



**USAID**  
FROM THE AMERICAN PEOPLE

**Functional Series [600](#)  
Budget and Finance**

**INTERIM UPDATE 07-08**

**SUBJECT:** Guidance - ADS 600 Series Funding Guidance Millennium Challenge Account

**NEW MATERIAL:** This Notice is issued in conjunction with policy Notice No. 0842 issued for all other USAID funding source guidance on 8/14/07. However, due to the unique nature of MCC authorizations, separate guidance is being issued. The policy contained in this notice will be incorporated into the ADS-600 series chapters.

**EFFECTIVE DATE:** August 14, 2007

POLICY

USAID/General Notice  
M/CFO/FPS AND ODP/MCC  
08/14/2007

Subject: Guidance - ADS 600 Series Funding Guidance Millennium Challenge Account

This Notice is issued in conjunction with policy Notice No. 0842 issued for all other USAID funding source guidance on 8/14/07. However, due to the unique nature of MCC authorizations, separate guidance is being issued. The policy contained in this notice will be incorporated into the ADS-600 series chapters.

The purpose of this notice is to provide Agency wide guidance, via the attached matrix for Millennium Challenge Account authorized expenditures under Threshold Country Programs (TCP) and use of the MCC special operating expense allowance. This policy is effective for 2006 MCC funding going forward. TCP countries with residual un-obligated funding for authorization years 2004 and 2005 (Guyana, Tanzania, Albania, Kenya, Uganda, Malawi, Paraguay, Zambia, and the Philippines) must follow the guidance issued September 21, 2006 as announced through the EXO, OAA, and CFO networks. That guidance remains in effect for those prior year(s). Any operating units with residual 2004 or 2005 funding should contact ODP/MCC for the proper use of those funds.

In general, MCC Threshold Country program (TCP) funds may not be used by the Agency to hire personnel and pay their related support cost or provide management in support of TCPs. The use of TCP program funds for program intervention (e.g. Contracts, Grants, Cooperative Agreement or any bi-lateral method of obligating program funds) are subject to USAID full accountability and audit requirements.

The attached matrix guidance is provided as a quick reference table that serves as interim guidance for information to be included in chapter revision updates for ADS-602, ADS-603 and ADS-621. This matrix table provides interim guidance and official Agency policy prior to the ADS 600 series updates.

Point of Contact: Any questions concerning this Notice may be directed to Shawn Barrett, M/CFO/FPS, (202) 712-0519, or Peter Delp, ODP/MCC, (202) 712-4432.

Notice 0841

<b>File Name</b>	<b>Notice Date</b>	<b>Effective Date</b>	<b>Editorial Revision Date</b>	<b>ADS CD No.</b>	<b>Remarks</b>
IU6_0708_081407_cd49	08/14/2007	08/14/2007		ADS CD 49	This IU will remain active until it is incorporated into ADS series 600.

IU6\_0708\_081407\_w081507\_cd49