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MKU-DEV-2025-01

MEMORANDUM FOR MORRIS K. UDALL AND STEWART L. UDALL FOUNDATION (UDALL FOUNDATION) CONTRACTING ACTIVITIES

DATE: June 5, 2025

SUBJECT: Class Deviations for FAR Part 1 and Part 52 in support of Executive Order 14275,

Restoring Common Sense to Federal Procurement

FROM: David P. Brown, Executive Director and Head of Contracting Activity

1. **Purpose**. This memorandum approves a class deviation to Federal Acquisition Regulation (FAR) Part 1 for purposes of implementing the Federal Acquisition Regulatory Council's ("the Council's" or "RFO") model deviation text to FAR Part 1.

2. **Background**. On April 15, 2025, President Trump signed 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 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. E.O. 14275 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 Memorandum 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 [and] Provide copies of class deviations to the FAR Secretariat at gsa.gov for public posting on Acquisition.gov."

Also on May 2, 2025, the Acting Administrator for Federal Procurement Policy at OMB released a Memorandum, "Deviation Guidance to Support of the Overhaul of the Federal Acquisition Regulation." This Memorandum advises that agencies using the RFO model class deviation text do not need to further coordinate with the Council; class deviations that differ from the RFO model text require Council approval unless the difference is necessary to address agency-specific statutory direction.

On May 2, 2025, the Council issued completed revisions for FAR Part 1 and a related FAR Part 52 provision. 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.

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

- 31 U.S.C. 3702, Authority to Settle Claims.
- 41 U.S.C. 13 et seq, Acquisition Councils.
- 41 U.S.C. 17 et seg, Agency Responsibilities and Procedures.
- 41 U.S.C. 1908, Inflation Adjustment of Acquisition Thresholds.
- 41 U.S.C. 3102, Delegation and Assignment of Powers, Functions, and Responsibilities.

Non-statutory requirements removed from FAR Part 1 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.
- Former Subpart 1.2 Administration.
- Former Subpart 1.5 Agency and Public Participation procedures.

Other key changes include:

- Class deviations require approval by the FAR Council except where required to implement agency-specific executive or statutory direction.
- 3. **Determination**. To fully comply with E.O. 14275, OMB implementation guidance, and direction related to use of model deviations and the model deviations for revised FAR Parts 1 and 52, the Udall Foundation shall follow the RFO FAR Part 1 model deviation text instead of FAR Part 1 as codified at 48 CFR Chapter 1 and replace the relevant RFO Part 52 model deviation provision instead of the FAR Part 52 provision as codified at 48 CFR Chapter 52. As this deviation uses the RFO model deviation, no further coordination with the Council is required and FAR Counsel approval is not required. The FAR Council's RFO FAR Part 1 and Part 52 model deviation text is available at Acquisition.gov, under the "FAR Overhaul" link.
- 4. Instructions. The Udall Foundation acquisition workforce shall follow the RFO Part 1 model deviation text instead of FAR Part 1 as codified at 48 CFR Chapter 1. The Council's RFO Part 1 model deviation text is available at Acquisition.gov, under the "FAR Overhaul" link, and is incorporated into this class deviation. A copy of this Class Deviation will be provided to the FAR Secretariat at gsaregsec@gsa.gov.
- 5. **Applicability**. This class deviation applies to all Udall Foundation procurements.
- 6. **Authority**. This class deviation is issued under the authority of E.O. 14275, OMB Memo M-25-26, and 48 CFR 1.4.

7. **Effective Date**. This class deviation is effective immediately and remains in effect until rescinded or incorporated into the FAR. This deviation applies to all solicitations and new contracts as of the date of the Memorandum. This deviation does not apply to contracts signed and executed on or before the date of this Memorandum.

Points of Contact. Questions regarding this class deviation may be directed to the Udall Foundation General Counsel, Gwendolyn Franks, at franks@udall.gov.