



Historically Underutilized Businesses

Purpose

This policy affirms that Stephen F. Austin State University (SFA) adopts the state comptroller's rules outlined in 34 Tex. Admin. Code §§ 20.281-20.298 related to administering Tex. Gov't Code Ch. 2161. The university is committed to making a good faith effort to increase business with historically underutilized businesses (HUBs) by contracting directly with HUBs or indirectly through subcontracting opportunities, consistent with the state of Texas' goals for HUB participation and overall economic development.

Persons Affected

All SFA employees involved in defining, sourcing, contracting, and/or purchasing goods or services using university funds, including those who influence such purchases.

Definitions

Historically Underutilized Business or HUB: a business enterprise, with its principal place of business in Texas, owned, managed and controlled by an Economically Disadvantaged Group which as currently defined by the state of Texas includes:

- Black Americans – includes persons having origins in any of the Black racial groups of Africa.
- Hispanic Americans – includes persons of Mexican, Puerto Rican, Cuban, Central or South Americans, or other Spanish or Portuguese culture or origin.
- Asian Pacific Americans – includes persons whose origins are in Japan, China, Taiwan, Korea, Vietnam, Laos, Cambodia, the Philippines, Samoa, Guam, the U.S. Trust Territories of the Pacific, and the Northern Marianas, and Subcontinent Asian Americans which includes persons whose origins are from India, Pakistan, Bangladesh, Sri Lanka, Bhutan or Nepal.
- Native Americans – includes persons who are American Indians, Eskimos, Aleuts, or Native Hawaiians.
- American Women – includes all women of any ethnicity except American women specified in the bullets immediately above.
- Veterans – as defined by 38 U.S.C. Section 101(2) who have suffered at least a 20% service-connected disability as defined by 38 U.S.C. Section 101(16).

HUB coordinator: The executive director of finance and administrative services shall serve as SFA's official HUB coordinator, executing all responsibilities associated with the position, and ensuring full participation in the HUB program by the Office of Procurement and Business Services.

Policy



- A. The president is responsible for implementation of the institutional HUB program and development of the institutional strategic and action plans necessary for effective implementation of the HUB program. Through this policy, the president delegates approval of annual goals and required reporting to the vice president for finance and administration. The president shall receive periodic updates on the HUB program, no less than annually.
- B. SFA will ensure that HUB policies and procedures comply with good faith effort requirements outlined in Tex. Gov't Code § 2161.123(d) and 34 Tex. Admin. Code § 20.284. Reference the HUB procedure manual.
- C. SFA will ensure that HUB and procurement policies and procedures provide HUBs the maximum opportunity to participate in all procurement opportunities. Reference SFA HOP 05-301 Best Value Procurement, the procurement procedure manual, and the HUB procedure manual.
- D. SFA will provide resources (financial, human, and equipment) necessary and sufficient for full and effective implementation of HUB program functions.
- E. SFA will pursue various forms of outreach to identify HUB vendors with which to develop a business relationship. Non-certified businesses that may meet HUB requirements will be advised of and/or assisted with the state's certification process.
- F. SFA will seek to contract with HUBs indirectly through subcontracting opportunities in accordance with Tex. Gov't Code §§ 2161.251-.253 and 34 Tex. Admin. Code § 20.285.
- G. SFA will establish educational training for personnel making procurement decisions to assure compliance with stated objectives.
- H. SFA will gather and report HUB data in compliance with state reporting requirements.
- I. SFA will maintain a mentor protégé program to foster long-term relationships between leaders of mature established companies and HUB certified firms, in order for the latter to benefit from the knowledge and experience of established firms.

Procedures

SFA shall compile and submit external and supplemental reporting as required by UTS 137. Such reporting shall be certified by the president or the vice president for finance and administration prior to submission.

SFA shall meet all reporting requirements for the HUB program under Texas Administrative Code Title 34 Part 1 Chapter 20 Subchapter D Division 1 and Texas Education Code Section 55.03(b) included but not limited to:

- The monthly, semi-annual, and annual reports required by 34 Tex. Admin. Code § § 20.287



- An annual estimate of contract awards
- Annual reporting to the System Administration HUB Office of expenditures and other information required by the System Board of Regents for projects using bond funds as required by Texas Education Code Section 55.03(b).

HUB utilization goals will be reviewed and adjusted annually as needed by the HUB coordinator and the vice president for finance and administration. University HUB goals will be reported to the president and posted on the procurement website.

A detailed implementation plan will be developed and implemented annually by the HUB coordinator and the vice president for finance and administration and reported to the president. The annual plan will include specific objectives to ensure compliance with this policy, audit findings, and/or the HUB program goals.

Related Statutes or Regulations, Rules, Policies, or Standards

Tex. Educ. Code § 55.03

Tex. Gov't Code Ch. 2155, 2161

34 Tex. Admin. Code §§ 20.281-20.298

Regents' *Rules and Regulations*, Rule 20701, Use of Historically Underutilized Businesses

UTS 137 Historically Underutilized Business (HUB) Program

SFA HOP 05-301 Best Value Procurement

Responsible Executive

President

Forms

None

Revision History

September 1, 2023 (original)