



**Texas Department
of Insurance**

Purchasing and Contract Administration
Historically Underutilized Business (HUB) Program

**Vendor Instructions for Completing
HUB Subcontracting Plans (HSP)**

May 2020

Purpose

This document is intended to provide guidance to Respondents completing the HUB Subcontracting Plan (HSP) for an open procurement opportunity.

HUB Program Background

The Texas Comptroller of Public Accounts (CPA) Statewide Procurement Division, Historically Underutilized Business (HUB) Program, administers the HUB program in accordance with Texas Government Code §2161 and Texas Administrative Code, Title 34, Chapter 20, Subchapter D, Division 1, Sections 20.281 – 20.298.

HUB Goals

The statewide HUB goals for the procurement categories for the State of Texas are:

- 11.2% for heavy construction other than building;
- 21.1% for all building construction, including general contractors and operative builders;
- 32.9% for all special trade construction;
- 23.7% for professional services;
- 26.0% for all other services contracts; and
- 21.1% for commodities.

The Texas Department of Insurance's (TDI) functions do not include construction, therefore "heavy construction," "building construction," and "special trade construction" categories are not applicable. TDI's HUB goals are:

- 5.0% for professional services;
- 15.0% for other services; and
- 21.1% for commodities.

Contacts

CPA HUB Contacts

For questions about the statewide HUB program, contact the CPA HUB Program.

Statewide Procurement Division
HUB Program
P.O. Box 13186
1711 San Jacinto
Austin, Texas 78711

HUB Toll Free Line: 1-888-863-5881

HUB Local Line: 512-463-5872

HUB Fax Number: 512-936-2482

Email: StatewideHUBProgram@cpa.texas.gov

TDI Contacts

For questions about TDI's HUB Program, email HUB@tdi.texas.gov.

For questions about a particular procurement opportunity, email Contracts@tdi.texas.gov and reference the solicitation number in the subject line.

Finding HUBs and Trade Organizations

You can search for HUBs on the Centralized Master Bidders List (CMBL) on the Texas Comptroller's website at <https://comptroller.texas.gov/purchasing/vendor/cmbll/>.

You can find trade organizations on the Texas Comptroller's website at <https://comptroller.texas.gov/purchasing/vendor/hub/resources.php>.

HUB Subcontracting Plan (HSP) Information

In accordance with Section 2161.252 of the Texas Government Code and 34 Texas Administrative Code Section 20.285, each state agency that considers entering into a contract with an expected value of \$100,000 or more over the life of the contract (including any renewals) will, before the agency solicits bids, proposals, offers, or other applicable expressions of interest, determine whether subcontracting opportunities are probable under the Contract. If subcontracting opportunities are probable, each state agency's invitation for bids, requests for proposals, or other purchase solicitation documents with an expected value of \$100,000 or more will state that probability and require a Historically Underutilized Business (HUB) Subcontracting Plan (HSP).

It is the policy of TDI to promote and encourage contracting and subcontracting opportunities for the State of Texas certified HUBs in all contracts. TDI requests an HSP for Proposals with an expected contract value of \$25,000 to \$99,999, and requires an HSP for Proposals with an expected contract value of \$100,000 or more.

If a Proposal with an expected value of \$100,000 or more does not contain a completed HSP and supporting documentation, **the Proposal will be considered non-responsive and will be disqualified**. After Contract Award, Contractor may be subject to debarment pursuant to Section 2161.253(d) of the Texas Government Code if any modifications are made to the HSP without PRIOR approval from TDI.

HSP Courtesy Review

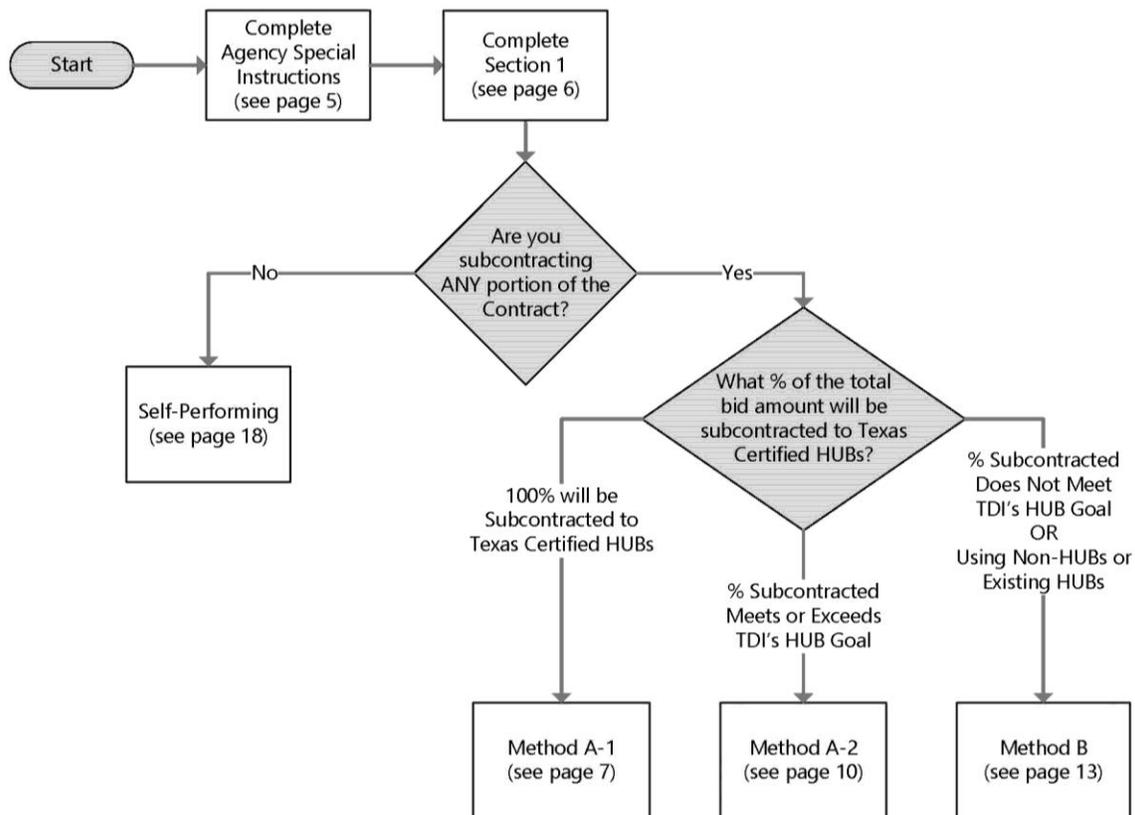
TDI may offer a courtesy review of your HSP before the solicitation due date. If offered, Respondents to the solicitation are encouraged, but not required, to submit the HSP for a courtesy review by TDI HUB staff. TDI will accept the HSP for preliminary review until the date specified in Section I (Summary) of the solicitation. The HSP for courtesy review must be submitted to Contracts@tdi.texas.gov and HUB@tdi.texas.gov.

