



TEXAS HEALTH AND HUMAN SERVICES COMMISSION

CHARLES SMITH
EXECUTIVE COMMISSIONER

October 2, 2017

ACTION

MEMORANDUM FOR THE EXECUTIVE COMMISSIONER

THROUGH: Heather Griffith Peterson, Chief Operating Officer

Ron Pigott, Deputy Executive Commissioner, PCS

FROM: Heather Shiels, Associate Commissioner for Contract Administration
Procurement and Contracting Services (PCS) Division

SUBJECT: Supplemental Letter for Fiscal Year 2017 Annual HUB Report

Purpose

To request the Executive Commissioner's approval of and signature on the attached supplemental letter for the fiscal year (FY) 2017 Annual Historically Underutilized Business (HUB) Statewide Report. The HUB reporting period is September 1, 2016 through August 31, 2017. The supplemental letter is due to the Texas Comptroller of Public Accounts (CPA) Office by Thursday October 5, 2017.

Background/Summary

The supplemental letter is part of the HUB annual and semi-annual reporting process. The CPA synthesizes the HUB spend data but allows agencies to provide a one-page supplemental letter to add context to the numbers. The HHS HUB Program Office has drafted the attached supplemental letter in the format required by the CPA. On November 15, 2017, the CPA will submit the FY 2017 Annual HUB Report to the presiding officer of each house of the legislature, the members of the legislature, and the joint select committee.


Discussion

This letter enables HHS to provide context and clarifying information to elected officials and the public. It is an excellent opportunity for the HHS agencies to highlight our continued good faith efforts related to the HUB Program. It also enables us to highlight HUB participation in grant programs, which are not counted by the CPA.

Recommendation

It is recommended that you sign the attached letter acknowledging HHS agencies' good faith efforts to maximize HUB participation and inclusion by Wednesday October 4, 2017.

Executive Commissioner's Decision

Approve		Disapprove	_____
Modify	_____	Schedule Briefing	_____
Comments/Acknowledgment	_____		

cc: Kara Crawford, Chief of Staff
Attachment



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Supplemental Letter for FY 2017 Annual HUB Report for Agency No. 529, 530, 537, 539

The Health and Human Services Commission (HHSC) is committed to the utilization of Historically Underutilized Businesses (HUBs) and minority/woman-owned firms by contracting both directly and indirectly through subcontracting opportunities. Our good faith efforts to maximize HUB participation for the period of September 1, 2016 to August 31, 2017 include the following:

- renewed and continued to advance the concept and spirit of the "memorandums of cooperation" with the Texas Association of African American Chambers of Commerce (TAAACC) and the Texas Association of Mexican American Chambers of Commerce (TAMACC) to maximize HHSC's good faith efforts;
- conducted post award meetings with contractors after execution of contracts over \$100,000 to discuss HUB subcontracting plan/reporting requirements;
- administered Comptroller of Public Accounts (CPA) HUB rules;
- participated in HUB Discussion Workgroup (HDW) meetings to gain knowledge of HUB rules, and provide feedback on related requirements;
- attended and participated in pre-solicitation conferences to provide potential prime contractors and overview of the HUB Subcontracting Plan requirement;
- encouraged and assisted qualified minority and woman-owned businesses to become HUB certified;
- collectively managed HHS sponsored mentor-protégé relationships and continued with efforts to identify and establish additional formalized relationships as required by 34 TAC 20.298;
- provided assistance to HUB vendors in regards to accessing agency expenditures by Comptroller object code, which enables them to target the agencies that purchase their products in large volumes;
- determined subcontracting opportunities for inclusion of HUB subcontracting plans in contracts over \$100,000 when applicable, and evaluated HUB subcontracting plans for compliance as required by 34 TAC 20.285;
- co-sponsored and participated in economic opportunity forums (EOFs) and related HUB outreach events statewide;
- provided list of randomly-generated certified HUBs to potential prime contractors for preparation of HUB Subcontracting Plan development;
- hosted HHS Internal HUB forums providing certified HUBs the opportunity to give business presentations to agency management, purchasing, and HUB staff as required by 34 TAC 20.297;
- certified HUB procurement card expenditures: \$248,125;
- certified HUB subcontracting expenditures in HUB reportable object codes: \$95,272,737;
- notified HUBs not registered on the Centralized Masters Bidders List about HHS bid opportunities; and
- provided internal HUB expenditure reports and program briefings to executive management.

Please let me know if you have any questions or need additional information. Sherice Williams, Procurement and Contracting Services, HHS HUB Operations Manager, serves as the lead staff on this matter. Sherice can be reached at (512) 406-2542 or by e-mail at sherice.williams@hhsc.state.tx.us.


Charles Smith, Executive Commissioner