

COMMERCIALLY USEFUL FUNCTION (CUF) PROJECT SITE REVIEW

Per 49 CFR 26.55, "A DBE performs a commercially useful function when it is responsible for execution of the work of the contract and is carrying out its responsibilities by actually performing, managing, and supervising the work involved... A DBE does not perform a CUF if its role is limited to that of an extra participant in a transaction, contract, or project through which funds are passed in order to obtain the appearance of DBE participation..." This form is for the purposes of reviewing DBEs for compliance with the CUF requirements for credit.

Resident Engineer's will perform CUF reviews for every DBE working on federally funded construction projects. The review should be conducted when the DBE first begins work. Monitor compliance through the course of the project.

Contract No.: County(ies): Prime Contractor: DBE Superintendent / Foreman: DBE Start Date:	Resident Engineer: NDOT Reviewer: Reviewer Title: Review Date: DBE Anticipated Completion Date:	
DBE Name:		
Provide a brief description of the DBE's scope of work:		
<u>Supervision</u> Does the DBE have a superintendent / foreman on project? Does the superintendent / foreman work exclusively for the DBE? If not, who does he / she work for? Who does the superintendent / foreman report to?	Yes	No
<u>Employees</u> Does the DBE have employees on the job? Do they appear on DBE's payroll? If not, why? Do they appear on prime contractor's payroll? Who assigns work to them?		
<u>Performance</u> Has any other contractor performed any of the DBE's work? If yes, who and what work items?		
<u>Equipment</u> Whose name appears on the equipment? Does DBE own or lease equipment? Does DBE use prime contractor's equipment?		
<u>CUF</u> Does it appear the DBE is performing a CUF? If DBE is not performing a CUF, contact Contract Compliance		
<u>COMMENTS:</u>		

Reviewer (signature)

Resident Engineer (signature)

CUF DETERMINANTS

If any Red Flag Conditions are identified, contact Contract Compliance

PERFORMING

- DBE must be responsible for performing its own work on the project
- The work listed in the subcontract must be performed by the DBE with its own workforce
- The DBE keeps a regular workforce and has its own employees
- The DBE is utilizing its own equipment
- Operation of the equipment must be subject to the full control of the DBE

RED FLAGS

- A portion of the DBE's work being done by the prime contractor or jointly with another contractor
- Employee working for both the DBE and the prime contractor
- Equipment used by DBE belongs to the prime contractor or another contractor with no formal lease agreement
- Equipment signs and markings cover another contractor's identity
- Equipment has another contractor's name on it

RECORDS / DOCUMENTS

- Subcontract agreement or purchase order
- Equipment ownership, rental or lease documents
- Certified payrolls

MATERIALS (for material credit)

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

RED FLAGS

- Materials for DBE credited work are delivered by the prime contractor
- Materials are ordered, billed to and / or paid by the prime contractor
- Invoices do not indicate that DBE is the customer
- Prime contractor's employee is listed as the contact person on invoices
- Materials come from prime contractor's stockpiles

RECORDS / DOCUMENTS

- Invoices
- Haul tickets or bill of lading
- Material on hand documentation
- Joint check agreement
- Cancelled checks

SUPERVISING

- DBE supervisor is a full-time employee of the DBE
- Employees are being supervised by DBE supervisor
- DBE is scheduling work operations

RED FLAGS

- DBE's employees are being supervised by prime contractor or another contractor
- DBE provides little or no supervision of work
- DBE supervisor is not a full-time employee of the DBE

RECORDS / DOCUMENTS

- Certified payrolls
- Documented communication with DBE owner or superintendent