



## 720 – Fiscal 2021 Semi-Annual HUB Report Supplemental Letter

It is the policy of The University of Texas System Administration to promote and encourage contracting and subcontracting opportunities for Historically Underutilized Businesses (HUBs) in all contracts. Measurements of supply marketplace variables, including demand for goods and services for which no HUB suppliers are available, and payments to non-certified HUB firms are important considerations in evaluating HUB program performance. In the Other Services procurement category, the low HUB participation is caused by the purchase Oracle software for all UT institution. In FY 20, UT System delegated management of major capital projects to UT Arlington, UT San Antonio, UT Health Houston, and UT Health San Antonio thereby reducing total reportable expenditures in building construction, architecture, engineering, and office furnishings for UT System Administration. This reduction in expenditures has led to a decline in the overall HUB percentage and the HUB percentage in Professional Services in particular. Typically, the design work for major capital projects is a Professional Service through the use of licensed architects and engineers. The work usually requires architects to subcontract out work to various engineering disciplines. In accounting, however, CPA firms typically perform audit work with its employees providing very little opportunity for subcontracting.

Good faith efforts include but are not limited to:

- Participation and facilitation of HUB forum events in all regions of the state.
  - Participated in 8 virtual HUB outreach events sponsored by various organizations in Dallas, Houston, and San Antonio
  - 65 One-on-one meetings with HUB firms
- Hosting of HUB outreach events
  - Sponsored systemwide virtual HUB outreach construction event with over 130 representatives from HUB or M/WBE firms
- Focus on Mentor Protégé Program
  - Currently there are 8 active partnerships: 4 Construction, 3 Professional Services, and 1 Commodities.

The University of Texas System Administration, in partnership with the institutions within The University of Texas System, is committed to maximizing HUB participation by fostering collaborative efforts and innovative approaches ensuring HUB inclusion in local communities throughout the state in an effort to facilitate economic development.

The University of Texas System Administration submits this supplemental letter to provide additional information and background related to its HUB program. Please address inquiries to the HUB Office, 512-499-4377 or e-mail to [hhay@utsystem.edu](mailto:hhay@utsystem.edu).

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