

WAC 326-40-100 Joint venture approval. (1) Requests for approval. Any joint venture involving a certified business which is to be counted toward contract participation goals shall request approval from the awarding state agency or educational institution. The request must:

(a) Be in writing;

(b) Be accompanied by a written joint venture agreement that conforms to the requirements of subsection (2) of this section; and

(c) Contain a statement that gives the approving agency or educational institution authority to audit the joint venture.

(2) Contents of joint venture agreement.

(a) The joint venture agreement must be signed under oath by each of the joint venturers. It shall specify the capital contribution made by each joint venturer, the control each will exercise, and the distribution of profit and loss. Each of these elements must be allocated in proportion to their contribution.

(b) The joint venture agreement must also identify the part of the work each joint venturer will do, which participant(s) are certified businesses, and their certification status. The work to be performed by the certified participant must be a commercially useful function.

(3) Time of request. A request for approval of a joint venture must be submitted and approved before the time fixed for bid opening for all contracts. If the joint venture is not approved, the agency shall award to the lowest responsive bidder or rebid.

(4) Effect of approval. An approved joint venture is approved only for one specific contract. Disbursement of funds to a certified business that is participating in an approved joint venture shall be counted toward contract goals in accordance with the provisions of WAC 326-40-060 (1)(e).

(5) Investigation. The agency or educational institution may request additional information from any enterprise seeking approval as a joint venture. Failure to provide the requested information shall result in the denial of the requested approval.

(6) Complaints. Complaints regarding the composition or validity of an approved joint venture shall be written and shall be made to the approving agency or educational institution and to the office. The agency or educational institution shall fully investigate each complaint and issue a written report of its findings. The report will be provided to the complainant and to the office. Concurrently, the office may investigate complaints pursuant to its rules and chapter 39.19 RCW.

[Statutory Authority: RCW 39.19.030(7). WSR 92-20-079 and 92-20-124, § 326-40-100, filed 10/6/92 and 10/7/92, effective 11/6/92 and 11/7/92. Statutory Authority: Chapter 39.19 RCW. WSR 84-09-002 (Order 84-5), § 326-40-100, filed 4/5/84.]