



720 – Fiscal 2023 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 in part by the purchase of property insurance on a systemwide basis. The size of the contract far exceeds the small business size limitations for insurance brokers and represents over 54 percent of total expenditures in Other Services. In addition, our HUB percentage in building construction including a contractor that is minority-owned, but too large to be HUB certified would be 23.11% instead of the 19.68% which only counts HUB certified firms. Including this firm would increase our overall HUB percentage from 11.93% to 12.78%.

Good faith efforts include but are not limited to:

- Sponsorship of two systemwide HUB outreach events focused on goods and services in April and construction in June with 470 participants online. System administration and all the UT institutions made presentations. Chancellor James Milliken spoke at the April event and Chief Business Officer Jonathan Pruitt spoke at the June event.
- Participation and facilitation of HUB forum events in all regions of the state and HUB one-on-ones
 - Participated in 16 HUB outreach events sponsored by various organizations including Minority Supplier Development Councils in Houston and Dallas, and Minority Chambers of Commerce in D/FW, Tyler, and El Paso
 - Staff had 75 one-on-one meetings with HUB firms virtually, on the phone, and in person, 11 of which were vendor requests through the UT System HUB website Vendor Information Form
- Sponsored three (3) in-person Construction Contractor Guide Workshops in partnership with
 - Minority Supplier Development Council in Dallas (DFW-MSDC)
 - El Paso Hispanic Chamber of Commerce in El Paso
 - DFW Chapter of National Association of Minority Contractors (NAMC) and DFW-MSDC in Dallas
- Sponsored two in-person Construction Subcontractor Training classes in Tyler and El Paso:
 - Tyler to prepare HUB firms to pursue work on the UT Tyler Medical Education Building
 - El Paso to prepare HUB firms to pursue work on the UT El Paso Advanced Teaching and Learning Complex
- Hosted a focus group meeting with HUB contractors across the state to discuss challenges in working on major capital projects
- Focus on Mentor Protégé Program
 - Currently there are 5 active partnerships: 3 Construction and 2 Professional Services
 - Hosted a Construction Contractor Guide Checklist Presentation to the Construction Mentor/Protégé Groups

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.

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