



# THE TEXAS A&M UNIVERSITY SYSTEM

## Office of HUB & Procurement Programs

### **The Texas A&M University System (710) FY16 HUB Internal Assessments and Business Policy Compliance**

The Texas A&M University System office (TAMUS) is respectfully submitting its Historically Underutilized Business (HUB) information required to comply with the reporting requirements of Article IX, Sec. 7.06 and 7.07 of the General Appropriations Act and includes the following:

- Assessments and progress on utilization of HUB vendors for FY 2014 and FY 2015
- TAMUS HUB Strategic Plan demonstrating and maintaining future compliance with Texas Government Code § 2161.123, and outlining the agency's good faith efforts to meet or exceed the agency specific HUB goals and increasing the use of HUB businesses in the agency's procurement.
- FY14 and FY15 4<sup>th</sup> Quarter reports are attached for additional information.

The TAMUS HUB Strategic Plan is responsive to the Sec. 7.07 (a)(1) and (a)(3)(E)-(F). TAMUS refers to the 2009 Texas Disparity Study conducted by the Comptroller of Public Accounts, Texas Procurement and Support Services Division (TPASS) for the information requested in Sec. 7.07 (a)(3)(A)-(D). TAMUS agency specific HUB goals and strategic plan incorporated the 2009 Disparity Study's findings and results.

The activities stated in Sec. 7.07 (3) (A)-(D) are activities associated with conducting a disparity study. TPASS addressed these reporting activities in its response to the State Auditor's Office (SAO) Report No. 15-006, October 2014, Page 83-84. TAMUS is in agreement with TPASS' statement and furthermore notes, the agency has not been appropriated any funds to conduct future disparity study activities nor does the agency currently have the expertise, information required, or resources to sufficiently conduct these activities.

TAMUS is committed to complying with all of the HUB program's requirements and is available to answer any questions regarding this report.

#### **I. Policy Statement**

TAMUS is committed to promoting the participation of minority and woman-owned businesses through the Historically Underutilized Business (HUB) Program for the procurement of goods and/or services. TAMUS will make a good faith effort to assist HUB vendors in gaining equal access and equal opportunities to receive contract and subcontract awards for design and construction projects and for the purchase of supplies, materials, equipment and services, including those relating to the issuance of bonds.

Over the past two years the TAMUS has promoted and encouraged the use of HUB vendors for the acquisition of all goods and services by making good faith efforts in the following ways:

- FY14: Attended or Hosted five forums, fairs and events to identify, promote or recruit HUB vendors for use throughout the TAMUS. Hosted three contractor roundups with the office of Facilities Planning & Construction to facilitate opportunities to HUB vendors for TAMUS construction projects. Collaborated w/ other state agencies through attending six separate Chambers and/or Councils events/meetings.
- FY15: Attended or Hosted six forums, fairs and events to identify, promote or recruit HUB vendors for use throughout the TAMUS. Hosted/attended two event/contractor roundups with the office of Facilities Planning & Construction to facilitate opportunities to HUB vendors for TAMUS construction projects. Collaborated w/ other state agencies through attending three separate Chambers and/or Councils events/meetings.

The HUB Program continues to be a priority within TAMUS. TAMUS will continue to make our procurement needs accessible to all Texas vendors, including minority, woman-owned and small businesses. Increasing HUB participation throughout TAMUS is a top-down administrative commitment.

In addition, although not required, TAMUS continues to submit quarterly HUB reports to demonstrate our continued commitment to the HUB program.

## II. TAMUS HUB Program Goals

The TAMUS goal is to make a good faith effort to involve qualified HUB vendors to the greatest extent feasible in contracting for construction, professional services and commodity purchases, and leases and/or rental of supplies, materials, services, and equipment.

