



Millennium Challenge Corporation
Contracts and Grants Management Division
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MEMORANDUM

Date: 8 May 2025

From: Lisa M. Smith
Deputy Managing Director, Contracts and Grants Management Division
On behalf of Jonathan C. Hamlet, Senior Procurement Executive
Department of Administration and Finance
Millennium Challenge Corporation

To: MCC Contracts and Grants Management Division Staff

Subject: Class Deviation to Implement the FAR Revisions Parts 34 and 52 Issued on May 2, 2025

Findings

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-25-25 “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 gsaregsec@gsa.gov for public posting on Acquisition.gov.”

On May 2, 2025, the FAR Council issued completed revisions for [FAR Part 34](#) and [FAR Part 52](#) provision. 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.

Determination

To fully comply with the President's E.O.s and the revised FAR Parts 34 and 52, MCC 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 provision](#) instead of the FAR Part 52 provision 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 May 2, 2025. This deviation does not apply to contracts signed and executed on or before May 1, 2025.

Approval

In accordance with FAR 1.404 *Class deviations*, MCC Contracts Operating Manual (COM) 1.305-3 *Contracts and Grants Management Division MD/SPE*, and the OMB memo M-25-25, the RFO Part 34 model deviation text and the RFO Part 52 model deviation provision are hereby approved effective as of May 2, 2025 for use by all MCC Contracting Officers until final implementation of the FAR update or rescission of this Memo by the SPE. Additional instructions related to this Memo may be issued by the Senior Procurement Executive, Deputy Managing Director, and the Supervisory Procurement Analyst of the MCC CGM Division on an *ad hoc* basis.

Lisa M. Smith
Deputy Managing Director, Contracts and Grants Management Division
On behalf of Jonathan C. Hamlet, Senior Procurement Executive
Department of Administration and Finance
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Attachments

OMB Memo M-25-25 *Overhauling the Federal Acquisition Regulation*