



ACQUISITION  
AND SUSTAINMENT

OFFICE OF THE ASSISTANT SECRETARY OF WAR  
3000 DEFENSE PENTAGON  
WASHINGTON, DC 20301-3000

In reply refer to  
DARS Tracking Number: 2026-O0017

MEMORANDUM FOR COMMANDER, UNITED STATES CYBER  
COMMAND (ATTN: ACQUISITION EXECUTIVE)  
COMMANDER, UNITED STATES SPECIAL OPERATIONS  
COMMAND (ATTN: ACQUISITION EXECUTIVE)  
COMMANDER, UNITED STATES TRANSPORTATION  
COMMAND (ATTN: ACQUISITION EXECUTIVE)  
DEPUTY ASSISTANT SECRETARY OF THE ARMY  
(PROCUREMENT)  
DEPUTY ASSISTANT SECRETARY OF THE NAVY  
(PROCUREMENT)  
DEPUTY ASSISTANT SECRETARY OF THE AIR FORCE  
(CONTRACTING)  
DEFENSE AGENCY AND DOD FIELD ACTIVITY DIRECTORS

SUBJECT: Class Deviation—Revolutionary Federal Acquisition Regulation (FAR) Overhaul  
Part 6, Defense FAR Supplement (DFARS) Part 206

Effective February 1, 2026, contracting officers shall use—

- The revised FAR Part 6, Competition Requirements published on the Revolutionary FAR Overhaul web page at <https://www.acquisition.gov/far-overhaul/far-part-deviation-guide/far-overhaul-part-6> in lieu of the text codified at 48 CFR chapter 1 (<https://www.ecfr.gov>).
- The attached DFARS Part 206, Competition Requirements in lieu of the text codified at 48 CFR chapter 2; and
- The attached DFARS Procedures, Guidance, and Information (PGI) 206, Competition Requirements in lieu of the PGI text published on the Defense Pricing, Contracting, and Acquisition Policy web page at <https://www.acq.osd.mil/dpap/dars/dfarspgi/current/index.html>.

This class deviation implements the following:

- Section 2 of E.O. 14275, Restoring Common Sense to Federal Procurement, which 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.

- Section 4(a) of E.O. 14265, Modernizing Defense Acquisitions and Spurring Innovation in the Defense Industrial Base which requires the Secretary of War to eliminate or revise any unnecessary supplemental regulations or any other internal guidance, such as relevant parts of the Financial Management Regulation and Defense Federal Acquisition Regulation Supplement.
- The Office of Management and Budget memorandum, M-25-26 issued on May 2, 2025, titled, Overhauling the Federal Acquisition Regulation, which provided additional guidance to federal agencies regarding the FAR overhaul.

This class deviation remains in effect until rescinded or incorporated into the FAR, DFARS, and DFARS PGI. Inquiries regarding this class deviation can be addressed to [osd.pentagon.ousd-a-s.mbx.dfars@mail.mil](mailto:osd.pentagon.ousd-a-s.mbx.dfars@mail.mil).

John M. Tenaglia  
Principal Director,  
Defense Pricing, Contracting, and  
Acquisition Policy

Attachments:  
As stated

## **PART 206—COMPETITION REQUIREMENTS**

### **SUBPART 206.0—SCOPE OF PART**

#### **206.000 Scope of part.**

For information on the various approaches that may be used to competitively fulfill DoD requirements, see PGI 206.000.

#### **206.001 Applicability.**

(b) As authorized by 10 U.S.C. 1091, contracts awarded to individuals using the procedures at 237.201-1(ii) are exempt from the competition requirements of FAR Part 6.

#### **206.001-70 Exception for prototype projects for follow-on production contracts.**

(a) Also excepted from this part are follow-on production contracts for products developed pursuant to the “other transactions” authority of 10 U.S.C. 4022 for prototype projects, when the contracting officer receives sufficient documentation from the agreements officer issuing the other transaction agreement for the prototype project that—

(1) The other transaction agreement included provisions for a follow-on production contract (10 U.S.C. 4022(f)(1)); and

(2) Where applicable, the threshold at 10 U.S.C. 4022(a)(2)(C) and the requirements at 10 U.S.C. 4022(f)(2)(A) and (B) have been met.

