

Procurement Class Deviation

PCD 25-05

June 2, 2025

CLASS DEVIATION FROM FEDERAL ACQUISITION REGULATION (FAR) PART 34 TO IMPLEMENT THE REVOLUTIONARY FAR OVERHAUL (NASA Case 2025-N006)

PURPOSE: To provide a Class Deviation from the FAR to implement the FAR Council's model deviation text to FAR Part 34 Major System Acquisition.

BACKGROUND: On April 15, 2025, the Executive Order (E.O.) 14275, "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." To implement E.O. 14275, the Office of Federal Procurement Policy (OFPP) is leading the **Revolutionary FAR Overhaul (RFO)** initiative. This effort is supported by the Federal Acquisition Regulatory Council (the Council) member agencies—which includes GSA, DOD, NASA, along with other agencies. In line with the E.O., the initiative aims to eliminate unnecessary regulations and policies across all levels of the federal government.

The Office of Management and Budget (OMB) memorandum, M-25-25 issued on May 2, 2025, titled, Overhauling the Federal Acquisition Regulation, provided additional guidance to federal agencies regarding the FAR overhaul.

FAR Streamlining. As part of the RFO, the FAR will be streamlined to include only statutory requirements, while non-statutory content will move to new buying guides, collectively forming 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 will have 30 days to issue class deviations based on the model text once it is released.

Streamlining Agency Acquisition Supplements. Agencies must streamline their FAR supplements by removing regulations not based on statute or executive orders and aligning with the FAR Council's deviation guidance. Supporting policies must also be updated to reflect these changes. This approach ensures the NASA FAR Supplement (NFS) remains consistent with the streamlined FAR.

To align with the RFO FAR Part 34, the NFS 1834 Major Systems Acquisitions, will be revised in a subsequent procurement class deviation to remove non-statutory and outdated language.

FAR Buying Guides and NFS Companion Guide (CG) (coming soon). As the FAR and the NFS are streamlined, helpful non-regulatory content will be moved to new FAR Buying Guides and NFS CG. These guides are intended to offer practical instructions and best practices for implementing effective contracting methods.

RFO Part 34 Major Systems Acquisitions describes acquisition policies and procedures for acquiring major systems and the use of an Earned Value Management system in major acquisitions. Burdensome, duplicative, or outdated language and language not required by statute have been removed from FAR Part 34. This plain language version of FAR Part 34 shall be adhered to.

GUIDANCE:

Contracting officers shall follow the RFO Part 34 deviated text instead of FAR Part 34 as codified at 48 CFR Chapter 1, Subchapter F, Part 34. The FAR Council's RFO text is available at https://www.acquisition.gov/far-overhaul/far-part-deviation-guide/far-overhaul-part-34.

ACTION REQUIRED BY CONTRACTING OFFICERS: Effectively immediately, ensure that new contract actions issued on or after the effective date complies with the policy in the PCD.

EFFECTIVE DATE: This PCD is effective as dated and shall remain in effect until implemented in the FAR and NFS or otherwise rescinded.

PROVISION AND CLAUSE CHANGES: This deviation renders, FAR 52.234-1, Industrial Resources Developed under Title III Defense Production Act, FAR 52.234-2 Notice of Earned Value Management System - Preaward Integrated Baseline Review and 52.234-3 Notice of Earned Value Management System-Post Award, obsolete.

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