The Fiscal Year 2016 TAMUS agency specific HUB goal for the purchase of goods and/or services with businesses that qualify as a HUB is 19%. The following are the TAMUS goals by business category:

### A. FY16 HUB Goals by Business Category

Category	HUB Goal
Building Construction	16 %
Special Trade	12 %
Professional Services	34 %
Other Services	11 %
Commodities	47 %

### B. Expected Contract Awards

Procurement Category	Value of Awards	FY16 HUB Goals	Value of HUB Awards
Heavy Construction	0	0	0
Building Construction	\$195,100,000	16%	\$31,216,000
Special Trade	\$330,210	12%	\$39,625
Professional Services	\$88,006,500	34%	\$29,922,210
Other Services	\$34,580,508	11%	\$3,803,856
Commodity Purchasing	\$29,600,000	47%	\$13,912,000
<b>TOTAL</b>	<b>\$347,617,218</b>		<b>\$78,893,691</b>

Note: TAMUS does not anticipate awarding any Heavy Construction projects in FY16

## III. HUB Strategic Progress

### A. FY14 and FY15 by Ethnicity/Gender

	Total \$ Spent with HUBs %	Asian Pacific	Black	Hispanic	Native American	Service-Disabled Veteran	Women
FY14	16.20	6.70	9.34	22.63	0.00	0.10	61.24
FY15	11.29	5.53	7.32	31.15	2.22	0.05	53.73

B. FY14 and FY15 HUB by Business Category

HUB Report Procurement Categories	Fiscal 2014		Fiscal 2015	
	Agency-Specific Goals	% of Dollars Spent w/HUBs	Agency-Specific Goals	% of Dollars Spent w/HUBs
Heavy construction other than building contracts	0.00%	0.00%	0.00%	0.00%
Building construction, including general contractors and operative builders contracts	22.62%	13.37%	15.63%	7.63%
Special trade construction contracts	32.70%	1.60%	21.55%	23.54%
Professional services contracts	30.10%	30.86%	32.07%	46.90%
Other services contracts	24.60%	7.09%	12.63%	3.95%
Commodities contracts	41.85%	64.16%	52.78%	53.72%

Of the six procurement categories identified by the CPA, Texas Procurement and Support Services (TPASS) Division, TAMUS Offices expends no funds in heavy construction.

Note: The HUB spend for FY15 was affected by the redevelopment of Kyle Field due to the unique and time sensitive nature of the project.

IV. Administration of the TAMUS HUB Program

The TAMUS will administer its HUB Program under current State of Texas statutes and administrative codes and the Texas A&M University System Policies and Regulations. Each TAMUS employee who is responsible for conducting business with outside vendors has the responsibility of making a “good faith effort” to ensure that HUB vendors are afforded an equitable opportunity to compete for all procurement and contracting activities of TAMUS.

**HUB Program Staffing:** In July of 2014 the TAMUS HUB program had one staff member, the Director of HUB and Procurement Programs. In September of 2014 a position was added to assist the director with HUB program and procurement needs. In June of 2015 a third position was added to the department to further assist with management of contracts and HUB program activities. Increasing the staffing level of the TAMUS HUB Program shows the understanding of the State of Texas HUB Program objectives and the commitment to achieving our goals through outreach described in this plan.

V. TAMUS HUB Plan for Fiscal Year 2016

This section addresses details of the various ways TAMUS will make a good-faith effort to achieve its FY16 HUB goals through internal and external plans and activities as well as coordinating efforts with the TAMUS department of Facilities Planning and Construction.

A. Internal Plans and Activities

1. HUB Training:

- Provide departmental training on HUB identification, solicitation, and usage.
- Improve communication by developing and improving the webpage.
- Utilization of the HUB training module in TrainTraq to provide HUB training to all TAMUS employees.

2. HUB Performance Monitoring:

- Collect, analyze & distribute HUB expenditures, including major construction projects, by TAMUS’ departments regarding the use of HUB vendors & their services.

- Track Architect/Engineer and General Contractor HUB participation and/or expenditure activity through Progress Assessment Report (PAR) submitted with project pay applications.

### 3. HUB Identification

- Arrange and schedule specialized forums for HUB vendors to introduce their goods and/or services to TAMUS departments.
- Identify and recruit minority HUB vendors for bid/procurement opportunities.
- Diversify vendor base to adequately represent the State's population.
- Identify and utilize HUB vendors that provide goods/services under group or cooperative purchasing contracts.

### 4. HUB Compliance

- Recruit qualified mentors and protégés for the mentor protégé program with an emphasis on diversity when recruiting teams.
- Maintain documentation that will meet audit standards
- Submit reports as required by the Texas Procurement and Support Services and TAMUS.
- Sponsor, participate and attend HUB forums, fairs, and events that have been proven and identified to be in the best interest of the TAMUS.