(b) See PGI 206.001-70 for additional guidance.

### **SUBPART 206.1—PRESOLICITATION**

#### **206.101 Full and open competition.**

#### **206.101-70 Other competitive procedures.**

(a) In lieu of FAR 6.101(b)(3)(ii), competitive selection of science and technology proposals resulting from a broad agency announcement with peer or scientific review, as described in 235.102(a) (10 U.S.C. 3012(2)).

(b) Competitive selection of proposals based on a review by scientific, technological, or other subject-matter expert peers resulting from a commercial solutions opening as described in subpart 212.70 (10 U.S.C. 3458) is a competitive procedure.

(c) The award of a contract as a prize resulting from a competitive selection of prize recipients for advanced technology achievements is a competitive procedure (10 U.S.C. 4025(f)), when the solicitation is widely advertised, including through the Governmentwide point of entry (see FAR part 5). See PGI 206.101-70 for approval requirements.

**206.102 Full and open competition after excluding sources.**

**206.102-1 Establishing or maintaining alternative sources.**

(a) Agencies may use this authority to totally or partially exclude a particular source from a contract action.

(b) The determination and findings (D&F) and the documentation supporting the D&F must identify the excluded source. Include the information at PGI 206.102-1(b), as applicable, and any other information that may be pertinent, in the supporting documentation.

**206.103. Other than full and open competition.**

**206.103-170 Only one responsible source and no other supplies or services will satisfy agency requirements.**

(a) *Authority.* Section 8059 of Pub. L. 101-511 and similar sections in subsequent defense appropriations acts, prohibit departments and agencies from entering into contracts for studies, analyses, or consulting services (see FAR Subpart 37.4) on the basis of an unsolicited proposal without providing for full and open competition, unless—

(1) The head of the contracting activity, or a designee no lower than chief of the contracting office, determines that—

(i) Following thorough technical evaluation, only one source is fully qualified to perform the proposed work;

(ii) The unsolicited proposal offers significant scientific or technological promise, represents the product of original thinking, and was submitted in confidence; or

(iii) The contract benefits the national defense by taking advantage of a unique and significant industrial accomplishment or by ensuring financial support to a new product or idea;

(A) A civilian official of the DoD, whose appointment has been confirmed by the Senate, determines the award to be in the interest of national defense; or

(B) The contract is related to improvement of equipment that is in development or production.

(b) *Application.* This authority may be used for acquisitions of test articles and associated support services from a designated foreign source under the DoD Foreign Comparative Testing Program.

(c) *Application for brand-name descriptions.* Notwithstanding FAR 6.103-1(d), in accordance with section 888(a) of the National Defense Authorization Act for Fiscal Year 2017 (Pub. L. 114-328), the justification and approval addressed in FAR 6.104 is required in order to use brand name or equal descriptions.

(d) *Limitations.* Follow the procedures at PGI 206.103-170 prior to soliciting a proposal without providing for full and open competition under this authority.

(e) *Application for proprietary specifications or standards.* In accordance with section 888(a) of the National Defense Authorization Act for Fiscal Year 2017 (Pub. L. 114-328), the justification and approval addressed in FAR 6.104 is required in order to use proprietary specifications and standards.

**206.103-270 Unusual and compelling urgency.**

For guidance on circumstances under which use of this authority may be appropriate, see PGI 206.103-270).

**206.103-370 Industrial mobilization; engineering, developmental, or research capability; or expert services.**

Insert the provision at 252.206-7000, Domestic Source Restriction, in all solicitations that are restricted to domestic sources under the authority of FAR 6.103-3.

**206.103-4 International agreement.**

(c) *Limitations.* Pursuant to 10 U.S.C. 3204(e)(4)(E), the justifications and approvals described in FAR 6.104 are not required if the head of the contracting activity prepares a document that describes the terms of an agreement or treaty or the written directions, such as a Letter of Offer and Acceptance, that have the effect of requiring the use of other than competitive procedures for the acquisition.