How to Complete the HSP

First, make sure you start with the current version of the Texas HUB Subcontracting Plan (HSP) form located at www.comptroller.texas.gov/purchasing/vendor/hub/forms.php.

For additional assistance completing the HSP, Respondents may visit www.comptroller.texas.gov/purchasing/vendor/hub/.

Quick Reference



Other Scenarios

- Meeting TDI's HUB Goal, but using HUBs with whom you have a continuous contract in place for more than five years – Method B
- Subcontracting a portion of the Contract and using only Texas Certified HUBs, but not meeting TDI's HUB Goal – Method A-1 (page 7)

Agency Special Instructions (HSP Form Page 1)

Required for ALL HSPs.

-- Agency Special Instructions/Additional Requirements --

In accordance with 34 TAC §20.285(d)(1)(D)(iii), a respondent (prime contractor) may demonstrate good faith effort to utilize Texas certified HUBs for its subcontracting opportunities if the total value of the respondent's subcontracts with Texas certified HUBs meets or exceeds the statewide HUB goal or the agency specific HUB goal, whichever is higher. When a respondent uses this method to demonstrate good faith effort, the respondent must identify the HUBs with which it will subcontract. If using existing contracts with Texas certified HUBs to satisfy this requirement, only the aggregate percentage of the contracts expected to be subcontracted to HUBs with which the respondent does not have a continuous contract in place for more than five (5) years shall qualify for meeting the HUB goal. This limitation is designed to encourage vendor rotation as recommended by the 2009 Texas Disparity Study.*

Respondent MUST complete this box with information from solicitation Section III Part H (HUB Subcontracting Plan Information).

Item 3 a) Procurement Category and TDI HUB Goal

Item 3 b) Instructions

Completed Sample:

-- Agency Special Instructions/Additional Requirements --

In accordance with 34 TAC §20.285(d)(1)(D)(iii), a respondent (prime contractor) may demonstrate good faith effort to utilize Texas certified HUBs for its subcontracting opportunities if the total value of the respondent's subcontracts with Texas certified HUBs meets or exceeds the statewide HUB goal or the agency specific HUB goal, whichever is higher. When a respondent uses this method to demonstrate good faith effort, the respondent must identify the HUBs with which it will subcontract. If using existing contracts with Texas certified HUBs to satisfy this requirement, only the aggregate percentage of the contracts expected to be subcontracted to HUBs with which the respondent does not have a continuous contract in place for more than five (5) years shall qualify for meeting the HUB goal. This limitation is designed to encourage vendor rotation as recommended by the 2009 Texas Disparity Study.*

Procurement Category: Other Services
TDI HUB Goal: 15.00%

Instructions

- If Respondent is not subcontracting any portion of the Contract, Sections 1, 2(a), 3, and 4 must be completed.
 - If Respondent is subcontracting some portion of the Contract, the supporting documentation of "Good Faith Effort" must be demonstrated in either Method A (Attachment A) or Method B (Attachment B). Respondents must submit all supporting documentation with the Proposal.
 - The last date for HUB outreach notifications is listed on the Title Page of this solicitation.
- Respondents who fail to demonstrate a Good Faith Effort and make outreach notifications after this date will be disqualified.
- Contractor must notify all subcontractors (HUBs and Non-HUBs) of its selection as a subcontractor for the awarded contract no later than 10 working days after Contract Award.

Section 1 – Respondent and Requisition Information (HSP Form Page 1)

Required for ALL HSPs.

Respondent must complete the Respondent and Requisition Information section on page 1 of the HSP form.

SECTION 1: RESPONDENT AND REQUISITION INFORMATION

a. Respondent (Company) Name: _____ State of Texas VID # _____
Point of Contact: _____ Phone # _____
E-mail Address: _____ Fax # _____

b. Is your company a State of Texas certified HUB? - Yes - No

c. Requisition # _____ Bid Open Date: _____
(mm/dd/yyyy)

Method A-1

You are subcontracting 100% of the Contract to Texas HUBs.

1. Enter your company name and the requisition number (TDI solicitation number) at the top of each page.

2. Complete Section 2 item a – YES, I will be subcontracting portions of the contract.

3. Complete Section 2 item b by listing all portions of work you will be subcontracting to HUBs and the percentage of the contract you expect to award.

Note: to calculate the Aggregate Percentage, add each opportunity and divide by the total number of opportunities. The Aggregate Percentage should add up to 100%.

4. Complete Section 2 item c – YES.

5. SKIP Section 2 item d.

Rev. 2/17

Enter your company's name here: <u>Company ABC</u>	Requisition #: <u>454-20-12345-MB</u>
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SECTION 2: RESPONDENT'S SUBCONTRACTING INTENTIONS

After dividing the contract work into reasonable lots or portions to the extent consistent with prudent industry practices, and taking into consideration the scope of work to be performed under the proposed contract, including all potential subcontracting opportunities, the respondent must determine what portions of work, including contracted staffing, goods and services will be subcontracted. Note: In accordance with 34 TAC §20.282, a "Subcontractor" means a person who contracts with a prime contractor to work, to supply commodities, or to contribute toward completing work for a governmental entity.

a. Check the appropriate box (Yes or No) that identifies your subcontracting intentions:

- **Yes**, I will be subcontracting portions of the contract. (If **Yes**, complete Item b of this SECTION and continue to Item c of this SECTION.)

