

Revolutionary FAR Overhaul (RFO)

Key Updates and Implications

Executive Summary

The **Revolutionary FAR Overhaul (RFO)**, announced on **August 15, 2025** by the Office of Federal Procurement Policy (OFPP), is the most sweeping reform to the Federal Acquisition Regulation (FAR) in decades. The RFO aims to eliminate outdated clauses, streamline acquisition processes, and expand commercial buying flexibility, while pushing agencies toward **Best-in-Class (BIC) contract vehicles**.

For contractors, this is not simply a compliance update—it is a **strategic inflection point**. The reforms open doors to faster procurement cycles, reduced administrative burdens, and expanded opportunities for small and mid-sized firms. At the same time, they raise the bar for competitiveness: agencies will increasingly demand BIC eligibility, strong past performance, and solutions that deliver measurable value beyond lowest price.

Bottom line: Contractors that move quickly to modernize templates, retrain teams, and emphasize BIC positioning will thrive under the new landscape. Those who delay risk being left behind as outdated clauses and practices sunset.

Key Updates and Implications

1. Initial August 15, 2025 Announcement

What Changed

- Removal of outdated, non-statutory clauses to streamline commercial buying.
- New tools released: FAR Companion Guide, Practitioner's Playbooks, Strategic Acquisition Guidance.
- Agencies directed to prioritize **BIC contract vehicles**.
- Updates targeted at FAR Parts 4, 8, 12, 38, 40, and 51.
- Sunset provision: Non-statutory requirements expire after 4 years unless codified.
- Small Business relief: SAM registration required only at proposal and award stage, not continuously.

Why It Matters

- Agencies are under pressure to reduce acquisition cycle times and consolidate buying power.
- Contractors that emphasize BIC eligibility in their proposals will have a strategic advantage.
- Small businesses can focus on opportunities without continuous SAM maintenance.

ProStanSer Guidance

- Audit boilerplate proposal language to remove outdated clauses.
- Build capture strategies around BIC vehicles and highlight relevant awards.
- Train BD and proposal teams on the new guidance documents.

2. September 30, 2025 – Model Deviation Text Issued

What Changed

- Model deviation text released for FAR Parts 15, 16, 22, 23, 25, 32, 42, and 53.
- Key highlights:
 - Part 15: More emphasis on “value over lowest price” in source selection.
 - Part 16: Clarified ordering procedures for IDIQs.
 - Parts 22/23: Updates to labor standards and sustainability.
 - Part 25: Adjusted Buy American thresholds.
 - Part 32: Contract financing and prompt payment updates.
 - Part 42: Streamlined oversight and contractor reporting.
 - Part 53: Updated standard contract forms.

Why It Matters

- Agencies will move toward **best value trade-offs**, rewarding innovation and strong past performance.
- IDIQ holders must review ordering processes carefully for compliance.
- Buy American adjustments may shift sourcing strategies and supply chain planning.

ProStanSer Guidance

- Update contract templates immediately to reflect retired and revised clauses.
- Prepare teams for evaluation frameworks that place less weight on LPTA (lowest price technically acceptable).
- Monitor FAR Council releases for further deviations—this is the first of several waves.

3. Rewrites of FAR Parts 8 & 12

What Changed

- **Part 8:** Mandates use of BIC contracts for common goods and services. Deviations require HCA approval.
- **Part 12:** Commercial buying modernized. Simplified acquisition ceiling raised to **\$7.5 million**. Key commercial clauses (52.212-3, 52.212-5) retired. Commercial service definition expanded to include some construction.

Why It Matters

- BIC contracts are now the **default entry point**—contractors without access to them may face reduced competitiveness.
- The higher simplified acquisition threshold opens faster paths to awards up to \$7.5M, reducing cycle times and proposal costs.
- Outdated clauses removed failure to modernize proposal templates could result in noncompliance.

ProStanSer Guidance

- Ensure proposal boilerplates and compliance matrices are updated immediately.
- Emphasize BIC contract eligibility (e.g., MAS, OASIS+, CIO-SP4) in capture strategies.
- Identify quick-win opportunities under \$7.5M as agencies adapt to the new streamlined rules.

4. August 7, 2025 – SAM Registration Change

What Changed

- SAM registration now required only at time of proposal submission and award, not continuously.

Why It Matters

- Eases the administrative burden for small and emerging contractors.
- Reduces the risk of being disqualified due to a technical lapse in SAM maintenance.

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- Track proposal deadlines closely to ensure active SAM status at submission.
- Leverage this flexibility to focus resources on capture and proposal execution.

Recommended Contractor Actions

Action Item	Responsible Party	Due Date
RFO Briefing: Deliver FAR overhaul impact	Procurement/Policy Lead	Sept 5, 2025
Update contract templates & clauses	Contracts & Legal	Sept 12, 2025
Align proposals with BIC mandates	BD & Capture Teams	Sept 12, 2025
Monitor ongoing FAR Council releases	Designated FAR POC	Ongoing
Leadership briefing: present findings	Procurement Lead	Sept 15, 2025

What's Next?

- Public comment period open until **November 3, 2025** on new model deviation text (Parts 15, 16, 22, 23).
- Additional deviation texts expected by year-end for FAR Parts covering cost principles and contract administration.
- Continued OFPP guidance on aligning agency acquisition strategies with BIC mandates.

ProStanSer's Commitment

ProStanSer is dedicated to helping our clients not only stay compliant but also gain a competitive edge in the new environment. We will:

1. Monitor FAR Council and OFPP releases weekly.
2. Translate regulatory changes into **plain-language impacts**.
3. Provide **updated proposal templates and compliance guidance**.
4. Deliver **targeted training and RFO-readiness briefings** for client teams.

Conclusion

The **Revolutionary FAR Overhaul** is more than administrative reform—it is a strategic shift that reshapes the federal marketplace. Contractors that modernize templates, emphasize BIC positioning, and seize simplified acquisition opportunities will be positioned to win more often, faster, and with less red tape.