**206.103-5 Authorized or required by statute.**

(c) *Application.* Agencies may use this authority to—

(i) Acquire supplies and services from military exchange stores outside the United States for use by the armed forces outside the United States in accordance with 10 U.S.C. 2424(a) and subject to the limitations of 10 U.S.C. 2424(b). The limitations of 10 U.S.C. 2424(b)(1) and (2) do not apply to the purchase of soft drinks that are manufactured in the United States. For the purposes of 10 U.S.C. 2424, soft drinks manufactured in the United States are brand name carbonated sodas, manufactured in the United States, as evidenced by product markings.

(ii) Acquire police, fire protection, airfield operation, or other community services from local governments at military installations to be closed under the circumstances in 237.7401 (section 2907 of Fiscal Year 1994 Defense Authorization Act (Pub. L. 103-160)).

(iii) Acquire products and services under the Pilot Program to Incentivize Contracting with Employee-Owned Businesses (see subpart 270.1).

(d) *Limitations.*

(i) 10 U.S.C. 4141 precludes use of this exception for awards to colleges or universities for the performance of research and development, or for the construction of any research or other facility, unless—

(A) The statute authorizing or requiring award specifically—

U.S.C. 4141;

(1) States that the statute modifies or supersedes the provisions of 10

(2) Identifies the particular college or university involved; and

(3) States that award is being made in contravention of 10 U.S.C.

4141(a); and

(B) The Secretary of Defense provides Congress written notice of intent to award. The contract cannot be awarded until 180 days have elapsed since the date Congress received the notice of intent to award. Contracting activities must submit a draft notice of intent with supporting documentation through channels to the Principal Director, Defense Pricing, Contracting, and Acquisition Policy, Office of the Under Secretary of Defense (Acquisition and Sustainment).

(ii) The limitation in paragraph (d)(i) of this section applies only if the statute authorizing or requiring award was enacted after September 30, 1989.

(iii) Subsequent statutes may provide different or additional constraints on the award of contracts to specified colleges and universities. Contracting officers should consult legal counsel on a case-by-case basis.

**206.103-7 Public interest.**

For the defense agencies, the written determination to use this authority must be made by the Secretary of Defense.

**206.104-70 Justification and Approval.**

(a) In accordance with section 823 of the National Defense Authorization Act for Fiscal Year 2020 (Pub. L. 116-92), no justification and approval is required for a sole-source contract under the 8(a) authority (15 U.S.C. 637(a)) for an amount not exceeding \$100 million.

(b) In lieu of FAR 6.104-1(b), in accordance with section 823 of the National Defense Authorization Act for Fiscal Year 2020 (Pub. L. 116-92), contracting officers shall not award a sole-source contract under the 8(a) authority (15 U.S.C. 637(a)) for an amount exceeding \$100 million unless—

(1) The contracting officer justifies the use of a sole-source contract in writing in accordance with FAR 6.104-1;

(2) The justification is approved in accordance with 206.104-270(c); and

(3) The justification and related information are made public after award in accordance with FAR 6.301.

**206.104-71 Justification content.**

(a)(1) In lieu of the threshold at FAR 6.104-2(a) Table 6-1, each justification shall include the information at FAR 6.104-1(a), except for sole-source 8(a) contracts over \$100 million (see paragraph (d) of this section).

(2) Include the information required by PGI 206.104-71(b) in justifications citing the authority at FAR 6.103-1.

(b) In lieu of the threshold at FAR 6.104-1(b), each justification for a sole-source 8(a) contract over \$100 million shall include the information at FAR 6.104-1(b).

**206.104-72 Approval of justification.**

(a) The Under Secretary of Defense (Acquisition and Sustainment) may delegate this authority to—

(1) An Assistant Secretary of Defense; or

(2) For a defense agency, an officer or employee serving in, assigned, or detailed to that agency who—

(i) If a member of the armed forces, is serving in a rank above brigadier general or rear admiral (lower half); or

(ii) If a civilian, is serving in a position with a grade under the General Schedule (or any other schedule for civilian officers or employees) that is comparable to or higher than the grade of major general or rear admiral.

(b) For a non-competitive follow-on acquisition to a previous award for the same supply or service supported by a justification for other than full and open competition citing the authority at FAR 6.103-1, follow the procedures at PGI 206.104-270.

