

## PROCUREMENT AND PAYMENT SERVICES

Historically Underutilized Business (HUB) and Small Business (SB) Office

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## Supplemental Summary for FY 2020 Semi-Annual Report Agency 721

This supplement to The University of Texas at Austin's Semi-Annual Historically Underutilized Business Report for Fiscal Year 2020 has been prepared to provide a broader and more comprehensive representation of The University of Texas at Austin's efforts in its attempt to reach the Good Faith Effort Goals set by the State Legislature.

In accordance with the *Texas Government Code*, Sections 2161.181-182 and Section 111.11 of the *Texas Administrative Code* (TAC), state agencies shall make a good faith effort to utilize State of Texas certified, Historically Underutilized Businesses (HUBs) incontracts for construction, services, including professional and consulting services, special trade, and commodities.

The University of Texas at Austin's annual HUB percentage has averaged 18.25% over the last five fiscal years: 2015 (16.56%); 2016 (15.11%); 2017 (18.87%); 2018 (19.86%); and 2019 (20.87%). Currently, the University's percentage for semi-annual FY 2020 is 16.40% or \$54,592,688 awarded to HUB vendors. As an institute of higher education, the University expends a large amount in research areas, as well as in its infrastructure support. Considering "non-availability" payments for FY 20, HUB payments would equal 18% of overall spend at the University.

Following are a few of the good faith efforts demonstrated in the HUB/Small Business Program during the 2020 fiscal year:

- Continued progress toward *Strategic Initiative 2: Process Improvement* and *Strategic Initiative 3: Buyer Integration* of the University's FY 2017-2021 Strategic Plan.
  - Outline the procure-to-pay process on campus and identify areas where HUB/SB efforts should be included – AVP Procurement and Payment Services, who serves as the HUB Coordinator began January 6, 2020
  - Meet with CPC and PMCS project managers and staff responsible for soliciting bids from contractors to discuss HUB initiatives – HUB office is reassessing the provision of support to construction areas; working to realign HUB processes within the construction contracting process to expand the potential of HUB participation and inclusion.
  - Clarifying procurement methods that directly affect HUB utilization construction, information technology and other services have been identified as procurement areas of strategic focus.
  - Engaging departmental buyers HUB Director leading review and retooling efforts of procurement training to ensure inclusion of HUB policy at all phases of the procurement process.
- Achieving HUB utilization of 77.79% (\$16,762,592) through UT Austin Market Place.

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Date

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