## B. Facilities Planning and Construction (FP&C)

1. Coordinate efforts and encourage networking between the TAMUS HUB Coordinators and FP&C to enhance HUB participation in bidding opportunities with TAMUS construction projects throughout Texas.
2. Provide strategic recruitment and outreach conferences/meetings to review and promote upcoming construction opportunities that develops and encourages partnership opportunities between the prime contractor and HUB vendors.
3. Provide training to prime contractors to ensure the proper completion of HUB Subcontracting Plans that relate to FP&C construction projects.
4. The TAMUS HUB Program office will work closely with prime contractors and A/Es on their monthly pay application Progress Assessment Reports (PARs) to assure all HUB utilization is being captured and reported accurately.

## C. External Plans and Activities

### 1. HUB Fairs, Forums and other Outreach Efforts:

- Coordinate efforts with TAMUS member HUB coordinators, other state agencies, and minority trade organizations to provide maximum exposure and coverage at HUB events throughout the State of Texas.
- Coordinate, facilitate, and participate in activities that promote economic opportunities for HUB vendors. Whenever possible, the TAMUS HUB Program office will share cost, information, administration responsibilities, and other resources with one or more TAMUS members or other state agencies.
- Work closely with HUB advocacy groups, such as Texas Association of Mexican American Chambers of Commerce and Texas Association of African American Chambers of Commerce, to provide assistance as defined in Memorandum of Agreements.

### 2. TAMUS Member Assistance:

- Provide assistance to the members regarding all aspects of their HUB Program to include but not limited to certification, mentor/protégé, reporting, audit, training, and recruitment.
- Host semi-annual meetings for all TAMUS members to gather and discuss HUB related topics.
- Coordinate an annual HUB vendor fair with participation from all TAMUS members.



# The Texas A&M University System HUB Quarterly Report - Sub Report

Texas A&M System Offices - 710

Fiscal Year 2014 Fiscal Quarter 4

1-HUB Goals		
	Goal Amount	Actual
Heavy Construction	0.00 %	0.00 %
Building Construction	22.62 %	3.70 %
Special Trade Construction	30.68 %	0.64 %
Professional Services	30.10 %	11.46 %
Other Services	15.70 %	8.26 %
Commodities	41.85 %	62.34 %

2A Prime								
	African American	Asian American	Hispanic American	Native American	Non-minority Woman	Disabled Veteran	Non HUB	Total
Heavy Construction	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Building Construction	282,883.99	212,382.93	237,160.24	0.00	534,835.04	0.00	786,735,203.80	788,002,466.00
Special Trade Construction	0.00	0.00	0.00	0.00	490.00	0.00	91,622.40	92,112.40
Professional Services	483,930.50	503,135.63	1,555,975.08	0.00	1,803,356.53	114,282.07	76,852,259.37	81,312,939.18
Other Services	1,371,490.63	0.00	336,809.82	0.00	862,322.42	2,550.00	28,562,158.02	31,135,330.89
Commodities	2,905,462.20	1,256,262.48	2,266,180.43	0.00	9,262,134.48	0.00	9,509,655.42	25,199,695.01
<b>Total</b>	<b>5,043,767.32</b>	<b>1,971,781.04</b>	<b>4,396,125.57</b>	<b>0.00</b>	<b>12,463,138.47</b>	<b>116,832.07</b>	<b>901,750,899.01</b>	<b>925,742,543.48</b>

2B Prime								
	African American	Asian American	Hispanic American	Native American	Non-minority Woman	Disabled Veteran	Non HUB	Total
Heavy Construction	0	0	0	0	0	0	0	0
Building Construction	11	9	9	0	31	0	205	265
Special Trade Construction	0	0	0	0	1	0	9	10
Professional Services	8	8	9	0	6	4	94	129
Other Services	12	0	9	0	27	3	470	521
Commodities	19	8	19	0	56	0	255	357
<b>Total</b>	<b>50</b>	<b>25</b>	<b>46</b>	<b>0</b>	<b>121</b>	<b>7</b>	<b>1,033</b>	<b>1,282</b>

