A. Project orders shall be issued in accordance with procedures outlined in this annex and Chapter 2 of this volume.

1. Issue project orders on DD Form 448 (Military Interdepartmental Purchase Request).

2. An Army component, having immediate and direct management responsibility for a program (or part of a program), is authorized to issue project orders for the program. Commanders at a level higher than that of the component having such program responsibility shall not issue project orders.

3. To reduce the total number of orders, ordering activities shall combine small orders for similar items on a single project order, when possible.

4. Performing activities can accept project orders any time in the fiscal year in which delivery of production is scheduled, given the obligation life of the financing appropriation has not expired. The only exception is that performing activities cannot accept Research, Development, Test and Evaluation (RDT&E) funded orders after the first year of availability.

5. Since testing normally accompanies production, for production acceptance testing at government-owned government-operated test facilities, the customer shall ensure that production is ongoing before issuing the project order or production acceptance testing. The expiration date (including extensions) of RDT&E orders shall not extend more than three months into the second year of availability. Do not initiate new project orders in the second year of availability for RDT&E funded orders.

B. Project orders shall be executed in accordance with Chapter 1, Army Annex, of this volume.