

MKU-DEV-2025-12

**MEMORANDUM FOR MORRIS K. UDALL AND STEWART L. UDALL FOUNDATION (UDALL FOUNDATION)
CONTRACTING ACTIVITIES**

DATE: August 21, 2025

SUBJECT: Class Deviations for FAR Part 35 in support of Executive Order 14275, *Restoring Common Sense to Federal Procurement*

FROM: David P. Brown, Executive Director

1. **Purpose.** This memorandum approves a class deviation to Federal Acquisition Regulation (FAR) Part 35 for purposes of implementing the Federal Acquisition Regulatory Council's ("the Council's" or "RFO") model deviation text to FAR Part 35.
2. **Background.** On April 15, 2025, President Trump signed 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 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. E.O. 14275 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 Memorandum 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[and] Provide copies of class deviations to the FAR Secretariat at gsaregsec@gsa.gov for public posting on Acquisition.gov."

Also on May 2, 2025, the Acting Administrator for Federal Procurement Policy at OMB released a Memorandum, "Deviation Guidance to Support the Overhaul of the Federal Acquisition Regulation." This Memorandum advises that agencies using the RFO model class deviation text do not need to further coordinate with the Council; class deviations that differ from the RFO model text require Council approval unless the difference is necessary to address agency-specific statutory direction.

On July 24, 2025, the FAR Council issued completed revisions for FAR Part 35 Research and Development Contracting. This update moves away from a prescriptive, specialized regulatory framework for research and development (R&D) contracting toward a streamlined structure that empowers acquisition professionals and makes the federal R&D environment more attractive for innovative commercial firms.

The part is streamlined from 25 to 20 components (subparts, sections, subsections) that are reorganized in a more logical flow of the procurement lifecycle. This significant update greatly improves the usability of the content.

Statutory requirements retained in the RFO FAR Part 31 model deviation include, but are not limited to, the following:

- 31 U.S.C. § 6303, Using Procurement Contracts
- 10 U.S.C. § 4126, Use of Federally Funded Research and Development Centers

Change	Description
Retained	• The definitions of “Applied Research” and “Development” are retained at 35.001. • The section titled “Policy” (moved from 35.003 to 35.002) is retained and has been streamlined to remove reference to “Recoupment.” • New subparts 35.1, Presolicitation, 35.2, Evaluation and Award, and 35.3, Postaward create logical organization in alignment with the acquisition lifecycle, creating clear points of reference. ○ “Solicitations” (moved from 35.007 to 35.101) has been updated to include plain language improvements. ○ “Broad agency announcements” (moved from 35.016 to 35.102) retains core substance and unique procedures and has been updated with plain language improvements. ○ “Evaluation for award” (moved from 35.008 to 35.201) has been updated to include plain language improvements. ○ “Scientific and technical reports” (moved from 35.010 to 35.301) has been updated to include plain language improvements. • Policies and procedures for “Federally Funded Research and Development Centers” (moved from 35.017 to 35.4) are retained with plain language improvements.
Removed	• The definition of “Recoupment” at section 35.001. • Section 35.002, “General” provided the context for R&D contracting. Its removal streamlines the part. • Section 35.004, “Publicizing Requirements” was removed as largely duplicative of FAR part 5. • Section 35.005, “Work Statement” was removed to provide acquisition teams greater flexibility in crafting requirements best suited for the R&D effort. • Section 35.006, “Contracting Methods and Contract Type” was removed as duplicative of FAR part 16. • The sections titled “Subcontracting research and development effort” (35.009), “Data” (35.011), “Patent Rights” (35.012), “Insurance” (35.013),

	and “Government property and title” (35.014) are removed as they are covered elsewhere in the FAR: Part 44 for Subcontracting; Part 27 for Data and Patents; Part 28 for Insurance; and Part 45 for Government Property. • Section 35.015, “Contracts for research with educational institutions with educational institutions and nonprofit organizations” is removed. However, education institutions are still highlighted as an organization-type that should be considered during evaluation for award at 35.201. • Requirements for Standard Form 298, Report Documentation Page, are removed. This provides more flexibility to complete reports in the best suited manner for the R&D effort.
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This table is not an exhaustive list.

3. **Determination.** To fully comply with E.O. 14275, OMB implementation guidance, and direction related to use of model deviations, and the model deviations for revised FAR Part 35, the Udall Foundation shall follow the RFO Part 35 model deviation text instead of FAR Part 35 as codified at 48 CFR Chapter 35. The FAR Council’s RFO Part 35 model deviation text is available at Acquisition.gov, under the “FAR Overhaul” link. This deviation applies to all solicitations and new contracts as of the date of the Memorandum. This deviation does not apply to contracts signed and executed on or before the date of this Memorandum.
4. **Instructions.** The Udall Foundation acquisition workforce shall follow the RFO Part 35 model deviation text instead of FAR Part 35 as codified at 48 CFR Chapter 35. The Council’s RFO Part 35 model deviation text is available at Acquisition.gov, under the “FAR Overhaul” link, and are incorporated into this class deviation.

The Udall Foundation acquisition workforce shall review templates and related standard operating procedures to align with this deviation and remove unnecessary processes or steps.

A copy of this Class Deviation will be provided to the FAR Secretariat at gsaregsec@gsa.gov.

5. **Applicability.** This class deviation applies to all Udall Foundation procurements.
6. **Authority.** This class deviation is issued under the authority of E.O. 14275, OMB Memo M-25-26, and 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.

Points of Contact. Questions regarding this class deviation may be directed to the Udall Foundation General Counsel, Gwendolyn Franks, at franks@udall.gov.