

# **Procurement Class Deviation**

PCD 25-33

**December 18, 2025** 

# CLASS DEVIATION FROM FEDERAL ACQUISITION REGULATION (FAR) PART 44 AND NASA FAR SUPPLEMENT (NFS) PART 1844 TO IMPLEMENT THE REVOLUTIONARY FAR OVERHAUL (NASA Case 2025-N037)

**PURPOSE:** To provide a Class Deviation from the FAR to implement the FAR Council's model deviation text to FAR part 44, Subcontracting Policies and Procedures, and deviation to NFS 1844.

**BACKGROUND:** On April 15, 2025, the Executive Order (E.O.) 14275, "Restoring Common Sense to Federal Procurement" was signed. Section 2 of the E.O. 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." To implement E.O. 14275, the Office of Federal Procurement Policy (OFPP) is leading the **Revolutionary FAR Overhaul (RFO)** initiative. This effort is supported by the Federal Acquisition Regulatory Council (the Council) member agencies—which includes GSA, DOD, NASA, along with other agencies. In line with the E.O., the initiative aims to eliminate unnecessary regulations and policies across all levels of the federal government.

The Office of Management and Budget (OMB) memorandum, M-25-26 issued on May 2, 2025, titled, Overhauling the Federal Acquisition Regulation, provided additional guidance to federal agencies regarding the FAR overhaul.

**FAR Streamlining.** As part of the RFO, the FAR will be streamlined to include only statutory requirements, while non-statutory content will move to new buying guides, collectively forming the Strategic Acquisition Guidance (SAG). The Council will first issue model deviation guidance by FAR part, followed by formal rulemaking through the notice-and-comment process. Agencies will have 30 days to issue class deviations based on the model text once it is released.

**Streamlining Agency Acquisition Supplements**. Agencies must streamline their FAR supplements by removing regulations not based on statute or executive orders and aligning with the FAR Council's deviation guidance. Supporting policies must also be updated to reflect these changes. This approach ensures the NASA FAR Supplement (NFS) remains consistent with the streamlined FAR.

**FAR Buying Guides and NFS Companion Guide (CG) (coming soon)**. As the FAR and the NFS are streamlined, helpful non-regulatory content will be moved to new FAR Buying Guides and NFS CG. These guides are intended to offer practical instructions and best practices for implementing effective contracting methods.

RFO part 44, Subcontracting Policies and Procedures, is one of several model deviations released by the FAR Council. RFO part 44 establishes a more efficient system of policies and procedures to empower contracting officers, reduce administrative burden on contractors, and encourage broader participation from the commercial sector. Burdensome, duplicative, or outdated language and language not required by statute have been removed from FAR part 44. This plain language version of FAR part 44 must be adhered to.

To align with the RFO FAR part 44, the NFS 1844, Subcontracting Policies and Procedures, is revised to remove non-statutory and outdated language. This deviation implements the revised RFO part 44 and NFS part 1844.

#### **GUIDANCE:**

- (1) Contracting officers must follow the RFO part 44 deviated text instead of FAR part 44 as codified at 48 CFR Chapter 44. The FAR Council's RFO text is available at https://www.acquisition.gov/far-overhaul/far-part-deviation-guide/far-overhaul-part-44.
- (2) COs must also follow the NFS part 1844 deviated text enclosed within this deviation.

**ACTION REQUIRED BY CONTRACTING OFFICERS:** Effective immediately, ensure that new contract actions issued on or after the effective date complies with the policy in the PCD.

**EFFECTIVE DATE:** This PCD is effective as dated and must remain in effect until implemented in the FAR and NFS or otherwise rescinded.

**PROVISION AND CLAUSE CHANGES:** This deviation renders FAR 44.303, Extent of Review and FAR 44.307, Reports, obsolete.

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Enclosure

Changes in the NFS Deviation text below are identified as follows: Deletions shown as strike throughs; and additions shown as [bold]

### PART 1844 SUBCONTRACTING POLICIES AND PROCEDURES

(Revised February 17, 2016) [Reserved]

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# PART 1844 SUBCONTRACTING POLICIES AND PROCEDURES

# Subpart 1844.2 Consent to Subcontracts Consent to Subcontracts and Requirements for Advance Notice

#### 1844.202 Contracting officer's evaluation.

#### 1844.202-1 Responsibilities.

- (a) NASA contracting officers shall retain consent to subcontract authority unless delegation is approved in writing by the procurement officer.
- (b) Contracting officers shall document subcontract consent reviews using the Subcontract Consent Review template.

