

**6.A. Historically Underutilized Business Supporting Schedule**  
 85th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Date: 9/13/2016  
 Time: 7:06:54AM

Agency Code: 537 Agency: State Health Services, Department of

COMPARISON TO STATEWIDE HUB PROCUREMENT GOALS

**A. Fiscal Year 2014 - 2015 HUB Expenditure Information**

Statewide HUB Goals	Procurement Category	% Goal	HUB Expenditures FY 2014			Total Expenditures FY 2014	% Goal	HUB Expenditures FY 2015			Total Expenditures FY 2015
			% Actual	Diff	Actual \$	Actual \$		% Actual	Diff	Actual \$	Actual \$
11.2%	Heavy Construction	11.2 %	0.0%	-11.2%	\$0	\$26,895	11.2 %	3.8%	-7.4%	\$1,450	\$37,928
21.1%	Building Construction	21.1 %	13.1%	-8.0%	\$25,785	\$197,254	21.1 %	1.1%	-20.0%	\$6,101	\$531,885
32.9%	Special Trade	32.7 %	27.9%	-4.8%	\$1,636,729	\$5,873,500	27.0 %	14.7%	-12.3%	\$760,572	\$5,164,104
23.7%	Professional Services	4.5 %	4.2%	-0.3%	\$1,062,193	\$25,559,788	4.5 %	4.1%	-0.4%	\$911,107	\$22,035,746
26.0%	Other Services	24.6 %	34.2%	9.6%	\$35,810,496	\$104,579,207	26.0 %	31.9%	5.9%	\$37,077,934	\$116,234,043
21.1%	Commodities	7.0 %	7.1%	0.1%	\$17,812,256	\$250,116,311	8.0 %	5.8%	-2.2%	\$13,882,289	\$237,969,587
	<b>Total Expenditures</b>		<b>14.6%</b>		<b>\$56,347,459</b>	<b>\$386,352,955</b>		<b>13.8%</b>		<b>\$52,639,453</b>	<b>\$381,973,293</b>

**B. Assessment of Fiscal Year 2014 - 2015 Efforts to Meet HUB Procurement Goals**

**Attainment:**

1. The agency attained or exceeded one (1) of the six applicable Statewide Annual HUB Utilization Goals in Fiscal Year 2014.
2. The agency attained or exceeded one (1) of the six applicable Statewide Annual HUB Utilization Goals in Fiscal Year 2015.
3. During the fiscal year 2014 and 2015 the Department of State Health Services (DSHS) spent \$56,347,457 (or 14.58%) and \$52,639,453 (or 13.78%) of its total expenditures, respectively, with HUBs.

**Applicability:**

The "Heavy Construction" category is only applicable to agency operations in FY 2015 since the agency did not have any strategies or programs related to Heavy Construction in FY 2014.  
 Due to competitive bidding requirements and the types of goods and services procured in the respective categories, the agency did not attain the goals in the "Special Trade", "Professional Services", "Other Services" and "Commodities" categories in either FY 2014 or FY 2015.

**Factors Affecting Attainment:**

Medical services performed by doctors, nurses and other medical professionals accounted for the majority of DSHS' expenditures in the Professional Services category. Such professionals either do not qualify for or are not interested in becoming certified as HUBs.  
 Annually a large portion of DSHS' expenditures for Commodities is spent on pharmaceuticals, which are purchased directly from manufactures that have the ability to fulfill the entire contract without the use of subcontractors.  
 Professional Services-DSHS Professional Services expenditures were with non-profit organizations and professional medical service providers who do not qualify for or are not interested in becoming certified as HUBs.

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**"Good-Faith" Efforts:**

1. Determined the inclusion of HUB subcontracting plans in solicitations for compliance with the HUB Rules;
2. Sponsored 13 Mentor-Protégé relationships during FY 2014 and 17 Mentor Protégé relationships during FY 2015 in accordance with the HUB Rules;
3. Administered the CPA's HUB Rules;
4. Assisted qualified minority/women owned businesses to become certified;
5. Hosted internal HUB forums to give HUBs the opportunity to make business presentations to agency staff;
6. Sponsored Mentor protégé relationship and continue efforts to identify and establish additional relationships;
7. Required HUB subcontracting plans for contract over \$100,000.00 when subcontracting opportunities are probable;
8. Participated in post award teleconferences to discuss HUB subcontracting plan compliance/ reporting;
9. Ensuring contract specification/terms/conditions reflect actual requirements, are clearly stated, and do not impose unreasonable or unnecessary contract requirements;
10. Prepared/ distributed purchasing, contracting, subcontracting information in a manner that encourages participation by all businesses; and,
11. Use of the CMBL/HUB directories for solicitation of bids.