- **No**, I will not be subcontracting any portion of the contract, and I will be fulfilling the entire contract with my own resources, including employees, goods and services. (If **No**, continue to SECTION 3 and SECTION 4.)

b. List all the portions of work (subcontracting opportunities) you will subcontract. Also, based on the total value of the contract, identify the percentages of the contract you expect to award to Texas certified HUBs, and the percentage of the contract you expect to award to vendors that are not a Texas certified HUB (i.e., Non-HUB).

Item #	Subcontracting Opportunity Description	HUBs		Non-HUBs
		Percentage of the contract expected to be subcontracted to HUBs with which you <u>do not</u> have a "continuous contract" in place for more than five (5) years.	Percentage of the contract expected to be subcontracted to HUBs with which you have a "continuous contract" in place for more than five (5) years.	Percentage of the contract expected to be subcontracted to non-HUBs.
1	Data Architecture	100%	0%	0%
2	Customer Focus Groups	100%	0%	0%
3	Advertising	100%	0%	0%
4		%	%	%
5		%	%	%
6		%	%	%
7		%	%	%
8		%	%	%
9		%	%	%
10		%	%	%
11		%	%	%
12		%	%	%
13		%	%	%
14		%	%	%
15		%	%	%
Aggregate percentages of the contract expected to be subcontracted:		100%	0%	0%

(Note: If you have more than fifteen subcontracting opportunities, a continuation sheet is available online at <https://www.comptroller.texas.gov/burchasing/vendor/hub/forms.php>.)

c. Check the appropriate box (Yes or No) that indicates whether you will be using only Texas certified HUBs to perform all of the subcontracting opportunities you listed in SECTION 2, Item b.

- **Yes** (If **Yes**, continue to SECTION 4 and complete an "HSP Good Faith Effort - Method A (Attachment A)" for each of the subcontracting opportunities you listed.)

- **No** (If **No**, continue to Item d, of this SECTION.)

d. Check the appropriate box (Yes or No) that indicates whether the aggregate expected percentage of the contract you will subcontract with Texas certified HUBs with which you do not have a "continuous contract" in place with for more than five (5) years, meets or exceeds the HUB goal the contracting agency identified on page 1 in the "Agency Special Instructions/Additional Requirements."

- **Yes** (If **Yes**, continue to SECTION 4 and complete an "HSP Good Faith Effort - Method A (Attachment A)" for each of the subcontracting opportunities you listed.)

- **No** (If **No**, continue to SECTION 4 and complete an "HSP Good Faith Effort - Method B (Attachment B)" for each of the subcontracting opportunities you listed.)

Method A-1 (continued)

Rev. 2/17

Enter your company's name here: _____ Requisition # _____

SECTION 3: SELF PERFORMING JUSTIFICATION (If you responded "No" to SECTION 2, Item a, you must complete this SECTION and continue to SECTION 4.) If you responded "No" to SECTION 2, Item a, in the space provided below **explain how** your company will perform the entire contract with its own employees, supplies, materials and/or equipment.

SECTION 4: AFFIRMATION

As evidenced by my signature below, I affirm that I am an authorized representative of the respondent listed in SECTION 1, and that the information and supporting documentation submitted with the HSP is true and correct. Respondent understands and agrees that, if awarded any portion of the requisition:

- The respondent will provide notice as soon as practical to all the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor for the awarded contract. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity they (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.
- The respondent must submit monthly compliance reports (Prime Contractor Progress Assessment Report – PAR) to the contracting agency, verifying its compliance with the HSP, including the use of and expenditures made to its subcontractors (HUBs and Non-HUBs). (The PAR is available at <https://www.comptroller.texas.gov/purchasing/docs/hub-forms/ProgressAssessmentReportForm.xls>).
- The respondent must seek approval from the contracting agency prior to making any modifications to its HSP, including the hiring of additional or different subcontractors and the termination of a subcontractor the respondent identified in its HSP. If the HSP is modified without the contracting agency's prior approval, respondent may be subject to any and all enforcement remedies available under the contract or otherwise available by law, up to and including debarment from all state contracting.
- The respondent must, upon request, allow the contracting agency to perform on-site reviews of the company's headquarters and/or work-site where services are being performed and must provide documentation regarding staffing and other resources.

Signature _____ Printed Name _____ Title _____ Date (mm/dd/yyyy) _____

Reminder:

- If you responded "Yes" to SECTION 2, Items c or d, you must complete an "HSP Good Faith Effort - Method A (Attachment A)" for each of the subcontracting opportunities you listed in SECTION 2, Item b.
- If you responded "No" SECTION 2, Items c and d, you must complete an "HSP Good Faith Effort - Method B (Attachment B)" for each of the subcontracting opportunities you listed in SECTION 2, Item b.

6. Complete Section 4 – Affirmation.



Method A-2

You are subcontracting a portion of the work to Non-HUBs and HUBs with whom you do not have a continuous contract in place for more than five years, and the percentage meets or exceeds TDI's HUB Goal as listed in the solicitation.

1. Enter your company name and the requisition number (TDI solicitation number) at the top of each page.

Rev. 2/17

Enter your company's name here: Company ABC Requisition #: 454-20-12345-MB

2. Complete Section 2 item a – YES, I will be subcontracting portions of the contract.

SECTION 2. RESPONDENT'S SUBCONTRACTING INTENTIONS

After dividing the contract work into reasonable lots or portions to the extent consistent with prudent industry practices, and taking into consideration the scope of work to be performed under the proposed contract, including all potential subcontracting opportunities, the respondent must determine what portions of work, including contracted staffing, goods and services will be subcontracted. Note: In accordance with 34 TAC §20.282, a "Subcontractor" means a person who contracts with a prime contractor to work, to supply commodities, or to contribute toward completing work for a governmental entity.

a. Check the appropriate box (Yes or No) that identifies your subcontracting intentions:

- **Yes**, I will be subcontracting portions of the contract. (If **Yes**, complete Item b of this SECTION and continue to Item c of this SECTION.)

