

Class Deviation
RFO 2025-32

December 1, 2025

MEMORANDUM FOR DEPARTMENT OF LABOR CONTRACTING OFFICERS

FROM: CARL V. CAMPBELL
Senior Procurement ExecutiveSUBJECT: Class Deviation for FAR Part 32 in Support of Executive Order 14275,
*Restoring Common Sense to Federal Procurement***1. Purpose**

This memorandum approves a class deviation to Federal Acquisition Regulation (FAR) Part 32 for purposes of implementing the FAR Council's (Council) model deviation to FAR Part 32.

2. Background

[Executive Order \(E.O.\) 14275, *Restoring Common Sense to Federal Procurement*](#), signed April 15, 2025, mandates a comprehensive review and simplification of the FAR.

The FAR is being updated to:

- Eliminate non-statutory language
- Remove redundant or obsolete language
- Enhance clarity through plain language
- Align with the new FAR framework
- Preserve essential governmentwide acquisition standards.

This project is referred to as the Revolutionary FAR Overhaul (RFO) initiative. This initiative will make the FAR more concise, understandable, and focused on core procurement requirements.

3. Summary of Changes

FAR Part 32, Contract Financing, has been updated to simplify the Part, remove outdated information, and add a new subpart (and corresponding clause) for Fast Payment Procedures (previously at subpart 13.4) for smaller dollar purchases.

Statutory requirements retained in the RFO FAR Part 32 model deviation include, but may not be limited to the following:

- 10 U.S.C. §§ 3801 et seq and 41 U.S.C. §§ 4501 et seq, Contract Financing
- 31 U.S.C. § 1341, Anti-Deficiency Act
- 31 U.S.C. § 3324, Advances
- 31 U.S.C. § 3711, Debt Collection Improvement Act of 1996
- 31 U.S.C. § 3727 and 41 U.S.C. § 6305, Assignment of Claims Act of 1940
- 31 U.S.C. §§ 3901 et seq, Prompt Payment Act
- 50 U.S.C. §§ 4501 et seq, Defense Production Act of 1950
- Pub. L. 102-190 Sec 806 as amended (10 U.S.C. § 4601 note prec.), Government-wide Application of Payment Protections for Subcontractors and Supplier

Change	Description
Retained	<ul style="list-style-type: none"> • Section 32.001, “Definitions” is retained with plain language updates. • Most provisions and clauses are retained (or remain reserved). Exceptions are noted in the “Moved / Updated” section below.
Moved / Updated	<ul style="list-style-type: none"> • Section 32.000, “Scope of Part”, is updated to include the statutory references for the Part. <ul style="list-style-type: none"> ○ This section adds “(k) Fast payment procedures” to correspond with the newly introduced Subpart 32.12. • Section 32.002, “Applicability of subparts”, adds reference to “Subpart 32.12, Fast Payment Procedure”. • Subpart 32.12, “Fast Payment Procedure”, formerly at subpart 13.4 is added to the Part. This procedure is a method for expediting payments on certain small-dollar supply contracts where traditional receiving and acceptance processes are impractical. Moving the procedure to Part 32 enhances acquisition agility. • The following clauses are updated for clarity, to mirror updates made throughout the Part, and/or to update cross-references or remove outdated content: <ul style="list-style-type: none"> ○ 52.232-3 (Clause), Payments Under Personal Services Contracts ○ 52.232-12 (Clause), Advance Payments <ul style="list-style-type: none"> ▪ Including “Advance Payments Without Special Account” ○ 52.232-16 (Clause), Progress Payments ○ 52.232-20 (Clause), Limitation of Cost ○ 52.232-22 (Clause), Limitation of Funds ○ 52.232-36 (Clause), Payment by Third Party • The following clause is added to the Part: <ul style="list-style-type: none"> ○ 52.232-90 (Clause), Fast Payment Procedure (previously at 52.213-1) • The FAR Companion is expected to contain best practices and guidance on the following: <ul style="list-style-type: none"> ○ Contract Financing Payments ○ Advance Payments for Other Than Commercial Acquisitions

Change	Description
	<ul style="list-style-type: none"> ○ Deferment of Collection ○ Limitation of Cost
Removed	<ul style="list-style-type: none"> ● Paragraph (d) under section 32.102, “Description of contract financing methods” is deleted and marked reserved. The content was largely explanatory, as the requirement to pay for accepted partial deliveries is a standard payment method governed by Prompt Payment rules in Subpart 32.9 and standard payment clauses, not a form of contract financing. See the FAR Companion for best practice. ● Sections 32.304 through 32.306, under subpart 32.3, “Loan guarantees for Defense Production”, are deleted and marked reserved. These sections and associated subsections provided extensive procedural details for the loan guarantee program. While the program's authority remains in sections 32.302 and 32.303, the responsibility for implementation procedures is with the individual guaranteeing agencies and does not need to be spelled out in detail in the FAR. ● Section 32.403 “Applicability”, under subpart 32.4, “Advance Payments for Other Than Commercial Acquisitions”, is deleted and marked reserved. The language provided a detailed list in paragraphs (a) through (h), of eight specific categories where advance payments might be appropriate. This served as illustrative guidance and a non-exhaustive checklist that is not based on statute or required in the FAR. See the FAR Companion for best practice.

This table is not an exhaustive list.

4. Instructions

- The Department of Labor (DOL) acquisition workforce must follow the RFO part 32 and corresponding part 52 model deviation text instead of FAR parts 32 and 52 as codified at 48 CFR Chapter 32. The Council’s RFO part 32 model deviation text is available [Acquisition.gov/far-overhaul](https://www.acquisition.gov/far-overhaul), and is incorporated into this class deviation.
- For new solicitations or contracts, when using any provisions or clauses that have been revised, utilize the RFO model deviation language at [RFO FAR part 52](#). Do not include any of the removed provisions or clauses in solicitations and contracts.
- 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.

5. Applicability

This class deviation applies to all DOL procurements.

6. Authority

This class deviation is issued under the authority of EO 14275, [OMB Memo M-25- 26](#), 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.

8. Questions

Questions regarding this Class Deviation should be directed to the Procurement Policy Branch at OSPE-Policy@dol.gov.