



HUB/SB OFFICE

THE UNIVERSITY OF TEXAS AT AUSTIN

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### Supplemental Summary for FY 2018 Annual Report Agency 721

This supplement to The University of Texas at Austin's Semi-Annual Historically Underutilized Business Report for Fiscal Year 2018 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) in contracts for construction, services, including professional and consulting services, special trade, and commodities.

The University of Texas at Austin's annual HUB percentage has averaged 17.7% over the last five fiscal years: 2013 (17.83%); 2014 (20.13%); 2015 (16.56%); 2016 (15.11%); and 2017 (18.87%). Currently, the University's percentage for annual FY 2018 is 19.67% or \$104,129,905 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. Taking into account "non-availability" payments for FY 18, HUB payments, would equal 21.4% of overall spend at the University.

Following are a few of the good faith efforts demonstrated in the HUB/Small Business Program during the 2018 fiscal year:

- Increased HUB utilization across all six HUB eligibility categories doubling utilization to African American, Native American, and Service Disable owned firms
- Increase in the number of HUB firms (503) awarded contracting dollars with the University. the most significant increase going to firms earning \$501 - \$1 million cumulatively for FY18
- Hosted 1<sup>st</sup> annual reverse economic opportunity forum introducing over 170 HUB participants to purchasing representatives from top 10 spending university departments
- Successfully advocated for HUB suppliers adding one to nationally recognized group purchase organization (GPO) used by the university through UT System Supply Chain Alliance (UTSSCA) and over \$300,000 being awarded in subcontracting to new suppliers through job order contracting (JOC) efforts
- HUB utilization of 76.49% (\$26,467,762) through UTAustin Market Place;
- Provided targeted bid notifications to over 5,367 certified HUB vendors and Memorandum of Cooperation partners - Texas Association of African American Chambers of Commerce (TAAACC) and Texas Association of Mexican American Chambers of Commerce (TAMACC).

A handwritten signature in blue ink, appearing to read "Felix Alvarez".

Felix Alvarez

Assistant Vice President Procurement, Payments, Contracts and HUB Coordinator

10/2/18

Date