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| LOGO2LIN | | | | | | | | | | | **DBE Joint Check Request Form** | | | | | | | | | |
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| Contractor Information: | | | | | | | | | | | | | | | Contract Information: | | | | | |
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| Name of DBE Subcontractor: | | | | | | | |  | | | | | |  | Contract No. | |  | | | |
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| Name of Prime Contractor: | | | | | | | |  | | | | | |  | Item No. | |  | | | |
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| Name of Material Supplier: | | | | | | | |  | | | | | |  | Project: | |  | | | |
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|  | | | | | | | | | | | | | | | Route: | |  | | | |
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|  | | | | | | | | | | | | | | | Section: | |  | | | |
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| Who requested joint check utilization: | | | | | | | | | | | | | | | County: | |  | | | |
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| Prime | | | | Sub | | | | | Supplier |  | | | | | Letting: | |  | | | |
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| Reason for request: | | | | | |  | | | | | | | | | | | | | | |
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| Bureau of Small Business Enterprises will closely monitor the use of joint checks. To receive DBE credit for performing a | | | | | | | | | | | | | | | | | | | | |
| commercially useful function with respect to obtaining materials and supplies a DBE must “be responsible for negotiating | | | | | | | | | | | | | | | | | | | | |
| price, determining quality and quantity, ordering the material and installing (where applicable) and paying for the material | | | | | | | | | | | | | | | | | | | | |
| itself”. Only when a DBE meets all requirements should goal credit be counted for the procurement of items by the DBE. | | | | | | | | | | | | | | | | | | | | |
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| Please refer to the attached Joint Check Policy & Procedures. If the proper procedures are not followed or the bureau | | | | | | | | | | | | | | | | | | | | |
| determines that the arrangement results in a lack of independence for the DBE involved, no goal credit for the DBE’s | | | | | | | | | | | | | | | | | | | | |
| participation as it relates to the material cost will be used toward the contract goal requirement and the prime will be held | | | | | | | | | | | | | | | | | | | | |
| responsible for not meeting this goal. | | | | | | | | | | | | | | | | | | | | |
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| I have read and understand the above information and the attached Joint Check Policy & Procedures. I hereby | | | | | | | | | | | | | | | | | | | | |
| acknowledge that the information provided on this form is true and accurate. | | | | | | | | | | | | | | | | | | | | |
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| **Authorized Subcontractor Representative:** | | | | | | | | | | | | | | | | | | | | |
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| Signature | | | | | | | | | | |  | Title | | | | | |  | Date |  |
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| **Authorized Material Supplier Representative:** | | | | | | | | | | | | | | | | | | | | |
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| Signature | | | | | | | | | | |  | Title | | | | | |  | Date |  |
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| **Authorized Prime Contractor Representative:** | | | | | | | | | | | | | | | | | | | | |
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| Signature | | | | | | | | | | |  | Title | | | | | |  | Date |  |
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| **IDOT USE ONLY** | | | | | | | | | | | | | | | | | | | | |
| Date Received: | | | | |  | | | | | | SBE Admin: | | | | |  | | | | |
| Documentation Attached: | | | | | | |  | | | | | | | | | | | | | |
| Comments: | | |  | | | | | | | | | | | | | | | | | |
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| Approved: | |  | | | | | | | | | Date: | |  | | | | | | | |
| Denied: |  | | | | | | | | | | Date: | |  | | | | | | | |

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| **Use of Joint Checks** |
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| The following outlines The Bureau of Small Business Enterprises (bureau) policy and guidelines regarding the use of joint checks under |
| the Disadvantaged Business Enterprises (DBE) program. |
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| Regarding this policy, a joint check is a two-party check between a DBE, a prime contractor and the regular dealer of material/supplies |
| or another third party for items or service to be incorporated into a project. The prime contractor issues the check as payer to the DBE |
| and the supplier jointly (to guarantee payment to the supplier) in payment for the material/supplies used by the DBE. |
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| The bureau must closely monitor the use of joint checks to ensure that its use does not inhibit the DBE from providing a commercially |
| useful function in accordance with 49 CFR 26.55, provide the opportunity for the DBE to serve as an “extra participation in a |
| transaction, contract or project through which funds are passed in order to obtain the appearance of DBE participation” (49 CFR 26.55), |
| or conflict with other aspects of the DBE program regulations. |
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| **Joint Check Process** |
| To obtain approval for the use of joint checks, the DBE must submit a completed joint check request form, DBE Joint Check Approval, |
| to the bureau. For all joint check approval requests received, verify the DBE subcontractor is responsible for ordering, scheduling, |
| delivery and issuing payment for the materials. |
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| The bureau must obtain copies of cancelled checks as necessary to verify joint checks have passed through the DBE and for the prime |
| contractor to receive full DBE goal credit. Material cost paid by the prime contractor directly to the material supplier is not allowed for |
| DBE goal credit and may cause the denial of DBE goal credit for all work performed by the DBE subcontractor. |
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| **Bureau’s Role:** |
| 1. Determine the independence of the DBE. Independence is when the DBE has retained full decision-making responsibility |
| concerning the procurement of materials and supplies, even when joint checks are involved. |
| 1. Whether the relationship between the DBE and its suppliers was established independent of the prime contractor. |
| 1. Ensure that the form is filled out completely, with all signatures, the procedures are followed, and all supporting documentation |
| necessary is attached. |
| 1. Investigate allegations of misuse, abuse or fraud in the use of joint checks. |
| 1. Notify the prime contractor in writing of any conditions of non-compliance. |
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| **Contractor’s Role:** |
| 1. Joint checks must be made available to all subcontractors. |
| 1. No exclusive relationships with one DBE concerning the use of joint checks to bring into question independence. |
| 1. The use of joint checks should be focused on accomplishing the procurement of materials needed for a particular purpose at a |
| particular time. |
| 1. Agreements are short term, not to exceed reasonable time, to establish/increase a credit line with the material supplier. |
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| *The following are general circumstances that must be present to support the use of joint check:* |
| 1. Standard Industry Practice applies to all contractors (federal and state contracts). |
| 1. Material industry sets the standard industry practice, not the prime contractors. |
| 1. Non-proportionate ratio of DBE’s normal capacity to size of contract and quantity of material to be provided under the contract. |
| 1. DBE is normally responsible for both to install and furnish work item. |
| 1. DBE must be more than an extra participant in releasing the check to the material supplier. |
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| *The following are general conditions that must be met for the bureau to allow the use of joint checks:* |
| 1. DBE submits request to the bureau for action (DBE Joint Check Request Form). |
| 1. Subject of formalized agreement between all parties specify the conditions under which the arrangement will be permitted. |
| 1. Full and prompt disclosure of the expected use of joint checks. |
| 1. Require prior approval. |
| 1. Even with joint checks, DBE remains responsible for all other elements of 49 CFR 26.55 (c)(1). |
| 1. Bureau clearly determines that independence is not threatened because the DBE retains final decision making responsibility. |
| 1. Bureau clearly determines that request is not an attempt to artificially inflate DBE participation. |
| 1. Standard industry practice is only one factor. |
| 1. No requirement by prime contractor that DBE is to use a specific supplier nor the prime “contractors” negotiated unit price. |
| 1. Bureau must receive copy of cancelled check after the joint check transaction within 30 days of the checks issued date. |