

Commercial Useful Function (CUF) / Compliance Evaluation Form

Per 49 CFR 26.55(c), "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. To perform a commercially useful function, the DBE must also be responsible, with respect to materials and supplies on the contract, for negotiating price, determining quality and quantity, ordering the material, and installing (where applicable) and paying for the material itself. The determination of whether or not a DBE is performing a commercially useful function will be based on the amount of work subcontracted, industry practices, whether the amount the firm is to be paid under the contract is commensurate with the work it is actually performing, and the DBE credit claimed for its performance of the work, and other relevant factors. 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. Please refer to Alabama Department of Transportation Standards Specifications for Highway Construction, Subarticle 111.08(c) for additional information.

A minimum of one CUF review must be performed for each DBE on each project with or without a DBE goal. The review should be conducted when the **DBE first begins work**, and compliance should be monitored throughout the course of the project.

This form is to be filled out by ALDOT personnel or consulting engineers. DBE's must not fill out any portion of the form.

Section I – Project and Payment Data

| | | | |
|--|--------------------------|----------|----------------|
| Contract No/ID | Project Number(s) | | |
| Area/Region | | County | |
| Prime Contractor | Contact Person | Email | |
| Address | | | |
| DBE Firm | Contact Person | Email | |
| Address | | | |
| Date Contract/Subcontract Signed | Start Date of DBE's Work | DBE Goal | Date of Review |
| Type of Operation Prime Contractor Sub-Contractor Hauler Manufacturer Regular Dealer Supplier | | | |
| Provide a brief description of the DBE's scope of work/services from the approved subcontract/sub-agreement: | | | |

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The following question pertain to DBE participation submitted (under commitment) to meet a contract goal:
Are the descriptions of work in the DBE's subcontract/sub-agreement and the Prime's DBE commitment consistent? Yes or No
(If "No" how was this resolved?).

The following question pertain to DBE participation submitted (under commitment) to meet a contract goal:
Have there been any changes in the project scope that would affect the DBE commitment? Yes or No (If "YES," describe the
changes in scope, impacts, and actions to resolve).

Section II – Evaluation and CUF Determination

Sections 1-5 must be completed in full for every DBE, no matter the type. If certain sections do not apply, No or N/A must be marked, and a full explanation must be given in the comments portion of each section.

Supervision and Management (Questions 1-3 do not apply to temporary labor services)

1. Was all work performed directly by the DBE's supervisory personnel? (e.g., DBE directs its own employees and controls all elements of work: approving signatures/initials on work products, title blocks and other relevant documents were those of DBE supervisory personnel.

Yes No N/A

2. Do workflows indicate that the designated DBE Project Manager / Supervisor is directing all work?

Yes No N/A

3. If the DBE project team or its representative is co-located in the prime's office, is it evident that the DBE has sufficient on-site expertise and control that allows it to manage its work independently.

Yes No N/A

Comments Required for all "NO" or "N/A" Responses:

Performance

4. Did ALDOT make adjustments in counting where the DBE itself sublet or outsourced any portion of its work to a non-DBE?

Yes No N/A

5. Did the DBE perform at least 30% of the work under its contract/agreement?

Yes No N/A

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6. Provide the value of any DBE work (under commitment) that was terminated by the prime and performed by another firm without ALDOT’s prior written approval:

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6a. Where written consent was not obtained, did/will ALDOT deny payment to the prime for DBE work it self-performed or DBE work performed by another firm?

Yes No N/A

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 State-initiated changes in scope)?

Yes No N/A

Comments Required for all “NO” or “N/A” Responses:

[Empty comment box]

Workforce

8. Based on the site visit, were the personnel observed/performing work consistent with the DBE’s affirmed listing of project personnel, payroll or other valid document?

Yes No N/A

9. With respect to professional services, are document authors and signers of certifications, stamps, seals, title blocks, etc. consistent with the DBE’s affirmed listing of qualified project personnel?

Yes No N/A

10. Based on employee interviews, is the DBE the only service provider that is compensating the personnel performing the work?

Yes No N/A

Provide the names of DBE personnel observed or interviewed in the Comments box

Comments Required for all “NO” or “N/A” Responses:

[Empty comment box]

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Equipment

11. Did the DBE use its own equipment to perform the work specified in its contract/agreement? (Total stations, computer, hardware, plotters, computer automated design software, personal protective equipment, tools, and other equipment required to perform or produce the work).

Yes No N/A

12. For equipment not owned by the DBE, did the DBE lease it from a company other than the prime or an upper-tier service provider?

Yes No N/A

13. If 12, above is "NO", provide the value of equipment borrowed or leased from the prime or an upper-tier service provider:

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14. Provide information about equipment leased or borrowed by the DBE:

15. Did the prime increase DBE participation to replace the value of equipment borrowed or leased from the prime or upper-tier service provider, as indicated in "13" above?

Yes No N/A

16. Is all equipment being operated by DBE employees and under the direct supervision of the DBE?

Yes No N/A

Comments Required for all "NO" or "N/A" Responses:

CUF Determination

Based on the observations reported in this document, including relevant attachments, I affirm that the participation of the DBE entered the top of this form has been counted in accordance with 49 CFR § 26.55, and accurately reflected in our agency's reporting system.

Reviewer Signature: _____

Printed Name and Title of Reviewer:

Location:

Date:

Determination Comments: