal Acquisition Regulation," issued on May 2, 2025.

FAR Streamlining

As part of the RFO, the FAR is be streamlined to include only statutory requirements. Non-statutory content will be moved to new buying guides, collectively known as the Strategic Acquisition Guidance (SAG). The Council will first issue model deviation guidance by FAR part, followed by formal rulemaking through the notice and comment process. Agencies have 30 days to issue class deviations based on the model text once released.

A. Streamlining Agency Acquisition Supplements: Agencies must streamline their FAR supplements by removing regulations not based on statute or executive orders and by aligning with the FAR Council's deviation guidance. Supporting policies must also be updated to reflect these changes. This is an excellent opportunity for NARA to formally publish a streamlined NARA FAR Supplement, ensuring consistency with the new FAR.

B. FAR Buying Guides and Supplemental Companion Guides (CG): As the FAR and agency supplements are streamlined, helpful non-regulatory content will be moved to these new FAR Buying Guides. These guides will offer practical instructions and best practices for implementing effective contracting methods, including those related to competition. The RFO Part 12 model deviation text is a plain language version that will be adhered to by all NARA contracting personnel.

3. Summary of Changes

RFO FAR Part 12, has been fundamentally re-engineered in its structure, scope, and operational mechanics to make federal buying faster, simpler, and more aligned with commercial practices. These changes reflect an effort to create a user-centric part that champions flexibility, and innovation when acquiring commercial products and services. Statutory requirements retained in the RFO FAR part 12 model deviation include, but are not limited to, the following:

- Procurement of Commercial Products and Commercial Services (10 U.S.C. §§ 3451 et seq)
- Preference for Commercial Products and Commercial Services (10 U.S.C. § 3453 and 41 U.S.C. § 3307)
- Rights in Technical Data (10 U.S.C. § 3771 and 41 U.S.C. § 2302)
- Payments for Commercial Products and Commercial Services (10 U.S.C. § 3805 and 41 U.S.C. § 4505)
- Commercial Product (41 U.S.C. § 103)
- Commercial Service (41 U.S.C. § 103a)
- Commercially Available Off-the-Shelf Item (41 U.S.C. § 104)
- Procurement Notice (41 U.S.C. § 1708)
- Federal Acquisition Streamlining Act of 1994 (FASA) (Pub. L. 103-355)

• Defense Commercial Pricing Management Improvement (Pub. L. 105-261 Sec 803)

Change	Description
Retained	 The revised part structure consolidates all relevant guidance into process-oriented subparts: Subpart 12.1 – Pre-solicitation Subpart 12.2 - Solicitation, Evaluation, and Award Subpart 12.3 – Post award Subpart 12.4 - Micro-purchases Definitions related to this part, such as "Commercially Available Off-the-Shelf Item or COTS Item" and "Non-developmental Item" still remain at FAR 2.101, with some edits. The definition of "Commercial service" at FAR 2.101 clarifies that construction is included within the definition. Section 12.000, "Scope", now clarifies that simplified procedures authorized by statute are implemented in part 12. This includes using simplified procedures for acquisitions up to \$7.5 million (or \$15 million to support responses to emergencies or major disasters, or other specified situations). Tables are added that help readers find information easier: Table 12-1, Authority citations for restricting competition. Table 12-2, Provisions to include as prescribed Table 12-3, Clauses to include as prescribed Table 12-4, Provisions and clauses to include as needed. New section 12.101, "Preference", retains the preference for commercial procurement. New section 12.104, "Contract Type", retains the preference to utilize fixed-price contracts to the maximum extent practicable. Labor-hour or Time-and-Material contracts may still be used for commercial services, but a determination and findings must be executed by the contracting officer. New section 12.201-1, "Simplified Procedures", clarifies that for acquisitions valued up to \$7.5 million, the agency use a request for quotations (RFQ) followed by a purchase order (vs. RFP/part 15 procedures for acquisitions and i

- The deviated text clarifies that construction can now be procured commercially. When using the procedures in this subpart to acquire construction, comply with the requirements in part 36 for construction contracts and subpart 22.4 on labor standards.
- The contracting officer has broad discretion in establishing how quotations will be evaluated. For example, the contracting officer may perform a comparative evaluation of quotations.
- The deviated text emphasizes that evaluation procedures are not subject to part 15 or 14. Contracting officers are not required to have evaluation plans, score quotations, or establish a competitive range before communicating with quoters or soliciting revised quotations (see 12.203(c)(2)).
- The part is revised to clarify that if commercial products or commercial services that meet agency needs are available from any priority source identified in part 8, including existing contracts awarded for Governmentwide use (e.g., the Federal Supply Schedules and Governmentwide acquisition contracts), agencies must procure the commercial products or commercial services from that source. If not available, agencies use the streamlined procedures for solicitation, evaluation, and award in the new subpart 12.2.
- Timely quotations and offers. The deviated text instructs contracting officers to exercise good business judgment in deciding whether to accept a quotation or offer received after the due date or time.
- The definition of and requirements for subcontracts are retained, and will be moved to part 44.
- The following provisions and clauses are retained with plain language and other edits.
 - 52.212-1, Instructions to Offerors-Commercial Products and Commercial Services
 - 52.212-2, Evaluation-Commercial Products and Commercial Services
 - 52.212-4, Terms and Conditions-Commercial Products and Commercial Services

Removed

- A total of 46 clauses and provisions from other FAR parts are removed as they are no longer required for commercial contracts. This change reflects an approximate 30% reduction in the number of clauses and provisions that are applicable to commercial contracts.
- Further, the following clause and provision are removed as they are unnecessary. The majority of the references are no longer required, and any required references are retained through other means:
 - 52.212-3, Offeror Representations and Certifications-Commercial Products and Commercial Services
 - 52.212-5, Contract Terms and Conditions Required to Implement Statutes or Executive Orders-Commercial Products and Commercial Services

4. Instructions

The NARA acquisition workforce shall follow the RFO Part 12 deviated text instead of FAR Part 12 as codified at 48 CFR Chapter 1, Subchapter B, Part 12. The FAR Council's RFO text is available at <u>FAR Overhaul - FAR Part 12 - Acquisition.gov</u> and is incorporated by reference into this deviation.

5. Applicability

The requirements in this CD apply to all solicitations and contract actions issued or awarded on or after October 1, 2025.

6. Authority

This class deviation is issued under the authority of Executive Order 14275 and OMB Memorandum M-25-26, 48 CFR Subpart 1.4.

7. Effective Date

This CD is effective as of the date signed and shall remain in effect until the provisions of the RFO are formally implemented in the FAR through a final rulemaking.

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cc: NGC