

Agency 709 – Fiscal 2015 Annual HUB Report Supplemental Letter

The Texas A&M Health Science Center (TAMHSC) is committed to providing a good faith effort to initiate, develop and implement a fair, open and inclusive procurement process that values and advocates the broadest possible Historically Underutilized Business (HUB) participation. TAMHSC continues to maintain a successful community outreach effort on behalf of its many components located throughout the state.

The following is a partial listing of outreach activities conducted in FY 2015:

- Actively participated in regional and statewide HUB meetings
- Actively cosponsored and attended in-house specialized economic opportunity meetings
- Assisted qualified, non-certified businesses to become HUB certified
- Participated in Minority/Women, Small Business, and Veteran Business forums
- Participated in the Texas A&M System HUB Coordinators Annual Conference/Meeting

While these efforts have proven to be worthwhile, TAMHSC HUB program is struggling to reach its historical goals, due to two unique, but major initiatives; 1) the buildout of the Texas A&M Center for Innovation in Advanced Development and Manufacturing (CIADM), and 2) the mandatory use of the Texas A&M University contract with SSC Service Solutions for facility support services.

CIADM is founded on an initial \$285.6 million public-private partnership with the U.S. Department of Health and Human Services (DHHS) Biomedical Advanced Research and Development Authority (BARDA), and is managed by TAMHSC. While this represents one of the largest research grants in Texas, the specialized nature of these purchases seriously limits HUB participation.

SSC Service Solutions is the Texas A&M University contractor providing facility maintenance, landscape and grounds maintenance, custodial services, and engineering, design and construction services to our largest campuses. In the past, these services were performed by employees, HUB job order contractors, or competitively bid. The long-term benefits of outsourcing may prove beneficial to the overall goals of TAMHSC, but currently, it is having an adverse impact on HUB performance.

For fiscal year 2015, the overall TAMHSC percentage spent with HUBs is 7.08. With the deduction of all CIADM expenditures, the percentage climbs to 15.52. With the deduction of all CIADM expenditures, combined with estimated facility expenditures associated with the outsourcing contract, the TAMHSC adjusted percentage spent with HUBs is 19.76.

With the forthcoming completion of the CIADM buildout, and an increased focus on HUB utilization under the SSC contract, TAMHSC is hopeful to return to, and even elevate, its historical norms. TAMHSC is enhancing its training and outreach, and will continue to seek ways to increase future procurement opportunities, and strengthen HUB participation throughout the TAMHSC community. Please feel free to contact me with any questions or concerns at 979-436-9219 or bounds@tamhsc.edu.

Sincerely,



Robby Bounds
Purchasing Manager and HUB Coordinator