

Historically Underutilized Business (HUB)

HUB Subcontracting Plan (HSP) Training

Agenda



- HSP: What & Why?
- Various Subcontracting Options
 - a) Method I: All HUBs
 - b) Method II: Mentor-Protégé
 - c) Method III: Meeting/Exceeding
 - d) Method IV: Solicitation
 - e) Method V: Self Performing
- CPA's Commodity Book
- CMBL Searching



Agenda Continued



- HSP Requirements:
 - a) HSP (3 pages)
 - b) Good Faith Effort Attachments
 - c) Supporting Documentation
 - d) Reminders
- Post-Award & PARs
- HUB Office Contact Information



HSP: What & Why?

WHY? It's the LAW! (TGC §2161 and 34 TAC §20.285)

 HUB Subcontracting Goal = the assigned HUB <u>subcontracting</u> goal as per the 2009 Texas Disparity Study:

Other:

- □ 23.7%: Professional Services
- □ 26%: All Other Services
- □ 21.1%: Commodities

Construction Related:

- □ 11.2%: Heavy Construction
- □ 21.1%: Building Construction
- ☐ 32.9%: Special Trade Construction

TEXAS Health and Human Services

HSP: What & Why? Continued

- HUB = Historically Underutilized Business
 - * A small business, by SBA standards
 - ❖ 51%+ owned & operated by a member of the following groups:
 - Asian Pacific American,
 - Black American,
 - Hispanic American,
 - Native American,
 - American Woman, and
 - and/or 20%+ Service Disabled Veterans



- * Active in the business daily control.
- CMBL (Centralized Master Bidders List) and HUB Directory = TX Certified HUBs
- HSP = HUB Subcontracting Plan
- GFE = Good Faith Effort

HSP: What & Why? Continued





*Subcontractor = Government Code, §2251.001:

Contracts with a prime contractor towards

- completing work
- providing materials
- supplies, equipment and/or services for a governmental entity.

Includes Non-W2 employee, 1099, or even teaming partners

Method I: All HUBs





Only currently certified active HUBs may be used to satisfy this GFE method.

Method II: Mentor-Protégé Agreement



- Prime = Mentor
- HUB = Protégé
- Approved state of TX sponsored agreement



Method III:

Meeting/Exceeding

Goal

HUB subcontracting goal is met or exceeded

*HUBs & non-HUBs





Method IV: Solicitation Method



HUB subcontracting goal Not met or Exceeded.

Use of HUBs & non-HUBs



Method IV: Solicitation Method (Continued) **Requires:**

- Minimum of 3 Currently Certified HUBs per each subcontracting opportunity
- Minimum of 2 HUB Based Trade **Orgs./Business Development Centers**
 - - o Email
 - o Fax
 - Certified letters
- Minimum 7 business days to respond





CAREFULLY

Method V: Self Performing

Prime contractor perform ALL aspects:



- Materials
- Supplies
- Specialized licenses
- Etc.

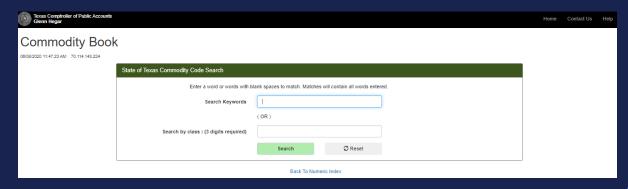


Justification required and agency may request additional information including site audits

CPA's Commodity Book

https://mycpa.cpa.state.tx.us/commbook/

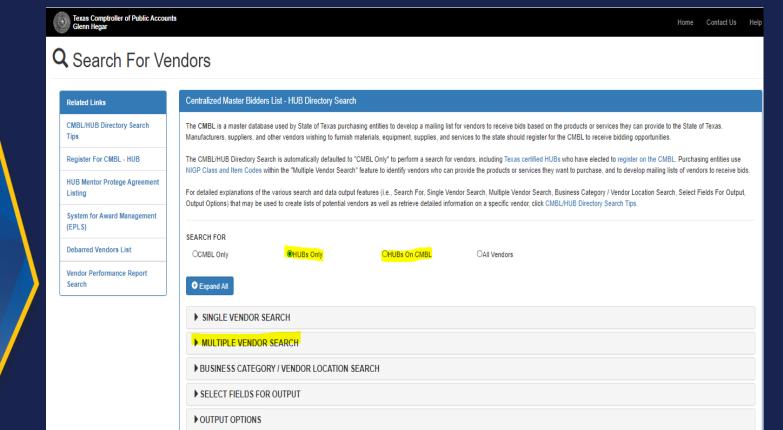
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Commodity				
State of Texas NIGP C	commodity Book Numeric Index			
Revised January, NOTE: The official NIG	P Commodity Book is copyrighted material to be used for reference purposes only and may not be reproduced without a license from Periscope Holdings, Inc.		Commodity B	Book
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CMBL Searching

https://mycpa.cpa.state.tx.us/tpasscmblsearch/tpasscmblsearch.do





HSP Requirements: a) HSP Pages



All subcontracting method options require:

a) HSP (3 pages)

