

## Historically Underutilized Businesses (HUBs)

### Overview

It is the policy of the State of Texas to encourage the use of Historically Underutilized Businesses (HUBs) by state agencies, and to assist agencies in the implementation of this policy through race, ethnic, and gender-neutral means. The purpose of this program is to promote full and equal business opportunities for all businesses in state contracting in accordance with the goals specified in the State of Texas Disparity Study. (34 Texas Administrative Code Part 1, Chapter 20, Subchapter B, Historically Underutilized Business Program). The UNT System is committed to achieving the State's goal of increasing contracting opportunities for Historically Underutilized Businesses (HUBs).

A "Historically Underutilized Business" is defined as

- 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; and
- at least 51% owned by an Asian Pacific American, Black American, Hispanic American, Native American, American woman, and/or Service Disabled Veteran, who resides in Texas, and actively participates in the control, operations and management of the entity's affairs.

For more information on the statewide HUB program, please visit the [HUB page](#) on the Texas CPA website.

### HUB Procurement Categories

The Texas Comptroller of Public Accounts establishes the expenditure (object) codes as defined in the State Comptroller's Office Manual of Accounts that must be included in the semi-annual and annual statewide HUB reports for each procurement category. These are the codes used as Alternate Accounts in EIS by the UNT System.

The current Procurement Categories are as follows:

- heavy construction other than building contracts;
- building construction, including general contractors and operative builders contracts;
- special trade construction contracts;
- professional services contracts;
- other services contracts; and
- commodities contracts.

See the full listing of object codes for each category on the [Texas CPA website](#).

Additional information on expenditure (object) codes can be accessed via the [State Comptroller's Office Manual of Accounts](#).

### HUB Subcontracting Plan (HSP)

State agencies and institutions of higher education considering entering into a contract with an expected value of \$100,000 or more must determine whether subcontracting opportunities are probable under the contract.

If subcontracting opportunities are probable, the agency's bid invitation or other purchase solicitation documents with an expected value of \$100,000 or more must state that probability, and require a HUB Subcontracting Plan (HSP). Although not all solicitations of \$100,000 or more will require the HSP, contact the [UNT System HUB Program](#) to ensure one is completed if there is any probability of subcontracting.

The HSP must be submitted at the same time as the response (bid, proposal, offer, or other applicable expression of interest), except for construction contracts involving alternative delivery methods. For construction contracts involving alternative delivery methods, the HUB Subcontracting Plan (HSP) may

be submitted up to 24 hours following the date/time that responses are due provided that responses are not opened until the HSP is received and approved.

Responses that do not include a required HSP in accordance with state requirements must be rejected due to material failure to comply with advertised specifications in accordance with Texas Administrative Code (TAC) Rule §20.14(a).

### **HUB Utilization Goals**

The current goal per *Texas Administrative Code (TAC) Rule 20.13* is for each state agency to make a good faith effort to assist HUBs in receiving a portion of the total value of all contracts the agency expects to award in a fiscal year in accordance with the percentages below. The UNT System follows the recommended State of Texas goals that were established through a disparity study.

<b>%</b>	<b>Contract Type</b>
11.2%	Heavy construction other than building contracts
21.1%	All building construction, including general contractors and operative builders' contracts
32.9%	All special trade construction contracts
23.7%	Professional services contracts
26.0%	All other services contracts
21.1%	Commodities contracts

### **How to Locate HUB Vendors**

To locate HUB vendors

- use the vendor search function in EIS eProcurement;
- check **HUB Resources** on the UNT System Business Support Services webpage; or
- search the Texas CPA **CMBL**.

The UNT System HUB Program will obtain information quotes and bids from HUB vendors upon request. To request assistance, send the specifications for the goods or services with the requested delivery date to [HUB@untsystem.edu](mailto:HUB@untsystem.edu).