

**COLORADO DEPARTMENT OF TRANSPORTATION**  
**Commercially Useful Function Questionnaire**  
**(CDOT Form 1432)**

**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. The Form 1432 must be signed by the DBE, Contractor, and Project Manager/Engineer. Work performed and/or supplies provided on the Contract by a DBE Commitment will not count as Eligible Participation without a corresponding Form 1432 and the Contractor may be subject to a payment reduction as described in subsection 8(b) of the Disadvantaged Business Enterprise (DBE) Requirements standard special provision. The Contractor may be required to submit supporting documentation as outlined in Section 5: CUF Guidance for Engineer on page three.

**Section A. Prime Contractor and Project Information**

1. Project S/A No. or PCN Number (5 digit #):		2. FHWA Project #, Subaward Agreement # from COTRAMS (FTA contracts), or PO # (for CM/GC-CM contracts):		3. Project Name:	
4. Name of Prime Contractor:		5. Prime Contractor's Contact Name:		6. Prime Contractor's Contact Title:	
7. Prime Contractor's Contact Phone Number:		8. Prime Contractor's Contact Email Address:		9. Name of DBE Firm:	
10. DBE Contact Name:		11. DBE Contact Email Address:		12. DBE Contact Phone Number:	
13. Date DBE Began Work on the Project:		14. Anticipated Date DBE will End Work on the Project:			

**Section B. 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 **45** days of the DBE beginning work on the contract. This section of the form shall be completed prior to the DBE completing work per its contract/subcontract. Once completed, the DBE shall submit the form to the Contractor. In order to have work performed and/or supplies provided by a DBE on the Contract count as Eligible Participation, the Contractor must submit a Form 1432 for that DBE.

15. Do you have an executed written agreement for this contract?	Yes	No
16. What work did your firm perform on this job?		
17. Did your firm subcontract out any portion of its work?	Yes	No
18. If yes, list resources and from whom. If no, skip to next question.		
19. Did your firm supply any materials to another firm?	Yes	No
20. 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.		

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21. DBE Representative

a. Name	b. Title	c. Signature	d. Date

**Section C. Contractor Questions**

**Instructions:** The Contractor shall complete the following questions within 10 days of receiving this form from the DBE. Once complete, the Contractor shall submit the form to the Project Engineer/Manager.

22. To your knowledge, the DBE statements provided are true and correct. Yes  No

23. If no, please explain.

24. Work performed was consistent with the Form 1415 and/or Form 205 submitted to CDOT? Yes  No

25. If no, please explain.

26. Did your firm assist the DBE in any way (negotiation, payroll, employees, equipment, etc.) during this contract? Yes  No

27. If Yes, please describe.

28. Prime Contractor Representative:

a. Name	b. Title	c. Signature	d. Date

**Section D. Project Engineer/Manager Questions**

**Instructions:** The Project Engineer/Manager will complete this section of the Form 1432 using information from Section F. "CUF Guidance for Project Engineer/Manager". If the contract is using the B2GNow System, the Project Engineer/Manager will upload the completed form into the system.

29. Provide information related to what was observed on-site or what items were reviewed during the desk audit (include date of observation if selected).

**Section E. Project Owner CDOT or Subrecipient/Local Agency Project Engineer/Manager Determination**

30. Does it appear that the DBE is performing a Commercially Useful Function? Yes  No

31. If no, please notify the CDOT Region Civil Rights Office.

32. Project Engineer/Manager Signature

a. Name	b. Title	c. Signature	d. Date	e. Phone Number

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**Section F. CUF Guidance for Project Engineer/Manager**

**General Information:**

The Project Engineer/Manager 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 Project Engineer/Manager'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 Project Engineer/Manager will immediately contact the CDOT 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)
- Invoices

**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