

**6.A. Historically Underutilized Business Supporting Schedule**  
 86th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

Date: **8/17/2018**  
 Time: **12:40:57PM**

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

COMPARISON TO STATEWIDE HUB PROCUREMENT GOALS

**A. Fiscal Year 2016 - 2017 HUB Expenditure Information**

Statewide HUB Goals	Procurement Category	% Goal	HUB Expenditures FY 2016			Total Expenditures		HUB Expenditures FY 2017			Total Expenditures
			% Actual	Diff	Actual \$	FY 2016	% Goal	% Actual	Diff	Actual \$	FY 2017
11.2%	Heavy Construction	11.2 %	2.7%	-8.5%	\$26,650	\$994,896	8.0 %	63.3%	55.3%	\$86,466	\$136,608
21.1%	Building Construction	21.1 %	18.3%	-2.8%	\$38,853	\$212,569	21.1 %	0.4%	-20.7%	\$103	\$24,715
32.9%	Special Trade	32.9 %	25.9%	-7.0%	\$5,966,417	\$23,049,816	30.4 %	27.0%	-3.4%	\$3,238,276	\$11,991,296
23.7%	Professional Services	4.5 %	1.1%	-3.4%	\$271,279	\$24,779,528	4.5 %	2.6%	-1.9%	\$664,236	\$25,923,945
26.0%	Other Services	26.0 %	27.2%	1.2%	\$34,400,139	\$126,428,357	26.0 %	24.2%	-1.8%	\$24,187,913	\$99,747,582
21.1%	Commodities	7.0 %	7.0%	0.0%	\$16,468,309	\$235,958,937	7.0 %	6.6%	-0.4%	\$16,228,139	\$246,201,976
	<b>Total Expenditures</b>		<b>13.9%</b>		<b>\$57,171,647</b>	<b>\$411,424,103</b>		<b>11.6%</b>		<b>\$44,405,133</b>	<b>\$384,026,122</b>

**B. Assessment of Fiscal Year 2016 - 2017 Efforts to Meet HUB Procurement Goals**

**Attainment:**

1. The agency attained or exceeded two (2) of the six (6) applicable procurement category agency HUB goals in Fiscal Year 2016.
2. The agency attained or exceeded two (2) of the six (6) applicable procurement category agency HUB goals in Fiscal Year 2017.
3. During the fiscal year 2016 and 2017 the Department of State Health Services (DSHS) spent \$57,171,647 (or 13.90%) and \$44,405,133 (or 11.56%) of its total expenditures, respectively with HUBs.

**Applicability:**

Due to competitive bidding requirements and the types of goods and services procured in the respective categories, the agency did not attain goals in Heavy Construction, Building Construction, Special Trade Construction, and Professional Services categories in FY 2016 and Building Construction, Special Trade Construction, Professional Services, Other Services, and Commodities categories in FY 2017.

**Factors Affecting Attainment:**

Professional services expenditures were spent with non-profit organizations and for medical services performed by doctors, nurses and other medical professionals. Such professional 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 manufacturers that have the ability to fulfill the entire contract without the use of subcontractors.

**"Good-Faith" Efforts:**

1. Determined subcontracting opportunities, inclusion of required HUB Subcontracting Plans (HSPs) in contracts when applicable, and compliance evaluation of HSPs (34 TAC 20.284);
2. Required HUB Subcontracting plans for contracts over \$100,000 when subcontracting opportunities are probable;
3. Collectively sponsored mentor-protégé relationships during FY 2016 and FY 2017 and continued to identify and establish additional relationships (34 TAC 20.298) for potential subcontracting

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opportunities; 4. Administered the CPA's HUB Rules; 5. Encouraged/assisted qualified minority/women owned businesses to become certified; 6. Participated in post award meetings and teleconferences to discuss the HSP compliance/reporting; 7. Encouraged/assisted qualified minority and women-owned businesses to become certified; and, 8. Use of Centralized Master Bidders List (CMBL)/HUB directories for bid solicitations.