- **No**, I will not be subcontracting any portion of the contract, and I will be fulfilling the entire contract with my own resources, including employees, goods and services. (If **No**, continue to SECTION 3 and SECTION 4.)

b. List all the portions of work (subcontracting opportunities) you will subcontract. Also, based on the total value of the contract, identify the percentages of the contract you expect to award to Texas certified HUBs, and the percentage of the contract you expect to award to vendors that are not a Texas certified HUB (i.e., Non-HUB).

Item #	Subcontracting Opportunity Description	HUBs		Non-HUBs
		Percentage of the contract expected to be subcontracted to HUBs with which you <u>do not</u> have a continuous contract* in place for more than five (5) years.	Percentage of the contract expected to be subcontracted to HUBs with which you have a continuous contract* in place for more than five (5) years.	
1	Data Architecture	25%	0%	25%
2	Customer Focus Groups	100%	0%	0%
3	Advertising	50%	0%	0%
4		%	%	%
5		%	%	%
6		%	%	%
7		%	%	%
8		%	%	%
9		%	%	%
10		%	%	%
11		%	%	%
12		%	%	%
13		%	%	%
14		%	%	%
15		%	%	%
Aggregate percentages of the contract expected to be subcontracted:		58.3%	0%	8.3%

(Note: If you have more than fifteen subcontracting opportunities, a continuation sheet is available online at <https://www.comptroller.texas.gov/purchasing/vendor/hub/forms.php>.)

3. Complete Section 2 item b by listing all portions of work you will be subcontracting to HUBs and the percentage of the contract you expect to award.

Note: to calculate the Aggregate Percentage, add each opportunity and divide by the total number of opportunities. The Aggregate Percentage will not add up to 100%.

4. Complete Section 2 item c – No.

c. Check the appropriate box (Yes or No) that indicates whether you will be using only Texas certified HUBs to perform all of the subcontracting opportunities you listed in SECTION 2, Item b.

- **Yes** (If **Yes**, continue to SECTION 4 and complete an "HSP Good Faith Effort - Method A (Attachment A)" for each of the subcontracting opportunities you listed.)

- **No** (If **No**, continue to Item d, of this SECTION.)

5. Complete Section 2 item d – YES.

d. Check the appropriate box (Yes or No) that indicates whether the aggregate expected percentage of the contract you will subcontract with Texas certified HUBs with which you do not have a continuous contract* in place with for more than five (5) years, meets or exceeds the HUB goal the contracting agency identified on page 1 in the "Agency Special Instructions/Additional Requirements."

- **Yes** (If **Yes**, continue to SECTION 4 and complete an "HSP Good Faith Effort - Method A (Attachment A)" for each of the subcontracting opportunities you listed.)

- **No** (If **No**, continue to SECTION 4 and complete an "HSP Good Faith Effort - Method B (Attachment B)" for each of the subcontracting opportunities you listed.)

Method A-2 (continued)

Rev. 2/17

Enter your company's name here: _____ Requisition # _____

SECTION 3: SELF PERFORMING JUSTIFICATION (If you responded "No" to SECTION 2, Item a, you must complete this SECTION and continue to SECTION 4.) If you responded "No" to SECTION 2, Item a, in the space provided below **explain how** your company will perform the entire contract with its own employees, supplies, materials and/or equipment.

SECTION 4: AFFIRMATION

As evidenced by my signature below, I affirm that I am an authorized representative of the respondent listed in SECTION 1, and that the information and supporting documentation submitted with the HSP is true and correct. Respondent understands and agrees that, if awarded any portion of the requisition:

- The respondent will provide notice as soon as practical to all the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor for the awarded contract. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity they (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.
- The respondent must submit monthly compliance reports (Prime Contractor Progress Assessment Report – PAR) to the contracting agency, verifying its compliance with the HSP, including the use of and expenditures made to its subcontractors (HUBs and Non-HUBs). (The PAR is available at <https://www.comptroller.texas.gov/purchasing/docs/hub-forms/ProgressAssessmentReportForm.xls>).
- The respondent must seek approval from the contracting agency prior to making any modifications to its HSP, including the hiring of additional or different subcontractors and the termination of a subcontractor the respondent identified in its HSP. If the HSP is modified without the contracting agency's prior approval, respondent may be subject to any and all enforcement remedies available under the contract or otherwise available by law, up to and including debarment from all state contracting.
- The respondent must, upon request, allow the contracting agency to perform on-site reviews of the company's headquarters and/or work-site where services are being performed and must provide documentation regarding staffing and other resources.

Signature _____ Printed Name _____ Title _____ Date (mm/dd/yyyy) _____

Reminder:

- If you responded "Yes" to SECTION 2, Items c or d, you must complete an "HSP Good Faith Effort - Method A (Attachment A)" for each of the subcontracting opportunities you listed in SECTION 2, Item b.
- If you responded "No" SECTION 2, Items c and d, you must complete an "HSP Good Faith Effort - Method B (Attachment B)" for each of the subcontracting opportunities you listed in SECTION 2, Item b.

6. Complete Section 4 – Affirmation.



Method B

You are subcontracting a portion of the work to Non-HUBs and/or HUBs with whom you do have a continuous contract in place for more than five years or the subcontracting percentage does not meet TDI's HUB Goal as listed in the solicitation.

1. Enter your company name and the requisition number (TDI solicitation number) at the top of each page.

Rev. 2/17

Enter your company's name here: Company ABC Requisition #: 454-20-12345-MB

2. Complete Section 2 item a – YES, I will be subcontracting portions of the contract.

SECTION 2] RESPONDENT'S SUBCONTRACTING INTENTIONS

After dividing the contract work into reasonable lots or portions to the extent consistent with prudent industry practices, and taking into consideration the scope of work to be performed under the proposed contract, including all potential subcontracting opportunities, the respondent must determine what portions of work, including contracted staffing, goods and services will be subcontracted. Note: In accordance with 34 TAC §20.282, a "Subcontractor" means a person who contracts with a prime contractor to work, to supply commodities, or to contribute toward completing work for a governmental entity.

a. Check the appropriate box (Yes or No) that identifies your subcontracting intentions:

- **Yes**, I will be subcontracting portions of the contract. (If **Yes**, complete Item b of this SECTION and continue to Item c of this SECTION.)
- **No**, I will not be subcontracting any portion of the contract, and I will be fulfilling the entire contract with my own resources, including employees, goods and services. (If **No**, continue to SECTION 3 and SECTION 4.)

