

CONTRACT WORK ORDER PROCEDURE  
(T&M for Construction Contract)

A. DEFINITION

- (1) A Contract Work Order (CWO) is a unilateral document issued by Caltech to begin, authorize, or define a contractor's specific effort in implementing work under the basic contract for non-personal services.
- (2) A CWO Supplement is a unilateral document issued by Caltech, which modifies or terminates an active CWO. Each supplement bears the number of the original CWO, followed by a "dash" number (e.g., -1, -2, -3, etc.), as appropriate.

B. PROCEDURE

- (1) CWOs will be issued on CWO form LIGO-C002116-v2 "Contract Work Order," (or a form tailored for a particular contract), a copy of which is attached to this procedure.
- (2) All CWOs issued will:
  - a. Be on the prescribed form and numbered consecutively.
  - b. Describe the work to be performed or the services or supplies to be furnished.
  - c. State the estimated "Not to Exceed" (NTE) expenditure.
  - d. Identify work start and end dates.

C. AUTHORIZATION

The Caltech Subcontracts Administrator will issue each CWO. Supplemental CWOs that cause the original, "Not to Exceed," price to be exceeded, will require approval by the Caltech Administrator.

D. LIMITATION OF OBLIGATION

- (1) The Institute shall not be obligated to pay the Contractor any amount in excess of the Estimated NTE Expenditure set forth on each CWO and the Contractor shall not be obligated to continue performance of the work described in such CWO or to otherwise incur costs in excess of such Estimated NTE Expenditure, unless and until Caltech shall have issued a written CWO Supplement increasing such Estimated Expenditure.
- (2) If at any time the Contractor has reason to believe that the costs for performance of work described in a CWO will exceed the Estimated NTE Expenditure of such CWO, it shall immediately notify the cognizant Caltech Project Manager to that effect, giving its revised estimate of the total cost to perform the work. Such notification may first be given verbally, but shall be confirmed in writing if Caltech requests written confirmation thereof.