3A Subcontracts								
	African American	Asian American	Hispanic American	Native American	Non-minority Woman	Disabled Veteran	Non HUB	Total
Heavy Construction	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Building Construction	2,985,451.00	1,284,346.00	5,769,962.00	109,501.00	23,655,330.52	0.00	126,529,038.00	160,333,628.52
Special Trade Construction	0.00	0.00	0.00	0.00	405.95	0.00	48,265.78	48,671.73
Professional Services	326,460.00	1,093,737.00	719,827.00	15,000.00	4,256,209.00	0.00	7,125,076.00	13,536,309.00
Other Services	0.00	0.00	327.50	0.00	778.04	0.00	17,039.83	18,145.37
Commodities	6,840.98	1,206.90	57,756.52	0.00	78,323.62	0.00	54,535.89	198,663.91
<b>Total</b>	<b>3,318,751.98</b>	<b>2,379,289.90</b>	<b>6,547,873.02</b>	<b>124,501.00</b>	<b>27,991,047.13</b>	<b>0.00</b>	<b>133,773,955.50</b>	<b>174,135,418.53</b>

3B Subcontracts								
	African American	Asian American	Hispanic American	Native American	Non-minority Woman	Disabled Veteran	Non HUB	Total
Heavy Construction	0	0	0	0	0	0	0	0
Building Construction	10	8	36	1	86	0	103	244
Special Trade Construction	0	0	0	0	1	0	5	6
Professional Services	11	10	26	1	39	0	43	130
Other Services	0	0	4	0	5	0	41	50
Commodities	5	2	15	0	38	0	83	143
<b>Total</b>	<b>26</b>	<b>20</b>	<b>81</b>	<b>2</b>	<b>169</b>	<b>0</b>	<b>275</b>	<b>573</b>

4 New Vendors								
	African American	Asian American	Hispanic American	Native American	Non-minority Woman	Disabled Veteran	Non HUB	Total
Heavy Construction	0	0	0	0	0	0	0	0
Building Construction	8	5	16	1	32	0	60	122
Special Trade Construction	0	0	0	0	0	0	7	7
Professional Services	1	6	9	0	15	1	33	65
Other Services	0	0	1	0	4	3	207	215
Commodities	5	3	4	0	24	0	165	201
<b>Total</b>	<b>14</b>	<b>14</b>	<b>30</b>	<b>1</b>	<b>75</b>	<b>4</b>	<b>472</b>	<b>610</b>

5- Sponsored or participated in local and statewide settings to encourage HUB participation in state procurement activities

Event / Activity	Hosted	Attended
Economic Opportunity Forum	4	6
Annual Meeting/Setting	4	3
Advocacy Group Meeting (i.e., TAAACC, TAMACC, etc.)	0	8
Other	19	13

6- Mentor-Protégé Program:

Mentor Program Description	Ongoing	This Quarter
Number of Programs	0	0

7-HUB Program Staffing

Staffing Category	Allocated	Current
Staff Size	2	2

8-Work Related Activities Conducted by HUB Program Staff

	Weekly Hrs With HUB	Weekly Hrs With Purchasing	Weekly Hrs With Contract
Accounting Specialist	1	5	0
Administrative Assistant	1	0	0
Construction Cost Accountant	5	5	5
HUB & Procurement Manager	35	30	15
HUB Coordinator	10	20	5
Student Worker	1	0	0
Training Specialist	1	5	2



## The Texas A&M University System HUB Quarterly Report - Sub Report

Texas A&M System Offices (710)  
Fiscal Year 2015 Fiscal Quarter 4

1-HUB Goals	Goal Amount	Actual
Heavy Construction	0.00%	0.00 %
Building Construction	15.63%	0.23 %
Special Trade Construction	21.55 %	15.88 %
Professional Services	32.07 %	8.47 %
Other Services	12.63 %	3.96 %
Commodities	52.78 %	54.14 %