3. Complete Section 2 item b by listing all portions of work you will be subcontracting to HUBs and the percentage of the contract you expect to award.

b. List all the portions of work (subcontracting opportunities) you will subcontract. Also, based on the total value of the contract, identify the percentages of the contract you expect to award to Texas certified HUBs, and the percentage of the contract you expect to award to vendors that are not a Texas certified HUB (i.e., Non-HUB).

Item #	Subcontracting Opportunity Description	HUBs		Non-HUBs
		Percentage of the contract expected to be subcontracted to HUBs with which you <u>do not</u> have a continuous contract* in place for more than five (5) years	Percentage of the contract expected to be subcontracted to HUBs with which you have a continuous contract* in place for more than five (5) years	Percentage of the contract expected to be subcontracted to non-HUBs.
1	Data Architecture	0%	0%	25%
2	Customer Focus Groups	10%	0%	20%
3	Advertising	0%	0%	50%
4		%	%	%
5		%	%	%
6		%	%	%
7		%	%	%
8		%	%	%
9		%	%	%
10		%	%	%
11		%	%	%
12		%	%	%
13		%	%	%
14		%	%	%
15		%	%	%
Aggregate percentages of the contract expected to be subcontracted:		3.3%	0%	31.6%

(Note: If you have more than fifteen subcontracting opportunities, a continuation sheet is available online at <https://www.comptroller.texas.gov/purchasing/vendor/hub/forms.php>.)

4. Complete Section 2 item c – NO.

c. Check the appropriate box (Yes or No) that indicates whether you will be using only Texas certified HUBs to perform all of the subcontracting opportunities you listed in SECTION 2, Item b.

- **Yes** (if **Yes**, continue to SECTION 4 and complete an "HSP Good Faith Effort - Method A (Attachment A)" for each of the subcontracting opportunities you listed.)
- **No** (if **No**, continue to Item d. of this SECTION.)

5. Complete Section 2 item d – NO.

d. Check the appropriate box (Yes or No) that indicates whether the aggregate expected percentage of the contract you will subcontract with Texas certified HUBs with which you do not have a continuous contract* in place with for more than five (5) years, meets or exceeds the HUB goal the contracting agency identified on page 1 in the "Agency Special Instructions/Additional Requirements."

- **Yes** (if **Yes**, continue to SECTION 4 and complete an "HSP Good Faith Effort - Method A (Attachment A)" for each of the subcontracting opportunities you listed.)
- **No** (if **No**, continue to SECTION 4 and complete an "HSP Good Faith Effort - Method B (Attachment B)" for each of the subcontracting opportunities you listed.)

Method B (continued)

Rev. 2/17

Enter your company's name here: _____ Requisition #: _____

SECTION 3: SELF PERFORMING JUSTIFICATION (If you responded "No" to SECTION 2, Item a, you must complete this SECTION and continue to SECTION 4.) If you responded "No" to SECTION 2, Item a, in the space provided below **explain how** your company will perform the entire contract with its own employees, supplies, materials and/or equipment.

SECTION 4: AFFIRMATION

As evidenced by my signature below, I affirm that I am an authorized representative of the respondent listed in SECTION 1, and that the information and supporting documentation submitted with the HSP is true and correct. Respondent understands and agrees that, if awarded any portion of the requisition:

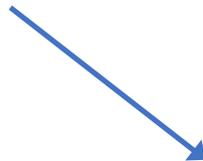
- The respondent will provide notice as soon as practical to all the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor for the awarded contract. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity they (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.
- The respondent must submit monthly compliance reports (Prime Contractor Progress Assessment Report – PAR) to the contracting agency, verifying its compliance with the HSP, including the use of and expenditures made to its subcontractors (HUBs and Non-HUBs). (The PAR is available at <https://www.comptroller.texas.gov/purchasing/docs/hub-forms/ProgressAssessmentReportForm.xls>).
- The respondent must seek approval from the contracting agency prior to making any modifications to its HSP, including the hiring of additional or different subcontractors and the termination of a subcontractor the respondent identified in its HSP. If the HSP is modified without the contracting agency's prior approval, respondent may be subject to any and all enforcement remedies available under the contract or otherwise available by law, up to and including debarment from all state contracting.
- The respondent must, upon request, allow the contracting agency to perform on-site reviews of the company's headquarters and/or work-site where services are being performed and must provide documentation regarding staffing and other resources.

Signature	Printed Name	Title	Date <small>(mm/dd/yyyy)</small>
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Reminder:

- If you responded "Yes" to SECTION 2, Items c or d, you must complete an "HSP Good Faith Effort - Method A (Attachment A)" for each of the subcontracting opportunities you listed in SECTION 2, Item b.
- If you responded "No" SECTION 2, Items c and d, you must complete an "HSP Good Faith Effort - Method B (Attachment B)" for each of the subcontracting opportunities you listed in SECTION 2, Item b.

6. Complete Section 4 – Affirmation.



Method B (continued)

7. Complete HSP Good Faith Effort – Method B (Attachment B), page 1.

Complete Attachment B for each subcontracting opportunity you listed on step 3 (Section 2 b.). Using the sample provided for step 3, you would need three separate Attachment B documents.

- Complete Section B-1 using the Item Number and Description listed on step 3 (Section 2 b.).
- Complete B-2 as appropriate.
- Complete B-3 with the three HUBs and two trade organizations you contacted for the Good Faith Effort. Remember, you must allow each HUB at least 7 working days to respond to the opportunity. See HUB Subcontracting Opportunity Notification Form on page 14.

