

OFFICE OF THE ASSISTANT VICE PRESIDENT AND CHIEF PROCUREMENT OFFICERPROCUREMENT AND PAYMENT SERVICE

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Supplemental Summary for FY 2020 Annual Report Agency 721

This supplement to The University of Texas at Austin's Semi-Annual Historically Underutilized Business Report for Fiscal Year 2020 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 18.25% over the last five fiscal years: 2015 (16.56%); 2016 (15.11%); 2017 (18.87%); 2018 (19.86%); and 2019 (20.87%) Currently, the University's annual HUB percentage for FY 2020 is 16.22% or \$108,585,456 awarded to HUB vendors.

HUB utilization was significantly impacted during FY20 due to the COVID-19 pandemic. As a result of social distancing restrictions placed on the University and the local area, significant investment was made in technologies to support a move to online teaching environment. This increased our base as we urgently responded to technology, and personal protective equipment needs to support campus operations and ensure necessary business continuity.

The building construction category was particularly affected as project spend was slowed and, in some categories, even halted in an already tight labor market. Considering purchases made in support of the pandemic response and campus readiness initiatives for the start of fall semester, coupled with "non-availability" payments for FY20 for routine expenditures in research areas and infrastructure support, HUB payments would equal 32.64% of overall spend at the University.

In spite of the pandemic, following are a few of the good faith efforts demonstrated in the HUB/Small Business Program during the 2020 fiscal year:

- HUB utilization of 79.70% (\$32,861,482.57) through UT Austin Market Place;
- Participation in 30 HUB Economic Opportunity Forums and outreach events;
- Provided targeted bid notifications to over 4,500 certified HUB vendors, Regional Hispanic Chamber of Commerce Association and Southwest Minority Supplier Development Council, and Memorandum of Cooperation partners - Texas Association of African American Chambers of Commerce (TAAACC) and Texas Association of Mexican American Chambers of Commerce (TAMACC);
- Integrated the delivery of HUB specific information into all pre-proposal conferences for procurement and construction projects.

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The University of Texas at Austin