



ATTORNEY GENERAL OF TEXAS

GREG ABBOTT

FY 2014 Annual HUB Report Supplemental Letter for Agency 302

The Office of the Attorney General (OAG) is committed to making a good faith effort to increase economic opportunities for Historically Underutilized Businesses (HUBs). The OAG made the following good faith efforts during FY14:

Outreach

- The agency held a HUB vendor forum November 15, 2013 with agency Information Technology (I.T.) leaders addressing the agency's needs for DIR Staff Augmentation and major I.T. infrastructure projects over the next biennium
- Participated in 9 HUB vendor forum events, including one where OAG HUB materials were made available through another agency who attended an out of town event
- Awarded \$32,331 at the "Doing Business Texas Style" Spot Bid fair held in conjunction with ACCESS 2014. The agency was recognized, by Senator Royce West, for being in the "Top Ten" agencies based on total dollar amount awarded during the FY13 Spot Bid Fair
- Maintained sponsorship of six (6) Mentor-Protégé teams- One protégé has been ranked 4th in the Austin Business Journal's "Top 25" fastest growing private companies with revenue of more than \$10m.
- A Mentor, from another Mentor-Protégé team, learned a great deal from the protégé about doing business with the OAG. As a consequence, this team won the re-bid on two (2) multi-million dollar contracts with the agency.

HUB Subcontracting reported to the Agency

- \$5,885,428 in HUB subcontracting during FY14, 28.12% of the agency's total HUB spend
- \$714,245 in HUB subcontracting under the Non-Reportable object codes
- \$134,231 in second tier HUB subcontracting
- \$745,127 in Non-HUB subcontracting

In-Reach

- Met with Executive Management to discuss the FY13 Annual and FY14 Semi-Annual HUB report results
- Coordinated five (5) HUB technical and business forums with agency procurement personnel and decision makers
- Presented HUB program changes highlighting rotation of vendors and the addition of Service Disabled Veterans to the list of HUB certifiable entities during three Procurement division's "Open House" and Fiscal Year-End training programs
- Created a "HUB 101" training for new buyers and the Public Information and Assistance call center staff
- Trained new purchasing staff, project managers, and contract attorneys on the HUB program requirements for contracts with an expected value of \$100,000 or more over the life of the contract, including any renewal options

HUB Goal Attainment

The Office of the Attorney General does not make any expenditures in the Heavy Construction or Building Construction procurement categories. Therefore, the agency set its own HUB goals appropriate to our purchasing requirements.

- **Special Trades:** Leasehold improvement decisions are made by the Texas Facilities Commission in conjunction with the landlord; HUB utilization was 66.8% compared to our agency HUB goal of 0%
- **Professional Services:** The HUB auditing firm, utilized by the agency, was no longer HUB certifiable after 8/3/2013 However an \$11,500 payment was made to this firm, during FY14, which yielded a HUB utilization of 0%.
- **Other Services:** HUB utilization was 27.76% which exceeded the agency HUB goal of 18.5% by 9.2%
- **Commodities:** HUB utilization was 50.91% exceeded the agency HUB goal of 32.8% by 18.11%
- The OAG met and exceeded the HUB goals in each of 3 out of 4 applicable procurement categories
- The OAG attained a 33.06% HUB percentage during FY14

The OAG will continue to solicit business and contracting opportunities in an open and competitive environment to further promote the HUB program.

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