The Historically Underutilized Business Subcontracting Plan
Agenda

• What is a Historically Underutilized Business
• Why we do a HUB Subcontracting Plan
• How to create a HUB Subcontracting Plan
What is a Historically Underutilized Business (HUB)?

- It is at least 51% owned by an Asian Pacific American, Black American, Hispanic American, Native American, American woman and/or Service Disabled Veteran, who reside in Texas and actively participate in the control, operations and management of the entity's affairs.
What is a HUB?

• It is certified by the State of Texas.
• It is a for-profit entity that has not exceeded the size standards prescribed by 34 TAC §20.23, and has its principal place of business in Texas.
Why we do a HUB Subcontracting Plan (HSP)

• Texas State Law.
  • Government Code Chapter §2161.252
  • Administrative Code §20.14
• Demonstrates a “Good Faith Effort” (GFE) to diversify business opportunities.
• Responses that do not include a complete HSP must be rejected.
Quick Checklist

Use this tool to determine which pages and sections must be completed based on the unique situation and plan of the submitting company.

Page 1

- Contains the HUB goals established by the State of Texas.
- Please ensure Section 1 is completed thoroughly and accurately.
- Note: UNT System HUB Area will verify the Vendor ID and HUB status of the submitting company.
• Declare all subcontracting opportunities on this page.
• List by opportunity type, not by vendor name (that comes later).
• The choices at the bottom will determine which “Method” the submitting company will use to demonstrate a GFE.
• There is an addendum page to use if the submitting company identifies more than 15 subcontracting opportunities.
• If the submitting company is not subcontracting any of the work, they must explain how the company will perform the entire contract with its own employees, materials, etc.

• The designated representative of the submitting company will read and affirm the contractual obligations within the HSP by signing in the space below.

• This should be signed by a senior employee familiar with the project.
Attachment A

• Used if the submitting company intends to use only Certified HUBs or if they meet the State’s HUB goals.
• One page per subcontracting opportunity.
• The sum of these percentages must match the percentages listed on Page 2 for each opportunity.
• Note: UNT System HUB Area will verify the current HUB status and Vendor ID of all subcontractors.
Attachment B

• Used if the submitting company intends to use any non-HUB businesses or if they do not meet the State’s HUB goals.
• One page per subcontracting opportunity.
• Minimum of 3 HUB Vendors and 2 related trade organizations
• Note: UNT System HUB Area will verify the current HUB status and Vendor ID of all subcontractors.
Attachment B (pg. 2)

- The submitting company will show the selected vendor.
- Complete justification as to why a HUB vendor was not selected must be listed.
- The sum of these percentages must match the percentages listed on Page 2 for each opportunity.
- Note: UNT System HUB Area will verify the current HUB status and Vendor ID of all subcontractors.

REMINDER: As specified in SECTION 4 of the completed HSP form, if you independently selected any portion of the subcontracts, you are required to provide notice as soon as practicable to all the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor. The notice must specify a minimum of the subcontracting agency’s name and one of the subcontractors. The subcontracting opportunity must be for the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of this notice received by the subcontractor must also be provided to the contracting agency’s point of contact for the contract no later than ten (10) working days after the contract is awarded.
HUB Subcontracting Opportunity Notification

- Only one of the many options for distributing information.
- All methods of distributing information must provide complete information.
- Respondents have 7 working days to respond.
- All contact information must be accurate.
How to Find HUB Vendors

• Visit the States of Texas “Centralized Master Bidders List” at:
  https://mycpa.cpa.state.tx.us/tpasscmblsearch/index.jsp

• Contact associated trade organizations:
  • Tri-County Regional Hispanic Chamber
    • http://www.tricountyrhchamber.org/
  • Regional Black Contractors Association
    • www.blackcontractors.org
  • Women’s Business Council – Southwest
    • http://www.wbcsouthwest.org/
  • DFW Minority Supplier Development Council
    • http://dfwmsdc.com/
  • US Pan Asian American Chamber – Southwest
    • http://uspaacc-sw.org/
Possible Reasons for Rejection

• Not signed.
• Included in the same envelope as the bid.
• Company information incorrect/incomplete.
• Not justifying the failure to meet State HUB usage goals.
• If self-performing, not providing required information.
• Section 2 does not match Methods “A” or “B”.
• Respondents not allowed 7 working days.
• HUBs and minority chamber not contacted.
• No documentation showing “GFE”.
• Missing any information that the UNT System HUB Area is not allowed to fill in for the submitting company.
Remember...

• The submitting company’s HSP is a binding document.

• Contract language requires the submitting company to abide by the terms of the original HSP.

• The HSP can be revised only with the consent of the UNT System HUB Area. The same “GFE” requirements will apply.
Assistance is Available

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