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## MKU-DEV-2025-03

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

**DATE:** June 5, 2025

**SUBJECT:** Class Deviations for FAR Part 34 and Part 52 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 34 for purposes of implementing the Federal Acquisition Regulatory Council's ("the Council's" or "RFO") model deviation text to FAR Part 34.
- 2. Background. On April 15, 2025, President Trump signed the 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 the 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. The E.O. 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 its memo 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. Provide copies of class deviations to the FAR Secretariat at <u>gsaregsec@gsa.gov</u> 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 FAR Council issued completed revisions for FAR Part 34 and FAR Part 52 clauses and provisions. FAR part 34 describes acquisition policies and procedures for use in acquiring major systems consistent with OMB Circular No. A-109; and the use of an Earned Value Management System in acquisitions designated as major acquisitions consistent with OMB Circular A-11, part 7. The RFO part 34 model deviation text retains FAR subparts 34.1 and 34.2. Subpart 34.1 deals with statutory requirements tied to 50 U.S.C. 4531 et seq. Subpart 34.2 deals with Earned Value Management requirements tied to OMB Circular A-11. Non-statutory requirements removed from FAR part 34 include the general guidance provided in sections 34.001 through 34.005.

- 3. Determination. To fully comply with the 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 34 and 52, the Udall Foundation shall follow the RFO Part 34 model deviation text instead of FAR Part 34 as codified at 48 CFR Chapter 34 and replace the relevant RFO Part 52 model deviation clauses and provisions instead of the FAR Part 52 clauses and provisions as codified at 48 CFR Chapter 52. The FAR Council's RFO Part 34 and Part 52 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 34 model deviation text instead of FAR Part 34 as codified at 48 CFR Chapter 34. 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, 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 <u>franks@udall.gov</u>.