You can **search for HUBs** on the Centralized Master Bidders List (CMBL) on the Texas Comptroller's website at <https://comptroller.texas.gov/purchasing/vendor/cmb/>

You can **find trade organizations** on the Texas Comptroller's website at <https://comptroller.texas.gov/purchasing/vendor/hub/resources.php>

HSP Good Faith Effort - Method B (Attachment B)

Rev. 2/17

Enter your company's name here: Company ABC Requisition # 454-20-12345-MB

IMPORTANT: If you responded "No" to SECTION 2, Items c and d of the completed HSP form, you must submit a completed "HSP Good Faith Effort - Method B (Attachment B)" for each of the subcontracting opportunities you listed in SECTION 2, Item b of the completed HSP form. You may photo-copy this page or download the form at <https://www.comptroller.texas.gov/purchasing/docs/hub-forms/hub-sbcont-plan-gfe-achm-b.pdf>.

SECTION B-1: SUBCONTRACTING OPPORTUNITY

Enter the item number and description of the subcontracting opportunity you listed in SECTION 2, Item b, of the completed HSP form for which you are completing the attachment.

Item Number: 1 Description: Data Architecture

SECTION B-2: MENTOR PROTÉGÉ PROGRAM

If respondent is participating as a Mentor in a State of Texas Mentor Protégé Program, submitting its Protégé (Protégé must be a State of Texas certified HUB) as a subcontractor to perform the subcontracting opportunity listed in SECTION B-1, constitutes a good faith effort to subcontract with a Texas certified HUB towards that specific portion of work.

Check the appropriate box (Yes or No) that indicates whether you will be subcontracting the portion of work you listed in SECTION B-1 to your Protégé.

- Yes (if Yes, continue to SECTION B-4.)

- No / Not Applicable (if No or Not Applicable, continue to SECTION B-3 and SECTION B-4.)

SECTION B-3: NOTIFICATION OF SUBCONTRACTING OPPORTUNITY

When completing this section you MUST comply with items a, b, c and d, thereby demonstrating your Good Faith Effort of having notified Texas certified HUBs and trade organizations or development centers about the subcontracting opportunity you listed in SECTION B-1. Your notice should include the scope of work, information regarding the location to review plans and specifications, bonding and insurance requirements, required qualifications, and identify a contact person. When sending notice of your subcontracting opportunity, you are encouraged to use the attached HUB Subcontracting Opportunity Notice form, which is also available online at <https://www.comptroller.texas.gov/purchasing/docs/hub-forms/HUBSubcontractingOpportunityNotificationForm.pdf>.

Retain supporting documentation (i.e., certified letter, fax, e-mail) demonstrating evidence of your good faith effort to notify the Texas certified HUBs and trade organizations or development centers. Also, be mindful that a working day is considered a normal business day of a state agency, not including weekends, federal or state holidays, or days the agency is declared closed by its executive officer. The initial day the subcontracting opportunity notice is sent/provided to the HUBs and to the trade organizations or development centers is considered to be "day zero" and does not count as one of the seven (7) working days.

- Provide written notification of the subcontracting opportunity you listed in SECTION B-1, to three (3) or more Texas certified HUBs. Unless the contracting agency specified a different time period, you must allow the HUBs at least seven (7) working days to respond to the notice prior to you submitting your bid response to the contracting agency. When searching for Texas certified HUBs and verifying their HUB status, ensure that you use the State of Texas' Centralized Master Bidders List (CMBL) - Historically Underutilized Business (HUB) Directory Search located at <http://mycpa.cpa.state.tx.us/taasscmblsearch/index.jsp>. HUB status code "A" signifies that the company is a Texas certified HUB.
- List the three (3) Texas certified HUBs you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the company's Texas Vendor Identification (VID) Number, the date you sent notice to that company, and indicate whether it was responsive or non-responsive to your subcontracting opportunity notice.

Company Name	Texas VID <small>(Do not enter Social Security Numbers)</small>	Date Notice Sent <small>(mm/dd/yyyy)</small>	Did the HUB Respond?
Data Architects R Us	123456	04/02/2020	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No
Data Architects for Small Biz	333444	04/02/2020	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No
Smith and Sampson Data Architects	557788	04/02/2020	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No

- Provide written notification of the subcontracting opportunity you listed in SECTION B-1 to two (2) or more trade organizations or development centers in Texas to assist in identifying potential HUBs by disseminating the subcontracting opportunity to their members/participants. Unless the contracting agency specified a different time period, you must provide your subcontracting opportunity notice to trade organizations or development centers at least seven (7) working days prior to submitting your bid response to the contracting agency. A list of trade organizations and development centers that have expressed an interest in receiving notices of subcontracting opportunities is available on the Statewide HUB Program's webpage at <https://www.comptroller.texas.gov/purchasing/vendor/hub/resources.php>.

- List two (2) trade organizations or development centers you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the date when you sent notice to it and indicate if it accepted or rejected your notice.

Trade Organizations or Development Centers	Date Notice Sent <small>(mm/dd/yyyy)</small>	Was the Notice Accepted?
Golden Triangle Minority Business Council	04/02/2020	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No
Texas Association of African American Chambers of Commerce	04/02/2020	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No

Method B (continued)

7. Complete HSP Good Faith Effort – Method B (Attachment B), page 2, Section B-4.

a. Item a should match Section B-1. 

b. Complete item b with the subcontractors you selected and the percentage of the contract that will be awarded. The total percentage for this item number should match the percentage for the item number shown in Section 2 on page 2 of the HSP form. 

c. In item c, provide a written justification for each selected subcontractor that is not a Texas certified HUB. 

HSP Good Faith Effort - Method B (Attachment B) Cont.

Rev. 2/17

Enter your company's name here: Company ABC Requisition #: 454-20-12345-MB

SECTION B-4: SUBCONTRACTOR SELECTION

Enter the item number and description of the subcontracting opportunity you listed in SECTION 2, Item b, of the completed HSP form for which you are completing the attachment.

a. Enter the item number and description of the subcontracting opportunity for which you are completing this Attachment B continuation page.