- Contractor/Company information
- Subcontracting intentions
- Binding signature.

HSP Requirements: a) HSP Page 1





HUB Subcontracting Plan (HSP)

In accordance with Texas Cov1 Code §2161.252, the conhading agency has determined that subcontracting opportunities are probable under this contract. Therefore, all respondents, including Date of Texas certified Historically Undervoluted Plannesses (HUBs) must complete and submit this State of Texas HUB Subcontracting Part (HSP) with their exposses to the for despitation (solidation).

NOTE: Responses that do not include a completed HSP shall be rejected pursuant to Texas Gov't Code §2161.25(b).

The HUB Program promote equit buries opportunities for exominably disablated pleases becomed the 16 bits of Texas in accelerate with the goals specified in the 2008 State of Texas Disablated State of Texas Disablated

- · 11.2 percent for heavy construction other than building contracts,
- 21.1 percent for all building construction, including general contractors and operative builders' contracts,
- 32.9 percent for all special trade construction contracts,
- · 23.7 percent for professional services contracts,
- · 26.0 percent for all other services contracts, and
- 21.1 percent for commodities contracts.

- - Agency Special Instructions/Additional Requirements -

In accordance this 14 DC(\$10 16(1)(10)(10)) is appropriet (prince contactor) may demonstrate pool fast effort to allian Texas careful HILLS for its accordant HILLS for the control of the

STION-S: RESPONDENT AND REQUISITION INFORMATION	See 17 - NPA
Respondent (Company) Name.	State of Texas VIO #
Respondent (Company) Name: Point of Contact:	Phone #:
Respondent (Company) Name.	Tring later and

1. Contractor/Company information

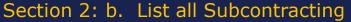


HSP Requirements: a) HSP Page 2



Subcontracting Intentions

Section 2: a. MUST indicate your subcontracting intentions



- List cumulative totals from each "Attachment A or B"
- Note "TBD" is NOT an acceptable response
- In cases of open ended contracts, the percentage is required, but the \$ amount is an unknown variable and may be excluded. Please obtain guidance from HUB Coordinator prior to omitting.



- a. Check the appropriate box (Yes or No) that identifies your subcontracting intentions
 - Yes, I will be subcontracting portions of the contract. (If Yes, complete Item b of this SECTION and continue to Item c of this SECTION.)
- No, I will not be subcontracting any portion of the contract, and I will be fulfilling the entire contract with my own resources, including employees, good services, transportation and delivery. (If No, continue to SECTION 3 and SECTION 4.)
- D. List all the portions of work (subcontracting opportunities) you will subcontract. Also, based on the total value of the contract, identify the percentages of the contract you want to award to Texas certified. Hi Riv a Nov.-Hi Riv a Nov.-Hi Riv and a Texas certified. Hi Riv a Nov.-Hi Riv and a River certified.

		HUI	Non-HUBa	
fen S	Subcontracting Opportunity Description	Percentage of the contract expected to be subcontracted to HUBs with which you do not have a continuous contract in place for more than five (5) years.	Percentage of the contract expected to be subcontracted to HUBs with which you have a continuous contract in place for more than five [5] years.	Percentage of the contrast expected to be subcontracte to non-HUEs.
1		%	%	%
2		%	%	%
3		%	%	%
4		%	%	%
5		%	%	%
6		%	%	%
7		%	%	%
8		%	%	%
9		%	%	%
10		%	%	%
11		%	%	%
12		%	%	%
13		%	%	%
14		%	%	%
15		%	%	%
	necessarization of the contract competed to be subsent acted:	4/		· W

