**Section 650.340 Joint Ventures**

a) Prequalified contractors may combine their available bidding capacity and request an Authorization to Bid for a single contract to bid as a joint venture after Department approval.

b) Each request for approval of a joint venture shall be indicated by the filing of a Certificate of Joint Venture for each of the contracts for which joint venture approval is sought. The form is available from the Prequalification Section. It identifies the managing partner and indicates the joint venture agreement shall be available to the Department for inspection. In addition, each joint venture partner firm shall submit an Affidavit of Availability. The Certificate must be received no later than 4:30 p.m. prevailing time at least seven days prior to the scheduled date of the letting for which bidding proposals are sought.

c) The proposed joint venture shall not be approved for the issuance of bidding proposals if the establishment of a joint venture would unduly restrict competition. A determination that a proposed joint venture would unduly restrict competition is limited to any of the following reasons:

1) That the proposed joint venture would consist of more than three prequalified contractors unless the project is designated by the Department in the advertisement for bids as open for unrestricted joint venturing due to the magnitude, complexity and risks of the work.

2) That for letting items estimated by the Department to be bid at less than $1,000,000, more than one of the proposed joint venture partners has the individual prequalification ratings and bid capacity to bid the item without the approval of the venture. This determination shall not apply to joint ventures between affiliated contractors based upon 51 percent or more common controlling ownership or common management where the officers, directors or general partners control the board of directors and/or management of each contractor.

d) Contractors whose financial ratings are based upon unaudited financial statements will not be permitted to joint venture with each other to bid contracts that are estimated to exceed $750,000 or $1,500,000, depending on the contractor's unaudited status (see Section 650.170(c)(1)(A) and (B)). However, such contractors may be permitted to joint venture with contractors who have a financial rating based upon an audited statement to bid contracts estimated to exceed $750,000.

e) If a joint venture work rating is limited by its maximum financial rating, the full value of the computed work rating will be used in analyzing the joint venture request for a bidding proposal. However, the combined maximum work rating in any category shall not exceed the combined maximum financial rating of the joint venture.

(Source: Amended at 40 Ill. Reg. 7170, effective April 25, 2016)