



ProtectMyHome.net

Start your Protect My Home

Hire Smart Worksheet

Five steps

1. Create a detailed plan.
2. Find potential contractors.
3. Check them out online and verify registration.
See Page 2
4. Compare written bids.
See Page 3
5. Finalize your written agreement—and be careful how and when you pay.

Be wary of contractors who:

- Give you an offer that sounds “too good to be true.”
- Will accept only cash, want a very large deposit, or want payments made out to their own name, instead of a business.

Step 1: Create a detailed plan for your project.

The better you can communicate to your contractor what you need, the less chance there will be for miscommunication or cost overruns.

► What would you *like* to do, versus what do you *need* to do?

► What's your budget? _____

► Start jotting down your ideas or make a sketch of your project below.

*Many homeowners collect magazine clippings, photos, material samples and model numbers to show their contractors **upfront**. Visit home shows and showrooms, and collect specific examples of your own. It will help prevent misunderstandings and help you clearly communicate what you want to accomplish.*

Step 2: Find potential contractors.

Get recommendations from trusted friends, work colleagues, insurance brokers, real estate agents and local homebuilder associations. Interview several contractors. You will want to end up with at least three *written* bids from *registered* contractors.



Washington State Department of
Labor & Industries

Start your worksheet





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Step 3: Check out potential contractors online.

Go to Lni.wa.gov/HiringAContractor to verify registration to ensure they are bonded, have liability insurance and no outstanding infractions. Then check out their online reputation.

Potential contractor's name and business info	Contractor registered with L&I? Find out: Lni.wa.gov/HiringAContractor	Get a <i>written</i> bid.	Did you collect three references you can verify? Call their customers. Go see the work.
1.	Registered with L&I? ☐ Yes: # _____ ☐ No Online reputation OK? ☐ Yes ☐ No Business address verified? ☐ Yes ☐ No	☐ Yes ☐ No Amount: \$ _____	1. _____ 2. _____ 3. _____ Would they hire them again? ☐ Yes ☐ No
2.	Registered with L&I? ☐ Yes: # _____ ☐ No Online reputation OK? ☐ Yes ☐ No Business address verified? ☐ Yes ☐ No	☐ Yes ☐ No Amount: \$ _____	1. _____ 2. _____ 3. _____ Would they hire them again? ☐ Yes ☐ No
3.	Registered with L&I? ☐ Yes: # _____ ☐ No Online reputation OK? ☐ Yes ☐ No Business address verified? ☐ Yes ☐ No	☐ Yes ☐ No Amount: \$ _____	1. _____ 2. _____ 3. _____ Would they hire them again? ☐ Yes ☐ No
4.	Registered with L&I? ☐ Yes: # _____ ☐ No Online reputation OK? ☐ Yes ☐ No Business address verified? ☐ Yes ☐ No	☐ Yes ☐ No Amount: \$ _____	1. _____ 2. _____ 3. _____ Would they hire them again? ☐ Yes ☐ No



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Step 4: Compare bids submitted by the *screened* contractors only.

Compare the written bids carefully. But don't just look for the lowest price!

Screened contractors	Bid and deposit the contractor requests	Do start and end dates meet your schedule?	Are the materials/ products <i>you</i> want specified in the bid?	Did they offer you a written warranty?
_____ Name _____ Years in business	Bid: \$ _____ Deposit: \$ _____ / _____ %	☐ Yes ☐ No Completion deadline: _____	☐ Yes ☐ No	☐ Yes: _____ years ☐ No
_____ Name _____ Years in business	Bid: \$ _____ Deposit: \$ _____ / _____ %	☐ Yes ☐ No Completion deadline: _____	☐ Yes ☐ No	☐ Yes: _____ years ☐ No
_____ Name _____ Years in business	Bid: \$ _____ Deposit: \$ _____ / _____ %	☐ Yes ☐ No Completion deadline: _____	☐ Yes ☐ No	☐ Yes: _____ years ☐ No
_____ Name _____ Years in business	Bid: \$ _____ Deposit: \$ _____ / _____ %	☐ Yes ☐ No Completion deadline: _____	☐ Yes ☐ No	☐ Yes: _____ years ☐ No



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Step 5: Finalize your written agreement with the chosen contractor:

Name _____

- ☐ **Review the contract, ask questions and sign only when you're comfortable with it.** (Signed copy of written bid OK for small projects). Does the contract include required permits? Sales tax? Payment terms, retainage clause and final payment requirements? Specific description of work and materials? Warranties? Start and end dates?
- ☐ **Read, sign and get a copy of the *Notice to Customer*.** The Notice informs you of your rights, including your "right to retainage" — a percentage of the contract price *you can withhold* until you are satisfied. Your contractor is required to provide this before work starts. Sample notice: Lni.wa.gov/ModelDisclosureStatement
- ☐ **Don't make a large deposit or pay in cash. Then pay only as work is completed.** Example: Demolition complete? Make a payment. Framing done? Make a payment. Contractor requesting large deposit for materials? You *may* pay the supplier directly.
- ☐ **Ask if there will be subcontractors.** Tell your contractors you expect only licensed companies on your project and will want a list of all subcontractors. (Use Page 2 to check them too.)
- ☐ **Agree to a regular check-in plan — and how you'll handle any changes to your original bid or contract.** Check in by phone? Log book? Regular meetings? Make sure all change orders are in writing.

Step 6: Before you make final payment

- ☐ **Check with permitting departments to make sure your contractor has obtained all required building, electrical, health or environmental permits,** as agreed. Then check that all inspections took place and that you have completed copies to document them.
- ☐ **Obtain any lien waiver/release your contractor agreed earlier to provide.** These should be signed off by subcontractors and/or suppliers to *verify they have been paid for work* on your property. (A sample lien waiver can be found on the L&I website at Lni.wa.gov/go/F625-029-000.)
- ☐ **Make sure you are satisfied:** Do a final walk-through with the contractor to identify any remaining items that must be completed. (This is commonly referred to as a punch list.)

Learn more about avoiding pitfalls — and how to hire the right contractor:
ProtectMyHome.net ▪ 1-800-647-0982

File a complaint against an unregistered construction contractor:
Lni.wa.gov/ReportAContractor ▪ 1-888-811-5974, option 1

Upon request, language support and formats for persons with disabilities are available. Call 1-800-547-8367. TDD users, call 711.
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