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Mass Modification for Incremental Funding of Cooperating Country National (CCN) Personal Service Contracts (PSCs)

A Mandatory Reference for ADS Chapter 309

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Mass Modification for Incremental Funding of Cooperating Country National Personal Service Contracts (CCNPSCs)

Obligation of funds for all contracts, including CCNPSCs, must be made into each individual award. The initial obligation of funds is made at the time the Contracting Officer (CO) executes the award. **FAR part 43**, Contract Modifications, requires the CO to execute a modification to the award to obligate subsequent incremental funding. The CO is normally required to execute an individual modification to each award. However, given the number of CCNPSCs that need to be obligated by each Mission multiple times a year, in order to streamline the process and reduce the workload, the process outlined in this Mandatory Reference was developed to allow the CO to execute a single modification to multiple awards (called a “mass modification”).

Step One: Determine the amounts to be obligated.

- The Operating Unit and CO must review the current obligation, contract period of performance, and funds remaining on each CCNPSC. The CO must not fund any contract beyond its current period of performance or total contract amount without first executing a separate modification to extend it or increase the total contract amount by complying with the appropriate regulations and policies for such modifications. The CO may use the mass modification to obligate funds only into active contracts and within the total contract amount.
- PSCs have a mix of severable costs, such as salary, and non-severable costs, such as termination benefits and accumulated annual leave balances. When obligating funds into the contract, the CO must consider both the severable and non-severable costs that are necessary for continued performance.

Step Two: Prepare a draft mass modification.

- The CO must create a Modification using the SF-30 – Modification of Contract following the [mass modification template](#) available internally for USAID staff.
 - Enter the effective date in Block 3.
 - Enter the Issuing Mission/Office in Block 6.
 - Enter the Name and Title of the CO in Block 16A.
 - Use the language provided in the template for the other Blocks.
 - Only a warranted CO has the authority to sign in Block 16B.
- Include the following data fields in the modification continuation page(s) (see template) :

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- A. The Contract Number;
- B. Modification Number – the next sequential number for each contract;
- C. Contract Period of Performance;
- D. Total Contract Amount;
- E. Previous Cumulative Obligation;
- F. Amount Obligated this Action; and
- G. Modified Cumulative Obligation.

Step Three: Commitment of funds. The CO must provide a copy of the draft modification to obtain confirmation of funds availability from the Controller, who at a minimum must ensure the following:

- Funding source used is correct and in accordance with the policy directives in **ADS 601** and funds are available; and
- The funding is within forward funding guidance in accordance with **ADS 602** and **603**.

Step Four: Obligate the funds by executing the mass modification.

- A warranted CO, usually the EXO, must sign and date the modification in Block 16 of the SF-30 to fully execute the modification. Only a warranted CO can obligate funds into the contract.
- As an incremental funding modification does not require bilateral execution, the contractor is not required to counter sign the modification.
- The CO is not required to distribute the modification to each individual. However, as the contractor is also responsible for monitoring the funding on their contract, the CO must make the modification available to the contractors.
- The CO must file the modification in each contract file in ASIST.
- The CO must provide the fully executed modification to the Controller, or designee, who will record the obligation in accordance with [ADS 621](#).

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