INTRODUCTION TO FAR & DFARS

A Guide for Government & Industry Professionals

Executive Summary

The Federal Acquisition Regulation (FAR) and the Defense Federal Acquisition Regulation Supplement (DFARS) form the foundation of all U.S. Government and Department of Defense (DoD) procurement activity. These regulations ensure taxpayer dollars are spent transparently, fairly, and in support of mission requirements.

This guide provides a clear, practical understanding of FAR and DFARS—what they are, how they work, and how they influence proposal development, contract award, and compliance for defense industry professionals.

Understanding the FAR

The FAR is the primary rulebook governing all federal contracts. It establishes standard processes, definitions, competitive expectations, and mandatory clauses applied to every procurement action unless specifically exempted.

Key Features of the FAR

• Ensures fairness, transparency, and competition
• Defines acquisition procedures and contract types
• Establishes uniform rules across federal agencies
• Defines roles, responsibilities, and procurement integrity

Important FAR Parts for Industry

• **Part 5:** Publicizing contract opportunities
• **Part 10:** Market research (RFIs, Sources Sought)
• **Part 12:** Commercial product and service acquisition
• **Part 13:** Simplified acquisition procedures
• **Part 15:** Contracting by negotiation (traditional RFPs)
• **Part 19:** Small business programs
• **Part 52:** Required clauses and certifications

Understanding the DFARS

DFARS supplements the FAR with **DoD-specific requirements**. These rules protect national security, regulate technical data, and ensure compliance with cybersecurity and supply chain laws.

Key DFARS Topics

• Cybersecurity requirements (CMMC, NIST 800-171)
• Safeguarding Controlled Unclassified Information (CUI)
• Restrictions on foreign-made components
• Technical data and intellectual property rules
• Defense-specific cost and pricing requirements

Critical DFARS Clauses

• **252.204-7012:** Safeguarding CUI
• **252.204-7020:** CMMC assessments
• **252.204-7021:** CMMC certification for award
• **252.225-7001+** Buy American and specialty metals restrictions
• **252.227-7013/7015** Technical data rights

Understanding these clauses early helps companies avoid disqualification or compliance issues.

How FAR and DFARS Influence Your Work

Proposal Development

Companies must prepare proposals that comply with every requirement and clause listed in the solicitation. Failure to comply—even unintentionally—can remove an offer from consideration.

Execution and Delivery

Contractors must follow:
• Subcontractor flowdowns
• Cybersecurity reporting expectations
• Quality and inspection requirements
• Data rights obligations

Contract Management

KOs and CORs monitor compliance throughout the contract's life. Contractors must maintain accurate records, internal controls, and audit readiness.

Compliance Workflow for Contractors

1. Review solicitation and identify FAR/DFARS clauses
2. Assess capability or compliance gaps
3. Develop a compliance matrix
4. Coordinate with teaming partners and subcontractors
5. Address cybersecurity or export control requirements
6. Submit a fully compliant proposal
7. Maintain compliance during contract performance

FAR & DFARS Readiness Checklist

• SAM registration active and up to date
• Ability to comply with relevant FAR/DFARS clauses
• Cybersecurity posture aligned with CMMC level requirements
• Awareness of mandatory flowdowns for subcontractors
• Export control considerations addressed
• Understanding of data rights implications

Appendix A — Acronyms & References

Acronyms

• FAR – Federal Acquisition Regulation
• DFARS – Defense Federal Acquisition Regulation Supplement
• CMMC – Cybersecurity Maturity Model Certification
• CUI – Controlled Unclassified Information
• COR – Contracting Officer's Representative
• KO – Contracting Officer

References

• FAR Regulation – https://www.acquisition.gov/far
• DFARS Regulation – https://www.acquisition.gov/dfars
• CMMC Program – https://dodcio.defense.gov/CMMC
• NIST Cybersecurity – https://csrc.nist.gov