

MKU-DEV-2025-34

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

DATE: September 16, 2025

SUBJECT: Class Deviations for FAR Part 17 in support of Executive Order 14275, *Restoring Common Sense to Federal Procurement*

FROM: David P. Brown, Executive Director

1. **Purpose.** This memorandum approves a class deviation to Federal Acquisition Regulation (FAR) Part 17 for purposes of implementing the Federal Acquisition Regulatory Council's ("the Council's" or "RFO") model deviation text to FAR Part 17.
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 gsaregsec@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 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 September 11, 2025, the FAR Council issued completed revisions for FAR Part 17, Special Contracting Methods, and FAR Part 52 provisions and clauses. The text has been streamlined. The revisions can be characterized by three overarching themes: organizing information in a way that's easier to understand and use; combining related topics and removing repeated information; and making the language clearer through simpler sentences, active voice, and better formatting.

Statutory requirements retained in the RFO FAR Part 17 model deviation include, but are not limited to, the following:

- 41 U.S.C. § 3903 and 10 U.S.C. § 3501, Multiyear Contracts
- 31 U.S.C. § 1341, Limitations on Expending and Obligating Amounts
- 31 U.S.C. § 1535, The Economy Act
- Pub. L. 110-417 Sec. 865, Preventing Abuse of Interagency Contracts
- Pub. L. 110-181 Sec. 801, Internal Controls for Procurements on Behalf of the Department of Defense by Certain Non-defense Agencies

Change	Description
Retained	<ul style="list-style-type: none"> • Section 17.000 “Scope of Part,” is retained and expanded to provide a more complete list of the special contracting methods covered within the part. • Subpart 17.1 “Multiyear Contracting,” is retained and restructured. This reorganization involves the deletion of some sections, the consolidation of others, and the creation of new sections to house relocated and revised content. • The “Definitions” for multiyear contracting are moved to section 17.102, and all are retained with some plain language or clarifying updates. • The “Policy” for multiyear contracting is moved to subsection 17.103-1 and revised to include two statutory requirements for DoD when considering entering into a multiyear contract for supplies: <ul style="list-style-type: none"> ○ (b)(6): The contract must promote national security of the United States. ○ (b)(7): For contracts valued at \$500,000,000 or more, the Secretary must certify that specific conditions outlined in 10 U.S.C. § 3501 will be met. • Subpart 17.2 “Options,” is retained and restructured. This reorganization involves the consolidation of some sections, and the creation of new sections to house relocated and revised content. • Subpart 17.3 remains reserved. • Subpart 17.5 “Interagency Acquisitions,” is updated with plain-language revisions and formatting improvements for clarity. • Subparts 17.6 and 17.7 are reordered, creating a more logical flow by placing all content concerning interagency acquisitions in sequential order. <ul style="list-style-type: none"> ○ “Interagency Acquisitions: Acquisitions by Non-defense Agencies on Behalf of the Department of Defense” <ul style="list-style-type: none"> ▪ Previously at subpart 17.7, now at 17.6 ○ “Management and Operating Contracts”

	<ul style="list-style-type: none"> ▪ Previously at subpart 17.6, now at 17.7 • Subparts 17.1 “Multiyear Contracting,” 17.2 “Options,” 17.7 “Management and Operating Contracts,” and 17.8 “Reverse Auctions” are reorganized to follow the stages of the acquisition lifecycle <ul style="list-style-type: none"> ○ Presolicitation ○ Evaluation and Award ○ Postaward • All clauses and provisions prescribed in this part are retained. <ul style="list-style-type: none"> ○ The following provisions have been updated to reflect current cross-references: <ul style="list-style-type: none"> ▪ 52.217-4, Evaluation of Options Exercised at Time of Contract Award ▪ 52.217-5, Evaluation of Options ○ Please note that the fill-ins at 52.217-8 and 52.217-9 remain the same and must still be completed by the acquisition team.
Removed	<ul style="list-style-type: none"> • Content from previous section 17.105-2 about the objectives and benefits of multiyear contracting is removed and is expected to be moved to the FAR Companion. • Content from previous sections 17.203 and 17.204 reflecting best practices for options in solicitations and contracts is expected to be moved to the FAR Companion. • Previous sections 17.107 “Options” and 17.205 “Documentation” are removed as the content was redundant and unnecessary. • Content previously at section 17.207 “Exercise of Options” is streamlined and moved to 17.204-1. • Subpart 17.4 “Leader Company Contracting”, has been significantly streamlined. The new subpart retains an explanation of the technique but the detailed procedures and best practices for this technique is expected to be moved to the FAR Companion. • Criteria for identifying management and operating contracts, previously at section 17.604 “Identifying management and operating contracts,” is removed as it is unnecessary. • Content from previous section 17.802(c) for best practices for reverse auctions is expected to be moved to the FAR Companion.

This table is not an exhaustive list.

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 Part 17, the Udall Foundation shall follow the RFO Part 17 model deviation text instead of FAR Part 17 as codified at 48 CFR Chapter 17. The FAR Council’s RFO Part 17 model deviation text is available at Acquisition.gov, under the “FAR Overhaul” link. 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.
4. **Instructions.** The Udall Foundation acquisition workforce shall follow the RFO Part 17 model deviation text instead of FAR Part 17 as codified at 48 CFR Chapter 17 and the RFO Part 52 model

deviation text of FAR Part 52 as codified at 48 CFR Chapter 52. The Council's RFO Parts 17 and 52 model deviation text are available at Acquisition.gov, under the "FAR Overhaul" link, and are incorporated into this class deviation.

For new solicitations or contracts, when using any provisions or clauses that have been revised, the Udall Foundation acquisition workforce shall use the RFO model deviation language at RFO FAR part 52.

For open solicitations or awarded contracts, the contracting officer has discretion regarding the need to enforce or amend the provisions or clauses. Note that without some of the removed provisions or clauses, the contracting officer may be required to separately address certain aspects in the contract.

The Udall Foundation acquisition workforce shall review templates and related standard operating procedures to align with this deviation and remove unnecessary processes or steps.

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, and RFO FAR 1.304.
7. **Effective Date.** This class deviation is effective immediately and remains in effect until rescinded or incorporated into the FAR.

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