



720 – Fiscal 2020 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. Most recently, UT System has delegated management of major capital projects to UT Arlington, UT San Antonio, UT Health Houston, and UT Health San Antonio thereby reducing total reportable expenditures in building construction, architecture, engineering, and office furnishings for UT System Administration. This reduction in expenditures has led to a decline in the overall HUB percentage and HUB percentage in professional services because HUB participation has been historically significantly higher in those areas. In addition, UT System Administration purchases Oracle Software licenses, property insurance, builders risk insurance, and other insurances for all the UT institutions of almost \$50 million for which it is reimbursed. Enclosed below is a chart that shows what the HUB percentage for UT System Administration would be if those purchases were excluded:

Year	Total Expenditures	Total HUB Expenditures	Total HUB %
2020 (estimated)	\$177,159,991	\$24,899,403	14.05%
2020 (estimated) excluding insurance premiums & Oracle Software purchases	\$ 128,380,879	\$24,899,403	19.39%

Good faith efforts include but are not limited to:

- Participation and facilitation of HUB forum events in all regions of the state.
 - Participated in 29 HUB advocacy group outreach events including events sponsored by local Asian, Black, Hispanic, and Women business associations and the state conferences of TAAACC and TAMACC
 - Attended 20 HUB outreach events sponsored by government agencies and other private sector organizations
 - Facilitated 55 One-on-one meetings between HUB firms and U.T. System staff and/or prime firms
- Sponsorship of technical assistance workshops by the HUB office.
 - Sponsored 12 hours in four sessions of construction subcontractor training at UTRGV
- Focus on Mentor Protégé Program
 - Currently there are 8 active partnerships: 4 Construction, 3 Professional Services, and 1 Commodities.

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 Office of HUB Programs, 512-499-4377 or e-mail to hhay@utsystem.edu.

Hopeton B. Hay, Director
Office of HUB Programs