#### 1844.204 Contract clauses.

#### 1844.204-70 NASA contract clause.

The contracting officer shall must insert the clause at <u>1852.244-70</u>, Geographic Participation in the Aerospace Program, in all research and development solicitations and contracts of \$500,000 or over that will be performed within the United States.

#### Subpart 1844.3 Contractors' Purchasing Systems Reviews

#### 1844.302 Requirements.

#### 1844.302-70 DCMA-conducted contractor purchasing system reviews.

For contracts within their cognizance, NASA contracting officers shall be aware of purchasing system approval status and should become actively involved with the Defense Contract Management Agency (DCMA) in the Contractor Purchasing System Review (CPSR) process. DCMA has a CPSR Guidebook that is a helpful resource for the CPSR process. Involvement should include the following:

- (a) Verifying that CPSRs are being conducted in accordance with FAR 44.302.
- (b) Ensuring that purchasing system review specifically includes the business unit performing the NASA contract.
- (c) Actively participating as a team member, or arranging NASA representation, on DCMA CPSRs to review areas of NASA-specific interest. At a minimum, such participation or representation shall be arranged when the DCMA CPSR review involves—
- (1) Contractors with major NASA programs;
- (2) Contractors' business units where the total dollar value of NASA contracts is substantial; or
- (3) Any contractor system where the contracting officer has special concerns.
- (d) Ensuring that the selected CPSR sample to be reviewed reflects the level of NASA business in the contractor's purchasing organization.

(e) Providing to the cognizant DCMA CPSR team leader any areas of special emphasis regarding the contractor's purchasing system to ensure that the review is tailored to address any NASA concerns.

#### 1844.302-71 NASA-conducted contractor purchasing system reviews.

If a NASA activity is the cognizant contract administration office, or after coordination with the cognizant DCMA CPSR office it is determined that a CPSR is required, but cannot be accomplished by DCMA, then a CPSR should be conducted by NASA personnel. The NASA CPSR team leader may vary the scope of review depending on the contractor and contracts involved and shall maintain close coordination with the cognizant ACO during CPSRs at contractors under DOD cognizance.

#### 1844.304 Surveillance.

#### 1844.304-70 Contracting officer surveillance.

- (a) In the period between complete CPSRs, NASA contracting officers shall maintain a sufficient level of surveillance to ensure contractor purchasing efforts in support of NASA contracts are accomplished in an appropriate manner and protect the interests of the Agency.
- (b) Surveillance shall be accomplished primarily through performance of subcontract consent reviews. Other methods of surveillance, including periodic reviews of contractor purchasing records, may also be conducted. Contracting officers shall document the results of subcontract consent reviews and periodic reviews, maintaining a record of contractor subcontract or purchase order award performance on NASA contracts. Contractor performance shall be summarized on an annual basis and provided to the ACO cognizant of the contractor's purchasing system. Annual reports should summarize the number of consent reviews and other reviews conducted during the year by NASA representatives, and summarize the types and quantity of deficiencies identified during reviews, the need for special reviews, and recommended areas of emphasis during future CPSRs.

#### 1844.305 Granting, withholding, or withdrawing approval.

#### 1844.305-70 Review of CPSR reports.

ACO actions related to purchasing system approval have a potential impact on NASA contracting officer consent requirements. Accordingly, NASA contracting officers shall review system deficiencies documented in CPSR reports and when results of consent reviews and other sources conflict with CPSR or DOD surveillance conclusions, formally communicate such concerns to the ACO having cognizance of purchasing system approval. Significant issues or significant conflicts with DOD CPSR results should be formally referred to the Headquarters Office of Procurement, Procurement Strategic Operations Division.

\* \* \* \* \*

Subpart 1852.2—Text of Provisions and Clauses

\* \* \* \* \*

As prescribed in 1844.204-70, insert the following clause:

# GEOGRAPHIC PARTICIPATION IN THE AEROSPACE PROGRAM (APR 1985)

- (a) It is the policy of the National Aeronautics and Space Administration to advance a broad participation by all geographic regions in filling the scientific, technical, research and development, and other needs of the aerospace program.
- (b) The Contractor agrees to use its best efforts to solicit subcontract sources on the broadest feasible geographic basis consistent with efficient contract performance and without impairment of program effectiveness or increase in program cost.
- (c) The Contractor further agrees to insert this clause in all subcontracts of \$100,000 and over.

[End of Clause]

## CLEAN REGULATORY VERSION WITH CHANGES INCORPORATED:

## PART 1844 SUBCONTRACTING POLICIES AND PROCEDURES

Reserved