

HUB Subcontracting Plan (HSP) Guidance

Introduction

This guidance applies to formal solicitations that are posted on the Electronic State Business Daily (ESBD). <http://www.txsmartbuy.com/sp>

Projects with a total estimated value of \$100,000 **require** that a HUB Subcontracting Plan (HSP) be submitted with a vendor's response to the posted solicitation. Even a Texas Certified HUB, Education Service Center (ESC), and university must submit the HSP. Failure to include a completed HSP will disqualify a vendor from the solicitation process. **There are no exclusions or exceptions.** The HSP form can be found on the Texas Comptroller of Public Accounts' (CPA) website: <https://comptroller.texas.gov/purchasing/docs/hub-forms/hsp-allfms.pdf>

In order to complete an HSP, responding vendors must determine their subcontracting opportunities for the requested project and provide an opportunity for active HUB vendors to respond to those subcontracting opportunities. Prime vendors must demonstrate a good faith effort to solicit HUB vendors with an opportunity to provide subcontracting work when a subcontracting opportunity is available. The solicitation document may include a list the subcontracting opportunities in Section 2.7 that TEA believes are available; however, responding vendors are not limited to this list and may determine that there are other subcontracting opportunities available. A "subcontractor" is defined as a person who contracts with a prime contractor to work, to supply commodities, or to contribute toward completing work for a governmental entity. This includes anyone who is categorized as a 1099 per federal tax requirements.

State agencies use the NIGP class-item codes and descriptions found in the commodity list to properly classify goods and services in the procurement process. The vendor should use the NIGP class and item codes to identify potential HUB subcontractors to solicit for the HSP. To locate NIGP class and item codes, visit CPA's website: <https://mycpa.cpa.state.tx.us/commbook/>

Tip: NIGP class codes 005 – 898 are related to commodities; NIGP class codes in the 900 range are related to services.

If a vendor needs assistance or additional guidance, please contact the TEA HUB Office at HUBOffice@tea.texas.gov. TEA will respond as time permits and does not guarantee a response to last minute inquiries.

Completing the HUB Subcontracting Plan (HSP)

The HSP includes a quick checklist on the first page of the document in order to aid completion of the form.

The vendor (prime) has four options available on the HSP to choose from when submitting their response to the solicitation. Those options are as follows:

1. The prime intends to use only HUB vendors for the available subcontracting opportunities on the potential project.
2. The prime intends to use HUB vendors and non-HUB vendors for the available subcontracting opportunities on the potential project and will exceed the agency's HUB goal.
3. The prime intends to use HUB vendors and non-HUB vendors or only non-HUB vendors for the available subcontracting opportunities on the potential project and will NOT exceed the agency's HUB goal.
4. The prime intends to use their own resources and will NOT be subcontracting any portion of the project work.

Tip: There is the definition of a continuous contract at the bottom of the first page of the form.

SECTION 1:

All Vendor's must complete Section 1 of the form.

Tip: The State of Texas VID # field is referring to the vendor identification number that is assigned by CPA to process payments for the vendor. If the responding vendor does not have a VID or has not done business with the State of Texas, the vendor may complete a Texas Identification Number (TINS) application. However, this application must be requested from the agency. The completed TINS application should be included within the vendor's response as an attachment or appendix.

Tip: The Requisition # field should include the solicitation number. The format of the solicitation number is 701-XX-XXX.

Tip: The Bid Open Date field should include the Response Due Date of the solicitation. That information can be found on the ESBD solicitation posting or on the first page of the solicitation.

The vendor should continue to Section 2 of the HSP and complete the form accordingly.

SECTION 2:

All Vendors must complete Section 2a of the form which identifies the vendor's subcontracting intentions.

If subcontracting opportunities are identified, these opportunities must be listed in Section 2b. The vendor should include the estimated percentage that opportunity will use for the entire value of the contract. The total percentage(s) of all subcontracting opportunities should not exceed 100%. It is recommended that the vendor use the NIGP class and item codes to identify those subcontracting opportunities. If the vendor will use their own resources to complete the project, the HSP should be completed according to the instruction provided on the HSP.

Vendors who have identified subcontracting opportunities should continue to items 2c and 2d.

If subcontracting opportunities are identified, the vendor must complete one of the following options:

- Method A – Award subcontracting to only active HUB vendors
- Method B – Using the good faith effort, the vendor will solicit HUBs and trade organizations or development centers for potential subcontracting opportunities; if a good faith effort was appropriately conducted, the vendor may award subcontracting opportunities to both HUB and non-HUB vendors or only to non-HUB vendors

Method A – Subcontracting awards to only active HUB vendors

The vendor should complete an Attachment A for each subcontracting opportunity that is listed in Section 2b. The subcontracting opportunity is provided in Section A-1 and the HUB vendors are listed in Section A-2. The HUB vendors certification status and Texas VID are provided on the CMBL.

Method B – Subcontracting awards to HUBs and non-HUBs

The vendor should complete an Attachment B for each subcontracting opportunity that is listed in Section 2b. The subcontracting opportunity is provided in Section B-1. Section B-2 should be completed by all vendors accordingly. If a prime vendor is not participating in the Mentor Protégé program, Section B-3 must be completed to demonstrate the good faith effort in notifying HUBs and trade organizations or development centers of the potential subcontracting opportunities.

Trade organizations or development centers which can receive notifications are listed on CPA's website: <https://comptroller.texas.gov/purchasing/vendor/hub/resources.php>

After the deadline or responses have been received, the vendor must list the subcontractors that will be used for each subcontracting opportunity in Section B-4.