Item Number: 1 Description: Data Architecture

b. List the subcontractor(s) you selected to perform the subcontracting opportunity you listed in SECTION B-1. Also identify whether they are a Texas certified HUB and their Texas Vendor Identification (VID) Number or federal Employer Identification Number (EIN), the approximate dollar value of the work to be subcontracted, and the expected percentage of work to be subcontracted. When searching for Texas certified HUBs and verifying their HUB status, ensure that you use the State of Texas' Centralized Master Bidders List (CMBL) - Historically Underutilized Business (HUB) Directory Search located at <http://mycpa.cpa.state.tx.us/passcmlsearch/index.jsp>. HUB status code "A" signifies that the company is a Texas certified HUB.

Company Name	Texas certified HUB		Texas VID or federal EIN	Approximate Dollar Amount	Expected Percentage of Contract
	<input type="checkbox"/> - Yes	<input type="checkbox"/> - No	<small>Do not enter Social Security Numbers. If you do not know their VID / EIN, leave their VID / EIN field blank.</small>		
Data Depot	<input type="checkbox"/> - Yes	<input type="checkbox"/> - No	234567	\$55000	25%
	<input type="checkbox"/> - Yes	<input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes	<input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes	<input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes	<input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes	<input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes	<input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes	<input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes	<input type="checkbox"/> - No		\$	%

c. If any of the subcontractors you have selected to perform the subcontracting opportunity you listed in SECTION B-1 is not a Texas certified HUB, provide written justification for your selection process (attach additional page if necessary):

Company ABC reached out to three Texas Certified HUBs that listed data architecture in their scope of available services. None of these HUBs responded to our outreach request. Company ABC was not able to locate any other HUBs within the time available to respond to this solicitation.

REMINDER: As specified in SECTION 4 of the completed HSP form, if you (respondent) are awarded any portion of the requisition, you are required to provide notice as soon as practical to all the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity it (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.

Method B (continued)

8. Complete the HUB Subcontracting Opportunity Notification Form

This form provides documentation that you reached out to the required number of Texas certified HUBs and trade organizations. (such as email exchanges).

a. Your company information

b. TDI information

c. Description of the project so that potential HUB subcontractors can consider the opportunity.



HUB Subcontracting Opportunity Notification Form

Rev. 2/17

In accordance with Texas Gov't Code, Chapter 2161, each state agency that considers entering into a contract with an expected value of \$100,000 or more shall, before the agency solicits bids, proposals, offers, or other applicable expressions of interest, determine whether subcontracting opportunities are probable under the contract. The state agency I have identified below in **Section B** has determined that subcontracting opportunities are probable under the requisition to which my company will be responding.

34 Texas Administrative Code, §20.285 requires all respondents (prime contractors) bidding on the contract to provide notice of each of their subcontracting opportunities to at least three (3) Texas certified HUBs (who work within the respective industry applicable to the subcontracting opportunity), and allow the HUBs at least seven (7) working days to respond to the notice prior to the respondent submitting its bid response to the contracting agency. In addition, at least seven (7) working days prior to submitting its bid response to the contracting agency, the respondent must provide notice of each of its subcontracting opportunities to two (2) or more trade organizations or development centers (in Texas) that serves members of groups (i.e., Asian Pacific American, Black American, Hispanic American, Native American, Woman, Service Disabled Veteran) identified in Texas Administrative Code §20.282(19)(C).

We respectfully request that vendors interested in bidding on the subcontracting opportunity scope of work identified in **Section C, Item 2**, reply no later than the date and time identified in **Section C, Item 1**. Submit your response to the point-of-contact referenced in **Section A**.

SECTION A: PRIME CONTRACTOR'S INFORMATION	
Company Name: <u>Company ABC</u>	State of Texas VID #: <u>999999</u>
Point-of-Contact: <u>Company Contact</u>	Phone #: <u>512-222-2222</u>
E-mail Address: <u>company_contact@companyemail.com</u>	Fax #: <u>512-111-1111</u>
SECTION B: CONTRACTING STATE AGENCY AND REQUISITION INFORMATION	
Agency Name: <u>Texas Department of Insurance</u>	Phone #: <u>512-676-xxxx</u>
Point-of-Contact: <u>Contract Specialist Name</u>	Bid Open Date: <u>03/27/2020</u>
Requisition #: <u>454-20-12345-MB</u>	(mm/dd/yyyy)
SECTION C: SUBCONTRACTING OPPORTUNITY RESPONSE DUE DATE, DESCRIPTION, REQUIREMENTS AND RELATED INFORMATION	
1. Potential Subcontractor's Bid Response Due Date:	
If you would like for our company to consider your company's bid for the subcontracting opportunity identified below in Item 2,	
we must receive your bid response no later than <u>5:00 pm</u> on <u>04/11/2020</u> .	
Central Time Date (mm/dd/yyyy)	
<p><i>In accordance with 34 TAC §20.285, each notice of subcontracting opportunity shall be provided to at least three (3) Texas certified HUBs, and allow the HUBs at least seven (7) working days to respond to the notice prior to submitting our bid response to the contracting agency. In addition, at least seven (7) working days prior to us submitting our bid response to the contracting agency, we must provide notice of each of our subcontracting opportunities to two (2) or more trade organizations or development centers (in Texas) that serves members of groups (i.e., Asian Pacific American, Black American, Hispanic American, Native American, Woman, Service Disabled Veteran) identified in Texas Administrative Code, §20.282(19)(C).</i></p> <p><i>(A working day is considered a normal business day of a state agency, not including weekends, federal or state holidays, or days the agency is declared closed by its executive officer. The initial day the subcontracting opportunity notice is sent/provided to the HUBs and to the trade organizations or development centers is considered to be "day zero" and does not count as one of the seven (7) working days.)</i></p>	
2. Subcontracting Opportunity Scope of Work: description of data architecture work needed for the solicitation	
3. Required Qualifications: xx years of data architecture experience ABC certifications	<input type="checkbox"/> Not Applicable
4. Bonding/Insurance Requirements: enter insurance requirements or list N/A	<input type="checkbox"/> Not Applicable
5. Location to review plans/specifications: provide solicitation link on ESBID.	<input type="checkbox"/> Not Applicable

Self-Performing

You are not subcontracting any portion of the Contract.

