

COMMERCIALLY USEFUL FUNCTION QUESTIONNAIRE

General Information: A DBE performs a **commercially useful function** (CUF) when it is responsible for execution of the contract and is carrying out its responsibilities by performing, managing, and supervising the work involved. The Contractor shall submit a Form 1432 for each DBE that performs work or provides supplies in the North American Industry Classification System (NAICS) code in which they are approved. CDOT will not authorize final payment until it receives a Form 1432 from the Contractor for each DBE whose participation is counting toward the DBE contract goal. The DBE, Contractor, and Engineer shall sign the Form 1432.

Section 1: Project Information

Instructions: The prime Contractor shall complete this information and present it to the DBE when the DBE first begins work. The ending date of work is the anticipated last day that the DBE will be on the job.

(Prime) Contractor Name:	DBE Name:
Project Code (SA#):	Begin and End Date of Work:

Section 2: DBE Questions

Instructions: The DBE owner or manager with contract signature authority shall complete the "DBE Questions" section of the form. The DBE Questions shall be completed within 10 days of the DBE beginning work on the project. Once completed, the DBE shall submit the form to the Contractor.

Do you have an executed written agreement for this project? Yes No

What work did your firm perform on this job?

Did your firm subcontract out any portion of its work? Yes No

If yes, list firm name(s) and what portion of work (percentage and dollar amount)? If no, skip to next question.

Did your firm lease any employees or lease/rent equipment to perform the work? Yes No

If yes, list resources and from whom. If no, skip to next question.

Did your firm supply any materials to another firm? Yes No

If yes, list what materials and from what source they were acquired (i.e. self-manufactured, withdrew from inventory, purchased from another supplier, etc.) If no, skip to the signature.

Printed Name:	Signature of individual completing form:
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Title:	Phone Number:	Date:
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Section 3: Contractor Questions			
Instructions: The Contractor shall complete the questions within 10 days of receipt from the DBE. Once complete, the Contractor shall submit the form to the Engineer.			
To your knowledge, the DBE statements provided are true and correct.			Yes No
If no, please explain.			
Work performed was consistent with the Form 1415 and/or Form 205 submitted to CDOT?			Yes No
If no, please explain.			
Did your firm assist the DBE in any way (negotiation, payroll, employees, equipment, etc.) during this project?			Yes No
If Yes, please describe.			
Printed Name:		Signature of individual completing form:	
Title:	Phone Number:	Date:	
Section 4: Engineer Questions			
Instructions: The engineer will complete "Engineer Questions" section of the Form 1432 using information from Section 5 "CUF Guidance for Engineer". If project is using the B2GNow System, the Engineer will upload completed form into the system.			
Provide information related to what was observed on-site or what items were reviewed during the desk audit (include date of observation if selected)			
Does it appear that the DBE is performing a Commercially Useful Function?			Yes No
If no, please notify the Region Civil Rights Office.			
Printed Name:		Signature of individual completing form:	
Title:	Phone Number:	Date:	

Section 5: CUF Guidance for Engineer

General Information:

The Project Engineer will evaluate whether a DBE firm participating on the contract (whether as a Contractor, subcontractor, trucker, regular dealer, manufacturer, or broker) is performing a Commercially Useful Function. In assessing whether a DBE is performing a Commercially Useful Function, the Engineer's evaluation should be based on a holistic review of the DBE's performance through a combination of on-site observation and desk audits/document review. The list below is intended to provide key areas for review and should not be treated as a comprehensive checklist. If red flags are observed, the Engineer will immediately contact the Region Civil Rights Office.

Management/Execution of Work

Potential Factors to Consider During On-Site Observation

- DBE shall be responsible for the execution of its contract (or subcontract) work
- DBE is actually performing, managing, and supervising the work involved in its contract (or subcontract)
- The work of the subcontract shall be performed by the DBE with its own workforce
- The DBE shall keep a regular workforce and has its own employees
- DBE supervisor shall be a full-time employee of the DBE
- Employees shall be supervised by the DBE supervisor
- DBE is scheduling work operations

Potential Factors to Consider During Desk Audit (Review of Records/Documents):

- Certified Payrolls (Is work performed by the DBE consistent with submitted payrolls?)
- Documented Communication with DBE owner and Superintendent (E-mails, memos, etc. where DBE is displaying control over schedule, work, and staff)

Red Flags

- The DBE owner/manager provides little or no supervision of the DBE's work
- Key staff and personnel are not under the control of the DBE
- The DBE manager is not a regular employee of the DBE
- The DBE's work is being performed by personnel normally employed by the prime contractor or another business

Equipment

Potential Factors to Consider During On-Site Observation:

- The DBE shall utilize its own equipment
- Operation of the equipment shall be subject to the full control of the DBE

Potential Factors to Consider During Desk Audit (Review of Records/Documents):

- Subcontract Agreement or Purchase Order
- Equipment ownership, rental, or lease documents
- Certified Payrolls (review reported classifications and equipment for consistency with work done on-site)

Red Flags

- Equipment used by the DBE belongs to the prime contractor or another business with no formal lease agreement

Materials (for material credit):

Potential Factors to Consider During On-Site Observation:

- DBE shall be responsible for the delivery of the materials
- DBE shall be responsible for ordering the material and invoices to indicate that DBE is the customer
- Material invoices indicate that DBE owner or Superintendent is the contact person

Potential Factors to Consider During Desk Audit (Review of Records/Documents):

- Invoices
- Haul tickets or Bills of Lading
- Material on Hand documentation
- Joint check agreement
- Canceled checks

Red Flags

- Materials used by the DBE are ordered and/or paid for by the prime contractor without prior notice and/or approval
- Materials used by the DBE are delivered to, billed to, or paid for by another business
- Payment for materials is deducted by the prime contractor from its payments to the DBE