



Disadvantaged Business Enterprise (DBE) Commercially Useful Function (CUF) On-Site Review Form Contractors

DBEs must perform a CUF. This means that DBEs must be responsible for the execution of a distinct element of the work; must carry out its responsibility by actually performing, managing, and supervising at least 30% of the work involved by using its own employees and equipment; must negotiate price, determine quality and quantity, order and install material (when applicable); and must pay for the material itself. The prime contractor is responsible to ensure that DBEs perform a CUF. The State/Local Public Agency must evaluate the DBE's performance to determine whether the DBE performs a CUF.

Purpose of the CUF review: To review the performance of DBEs on federal-aid projects for compliance with the CUF requirements for DBE credit, and to ensure that work committed to DBEs are actually performed by DBEs

Instructions and guidance to complete the CUF review: The Project Engineer (P.E.) or his/her designee shall perform CUF reviews on all federally-assisted construction contracts with DBE participation.

The P.E./designee shall conduct at least one CUF review for each DBE working on the project. Additional CUF reviews may be necessary when there is a significant change in the DBE's scope of work, yearly for multi-year projects, and/or for each primary scope of work. For IDIQ projects, CUF reviews may be necessary for each work order.

The P.E./designee shall conduct the CUF review when the DBE is actively engaged in their scope of work. The CUF review should be conducted when the DBE begins work on the project or as soon as records/documents are available to conduct a thorough CUF review (e.g., at least two payrolls).

The P.E./designee shall interview the DBE owner or his/her designee on the project's site, unless the DBE's scope of work is not performed on-site. For DBEs whose scope of work is not performed on-site, the P.E./designee may interview the DBE owner or his/her designee using available technology and/or telephone. For DBEs located out of state, the P.E./designee shall interview the DBE owner or his/her designee using available technology and/or telephone.

The P.E./designee shall review all records/documents necessary to determine that the DBE is performing a CUF. At the discretion of the P.E./designee, a review of documents at the DBE's or prime contractor's place of business may be necessary. Indicate each record/document used in conducting this review. The records/documents checked need not be attached to the review report but should be filed with the report for easy reference if needed. For example, P.E./designee should review at least one certified payroll.

The CUF Review Form is to be completed based upon the P.E./designee's determination through on-site/virtual observation and review of project records/documents. If the answer is no to any of the questions, then an explanation must be provided in the general notes at the end of the relative section, unless otherwise noted.

The P.E./designee and Construction Engineer (C.E.)/designee must sign the completed CUF form. **A copy of the CUF form must be sent to HDOT OCR within 14 days of its completion.** If the form is submitted with missing/incomplete information, it will be returned to the P.E. for completion.

Section I - Project and Payment Data
To be filled out by P.E./designee

DBE Company Name: _____ DBE Company Owner: _____
 DBE Representative and Title: _____ Project No./ID: _____ Project Name: _____
 Prime Contractor: _____ Island/District: _____
 DBE Goal: _____ DBE Subcontract Amount: _____ Commitment to DBE: _____
 % of DBE Work Completed: _____ DBE Start Date: _____
 Amount of payments to date to DBE: _____ (NOTE: Provide/attach copies of canceled checks or bank statements to demonstrate proper payment(s) have been made to DBE.)

DBE is Performing as:

- Prime Contractor – complete Sections I-VI and VIII and sign
- Subcontractor – complete Sections I-VI and VIII and sign
- Lower-tier subcontractor – complete Sections I-VI and VIII and sign
- Trucker/Hauler – only needs to complete Section I, Section VII, Section VIII and sign

Type of Arrangement: Furnish and Install Labor only

Provide a brief description of the DBE's scope of work as observed: _____

The following two questions pertain to DBE participation submitted (under commitment) to meet a contract goal:

1. Are the descriptions of work in the DBE's subcontract and the Prime's DBE commitment consistent?
 YES
 NO - If "NO", how was this resolved? _____
 N/A
2. Have there been any changes in project scope that would affect the DBE's commitment?
 YES - If "YES," describe changes in scope, impacts, and actions to resolve: _____
 NO
 N/A

Section II - Management To be filled out by P.E./designee	Yes	No	N/A
1. Does the DBE's Supervisor/Foreman direct and schedule all work activities, including material deliveries, without assistance from the prime or upper-tier subcontractor? 2. Is the person who signs and maintains the DBE's certified payrolls an employee of the DBE and not the prime or upper-tier subcontractor? NOTE: If subcontracted to a non-DBE HDOT needs to make adjustments in counting toward the DBE goal. Comments Required for all "NO" or "N/A" Responses: _____ _____ _____			