1. Complete Section 2 item a – NO, I will not be subcontracting any portion of the contract
2. Skip all other items on this page.



Rev. 2/17

Enter your company's name here: Company ABC Requisition #: 454-20-12345-MB

SECTION 2] RESPONDENT'S SUBCONTRACTING INTENTIONS

After dividing the contract work into reasonable lots or portions to the extent consistent with prudent industry practices, and taking into consideration the scope of work to be performed under the proposed contract, including all potential subcontracting opportunities, the respondent must determine what portions of work, including contracted staffing, goods and services will be subcontracted. Note: In accordance with 34 TAC §20.282, a "Subcontractor" means a person who contracts with a prime contractor to work, to supply commodities, or to contribute toward completing work for a governmental entity.

- a. Check the appropriate box (Yes or No) that identifies your subcontracting intentions:
- **Yes**, I will be subcontracting portions of the contract. (If **Yes**, complete Item b of this SECTION and continue to Item c of this SECTION.)
 - **No**, I will not be subcontracting any portion of the contract, and I will be fulfilling the entire contract with my own resources, including employees, goods and services. (If **No**, continue to SECTION 3 and SECTION 4.)
- b. List all the portions of work (subcontracting opportunities) you will subcontract. Also, based on the total value of the contract, identify the percentages of the contract you expect to award to Texas certified HUBs, and the percentage of the contract you expect to award to vendors that are not a Texas certified HUB (i.e., Non-HUB).

Item #	Subcontracting Opportunity Description	HUBs		Non-HUBs
		Percentage of the contract expected to be subcontracted to HUBs with which you <u>do not</u> have a "continuous contract" in place for more than five (5) years	Percentage of the contract expected to be subcontracted to HUBs with which you have a "continuous contract" in place for more than five (5) years	Percentage of the contract expected to be subcontracted to non-HUBs.
1		%	%	%
2		%	%	%
3		%	%	%
4		%	%	%
5		%	%	%
6		%	%	%
7		%	%	%
8		%	%	%
9		%	%	%
10		%	%	%
11		%	%	%
12		%	%	%
13		%	%	%
14		%	%	%
15		%	%	%
Aggregate percentages of the contract expected to be subcontracted:		%	%	%

(Note: If you have more than fifteen subcontracting opportunities, a continuation sheet is available online at <https://www.comptroller.texas.gov/burchasing/vendor/hub/forms.php>.)

- c. Check the appropriate box (Yes or No) that indicates whether you will be using only Texas certified HUBs to perform all of the subcontracting opportunities you listed in SECTION 2, Item b.
- **Yes** (If **Yes**, continue to SECTION 4 and complete an "HSP Good Faith Effort - Method A (Attachment A)" for each of the subcontracting opportunities you listed.)
 - **No** (If **No**, continue to Item d, of this SECTION.)
- d. Check the appropriate box (Yes or No) that indicates whether the aggregate expected percentage of the contract you will subcontract with Texas certified HUBs with which you do not have a "continuous contract" in place with for more than five (5) years, meets or exceeds the HUB goal the contracting agency identified on page 1 in the "Agency Special Instructions/Additional Requirements."
- **Yes** (If **Yes**, continue to SECTION 4 and complete an "HSP Good Faith Effort - Method A (Attachment A)" for each of the subcontracting opportunities you listed.)
 - **No** (If **No**, continue to SECTION 4 and complete an "HSP Good Faith Effort - Method B (Attachment B)" for each of the subcontracting opportunities you listed.)

Self-Performing (continued)

Rev. 2/17

Enter your company's name here: _____ Requisition # _____

3. Complete Section 3 – Self Performing Justification.

SECTION 3: SELF PERFORMING JUSTIFICATION (If you responded "No" to SECTION 2, Item a, you must complete this SECTION and continue to SECTION 4.) If you responded "No" to SECTION 2, Item a, in the space provided below explain how your company will perform the entire contract with its own employees, supplies, materials and/or equipment.

[Large empty rectangular box for providing justification]

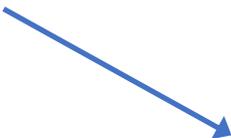


4. Complete Section 4 – Affirmation.

SECTION 4: AFFIRMATION

As evidenced by my signature below, I affirm that I am an authorized representative of the respondent listed in SECTION 1, and that the information and supporting documentation submitted with the HSP is true and correct. Respondent understands and agrees that, if awarded any portion of the requisition:

- The respondent will provide notice as soon as practical to all the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor for the awarded contract. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity they (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.
- The respondent must submit monthly compliance reports (Prime Contractor Progress Assessment Report – PAR) to the contracting agency, verifying its compliance with the HSP, including the use of and expenditures made to its subcontractors (HUBs and Non-HUBs). (The PAR is available at <https://www.comptroller.texas.gov/purchasing/docs/hub-forms/ProgressAssessmentReportForm.xls>).
- The respondent must seek approval from the contracting agency prior to making any modifications to its HSP, including the hiring of additional or different subcontractors and the termination of a subcontractor the respondent identified in its HSP. If the HSP is modified without the contracting agency's prior approval, respondent may be subject to any and all enforcement remedies available under the contract or otherwise available by law, up to and including debarment from all state contracting.
- The respondent must, upon request, allow the contracting agency to perform on-site reviews of the company's headquarters and/or work-site where services are being performed and must provide documentation regarding staffing and other resources.



_____	_____	_____	_____
Signature	Printed Name	Title	Date (mm/dd/yyyy)

Reminder:

- If you responded "Yes" to SECTION 2, Items c or d, you must complete an "HSP Good Faith Effort - Method A (Attachment A)" for each of the subcontracting opportunities you listed in SECTION 2, Item b.
- If you responded "No" SECTION 2, Items c and d, you must complete an "HSP Good Faith Effort - Method B (Attachment B)" for each of the subcontracting opportunities you listed in SECTION 2, Item b.