

## STANDARD ADMINISTRATIVE PROCEDURE

### 25.06.01.M1.01 Historically Underutilized Business

*Approved April 1, 2008*

*Revised July 13, 2009*

*Revised January 6, 2012*

*Revised June 22, 2017*

*Revised October 24, 2023*

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#### Standard Administrative Procedure Statement

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The Standard Administrative Procedure (SAP) supports System Policy 25.06 which requires all members to involve qualified HUBs to the greatest extent allowed by law in the university's contracting for goods and services. The SAP provides details on how to demonstrate good faith efforts in contracting with HUBs.

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#### Official Procedure/Responsibilities/Process

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##### 1. GENERAL

1.1 In executing the involvement of historically underutilized businesses (HUBs) in procurement opportunities, all employees of Texas A&M University that have purchasing authority, shall encourage the use of HUB businesses in their procurement opportunities, regardless of funds. The University shall promote equal business opportunities through race, ethnic, and gender-neutral means and in accordance with the goals specified by the State of Texas Disparity Study.

1.2 All employees of Texas A&M University that have purchasing authority, shall consider 34 Texas Administrative Code (TAC) Sections 20.281 through 20.298 as the minimum requirements necessary to solicit vendors for fulfilling the University's HUB goals.

##### 2. HUB PROGRAM GUIDELINES

All employees of Texas A&M University that have purchasing authority shall assent to the following HUB Program guidelines:

- 2.1 Participate in scheduled specialized forums to determine HUB vendor capability of providing goods and services to Texas A&M University.
- 2.2 Make a good faith effort to utilize HUBs in all procurements, including construction, goods, commodities and services to facilitate Texas A&M University's achievement of their HUB procurement participation goals.
- 2.3 Use a good faith effort to assist HUB vendors to receive a portion of all procurements awarded in a fiscal year, in accordance with State of Texas procurement goals established pursuant to 34 Texas Administrative Code § 20.284. A good faith effort to promote HUB utilization includes, but should not be limited to, specifying reasonable and realistic delivery schedules consistent with actual requirements; developing specifications that do not impose unreasonable or unnecessary requirements; advertising procurement opportunities to HUB, minority, women, and/or service-disabled veteran business trade organizations and development centers and to the Texas Association of African American Chambers of Commerce ("TAAACC") and the Texas Association of Mexican American Chambers of Commerce ("TAMACC").
- 2.4 Use best value criteria in their strategy to include HUB vendors in procurements.
- 2.5 Require a State of Texas HUB Subcontracting Plan, regardless of funds, for procurements with an expected value of \$100,000.00 or more, when subcontracting opportunities are probable. The HUB Coordinator or their designee will review HUB Subcontracting Plans for compliance. Responses that do not include a completed HUB subcontracting plan shall be rejected due to material failure to comply with advertised specifications in accordance with 34 TAC § 20.285.
- 2.6 Promote and encourage HUB subcontracting in all contracts/awards of less than \$100,000.00, regardless of funding, when it is determined that a reasonable potential for HUB subcontracting exists.
- 2.7 Implement the following HUB solicitation guidelines for all solicitation documents for purchases of services and commodities to promote HUB utilization.
  - \$25,000.00 or less: No competitive bidding required. Provide a good faith effort to utilize HUB vendors to the fullest extent possible.
  - \$25,000.01 to \$50,000.00: Solicit a minimum of three (3) vendors including at least two (2) HUB vendors.
  - \$50,000.01 to \$100,000.00: Solicit a minimum of six (6) HUB vendors, post a notice of solicitation on the State of Texas Electronic State Business Daily electronic bulletin board, send notice of the procurement opportunity to HUB, minority, women and or service-disabled veteran business trade organizations and development centers and to TAAACC and TAMACC.

- \$100,000.01 and above: Solicit a minimum of eight (8) HUB vendors, post a notice of solicitation on the State of Texas Electronic State Business Daily electronic bulletin board, send notice of the procurement opportunity to HUB, minority, women and or service-disabled veteran business trade organizations and development centers and to TAAACC and TAMACC. Require a State of Texas HUB Subcontracting Plan or HUB Waiver approved by the HUB Coordinator or Executive Director, Procurement Services.
- 2.8 Record expenditure information relating to the use of HUB vendors, regardless of the source of funds, in the University's financial system of record.
- 2.9 Follow the University standard vendor protest procedures:
- 2.9.1 Any vendor wishing to challenge the rejection of their HUB Subcontracting Plan (HSP) must make a written request to the Executive Director of Procurement Services to review the transaction. Vendors must make the request for review within three (3) working days from the notification of the rejection.
  - 2.9.2 The Executive Director of Procurement Services will review the rejected HSP and provide a written explanation of the decision to the vendor making the request. If the Executive Director's review discovers any significant deviation from the rules, the rejection may be reversed at their discretion.
  - 2.9.3 The vendor may appeal the decision of the Executive Director of Procurement Services, within three (3) working days, to the Assistant Vice President with oversight. Their decision will be final.

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**Related Statutes, Policies, or Requirements**

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*Texas Administrative Code Title 34, Part 1, Chapter 20*

[System Policy 25.06](#)

[System Regulation 25.06.01](#)

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**Contact Office**

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[Historically Underutilized Business Program](#)

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