(c) In accordance with section 823 of the National Defense Authorization Act for Fiscal Year 2020 (Pub. L. 116-92), the head of the procuring activity is the approval authority for a proposed sole-source 8(a) contract exceeding \$100 million. This authority may only be delegated to an officer or employee who—

(1) If a member of the armed forces, is serving in a rank above brigadier general or rear admiral (lower half); or

(2) If a civilian, is serving in a position with a grade under the General Schedule (or any other schedule for civilian officers or employees) that is comparable to or higher than the grade of major general or rear admiral.

**206.301 Availability of the justification.**

See PGI 206.301 for further guidance on the requirements for preparing, obtaining approval, and posting justification and approval documents for contracts awarded using the authority of FAR 6.103.

**SUBPART 252—SOLICITATION PROVISIONS AND CONTRACT CLAUSES**

**SUBPART 252.2—TEXT OF PROVISIONS AND CLAUSES**

**252.206-7000 Domestic Source Restriction.**

As prescribed at 206.103-370, insert the following provision:

**DOMESTIC SOURCE RESTRICTION**  
**(AUG 2023)**

This solicitation is restricted to domestic sources under the authority of 10 U.S.C. 3204(a)(3). Foreign sources, except Canadian sources, are not eligible for award.

(End of provision)



## **PGI 206—COMPETITION REQUIREMENTS**

### **PGI 206.0—SCOPE OF PART**

#### **PGI 206.000 Scope of part.**

For information on various approaches that may be used to competitively fulfill DoD requirements, see the Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics Guidelines for Creating and Maintaining a Competitive Environment for Supplies and Services in the Department of Defense ([https://www.acq.osd.mil/asda/dpc/cp/policy/docs/comp/BBP\\_2-0\\_Comp\\_Guidelines\\_Update\\_\(3\\_Dec\\_2014\).pdf](https://www.acq.osd.mil/asda/dpc/cp/policy/docs/comp/BBP_2-0_Comp_Guidelines_Update_(3_Dec_2014).pdf)).

#### **PGI 206.001-70 Exception for prototype projects for follow-on production contracts.**

(b) The following documents provide additional information on other transaction agreements:

(1) The DoD Other Transaction Guide (<https://www.acq.osd.mil/asda/dpc/cp/policy/other-policy-areas.html>); and

(2) USD(A&S) Memorandum, titled Authority for Use of Other Transactions for Prototype Projects Under 10, United States Code, Section 4022, dated August 27, 2025 ([https://www.acq.osd.mil/asda/dpc/cp/policy/docs/pa/USD\(A&S\)\\_Updated\\_Delegation\\_of\\_OT\\_Authority\\_Memo.pdf](https://www.acq.osd.mil/asda/dpc/cp/policy/docs/pa/USD(A&S)_Updated_Delegation_of_OT_Authority_Memo.pdf)).

### **PGI 206.1—PRESOLICITATION**

#### **PGI 206.101 Full and open competition.**

##### **PGI 206.101-70 Other competitive procedures.**

(c) Approval of the Under Secretary of Defense for Research and Engineering is required prior to the award of a contract resulting from a prize competition that exceeds \$10,000 (see 10 U.S.C. 4025(c)(3)). Obtain the approval from the program office and include it in the contract file.

#### **PGI 206.102—Full and open competition after excluding sources.**

##### **PGI 206.102-1 Establishing or maintaining alternative sources.**

(b)(i) Include the following information, as applicable, and any other information that may be pertinent, in the supporting documentation:

(A) The acquisition history of the supplies or services, including sources, prices, quantities, and dates of award.

(B) The circumstances that make it necessary to exclude the particular source from the contract action, including—

(1) The reasons for the lack of or potential loss of alternative sources; e.g., the technical complexity and criticality of the supplies or services; and

(2) The current annual requirement and projected needs for the supplies or services.

(C) Whether the existing source must be totally excluded from the contract action or whether a partial exclusion is sufficient.

(D) The potential effect of exclusion on the excluded source in terms of loss of capability to furnish the supplies or services in the future.

(E) When FAR 6.102-1(a)(1) is the authority, the basis for—

(1) The determination of future competition; and

(2) The determination of reduced overall costs. Include, as a minimum, a discussion of start-up costs, facility costs, duplicative administration costs, economic order quantities, and life cycle cost considerations.

