

The University of North Texas at Dallas Policy Manual	Chapter 10.000
10.005 Historically Underutilized Business Program	Fiscal Management

Policy Statement. It is the policy of the University of North Texas at Dallas to involve qualified Historically Underutilized Businesses (HUB) to the greatest extent allowed by law in the University’s construction contracting, professional services, and purchase lease, or rental of all supplies, materials, services and equipment. Every University employee responsible for conducting business with outside vendors has the responsibility of making a good faith effort of ensuring that HUBs are afforded an equitable opportunity to compete for all procurement and contracting activities of the University regardless of the source of funds.

Application of Policy. This policy applies to the total university.

Definitions.

1. **Historically Underutilized Business.** “Historically Underutilized Business” means an entity with its principal place of business in Texas that is:
 - i. A corporation formed for the purpose of making a profit in which 51 percent or more of all classes of the shares of stock or other equitable securities are owned by one or more economically disadvantaged persons who have a proportionate interest and actively participate in the corporation’s control, operation, and management;
 - ii. A sole proprietorship created for the purpose of making a profit that is completely owned, operated, and controlled by an economically disadvantaged person;
 - iii. A partnership formed for the purpose of making a profit in which 51 percent or more of the assets and interest in the partnership are owned by one or more economically disadvantaged persons who have a proportionate interest and actively participate in the partnership’s control, operation, and management;
 - iv. A joint venture in which each entity in the venture is a historically underutilized business, as determined under another paragraph of this section; or,
 - v. A supplier contract between a historically underutilized business, as determined under another paragraph of this section, and a prime contractor under which the historically underutilized business is directly involved in the manufacture or distribution of the goods or otherwise warehouses and ships the goods.

2. **Economically Disadvantaged Person.** “Economically Disadvantaged Person” means a person who is economically disadvantaged because of the person’s identification as a member of a certain group, including, Black Americans, Hispanic Americans, women, Asian Pacific

Americans, and Native Americans, and who has suffered the effects of discriminatory practices or other similar insidious circumstances over which the person has not control.

3. HUB Subcontracting Plan. "HUD Subcontracting Plan" means written documentation regarding the use of HUB subcontractors, which is required by a state agency in procurements with an expected value of \$100,000 or more which a potential contractor/vendor must prepare and return with their bid, proposal, offer, or other applicable expression of interest. The HUB subcontracting plan subsequently becomes a provision of the contract awarded as a result of the procurement process.

Procedures and Responsibilities.

1. **HUB Coordinator**. The President shall appoint a HUB Coordinator who is in a responsive role that reports, communicates, and provides information to the President or designee regarding the HUB program.
 - 1.01. The HUB Coordinator will have responsibility for administering the Texas Administrative Code (TAC) rules regulating HUB implementation for the University.
 - 1.02. Additionally, the duties and responsibilities of the HUB Coordinator shall include, but are not limited to:
 - a. Assist the University in the development and maintenance of the University's procurement specifications, HUB subcontracting plans, and evaluation of contracts for compliance;
 - b. Facilitate compliance with the University's good faith effort criteria to increase the award of goods and service contracts to HUBs, HUB reporting, contract administration, and marketing and outreach efforts for HUB participation;
 - c. Identify areas needing special attention in the University's HUB program and recommend ways to improve performance;
 - d. Provide training to the University employees;
 - e. Coordinate programs to recruit and train HUBs to conduct business with the University;
 - f. Report required information to the Comptroller;

- g. Match HUBs with key University of North Texas System Administration and University employees; and
- h. Serve as liaison between the University and University of North Texas System HUB Coordinator.

Responsible Party: President and HUB Coordinator

2. **HUB Program.** In addition to the TAC rules, the University's HUB Program shall include, to the greatest extent possible, good faith efforts to:

- a) Ensure that the Texas Comptroller of Public Accounts' web-based HUB directory and Centralized Masters Bidders List (CMBL) are accessible to all HUB coordinators and encourage their use as the primary reference for HUB vendors in procurement activities;
- b) Develop and participate in educational outreach activities, such as publishing materials expressly designed to convey information to HUBs about the University's procurement process;
- c) Develop and/or participate in internal educational activities, such as formal procurement training programs for all professional purchasing staff encouraging HUB opportunities and participation; and developing and distributing information related to HUBs for use in departmental purchase not being processed through the central purchasing department;
- d) Examine bid specifications to ensure that HUBs have access and equal opportunity for all procurement, contracting activities, and physical facility projects; and
- e) Participate in programs that consolidate information about upcoming contracting opportunities and allow potential bidders to review those opportunities.

Responsible Party: HUB Coordinator/Purchasing Staff

3. The University shall make a good faith effort to assist HUBs in receiving a portion of the total contract value of all contracts awarded in a fiscal year in accordance with the following percentages:

- a) 11.9 percent for heavy construction other than building contracts;

- b) 26.1 percent for all building construction, including general contractors and operative builders contracts;
- c) 57.2 percent for all special trade construction contracts;
- d) 20 percent for professional services contracts;
- e) 33 percent for all other services contracts; and
- f) 12.6 percent for commodities contracts.

Responsible Party: HUB Coordinator/Purchasing Staff

4. **Reporting Requirements.** In accordance to state law, the University shall provide information relating to the use of HUBs by the University and each operating division of the University, including information regarding subcontractors and suppliers, and bond issuance and items financed by bonds.

Responsible Party: HUB Coordinator/Controller's Office

References and Cross-references.

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Revised: