

HISTORICALLY UNDERUTILIZED BUSINESS PLAN

Mission Statement

The mission of the Historically Underutilized Businesses (HUBs) program at Texas Facilities Commission (TFC) is to provide training and educational assistance to HUBs and to help them improve their ability to effectively compete in doing business with the State of Texas. TFC is dedicated to fostering an environment that will advance the participation of HUBs in the agency's competitive procurement of goods and services.

HUB Policy

TFC has adopted Title 34, Texas Administrative Code, Part 1, Chapter 20, Subchapter D, Division 1 (34 TAC (1)20D (1)). Additional guidance is provided in the TFC's Operating Policies and Procedures.

HUB Definition

A HUB is defined by the Texas Government Code, Chapter 2161, and 34 TAC §20.282 as a business formed for the purpose of making a profit, provided the following criteria are met:

- The principal place of the business must be in Texas.
- The proprietor of the business must be a resident of the State of Texas.
- At least 51% of the assets and at least 51% of all classes of the shares of stock or other equitable securities in the business must be owned by one or more persons whose business enterprises have been historically underutilized (economically disadvantaged), because of their identification as members of at least one of the following groups: *African American, Hispanic American, Asian Pacific American, Native American, American women, and disabled-service veterans.*
- The individuals mentioned above must demonstrate active participation in the control, operation, and management of the business.
- The business must be involved directly in the manufacture or distribution of the contracted supplies or materials, or otherwise warehouse and ship the supplies or materials.
- The business must be classified as a small business consistent with the U.S. Small Business Administration's size standards and based on the North American Industry Classification System code.

HUB Program Staff

TFC currently has 5 FTEs – a director, three coordinators, and one assistant coordinator – whose focus is solely on the HUB program responsibilities. The HUB director communicates with the executive director; serves as a resource to other TFC management and program staff; and reports and responds to oversight entities

as required. HUB staff are involved in standard HUB-related activities, ranging from maintaining and monitoring HUB data, vendor outreach to vendor and staff education on program requirements. In addition to HUB program staff, other TFC staff involved in procurement and contracting are required to implement state and agency HUB-related guidance, as identified in operating policies and procedures posted agency-wide.

HUB Performance, Goals, Objectives, and Strategies

In 2009 the State of Texas performed a disparity study, which resulted in development of statewide HUB goals in six categories of procurements. TFC has adopted these goals as its minimum performance standard and develops annual agency goals based on past performance and future procurement projections. The following are the operational goals, objectives, and strategies that the TFC employs in working to meet its HUB-related mission and the goals identified.

Agency-Specific HUB Goals and TFC’s Performance

Category	Goals for FYs 2023-2024	Performance		Goals for FYs 2025-2029
		2023	2024**	
Heavy Construction Contracts*	11.2%	0%	0%	11.2%
Building Construction	21.1%	15.93%	10.55%	21.1%
Special Trade	32.7%	39.66%	10.92%	32.9%
Professional Services Contracts	23.6%	43.93%	22.11%	23.7%
Other Services Contracts	24.6%	17.99%	28.91%	26%
Commodity Contracts	21.1%	22.96%	20.98%	21.1%

* Please note TFC is not slated for any projects that would fall in the Heavy Construction procurement category. Professional Services projects

that are part of a construction project are rolled up and placed under the Building Construction Category.

**TFC is currently in the DRAFT period of reporting HUB data and official HUB report will be posted on the Comptroller webpage on May 15, 2024.

Outreach to HUB Vendors

GOAL 1: Increase the number of HUBs participation on prime and subcontracting opportunities through early identification of procurement needs, market research, and HUB engagement.

Objective 1.1 Proactively identify contracting and procurement needs in prime and subcontracting opportunities and create a plan of action to ensure proactive HUB engagement.

Strategy 1.1.A. Advise vendors, business associations, and others of the agency's procurement processes and opportunities.

Strategy 1.1.B. Assist disabled-service veteran and minority- and women-owned businesses in acquiring HUB certification.

Strategy 1.1.C. Facilitate mentor-protégé agreements to foster long-term relationships between contractors and HUBs.

Objective 2.1. Develop education resource training program, implementation strategy, and metrics for on-going success for early and effective engagement with HUBs at all levels.

Strategy 2.1.A. Encourage prime stakeholders and resources partners to collaborate to host essential training on best practices to assist HUBs to understand the competitive procurement process and post award HUB compliance the State of Texas requires.

Strategy 2.1.B. Coordinate education sessions for HUBs through online avenues and classroom training settings.

Objective 3.1. Building trust and opportunity through community engagement.

Strategy 3.1.A. Continued collaborations with local and statewide minority associations, chambers, business development centers and trade organizations.

Strategy 3.1. Host, coordinate, and attend business conferences to provide information on upcoming procurements opportunities and trainings.

Strategy 3.1.C. Conduct outreach activities that foster and improve relationships among HUB vendors, prime contractors, and purchasers.

Outreach to Purchasers and Key Decision Makers

GOAL 2: Increase the utilization of HUB-certified vendors through internal outreach and procurement practices and policies that maximize HUB utilization.

Objective 2.1. Encourage directors, purchasers, project managers, and other personnel responsible for procurement of goods and services to maximize use of HUBs.

Strategy 2.1.A. Educate agency staff on HUB statutes and rules through online avenues, teleconferencing, and classroom training.

Strategy 2.1.B. Review existing policies and procedures and amend as necessary to encourage HUB utilization.

Strategy 2.1.C. Report HUB utilization data throughout the fiscal year so that each office can keep abreast of ongoing performance.