(F) When FAR 6.102-1(a)(2) is the authority—

(1) The current annual and mobilization requirements for the supplies or services, citing the source of, or the basis for, the data;

(2) A comparison of current production capacity with that necessary to meet mobilization requirements;

(3) An analysis of the risks of relying on the present source; and

(4) A projection of the time required for a new source to acquire the necessary facilities and achieve the production capacity necessary to meet mobilization requirements.

(ii) The following is a sample format for Determination and Findings citing the authority of FAR 6.102-1(a):

Determination and Findings

Authority to Exclude a Source

In accordance with 10 U.S.C. 3203(a)(1), it is my determination that the following contract action may be awarded using full and open competition after exclusion of \_\_\_\_\_\*:

(Describe requirement.)

Findings

The exclusion of \_\_\_\_\_\*

Alternate 1: will increase or maintain competition for this requirement and is expected to result in a reduction of \$\_\_\_\_\_ in overall costs for the present and future acquisition of these supplies or services. (Describe how estimate was derived.)

Alternate 2: is in the interest of national defense because it will result in having a supplier available for furnishing these supplies or services in case of a national emergency or industrial mobilization. (Explain circumstances requiring exclusion of source.)

Alternate 3: is in the interest of national defense because it will result in establishment or maintenance of an essential engineering, research or development capability to be provided by an educational or other nonprofit institution or a federally funded research and development center. (Explain circumstances requiring exclusion of source.)

\* Identify source being excluded.

**PGI 206.103 Other than full and open competition.**

**PGI 206.103-170 Only one responsible source and no other supplies or services will satisfy agency requirements.**

(d) *Limitations.* When utilizing the authority at FAR 6.103-1, the contracting officer shall post a request for information or a sources sought notice, and shall include the results of this inquiry in the justification required by FAR 6.104. This requirement to post may be waived by the Head of the Contracting Activity, or designee. The waiver authority may not be delegated lower than a general or flag officer or a member of the Senior Executive Service.

**PGI 206.103-270 Unusual and compelling urgency.**

The circumstances under which use of this authority may be appropriate include, but are not limited to, the following:

(i) Supplies, services, or construction needed at once because of fire, flood, explosion, or other disaster.

(ii) Essential equipment or repair needed at once to—

(A) Comply with orders for a ship;

(B) Perform the operational mission of an aircraft; or

(C) Preclude impairment of launch capabilities or mission performance of missiles or missile support equipment.

(iii) Construction needed at once to preserve a structure or its contents from damage.

(iv) Purchase requests citing an issue priority designator under DoD Manual 4140.01, Volume 5, DoD Supply Chain Materiel Management Procedures: Delivery of Material, of 4 or higher, or citing “Electronic Warfare QRC Priority.”

**PGI 206.104-70 Justification and Approval.**

**PGI 206.104-71 Justification content.**

Justifications citing the authority at FAR 6.103-1 to permit the use of other than full and open competition, shall--

(1) Include the results of the request for information or sources sought notice posted in accordance with PGI 206.103-170 (unless the requirement to post has been waived); and

(2) For non-competitive follow-on acquisitions of supplies or services previously awarded on a non-competitive basis, include a copy of the previous justification to assist the approval authority in determining whether the planned actions to remove any barriers to competition cited on the previous justification were completed.

**PGI 206.104-72 Approval of justification.**

For a non-competitive follow-on to a previous award for the same supply or service supported by a justification for other than full and open competition citing the authority at FAR 6.103-1—

(a) The justification shall include a copy of the previous justification to assist the approval authority in determining whether the planned actions to remove any barriers to competition cited on the previous justification were completed; and

(b) The approval authority shall determine whether the planned actions were completed. If the actions were not completed, the justification for the follow-on acquisition shall be approved by the approval authority one-level above the approval authority for the previous justification (see FAR 6.104-2). If the previous justification was approved by the Senior Procurement Executive (SPE), the approval remains at the SPE level.

**PGI 206.301 Availability of the justification.**

See OUSD(AT&L) DPAP memorandum, "[Noncompetitive Contracts Awarded Based on Urgency](#)," dated April 13, 2015, for further guidance on the justification and approval documents required for contracts awarded using the unusual and compelling urgency exception.