

## How to Select a Home-Improvement Contractor

1. **Verify if the contractor is licensed to do business in your city, parish (county outside of Louisiana) and state.** You can check your state's Secretary of State office/website or you can check with your city's business licensing office.
2. **Always meet a contractor in person and ask for a minimum of three references.** When given an option to provide references, a contractor (or anyone for that matter) will be inclined to submit the best jobs that the company has completed. That's O.K. The goal in seeking references is to ensure that the contractor has completed jobs at cost, on time and to the satisfaction of the clients.
3. **Verify that the contractor has liability and worker's compensation (if required) insurance.** If the contractor does not have the required insurance coverage and one of the contractor's workers is injured while working on your home, you may be liable for the injuries under your homeowner's policy.
4. **If the job is over \$50,000, verify that the contractor has or can obtain a bond.** A performance or surety bond guarantees that if the contractor does not complete the job for any reason (other than non-payment) another contractor will be brought in (by the insurance company that issued the bond) to complete the job.
5. **Meet all contractors in person and insist on meeting the crew that will perform the work.** Oftentimes you meet a contractor that you like and when the job begins, another individual arrives that you're not familiar with and whose references you haven't checked. Check out the people doing the actual work on your home.
6. **Ask for pictures of completed (similar) jobs or ask to visit a current job site.** Contractors are notorious for boasting about their work so hold them to task and ask to see proof for yourself.
7. **Make sure you get more than one way to contact a contractor.** Be wary of the contractor who only gives you a cell phone number for the business. Verify the company's telephone number through the phone book or if contractor works from home and uses a cell phone as the main contact number, require their home phone number and address.
8. **Obtain a minimum of three bids for the project.** Most contractors will submit bids that are similar in price, but sometimes they don't. If the lowest bid is dramatically lower than the others, ensure that the contractor is quoting the same work. Although change orders (additions to a job) are common in the construction industry, don't let a contractor submit a low bid with the intent of submitting multiple change orders to increase the price of the job.
9. **Ask each candidate to complete a credit application.** Ask for a bank reference and at least two creditor references. If the company has a DUNS Number, you can obtain a business credit report from Dun & Bradstreet at [www.dnb.com](http://www.dnb.com). Verifying a contractor's creditworthiness will show the financial stability of the company and will let you know whether or not the company has the financial capacity to complete your job. A credit check will also lessen the chances that you will select a contractor who is in financial trouble, who may go out of business in the middle of the job, or who may run out money to pay workers in the middle of the job.
10. **Put it in writing.** After selecting a contractor, be sure to put the terms, arrangements, materials to be used (brand/quality and cost), and timeline for the project's completion and payments. To ensure the job does not go over budget or over time, limit the number of change orders and extensions a contractor can submit to a maximum of two or three.