Washington State Department of Transportation

FSBE/DBE Joint Check Request Form

Name of FSBE/DBE

Contract Number

Name of Prime Contractor

Item Number(s)

Name of Material Supplier

Who Requested Joint Check Utilization

☐ FSBE/DBE ☐ Prime Contractor ☐ Material Supplier

WSDOT will closely monitor the use of joint checks. To receive FSBE/DBE credit for performing a commercially useful function with respect to obtaining materials and supplies, a FSBE/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 FSBE/DBE meets all of these requirements should credit be counted for the procurement of the items by the FSBE/DBE. Please refer to the attached Procedures for Using Joint Checks under the Federal Small Business Enterprise Program for qualifying conditions. If proper procedures are not followed or WSDOT determines that the arrangement results in lack of independence for the FSBE/DBE involved, no credit for the FSBE/DBE's participation as it relates to the material cost will be counted toward the contract goal requirement.

I have read and understand the above information and have attached a copy of the Joint Check Agreement relating to this request. I hereby acknowledge that the information provided on this form is true and accurate.

Authorized FSBE/DBE Representative		
Signature	Title	Date

Authorized Material Supplier Representative		
Signature	Title	Date

Authorized Prime Contractor Representative		
Signature	Title	Date

WSDOT USE ONLY	
Date Received:	WSDOT Representative:
☐ Approved ☐ Denied	*Note: Do not process this request without a signed copy (all parties) of the Joint Check Agreement, statement of history, and any related policies.*
Comments:	

Procedures for using Joint Checks under the Federal Small Business Enterprise (FSBE/DBE) Program

A joint check is a “two-party” check payable to two parties. Typically, a joint check is issued by a prime contractor to a subcontractor and to a material supplier to be incorporated into a project.

WSDOT understands that prime contractors, subcontractors and suppliers may wish to use joint check arrangements for a variety of legitimate reasons, such as assuring that timely payment will be made for the supplier’s items. However, WSDOT also understands that the use of joint checks can raise questions about whether it is proper to count FSBE/DBE credit for the items purchased using the joint check.

When joint checks are utilized, FSBE/DBE credit toward the contract goal will only be allowed when the FSBE/DBE is performing a “commercially useful function” in accordance with 49 CFR 26.55(c)(1):

“An FSBE/DBE performs a commercially useful function when it is responsible for execution of the work of the contract and is carrying out its responsibilities by actually performing, managing, and supervising the work involved. To perform a commercially useful function, the FSBE/DBE must also be responsible, with respect to the materials and supplies used on the contract, for negotiating price, determining quality and quantity, ordering the material, and installing (where applicable), and paying for the material itself.”

The following conditions will apply to payments to FSBE/DBE subcontractors and material vendors using joint checks. WSDOT will closely monitor the use of joint checks to ensure that such a practice does not erode the independence of the FSBE/DBE nor inhibit the FSBE/DBE’s ability to perform a commercially useful function. Joint checks will not be allowed simply for the convenience of the prime contractor. Failure to follow these conditions may disqualify FSBE/DBE participation or adversely impact a contractor’s bidding status.

1. Any implementation of a Joint Check Agreement must first be approved by WSDOT and requested by the FSBE/DBE involved using the FSBE/DBE Joint Check Request Form provided by WSDOT;

2. A formalized Joint Check Agreement between the parties involved (including the conditions of the arrangement and expected use of the joint checks) must accompany the FSBE/DBE Joint Check Request Form;

3. Joint checks should be focused on accomplishing the procurement of materials needed for a particular purpose at a particular time (i.e., contract specific).

4. The FSBE/DBE will remain responsible for the other elements of 26.55(c)(1);

5. No requirement by the prime contractor that the FSBE/DBE is to use a specific supplier, nor the prime contractors’ “negotiated” price;

6. FSBE/DBE must release the joint check to the material supplier (upon determining that the material supplier has fulfilled its responsibilities under the contract);

7. FSBE/DBEs must be more than an extra participant in releasing the check to the material supplier;

8. Prime contractors must make joint checks available to all contract participants, and may not be restrictive to any one participant; and

9. All parties involved in a formalized joint check agreement must provide WSDOT (upon request) with any documentation deemed necessary to substantiate compliance.