



Pension Benefit Guaranty Corporation
445 12th St, SW, Washington, DC 20024

Class Deviation PBGC-2026-0036

MEMORANDUM FOR PBGC ACQUISITION WORKFORCE

Date: February 3, 2026
From: Damon Q. McClure, Senior Procurement Executive
Subject: FAR Class Deviation for FAR Part 48 in Support of Executive Order on Restoring Common Sense to Federal Procurement

1. Purpose: This class deviation is issued in accordance with FAR 1.304 and pursuant to the Office of Federal Procurement Policy memorandum entitled, “Deviation Guidance to Support the Overhaul of the Federal Acquisition Regulation,” to provide contracting officers with revised FAR Part 48 language and implement the FAR Council’s model deviation to FAR Part 48.

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- Remove duplicative or outdated language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 more plain language
- Revise the 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.

3. Summary of Changes. FAR Part 48, Value Engineering, has been updated to be more direct, active, and accessible. The model deviation text removes nearly 3,000 words (70%) from the current language.

Statutory and executive requirements retained in the RFO FAR Part 48 model deviation include, but may not be limited to, the following:

- 41 U.S.C. § 1711, Value Engineering
- OMB Circular A-131, Value Engineering

Change	Description
Retained	<ul style="list-style-type: none">• Sections 48.101, “General”, and 48.102, “Policies”, are retained and significantly streamlined.• Prescriptive information previously covered within section 48.104, “Sharing arrangements” is retained in the following clauses:

	<ul style="list-style-type: none"> ○ 52.248-1 covers information previously at 48.104-1, “Determining sharing period” ○ 52.248-1(f) and (g) covers information previously at 48.104-2, “Sharing acquisition savings” ○ 52.248-1(j) covers information previously at 48.104-3, “Sharing collateral savings” ○ 52.248-1(i)(5) covers information previously at 48.104-4, “Sharing alternative-no-cost settlement method” ● Prescriptive information previously covered in section 48.105, “Relationship to other incentives” is retained in clause 52.248- 1(k). ● All clauses are retained with no changes to the text. <ul style="list-style-type: none"> ○ 52.248-1 Value Engineering ○ 52.248-2 Value Engineering—Architect-Engineer ○ 52.248-3 Value Engineering—Construction
Removed	<ul style="list-style-type: none"> ● Section 48.000, “Scope of Part” is removed as the content is self-evident and did not add value. ● The following terms are removed from section 48.001, “Definitions” as they were duplicative of definitions in clause 52.248-1, Value Engineering: <ul style="list-style-type: none"> ○ Government costs ○ Negative instant contract savings ○ Net acquisition savings ● Information in section 48.102(f) on calculating profit or fees for value engineering change proposal savings will be covered in the FAR Companion Guide. ● Section 48.103, “Processing value engineering change proposals” is removed because required information is covered in the clauses at 52.248-1 and 52.248-3. Additional information on implementing approaches and principles will be covered in the FAR Companion Guide. ● Information within section 48.104, on establishing sharing periods and rates will be covered in the FAR Companion Guide.

This table is not an exhaustive list

4. Instructions:

- The PBGC acquisition workforce shall follow the RFO Part 48 model deviation text instead of FAR Part 48 as codified at 48 CFR Chapter 1. The Council’s RFO Part 48 model deviation text is available at [Acquisition.gov/far-overhaul](https://www.acquisition.gov/far-overhaul) and is incorporated into this class deviation.
- When using any provisions or clauses that have been revised, utilize the RFO model deviation language at [RFO FAR Part 52](#).

5. Applicability: This deviation applies to all Pension Benefit Guaranty Corporation solicitations and new contracts.

6. Authority: This class deviation is issued under the authority of Executive Order (E.O.) 14275, [OMB M-25-26](#), 48 CFR Subpart 1.4, and FAR RFO 1.304.

7. Effective Date: This class deviation remains in effect until the changes described herein are incorporated in the FAR, superseded, or otherwise rescinded.

8. Point of Contact: Questions or comments on this class deviation may be sent to Jeff Gangi at gangi.jeffrey@pbgc.gov.