

Memo to: All UH-Downtown/PS Holders

UH-Downtown/PS 05.A.17

From: Max Castillo, President

Issue No. 1

Effective date: 09/30/94

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Subject: Contracting with Historically Underutilized Businesses

1. PURPOSE

This PS describes the University of Houston - Downtown's (UHD) commitment to promote the successful development of Historically Underutilized Businesses (HUBs) and enhance their ability to compete for contracts and purchases.

2. DEFINITIONS

2.1 According to Article V, Section 101 of Senate Bill 5, 73rd Texas Legislature, historically underutilized businesses are defined as:

2.1.1 a for-profit corporation or partnership which is 51 percent owned by "one or more persons who have been historically underutilized because of their identification as women or as members of certain minority groups, including Black Americans, Hispanic Americans, Asian Pacific Americans, and Native Americans, who have suffered the effects of discriminatory practices or similar insidious circumstances over which they have no control";

2.1.2 A sole proprietorship wholly owned by such a person;

2.1.3 a joint venture in which each entity is a HUB; or

2.1.4 a supplier contract between a HUB and a prime contractor.

3. POLICY/PROCEDURES

3.1 The General Services Commission (GSC) is responsible for administering and maintaining the State's Historically Underutilized Business Program for minority and women-owned businesses, in accordance with HB 2626, 73rd Legislature, Regular Session.

3.2 The GSC assists state agencies, universities and other organizations, to identify HUBs and facilitate the process of obtaining State certification (*Exhibit A*).

3.3 In order to comply with State and System's mandates for historically underutilized businesses, UHD employees must adhere to the procedures outlined below.

3.3.1 For purchases of goods and/or services totaling over \$500, departments must utilize a purchase requisition. Upon receipt of the purchase requisition, the UHD Purchasing Department shall follow the steps outlined below:

1. Vendors referenced on the purchase requisition will be checked in the GSC HUB Directory. If they are listed, the purchase requisition will be processed. If the vendor is not listed on the directory, he/she will be contacted to ascertain whether the business may qualify as a HUB. If so, a certification packet consisting of a *Bid List/Certification Application* and a *UHD Vendor Registration/Bidder Application Form (Exhibit B)* will be mailed to the vendor and the requisition processed (Should the vendor become State certified within the reporting period, UHD will be credited for awarding the purchase to a HUB.).
2. If the vendor does not meet the criteria of a HUB, and the product and/or company is specialized,

the Purchasing Department will process the requisition form. If the goods/services being purchased may be obtained from a HUB, the Purchasing Department will process the requisition through the HUB vendor.

3. When placing orders, the Purchasing Department will request at least two bids, by telephone or written, depending on the dollar amount, from a HUB vendor.

3.3.2 For purchases of goods and/or services under \$500, departments must make every attempt to contract with HUBs by following the steps listed below:

1. Consult the UHD HUB Directory, provided bi-monthly by the Purchasing Department;
2. If a HUB vendor is not listed in the directory for the commodity needed, consult the GSC HUB Directory, available in the Purchasing Department; and
3. Complete the *HUB Vendor Selection Form (Exhibit C)* and attach to the *State of Texas Purchase Voucher*. Only purchase vouchers for membership dues, registration fees, or subscriptions will be accepted without the *HUB Vendor Selection Form*.

3.4 It shall be stated specifically in bid documents and in the provisions of all contracts the intent of the University to make this policy applicable to the hiring of subcontractors by its contractors.

3.5 This policy shall not be construed as permitting variation from competitive bidding requirements as imposed by state or federal law or administrative rule, regulation or order. The Purchasing Department shall evaluate bid responses received based upon standard evaluation criteria, awarding the contract to the vendor offering the best bid to the university (Refer to PS 13.01, Purchasing Policy, for additional details.). **However, when bid responses from a HUB vendor and a non-HUB vendor are equal and the HUB vendor is certified by the State of Texas, the award will be made to the HUB vendor.**

4. REVIEW AND RESPONSIBILITIES

Responsible Party (Reviewer): Vice President for Administration

Review: Biennial

Reprint of original policy statement. Signed original on file in the President's Office.

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HUB CERTIFICATION PROCEDURES

The GSC requires compliance with the following certification procedures:

1. Bid List/Certification Application: A current copy of the *Bid List/Certification application*, published by the GSC, will be made available to all HUBs. The application form serves as a tool to identify and assist HUBs in obtaining state certification. HUBs will complete the application and forward it to the UHD Purchasing Department for review.
2. Listing of Class and Item: Aside from the *Bid List/Certification Application*, the Purchasing Department will also forward to the HUB a *Vendor Registration/Bidder Application Form*. Both applications will be carefully completed, signed by the applicant and returned to Purchasing. The Purchasing Department will review both forms and insure all information was provided (The GSC will not process incomplete or unsigned applications). If class and/or item numbers are missing, they will be entered on the form.
3. Obtaining State Certification: Once the *Vendor Registration/Bidder Application Form* and the *Bid List/Certification Application* are received, they will be verified and processed by the Purchasing Department.
 - a. The GSC's HUB Directory will be checked to insure the company is not already listed. If the HUB is listed, it is already certified by the State. Both applications will be voided. Otherwise, the *Bid List/Certification Application* will be forwarded to the GSC. Businesses must obtain State certification through the GSC to be certified as a HUB for the State of Texas and for the University to receive credit for awarding contracts to certified HUBs. When approved, the HUB vendor will be listed on the GSC's Small Business Programs automated HUB Directory, in the HUB Directory printed semiannually by the Texas Department of Commerce and on the Texas Marketplace network system.
 - b. The company will then be added to the centralized HUB vendor bid list and directory, giving all UH System components access to the vendor's status and commodity or service.
 - c. State certification must be renewed every two years. Vendors can apply directly with the GSC.

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HUB VENDOR SELECTION FORM

This form is required for all purchases under \$500 and must be attached to the State of Texas Purchase Voucher. Only purchase vouchers for membership dues, registration fees, and subscriptions will be accepted without this form.

ITEM(S): _____

NAME OF HUB VENDOR	CONTRACTED	JUSTIFICATION (IF HUB NOT SELECTED)
	____ YES ____ NO	____ Unavailable ____ Too Expensive ____ Other
	____ YES ____ NO	____ Unavailable ____ Too Expensive ____ Other
	____ YES ____ NO	____ Unavailable ____ Too Expensive ____ Other
	____ YES ____ NO	____ Unavailable ____ Too Expensive ____ Other
	____ YES ____ NO	____ Unavailable ____ Too Expensive ____ Other
	____ YES ____ NO	____ Unavailable ____ Too Expensive ____ Other
	____ YES ____ NO	____ Unavailable ____ Too Expensive ____ Other
	____ YES ____ NO	____ Unavailable ____ Too Expensive ____ Other
	____ YES ____ NO	____ Unavailable ____ Too Expensive ____ Other

If Other was selected as Justification, please explain: _____

I hereby certify a concerted effort was made to contract with historically underutilized businesses.

_____ Account Manager

_____ Date