

# 352.232-70 Incremental Funding.

As prescribed in HHSAR 332.706-2(b), the Contracting Officer shall insert the provision provided below in all solicitations when a cost-reimbursement contract for severable services using incremental funding is contemplated.

Incremental Funding (DEC 2015)

The Government intends to negotiate and award a cost-reimbursement contract using incremental funding as described in the clause at FAR 52.232-22, "Limitation of Funds". The initial obligation of funds under the contract is expected to cover *[insert the appropriate increment of performance]*. The Government intends to obligate additional funds up to and including the full estimated cost of the contract for the remaining periods of performance by unilateral contract modification. However, the Government is not required to reimburse the Contractor for costs incurred in excess of the total amount obligated, nor is the Contractor required to perform beyond the level supported by the total amount obligated.

(End of provision)

**Parent topic:** [Subpart 352.2 - Texts of Provisions and Clauses](#)