- Note: If you have more than iffeen subcontracting opportunities, a continuation sheet is available online at http://window.state.tx.us/opcurement/prog/hub/eubcontracting-plan
- c. Check the appropriate box (Yes or No) that indicates whether you will be using <u>only</u> Texas certified HUBs to perform <u>all</u> of the subcontracting opportunities you listed in SECTION 2, Hern b.
- Yes (if Yes, continue to SECTION 4 and complete an HSP Good Faith Effort Method A (Attachment A)" for each of the subcontenting opportunities you list No (if No, continue to term d, of this SECTION.)
- d. Check the appropriate box (Yes or No) that indicates whether the aggregate expected percentage of the contract you will subcontract with Texascentified HUBs with which you <u>do not have a continuous contract</u> in place with find more than the (5) years, meets or exceeds the HUB goal the contracting agency identified on page in the "Agency Special InstructionAddicious Requirements".
- Yes (If Yes, continue to SECTION 4 and complete an "HSP Good Fath Effort Method A (Attachment A)" for each of the subcontracting opportunities you list
- No (If No, continue to SECTION 4 and complete an "HSP Good Faith Effort- Method B (Attachment B)" for each of the subcontracting opportunities you listed.)

"<u>Continuous Contract</u>: Any esisting unima agreement (including any revenues that are servician) between a prime compartor and a HIDB worker, where the Hill previous revenues the contract with good or service, to holder amproprise and addings and the some contract for a specified period of time. The frequency the HIDB vendor is utilized or paid during the term of the contract is not relevant to whether the contract is contribed contract. The or or one contract for an unconsumerly or ording one another for different product of aims are considered by CPA to be individual contract rather than revenues or extensions to the original contract. In such situations the prime contract and HIDB vendor we extensity these extendit on "their Contract" and the Ministry or extensions to the original contract. In such situations the prime contract and HIDB vendor we extensity these extendit in "their Contract" and the Ministry or extensions to the original contract. In such situations the prime contract and HIDB vendor we extensity these extendit in "their Contract" and the Ministry or extensions to the original contract.



HSP Requirements: a) HSP Page 3



Enter your company's name here:		Requisition#:	
SECTION-3: SELF PERFORMING JUST	TIFICATION (f you responded "No" to SECTION	2, item a, you must complete this SECTION and	continue to SECTION 4.)
f you responded "No" to SECTION 2, Item a, in the s naterials and lorequipment, to include transportation a		ny will perform the entire contract with its ow	m employees, supplie
SECTION A: AFFIRMATION As evidenced by my signature below, I affirm that I a			
locumentation submitted with the HSP is true an			
 The respondent will provide notice as soon as contract. The notice must specify at a minimus subcontracting opportunity they (the subcontrac- ting total contract that the subcontracting opport point of contact for the contract no later than 	um the contracting agency's name and its poi clor) will perform, the approximate dollar value o tunity represents. A copy of the notice required b	int of contact for the contract, the contract of the subcontracting opportunity and the ex- by this section must also be provided to the	t award number, the pected percentage of
 The respondent must submit monthly complian compliance with the HSP, including the use http://www.window.state.tx.us/procurement. 	e of and expenditures made to its subcon	stractors (HUBs and Non-HUBs). (The	
The respondent must seek approval from the subcontractors and the termination of a subcont respondent may be subject to any and all enforc state contracting.	tractor the respondent identified in its HSP. If the cement remedies available under the contract or o	HSP is modified without the contracting ag otherwise available by law, up to and including	ency's prior approval
	contracting agency to perform on-site reviews o	of the company's headquarters and/or work	
ine respondent must, upon request, allow the being performed and must provide docur	mentation regarding staffing and other resou	rces.	k-site where services
the respondent must, upon request, allow the being performed and must provide docur Signature	mentation regarding staffing and other resou Printed Name	Title	Date
being performed and must provide docur Signature Reminder:	Printed Name	Title	Date (middigys)
Dend performed and must provide docur Signature Reminder: If you responded "Yes" to SECTION 2, Items subcontracting opportunities you lieised in SECT	Printed Name e c or d, you must complete an "HSP Good I TION 2, Item b.	Title Fath Effot - Method A (Atschment A) [*] fc	Date processes
Signature Reminder: If you responded "Yes" to SECTION 2, Items	Printed Name s c or d, you must complete an "HSP Good II TION 2, Items. and d, you must complete an "HSP Good F	Title Fath Effot - Method A (Atschment A) [*] fc	Date (modays) or each of the

