



Millennium Challenge Corporation
Contracts and Grants Management Division
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MEMORANDUM

Date: November 14, 2025

From: Jonathan C. Hamlet
Managing Director & Senior Procurement Executive
Contracts and Grants Management Division
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 44 *Subcontracting Policies and Procedures* and 52 *Solicitation Provisions and Contract Clauses* Issued on September 4, 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-25-26 “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 gsaregsec@gsa.gov for public posting on Acquisition.gov.”

On September 4, 2025, the FAR Council issued completed revisions for [FAR Part 44](#) and [FAR Part 52](#) clause. The RFO FAR Part 44 model deviation text has been updated to create a more agile, risk-

based, and efficient system that empowers contracting officers, reduces administrative burdens on contractors, and encourages broader participation from the commercial sector.

Statutory requirements retained in the RFO FAR Part 44 model deviation include, but are not limited to, the following:

- 10 U.S.C. § 3322(c) and 41 U.S.C. § 3905(c), Advance Notice of Certain Subcontracts
- 41 U.S.C. § 3307, Preference for Commercial Products and Commercial Services

Other key changes include:

Retained:

- The revised part structure consolidates relevant guidance into process-oriented subparts:
 - Subpart 44.1 – Reserved
 - Subpart 44.2 - Evaluation and Award
 - Subpart 44.3 – Postaward
 - Subpart 44.4 - Subcontracts for Commercial Products and Commercial Services
- Most of the “Definitions,” now at section 44.001 are retained with only minor, non-substantive wording changes, with the exception of “approved purchasing system.” This definition can still be found at clause 52.244-2.
- Subpart 44.2 has been significantly streamlined to consolidate policies related to subcontract consent, advance notification, and the contracting officer's evaluation process.
 - The previous section 44.202-2(a) contained a detailed, 13- point checklist of considerations that the contracting officer was required to consider "at a minimum" for every consent request. Now, the new 44.201-3(b) provides a shorter, higherlevel list of four situations that necessitate "careful and thorough review and consideration" of the request to subcontract.
 - Note: The FAR Companion Guide is expected to provide additional guidance on notice and consent best practices for commercial time and materials contracts.
- Subpart 44.3 is reorganized and streamlined into five subsections (from seven separate sections):
 - 44.301-1 Objective
 - 44.301-2 Requirements
 - 44.301-3 Responsibilities for granting, withholding or withdrawing approval
 - 44.301-4 Notice
 - 44.301-5 Withholding or withdrawing approval
- Section 44.402 now breaks down “Requirements” into three distinct categories that improve readability:
 - Preference (for commercial products and services)
 - Flowdown (rules for flowing down clauses)
 - Inapplicable laws (laws that do not apply to commercial products and services)
- The following clauses are retained (or remain reserved if previously reserved) with no changes to the text.
 - 52.244-1 Reserved
 - 52.244-2 Subcontracts
 - 52.244-3 Reserved
 - 52.244-4 Subcontractors and Outside Associates and Consultants (Architect-Engineer Services)

- 52.244-5 Competition in Subcontracting
- The following clause is retained, with streamlining updates to reflect other RFO changes and references.
 - 52.244-6 Subcontracts for Commercial Products and Commercial Services

Removed:

- The use of Administrative Contracting Officer (ACO) is no longer used as a designation. The part now reflects “Contracting Officer” where ACO was previously shown.
- The requirements for Contractor Purchasing System Reviews (CPSR) are significantly streamlined to remove overly prescriptive conditions.
 - “Extent of Review,” with its 11 special attention areas, is removed (former section 44.303).
 - “Reports,” with its distribution requirements, is removed (former section 44.307).

Determination

To fully comply with the President’s E.O.s and the revised FAR Parts 44 and 52, MCC shall follow the [RFO Part 44 model deviation text](#) instead of FAR Part 44 as codified at 48 CFR Chapter 44 and replace the relevant [RFO Part 52 model deviation clause](#) instead of the FAR Part 52 clause as codified at 48 CFR Chapter 52. The FAR Council’s RFO Parts 44 and 52 model deviation texts are available at [Acquisition.gov](#), under the “[FAR Overhaul](#)” link.

This deviation applies to all solicitations and new contracts as of November 14, 2025. This deviation does not apply to contracts signed and executed on or before November 13, 2025.

Approval

In accordance with RFO FAR 1.304 *Class deviations*, MCC Contracts Operating Manual (COM) 1.305-3 *Contracts and Grants Management Division MD/SPE*, and the OMB memo M-25-26, the RFO Part 44 model deviation text and the RFO Part 52 model deviation clause are hereby approved effective as of November 14, 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.

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Attachments

OMB Memo M-25-26 *Overhauling the Federal Acquisition Regulation*