

S U S A N

C O M B S

TEXAS COMPTROLLER *of* PUBLIC ACCOUNTS

P.O. Box 13186 • AUSTIN, TX 78711-3186



October 29, 2014

The Honorable Rick Perry
Governor, State of Texas
P.O. Box 12428
Austin, Texas 78711

The Honorable David Dewhurst
Lieutenant Governor, State of Texas
P.O. Box 12068
Austin, Texas 78711

The Honorable Joseph R. Straus, III
Speaker, Texas House of Representatives
P.O. Box 2910
Austin, Texas 78768

Gentlemen:

We are pleased to submit the *Fiscal 2014 Annual Report for the Statewide Historically Underutilized Business (HUB) Program*.

The HUB Program is a component of the Texas Procurement and Support Services Division of the Texas Comptroller of Public Accounts. Texas Government Code §2161.121 requires the program to submit this report, which summarizes and analyzes expenditures made to certified HUBs by state agencies and institutions of higher education from Sept. 1, 2013 through Aug. 31, 2014.

During fiscal 2014, nearly 16,350 firms were registered as Texas certified HUBs. Approximately 4,390, or 26.85 percent of these firms received 12.58 percent, or \$2,060,862,969, of all statewide expenditures.

A year over year comparison of expenditures shows in 2014 there were significant increases in HUB spend for heavy construction, other services and commodities and some decreases in special trade and professional services. Specifically, a comparison of the fiscal 2013 and 2014 annual tables on page three of the Executive Summary show that the state's total expenditures with HUBs in heavy construction, building construction, other services and commodities industries increased 33.30 percent, 3.00 percent, 6.00 percent and 7.28 percent, respectively. The state's total expenditures with HUBs in special trade and professional services decreased 7.39 percent and 33.57 percent, respectively.

The HUB report includes state agency rankings, expenditure data and supplemental reports and letters from various state agencies documenting their continued efforts to educate HUBs about procurement opportunities.

This report is available online at www.cpa.state.tx.us/procurement/prog/hub/hub-reporting/hub-report-FY14. If you have questions or require additional information regarding this report, please contact me at paul.gibson@cpa.state.tx.us or 512-305-9071.

Respectfully,

A handwritten signature in black ink that reads "Paul A. Gibson".

Paul Gibson
Manager, Statewide HUB Program

Enclosure