HSP Requirements: b) GFE Attachments



- b) Good Faith Effort (GFE) Attachments
 - Method I: All HUBs
 - Method III: Meeting/Exceeding Contract's HUB Goal
 - = Attachment "A" (single page)
 - Method II: Mentor-Protégé Agreement
 - Method IV: Solicitation Method
 - = Attachment "B" (front & back pages)

HSP Requirements: b) GFE Attachments A



Method I or III:

- 1. Contractor Company Name
- 2. Subcontracting Opportunity 2
- 3. Subcontractor Selection 3

<u>Identify:</u>

- Company Name
- Texas Certified HUB (Y) or (N)
- Texas VID or Federal EIN #
 (Note: no Social Security Numbers)
- Percentage and Dollar Amount
- Note these methods do NOT required the 7 days notifications

Enter your con	npany's name here:		Requisition #:			
Method A (Attachr	If you responded "Yes" to SECTION 2, Items ment AP for <u>each</u> of the subcontrecting opportunite the form at					

-Yes --N

- Yes - No

-Yes -No

-Yes -Ne

- Yes - No

- Yes - N

REMINDER: As specified in SECTION 4 of the completed HIP from, I usu iteracondent are seated any portion of the resultation, you are required to provide notice to some any portion to gain a support an international register and international register and as post-provided. The notice making pages of more and its point of critical for the command, the contract question are supported goodwardly bey title subcortacting will perform, the supportantial distinction and the supportant distinction and

Page 1 of 1 (Attachment A)

HSP Requirements: b) GFE Attachments B (Front)



Method II or IV: Front

- 1. Contractor Company Name
- 2. Subcontracting Opportunity

3a. Subcontractor Notification



Enter your company's name here: IMPORTANT: If you responded "No" to SECTION 2, Items c and d of the completed HSP form, you must submit a completed "HSP Good Faith Effort Method B (Attachment B)° for each of the subcontracting opportunities you listed in SECTION 2, Item b of the completed HSP form. You may photo-copy this page Enter the item number and description of the subcontracting opportunity you listed in SECTION 2, Item b, of the completed HSP form for which you are completing the Item Number SECTION B-2: MENTOR PROTÉGÉ PROGRAM If respondent is participating as a Mentor in a State of Texas Mentor Protégé Program, submitting its Protégé (Protégé must be a State of Texas certified HUB) as a subcontractor to perform the subcontracting opportunity listed in SECTION B-1, constitutes a good faith effort to subcontract with a Texas certified HUB towards that heck the appropriate box (Yes or No) that indicates whether you will be subcontracting the portion of work you listed in SECTION B-1 to your Protégé No / Not Applicable (If No or Not Applicable continue to SECTION B-3 and SECTION B-4.) SECTION B-3: NOTIFICATION OF SUBCONTRACTING OPPORTUNITY When completing this section you MUST comply with items a, b, c and d, thereby demonstrating your Good Faith Effort of having notified Texas certified HUBs and trade organizations or development centers about the subcontracting opporturity you listed in SECTION B-1. Your notice should include the scope of work information regarding the location to review plans and specifications, bonding and insurance requirements, required qualifications, and identify a contact person When sending notice of your subcontracting opportunity, you are encouraged to use the attached HUB Subcontracting Opportunity Notice form, which is also available online at http://www.window.state.tx.us/procurement/prog/hub/hub-subcontracting-plan. Retain supporting documentation (i.e., certified letter, fax, e-mail) demonstrating evidence of your good faith effort to notify the Texas certified HUBs and trade organizations or development centers. Also, be mindful that a working day is considered a normal business day of a state agency, not including weekends, federal or state holidays, or days the agency is declared closed by its executive officer. The initial day the subcontracting opportunity notice is sent/oppyided to the HUBs and to the trade organizations or development centers is considered to be "day zero" and does not count as one of the seven (7) working days. a. Provide written notification of the subcontracting opportunity you listed in SECTION B-1, to three (3) or more Texas certified HUBs. Unless the contracting agency specified a different time period, you must allow the HuBs at least seven (7) working days to respond to the notice prior to your submitting your bid response to the contracting agency. When searching for Texas certified HuBs, ensure that you use the State of Texas' Centralized Master Bidders List (CMBL) and Historically Underutilized Business (HUB) Search directory located at http://mycpa.cpa.sfate.tx.us/tpesscmb/search/index.isp., HUB Status code "A" signifies that the company is b. List the three(3) Texas certified HUBs you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the company's Vendor ID (VID

number, the date you sent notice to that company, and indicate whether it was responsive or non-responsive to your subcontracting opportunity notice.

