



DEPARTMENT OF THE NAVY
OFFICE OF THE ASSISTANT SECRETARY
(RESEARCH, DEVELOPMENT AND ACQUISITION)
1000 NAVY PENTAGON
WASHINGTON DC 20350-1000

AUG 26 2010

MEMORANDUM FOR DISTRIBUTION

SUBJECT: Ordering Procedures Under FAR Clause 52.216-18

It has come to our attention that some Department of the Navy activities may have established practices which provide for electronic issuance of delivery orders or task orders. In accordance with FAR 16.506(a), FAR clause 52.216-18 Ordering, is required in solicitations and contracts when a definite-quantity contract, requirements contract or an indefinite-quantity contract is contemplated. The FAR clause states that "Orders may be issued orally, by facsimile, or by electronic commerce methods only if authorized in the schedule." Accordingly, if orders are being issued by methods other than mailing the orders (e.g., electronic mail or email) and those methods have not been specifically authorized in the schedule, such orders have the potential of being invalidated on the basis that they were not issued in accordance with the terms and conditions of the contract.

We understand that a case has been initiated to revise the DFARS to establish a standard method for issuance of orders via electronic means. Pending this change to the DFARS, it is requested that all individuals and activities authorized to issue delivery or task orders be reminded that the clause at FAR 52.216-18 requires that methods other than mailing the orders be explicitly stated in the schedule.

My point of contact for this matter is Mr. Clarence Belton. He can be reached at clarence.belton@navy.mil or (703) 693-4006.

A handwritten signature in black ink, reading "Elliott B. Branch".

Elliott B. Branch
Executive Director
DASN (A&LM)

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