2A Prime								
	African American	Asian American	Hispanic American	Native American	Non-minority Woman	Disabled Veteran	Non HUB	Total
Heavy Construction	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Building Construction	67,629.10	56,947.29	273,245.19	0.00	457,612.58	0.00	376,207,139.34	377,062,573.50
Special Trade Construction	0.00	0.00	0.00	0.00	2,224.00	0.00	220,539.43	222,763.43
Professional Services	25,253.00	5,113.43	1,847,638.56	0.00	149,832.39	26,059.43	22,206,815.48	24,260,712.29
Other Services	305,795.60	0.00	4,469.32	0.00	302,844.43	276.00	14,924,821.22	15,538,206.57
Commodities	911,056.94	353,870.20	1,134,278.34	10,683.12	5,554,678.23	0.00	6,735,831.05	14,700,397.88
<b>Total</b>	<b>1,309,734.64</b>	<b>415,930.92</b>	<b>3,259,631.41</b>	<b>10,683.12</b>	<b>6,467,191.63</b>	<b>26,335.43</b>	<b>420,295,146.52</b>	<b>431,784,653.67</b>

2B Prime								
	African American	Asian American	Hispanic American	Native American	Non-minority Woman	Disabled Veteran	Non HUB	Total
Heavy Construction	0	0	0	0	0	0	1	1
Building Construction	9	6	5	0	14	0	122	156
Special Trade Construction	0	0	0	0	2	0	5	7
Professional Services	2	1	6	0	5	4	81	99
Other Services	6	0	2	0	29	1	329	367
Commodities	12	1	14	1	52	0	181	261
<b>Total</b>	<b>29</b>	<b>8</b>	<b>27</b>	<b>1</b>	<b>102</b>	<b>5</b>	<b>719</b>	<b>891</b>

3A Subcontracts								
	African American	Asian American	Hispanic American	Native American	Non-minority Woman	Disabled Veteran	Non HUB	Total
Heavy Construction	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Building Construction	0.00	0.00	0.00	0.00	0.00	0.00	989.75	989.75
Special Trade Construction	0.00	0.00	0.00	0.00	48,909.88	0.00	50,333.02	99,242.90
Professional Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Services	0.00	0.00	2,919.66	0.00	593.98	0.00	46,909.76	50,423.40
Commodities	7,198.36	219.00	41,549.42	0.00	58,726.16	0.00	101,937.69	209,630.63
<b>Total</b>	<b>7,198.36</b>	<b>219.00</b>	<b>44,469.08</b>	<b>0.00</b>	<b>108,230.02</b>	<b>0.00</b>	<b>200,170.22</b>	<b>360,286.68</b>

3B Subcontracts								
	African American	Asian American	Hispanic American	Native American	Non-minority Woman	Disabled Veteran	Non HUB	Total
Heavy Construction	0	0	0	0	0	0	0	0
Building Construction	0	0	0	0	0	0	1	1
Special Trade Construction	0	0	0	0	4	0	18	22
Professional Services	0	0	0	0	0	0	0	0
Other Services	0	0	3	0	3	0	112	118
Commodities	4	1	12	0	24	0	162	203
<b>Total</b>	<b>4</b>	<b>1</b>	<b>15</b>	<b>0</b>	<b>31</b>	<b>0</b>	<b>293</b>	<b>344</b>

4 New Vendors								
	African American	Asian American	Hispanic American	Native American	Non-minority Woman	Disabled Veteran	Non HUB	Total
Heavy Construction	0	0	0	0	0	0	1	1
Building Construction	0	0	2	0	8	0	34	44
Special Trade Construction	0	0	0	0	1	0	5	6
Professional Services	0	0	0	0	1	0	24	25
Other Services	3	0	2	0	14	0	151	170
Commodities	12	0	3	1	13	0	99	128
<b>Total</b>	<b>15</b>	<b>0</b>	<b>7</b>	<b>1</b>	<b>37</b>	<b>0</b>	<b>314</b>	<b>374</b>

5- Sponsored or participated in local and statewide settings to encourage HUB participation in state procurement		
Event / Activity	Hosted	Attended
Economic Opportunity Forum	0	4
Annual Meeting/Setting	2	0
Advocacy Group Meeting (i.e., TAAACC, TAMACC, etc.)	0	3
Other	1	1

6- Mentor-Protégé Program:		
Mentor Program Description	Ongoing	This Quarter
Number of Programs	0	0

7-HUB Program Staffing		
Staffing Category	Allocated	Current
Staff Size	2	2

8-Work Related Activities Conducted by HUB Program Staff			
	Weekly Hrs With HUB	Weekly Hrs With Purchasing	Weekly Hrs With Contract
Contract Administrator	2	0	38
Director	20	20	0
Project Coordinator	10	30	0