C. Provide written notification of the subcontracting opportunity you listed in SECTION B-1 to two (2) or more trade organizations or development centers in Texas to assist in identifying potential HUBs by disseminating the subcontracting opportunity to their members/participants. Unless the contracting agency specified a different time period, you must provide your subcontracting opportunity notice to trade organizations or development centers at least seven (7) working days prior to submitting your bid response to the contracting agency. A list of trade organizations and development centers that have expressed an interest in receiving notices of subcontracting opportunities is available on the Statewide HUB Program's webpage at http://www.window.state.tx.us/progurement/prog/hub/mwb-links-1/. d. List two (2)trade organizations or development centers you notified regarding the subcontracting opportunity you listed in SECTION B-1.Include the date

when you sent notice to it and indicate if it accepted or rejected your notice

HSP Good Faith Effort - Method B (Attachment B)

3b. Complete a form for each Subcontracting Item listed on Page 2 of the HSP.:

- (3) Texas certified HUBs and
- (2) Trade Org.s/Develop.
- **Centers**

Did the HUB Respond? □ - Yee □ - No - Yes - No

Date Notice Sent Was the Notice Accepted? - Yee - No ☐ - Yes ☐ - No

MUST provide at least 7 working for response

HSP Requirements: b) GFE Attachments B (Back)



Method II or IV: back

- 1. Contractor Company Name
- 2. Subcontracting Opportunity
- 3. Subcontractor Selection:
- Company Name
- Texas Certified HUB (Y) or (N)
- Texas VID or Federal EIN #

(Note: no Social Security Numbers)

- Percentage
- Dollar Amount
- Note "TBD" is NOT acceptable

Please provide justification for Non-HUB Subcontractor(s)

Enter your company's name here:		Requisition	:	
SECTION B-3: SUBCONTRACTOR SELECTION				
Enter the item number and description of the subcontracting opportunate him ent.	nity you listed in SECTION 2, Item b	b, of the completed HSP f	orm for which you a	re completing
a. Enter the item number and description of the subcontracting opp	portunity for which you are completing t	this Attachment B continue	ation page.	
Item Number: Description:				
b. List the subcontractor(s) you selected to perform the subcontral HUB and their VID number, the approximate dollar value of the whether the company is a Texas certified HUB.				
CompanyName	Texas certified HUB	VID Number (Required if Texas petities HUB)	Approximate Dollar Amount	Percentage of Contract
	□ - Yes □ - No		s	%
	□ - Yes □ - No		\$	%
	□ - Yes □ - No		s	%
	- Yes - No		s	%
	□ - Yes □ - No		s	%
	□ - Yes □ - No		s	%
	□ - Yes □ - No		\$	%
	□ - Yes □ - No		\$	%
	□ - Yes □ - No		s	%
	□ - Yes □ - No		s	%
justification for your selection process (attach additional page if r				

HSP Requirements: c) Documentation



Most subcontracting method options require:

- HUB Vendor Profiles on CMBL/HUB Directory
 - i. HUB's VID#
 - ii. Contact information
 - iii. Certification status "A" = Active
 - iv. Certification expiration date
- Written GFE notification (Method IV Solicitation)
 - 1. Sent emails
 - 2. Certified Letters
 - 3. Fax logs
 - *7 business days to respond

HSP Requirements: d) Reminders



- Quick Checklist
- GFE Attachment quick hints:
 - Odd = Attachment A
 - Even = Attachment B
- Changes to the final HSP are not allowed after the final submission.
- HSP Courtesy Reviews are available upon written request. Please allow sufficient time for review.
- Contact the assigned HUB Coordinator with any HSP related questions.



Post-Award

1. HUB Post-Award Meetings

a. Notification of selected subcontractors must be submitted within 10 days after the award.

Email the HUB Program Office:

HHSCHUB@hhsc.state.tx.us">
HHSCHUB@hhsc.state.tx.us

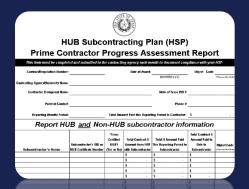
tale.com/html/

The HUB Program Office: https://example.com/html/

b. PARs (Progress Assessment Reports)

- Required Monthly with All Pay Request.
- ii. List All Subcontractors payments (HUBs and Non-HUBs).
- iii. Required even if **Self-Performing** all the work.







HUB Office Contact Information







 For an active solicitation contact HUB Coordinator listed in the solicitation docs









Thank You