



DBE Joint Check Request Form

Contractor Information:

Name of DBE Subcontractor: _____
 Name of Prime Contractor: _____
 Name of Material Supplier: _____

Contract Information:

Contract No. _____
 Item No. _____
 Project: _____
 Route: _____
 Section: _____
 County: _____
 Letting: _____

Reason for request: _____

The Georgia Department of Transportation will 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.

Please refer to the attached Joint Check Policy & Procedures. If the proper procedures are not followed or the department 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.

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.

Authorized Subcontractor Representative:		
Signature	Title	Date
Authorized Material Supplier Representative:		
Signature	Title	Date
Authorized Prime Contractor Representative:		
Signature	Title	Date

GDOT USE ONLY	
Date Received:	DBE Admin:
Documentation Attached:	
Comments:	
Approved:	Date:
Denied:	Date:

Use of Joint Checks

The GDOT Joint Check Policy will automatically expire on _____, _____ unless renewed. After this date, new Joint check agreements will not be considered for approval.

The following outlines The Georgia Department of Transportation's policy and guidelines regarding the use of joint checks under the Disadvantaged Business Enterprises (DBE) program.

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.

The department must closely monitor the use of joint checks to ensure that its use does not inhibit the DBE from providing a CUF 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.

Joint Check Process

To obtain approval for the use of joint checks, the DBE must submit the following to the Prime:

1. A denial of credit from the supplier.
2. A signed statement from the supplier affirming their relationship with the DBE was established independent of the prime contractor.
3. A written explanation from the DBE of how it will maintain control over the work.
4. The DBE Joint Check Request Form to the Department.

The Prime Contractor must submit the following to the Department.

1. DBE Joint Check Agreement Affidavit
2. The physical (signed) Subcontract between the Prime and DBE
3. Copies of all DBE submittals listed above.
4. The Joint Check Agreement between the Supplier, DBE, and Prime Contractor.

During active work phase the Prime must submit to the Department the following:

1. Copies of cancelled check (Front and Back) after the joint check transaction within 30 days of the checks issued date. Electronic transfer will not be allowed. The check must be for the cost of the materials only. Upon receipt, the DBE must immediately endorse the check over to the supplier. A copy of the invoices from the supplier to the DBE must accompany the cancelled check.

Department's Role:

- A. 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.
- B. Whether the relationship between the DBE and its suppliers was established independent of

the prime contractor.

- C. Ensure that the form is filled out completely, with all signatures, the procedures are followed, and all supporting documentation necessary is attached.
- D. Investigate allegations of misuse, abuse or fraud in the use of joint checks.
- E. Notify the prime contractor in writing of any conditions of non-compliance.
- F. The Office of EEO will provide a recommendation to the District Construction Engineer. The District Construction Engineer will approve or deny the Joint Check agreement.

Contractor's Role:

- A. Joint checks must be made available to all subcontractors.
- B. No exclusive relationships with one DBE concerning the use of joint checks to bring into question independence.
- C. The uses of joint checks are focused on accomplishing the procurement of materials needed for a particular purpose at a particular time.
- D. Agreements are short term, not to exceed reasonable time, to establish/increase a credit line with the material supplier.

The following are general circumstances that must be present to support the use of joint check:

- A. Standard Industry Practice applies to all contractors (federal and state contracts).
- B. Material industry sets the standard industry practice, not the prime contractors.
- C. Non-proportionate ratio of DBE's normal capacity to size of contract and quantity of material to be provided under the contract.
- D. DBE is normally responsible for both to install and furnish work item.
- E. DBE must be more than an extra participant in releasing the check to the material supplier.

The following are general conditions that must be met for the department to allow the use of joint checks:

- A. DBE submits request to the department for action (DBE Joint Check Request Form).
- B. Subject of formalized agreement between all parties specify the conditions under which the arrangement will be permitted.
- C. Full and prompt disclosure of the expected use of joint checks.
- D. Require prior approval.
- E. Even with joint checks, DBE remains responsible for all other elements of 49 CFR 26.55 (c)(1).
- F. Department clearly determines that independence is not threatened because the DBE retains final decision making responsibility.
- G. Department clearly determines that request is not an attempt to artificially inflate DBE participation.
- H. Standard industry practice is only one factor.
- I. No requirement by prime contractor that DBE is to use a specific supplier nor the prime "contractors" negotiated unit price.
- J. The subcontract must require the DBE to furnish and install the work item. If the DBE cannot furnish the materials, the Prime has the option to substitute the DBE under the grounds of default of the subcontract agreement, or apply only the cost of labor toward the DBE goal. However, the overall project goal amount does not change.