

**TEXAS STATE TECHNICAL COLLEGE SYSTEM
SYSTEM OPERATING STANDARD**

No. FA.5.4	Page 1 of 3	Effective Date: 09/22/94
DIVISION:	Fiscal Affairs	
SUBJECT:	Utilization of Historically Underutilized Business (HUB) Firms	
AUTHORITY:	Vernon's Civil Statutes, Article 601(b), Section 65(a) (b)	
SUBMITTED BY:	<i>Original Signed by Susan Vonder Hoya</i>	
TITLE:	Associate Vice Chancellor for Fiscal Affairs	Date: 09/22/94
APPROVED BY:	<i>Original Signed by Cecil L. Groves</i>	
TITLE:	Chancellor	Date: 09/22/94

STATUS: Approved by MC 09/22/94

HISTORICAL STATUS:

POLICY

Compliance

PERTINENT INFORMATION

The Joint Selection Committee of Historically Underutilized Businesses is charged with monitoring each state agency as to progress toward implementing the state's historically underutilized business goal.

"Historically Underutilized Businesses" means a business enterprise formed for the purpose of making a profit in which at least fifty one percent (51%) of all classes of the shares of stock or other equitable securities or assets and interest are owned by one or more persons who: (a) are socially disadvantaged because of their identification as members of certain groups and who have suffered the effects of discriminatory practices over which they have no control, and (b) demonstrate active participation in the control, operation, and management of the enterprise's affairs.

"Socially Disadvantaged Groups" mean and include:

- (a) Black Americans - includes persons having origins in any of the black racial groups of Africa;
- (b) Hispanic Americans - includes persons of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish or Portuguese culture or origin regardless of race;
- (c) Women - Includes all women of any ethnicity;
- (d) Asian Pacific Americans - includes persons whose origins are from Japan, China, Taiwan, Korea, Vietnam, Laos, Cambodia, the Philippines, Samoa, Guam, the U. S. Trust Territories of the Pacific and the Northern Marianas, and Subcontinent Asian Americans which include persons whose origins are from India, Pakistan, Bangladesh, Sri Lanka, Bhutan or Nepal; and,
- (e) Native Americans - includes persons who are American Indians, Eskimos, Aleuts, or Native Hawaiians.

"Forms of Historically Underutilized Business Enterprises" mean and include:

- (a) A corporation in which at least fifty-one percent (51%) of all classes of the shares of stock or other equitable securities are owned by one or more persons described above;
- (b) A sole proprietorship that is one hundred percent (100%) owned by a person described above;
- (c) A partnership in which at least fifty-one percent (51%) of the assets and interests in the partnership is owned by one or more persons described above;
- (d) A joint venture in which each entry in the joint venture is a HUB; and
- (e) A supplier contract between a HUB and a prime contractor under which HUB is directly involved in the manufacture or distribution of the supplies or materials or otherwise warehouses and ships the supplies.

"Treasury Funds" are funds maintained in the state treasury and paid through the State Comptroller's Office for Texas State Technical College. "Non-Treasury Funds" are all funds paid by Texas State Technical College that are not deposited in the state treasury.

DELEGATION OF AUTHORITY

The President is responsible for the implementation of System Operating Standards for Texas State Technical College.

The Business Office Manager is responsible for administration of the HUB program and for achieving HUB program goals in compliance with the Texas State Technical College Strategic Plan.

OPERATING REQUIREMENTS

1. A staff coordinating group (SCG), chaired by the Business Office Manager or Director of Purchasing, will be established to provide functional staff expertise, advice, and counsel regarding implementation of all aspects of the HUB program.
2. A HUB utilization reporting system will be developed and maintained by the Director of Purchasing. Sufficient reporting data will be completed monthly to satisfy reporting requirements of the General Services Commission (GSC).
3. Preference, among bids or other proposals that are otherwise comparable, will be given to the bid or other proposal by a GSC certified HUB firm having its home office located in Texas whenever consistent with state and federal laws and GSC regulations.
4. In support of HUB objectives, purchasing rules and regulations published by Executive Order and the GSC will be utilized and supplemented as appropriate.
5. Progress reports toward HUB program objectives will be submitted as requested to the TSTC System Comptroller's office.

PERFORMANCE INDICATORS

1. Percent of total dollar value of contracts awarded to Historically Underutilized Businesses shall increase annually to 30% by 1999 in accordance with the projection of outcomes in Appendix L of the TSTC Strategic Plan for the period 1995-1999.



COLLEGE OPERATING PROCEDURE

COLLEGE	Page 1 of
OFFICE OF RESPONSIBILITY:	
APPROVED BY:	
TITLE:	Date