

DBE Commercially Useful Function Review and Certification

Wisconsin Department of Transportation (WisDOT)

DT1011 5/2015

WisDOT Region/County	
Prime Contractor	
Project Number(s):	

Contract DBE Goal	
Advertised	Awarded (Post Waiver)
Subcontract Value:	

Project Leader/Certifier	
Name	
Title	
Signature	

DBE Subcontractor/CUF Review Recipient	
Firm Name	
Work Type for DBE Credit	
Date	

RECORDS AND DOCUMENTATION REVIEW

YES NO

Management/Supervision

Yes, if a DBE on-site representative, a regular employee of the DBE, is providing the direct supervision of the DBE employees, and is in effective control of the DBE work.

Name of DBE on-site representative: _____

No, if a prime or another contractor representative is providing direct supervision of the DBE employees, and appears to be in control of the DBE work.

Examples of Records/Documentation for Verification:

Subcontract or Documents submitted to Project Manager regarding the project on letterhead

Document communication with DBE owner or Superintendent

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Employees

Yes, if the DBE firm is performing their work with individuals normally employed by the DBE firm, and on this project these employees are under DBE supervision, and appear on DBE payrolls.

No, if the DBE work is being performed by individuals who normally work for other firms, are being "shared" by the DBE firm for this project, or are not appearing on the DBE payrolls.

Examples of Records/Documentation for Verification:

Certified Payrolls

Name on equipment uniforms

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Materials

Yes, if the DBE negotiated the cost of materials, arranged for the delivery, and paid for the materials or supplies.

Who and what work items? _____

No if the DBE was not involved in the acquisition of the materials used to perform their work items.

Examples of Records/Documentation for Verification:

Invoices or Bills of Lading

Cancelled checks or Documentation of Material On Hand

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Equipment

Yes if the DBE is using their own equipment, and Yes if the DBE is leasing specialized equipment, from other than the Prime, consistent with normal industry practices and at competitive rates.

Name(s) on DBE equipment _____

No if the DBE is dependent on using or leasing equipment from the Prime.

Examples of Records/Documentation for Verification:

Titles, Lease Agreements, Invoice

Rental or lease documents

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Commercially Useful Function

Does it appear that the DBE is actually performing, managing, and supervising the work that they are performing for DBE credit? If no – alert the DBE Office or the servicing ERO.

Example of Records/Documentation for Verification:

Subcontract Agreement, Purchase Order/Invoice, Hauling Ticket

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DBE Commercially Useful Function Review and Certification (continued)

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Comment and Red Flag Checklist

FEDERAL STANDARDS FOR DBE UTILIZATION	RED FLAG CHECKLIST
PERFORMANCE 1. DBE must be responsible for performing its own work on the project. 2. The scope of the DBE subcontract must be performed with its own workforce. 3. The DBE keeps a regular workforce and has its own employees. 4. The DBE is utilizing its own equipment. 5. Equipment operation must be subject to the full control of the DBE.	Please check any that apply <input type="checkbox"/> A portion of the DBE's work being done by the prime contractor or jointly with another contractor <input type="checkbox"/> Employees are working for both the Prime and the DBE <input type="checkbox"/> Equipment used by the DBE belongs to another contractor and there is no formal lease agreement <input type="checkbox"/> Equipment signs and markings cover another contractor's identity <input type="checkbox"/> Equipment has another contractor's name on it
MATERIALS If the DBE is performing work for DBE credit 1. DBE is responsible for the delivery of the materials 2. DBE is ordering the material and invoices indicate that DBE is the customer 3. Material invoices indicate that DBE owner or Superintendent is the contact person	<input type="checkbox"/> Materials for DBE credited work are delivered by the prime contractor. <input type="checkbox"/> Materials are ordered, billed to, and/or paid by the prime contractor. <input type="checkbox"/> Invoices do not indicate that DBE is the customer. <input type="checkbox"/> Prime's employee is listed as the contact person on invoices. <input type="checkbox"/> Materials come from prime contractor's stockpile.
MANAGEMENT/SUPERVISION 1. DBE supervisor is a full-time employee of the DBE 2. Employees are being supervised by DBE supervisor 3. DBE is scheduling work operations	<input type="checkbox"/> DBE firm's employees are being supervised by prime contractor or another contractor <input type="checkbox"/> DBE is not supervising the work of its employees. <input type="checkbox"/> DBE supervisor is not a full-time employee of the DBE.
Comments/Notes	

DBE Commercially Useful Function Review and Certification (*continued*)

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Instructions for Completing DBE Commercially Useful Function Review & Certification Form

Regulatory Guidance

Per 49 CFR 26.55 A DBE performs a commercially useful function (CUF) when the DBE is responsible for execution of their work under the contract and the DBE is carrying out its responsibilities by **actually performing, managing, and supervising their work**. A DBE firm **does not** perform a CUF if the DBE 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.

DBE Commitments become contractual requirements upon the execution of the contract and should be monitored and enforced accordingly. Modifications to the DBE commitment must be justified by the Department's project staff, in writing.

Per 49 CFR § 26.37 WisDOT must have a **monitoring and enforcement mechanism** to ensure that work committed to DBE firms on federally funded projects is actually performed by the DBE firm per the DBE Commitment Form DT1506. This mechanism must include a **written certification** that the Project Leader and/or project staff has adequately monitored the work site and contract records such that the Project staff confirms that the reviewed DBE firms have performed their work on the project with their own resources.

The Construction Project Leader is responsible for the satisfactory work performance of all contractors, including DBE certified firms, on WisDOT contracts. Any one on the project team may alert the DBE Office if there are questions or issues regarding the performance of DBE subcontracted work.

On federal aid contracts, the signature of the Project Leader on the DT1582 Completion Certificate recorded in Project Tracking constitutes certification that the Project Leader and/or project staff effectually monitored the DBE work performance and contract records to verify that the DBE firms were responsible for the execution of their work under the contract.

Instructions

1. DBE Engineer will email a copy of the DT1506 Attachment A for Project Leader's reference for the selection of DBE firm to be reviewed.
2. The Construction Project Leader will select one DBE firm working on its contract for this review. The DBE Engineer or a Regional Labor Compliance Specialist may recommend a DBE contractor for this review.
3. The Construction Project Leader may conduct the review or assign an on-site project staff person to complete this review form for the DBE firm s/he selected.
4. This review/inspection should be conducted when work approved for each selected DBE is at or near fifty percent complete.
5. The reviewer/inspector must answer all of the questions on page 1 and affirm that there were no red flags as listed on page 2. The Comment and Red Flag Checklist page should be used to explain anything checked No on page 1.
6. All findings on this form should be substantiated with entries in the Project Diary. Note: Any items checked on the Red Flag Checklist should be reported to the DBE Engineer or the Labor Compliance Team Leader immediately for fact-finding and further action.
7. All findings on this form should be substantiated with entries in the Project Diary. A complete review affirms that an on-site inspection of the subcontracted DBE's work was conducted by project staff during the execution of the referenced contract. Red Flag observations must be forwarded to the DBE office promptly.
8. The reviewer/inspector must send an electronic copy of this form, by fax or emailing a scanned copy, to the DBE Engineer and file a copy in the Project Folder.