Section III - Performance To be filled out by P.E./designee	Yes	No	N/A
3. Did HDOT make adjustments in counting where the DBE itself subcontracted any portion of its work to a non-DBE List the non-DBE subcontracted <u>and</u> provide subcontract amount: _____ 4. Did the DBE perform at least 30% of its subcontract with its own workforce? 5. Provide the value of any DBE work (under commitment) that was terminated by the prime and performed by another firm without the State DOT's prior written consent: _____ 6. Where written consent was not obtained, did HDOT deny payment to the prime for work it self-performed or was performed by another firm? 7. Did the prime make every good faith effort to replace the value of work under commitment not performed by the DBE for any reason (other than HDOT initiated changes in scope)? Comments Required for all "NO" or "N/A" Responses: _____ _____ _____	Or	→	

Section IV - Workforce To be filled out by P.E./designee	Yes	No	N/A
8. Do DBE employee names only appear on the DBE's payrolls and not the payrolls of the prime or another contractor employed on the project? 9. Based on the review of at least one certified payroll, is the number of DBE personnel documented in the project work report/diary consistent with the number of personnel on the DBE's payroll(s)? 10. Based on employee interviews, is the DBE the only contractor providing pay and other compensation (i.e. benefit plans) to its personnel? 11. Are the DBE's employees working on a distinct element of work, independently without assistance of other participating contractors? Comments Required for all "NO" or "N/A" Responses: _____ _____ _____			

Section V - Equipment To be filled out by P.E./designee	Yes	No	N/A
12. List the major self-propelled (engine) equipment used by the DBE _____ _____ 13. Does the equipment have the DBE's markings or emblems? 14. Was all the equipment used by the DBE owned by the DBE or leased/rented from a company other than the prime or upper-tier subcontractor? 15. If the response above is "NO," provide the value of equipment borrowed or leased from the prime or an upper-tier subcontractor: _____ 16. List the equipment leased or borrowed by the DBE _____ _____	Or	→	

Section V - Equipment To be filled out by P.E./designee	Yes	No	N/A
17. For work under commitment, did the prime increase its DBE participation to replace the value of equipment borrowed or leased from the prime or upper-tier subcontractor, as indicated in the response above? 18. Is all equipment being operated by the DBE under the direct supervision of the DBE Comments Required for all "NO" or "N/A" Responses: _____ _____ _____			

Section VI - Materials To be filled out by P.E./designee	Yes	No	N/A
19. Were material shipping documents addressed to the DBE 20. Was the DBE on-site to receive delivery of its materials? 21. According to the material invoice, did the DBE purchase materials from a source other than the prime or one of its affiliates? (If "NO" DBE credit is disallowed) 22. According to the material invoice, were materials billed to the DBE or DBE Owner/representative? (Attach Invoice) 23. If a joint check was used, did it go through the proper approval process, and did the DBE present it to the manufacturer/supplier? List the parties identified as payable: _____ Comments Required for all "NO" or "N/A" Responses: _____ _____ _____			

Section VII - Trucking/Hauling - Complete only Section I and this section To be filled out by P.E./designee	Yes	No	N/A
24. How many DBE trucks are present on the job site? _____ Are they <input type="checkbox"/> Owned <input type="checkbox"/> Leased from (attach formal agreement identifying terms and indicate parties): _____ 25. Are the rates, quantities, time frame, etc. consistent with the Confirmation and Commitment Agreement? 26. Do all the members of the DBE's workforce only show up DBE contractors' payroll? 27. Briefly describe the on-site controls used to identify DBE and non-DBE haulers and to track the value of their participation, i.e. number of trips, quantities, etc. (Attach supporting documents, such as haul/delivery tickets, vehicle logs, trucking worksheets, etc.): _____ 28. Were all trucks either operated by: 1) DBE owner-operators, or 2) employees of the DBE or lower-tier DBE or 3) leased from a non-DBE truck leasing company and operated by DBE drivers, bearing the name and USDOT identification number of the DBE 29. Was the value of any non-DBE hauler's participation adjusted to allow only fees and commissions? 30. Considering the value/running tally of DBE hauling completed to date, as compared to remaining hauling, does it appear that the DBE commitment will be met?			