If HUB vendors were notified or responded but will not be awarded a subcontract as part of the project, an explanation must be provided in Section B-4c.

When using Method B, the vendor must complete the HUB Subcontracting Opportunity Notification Form as part of the HSP.

SECTION 3:

If subcontracting opportunities are not identified and the vendor can complete all the deliverables with their own resources, the vendor must complete Section 3 of the HSP and provide a justification of how they will perform the contract using their own resources.

SECTION 4:

With all methods that are used to fulfill the HSP, Section 4 must be completed.

Record Keeping

The vendor should keep records of the CMBL searches and the emails sent to HUB vendors for the project file. TEA may request copies of these records in order to validate that a good faith effort was conducted.

For information on how to be certified as a Historically Underutilized Business (HUB), visit CPA's website: <https://comptroller.texas.gov/purchasing/vendor/hub/>

Searching the Centralized Master Bidders List (CMBL)

Vendors must use the Centralized Master Bidders List (CMBL) to confirm the status of the HUB vendor. <https://mycpa.cpa.state.tx.us/tpasscmlsearch/tpasscmlsearch.do>. Search tips on the CMBL are available on CPA's website: <https://comptroller.texas.gov/purchasing/vendor/registration/search-tips.php>

Vendors can search for a HUB vendor on the CMBL. Additional guidance is provided on the last page of this document.

The HUB Status is provided at the bottom of the CMBL profile screen. A screenshot is provided for reference.



CMBL/HUB Vendor Detail	
Vendor ID / Vendor Number	
Vendor Name	
Vendor Address	
county	
Contact	
Phone/Fax	
Email Address	
Website	
Business Description	
Business Category	Other Services Including Legal Services (06)
Small Business	Y
Service Disabled Veteran	No
CMBL Status	Active Bidder
CMBL Expires	28-MAR-2019
HUB Status	Active Bidder (A-Approved; Active Texas certified HUB)
HUB Expires	31-MAY-2021
HUB Eligibility	AS (Asian-Pacific American)
HUB Gender	F
Commodity items shown above are available for district(s) 1,2,3,4,5,6,7,8,9,10,11,12,13,14,15,16,17,18,19,20,21,22,23,24,25	

If the HUB vendor is not an active HUB, credit will not be applied to the HSP or to the agency's reporting numbers.

Locating active HUB vendors on the Centralized Master Bidders List (CMBL)

A list of active HUB vendors is available by conducting a search on the Centralized Master Bidders List (CMBL).

To conduct a search, the vendor should follow these steps:

Use this link to the CMBL: <https://mycpa.cpa.state.tx.us/tpasscmlsearch/tpasscmlsearch.do?>

1. Select "HUBs Only" in the Search for section located at the top of the window.
2. Enter the NIGP class and item code in the Multiple Vendor Search section; highway district is optional. The highway district field is used to narrow the service area that the potential vendor serves.
3. Select the desired fields in the Select Fields for Output section. The default setting may be used but it is encouraged that the Business Description be added to provide more details about the vendor.
4. Select the Excel Spreadsheet in the Output Options section.
5. Click on the Search button for results.

Vendors are encouraged to retain a copy of this spreadsheet for their records. Agencies may request supporting documentation of the HUB vendors that were solicited.

A screenshot of the page is provided for reference:

The screenshot displays the 'Centralized Master Bidders List - HUB Directory Search' page. At the top left, there is a navigation bar for the Texas Comptroller of Public Accounts, Glenn Hegar, with links for Home, Contact Us, and Help. The main heading is 'Search For Vendors'. On the left, a 'Related Links' sidebar contains: CMBL/HUB Directory Search Tips, Register For CMBL - HUB, HUB Mentor Protege Agreement Listing, System for Award Management (EPLS), Debarred Vendors List, and Vendor Performance Report Search.

The main content area is titled 'Centralized Master Bidders List - HUB Directory Search' and includes an introductory paragraph about the CMBL. Below this, the 'SEARCH FOR' section has radio buttons for 'CMBL Only', 'HUBs Only' (selected and marked with a red callout '1'), 'HUBs On CMBL', and 'All Vendors'. An 'Expand All' button is also present.

The 'MULTIPLE VENDOR SEARCH' section (marked with a red callout '2') contains three rows of input fields for 'NIGP Class Code', 'Items', and 'Highway District(s)'. The first row has '971' in the Class Code field and '30' in the Items field.

The 'SELECT FIELDS FOR OUTPUT' section (marked with a red callout '3') shows a list of fields with checkboxes: Vendor ID, Company Name, Contact Person, Mailing Address, City, State, Zip, Country, Email, Phone, HUB Eligibility, HUB Gender, and Small Business. A dropdown menu is visible below the list.

The 'OUTPUT OPTIONS' section (marked with a red callout '4') has two dropdown menus: 'Output as' set to 'Excel Spreadsheet (max 1000 vendors)' and 'Sort by' set to 'Vendor Name'.

At the bottom of the search area, there is a 'Search' button (marked with a red callout '5') and a 'Reset' button.

The footer contains the Texas Comptroller of Public Accounts logo and name, a 'POLICIES' section with links to Privacy and Security Policy, Accessibility Policy, Link Policy, Public Information Act, Compact with Texans, and Commonly Used Web Browsers, and an 'OTHER STATE SITES' section with links to texas.gov, Texas Records and Information Locator (TRAIL), State Link Policy, and Texas Veterans Portal.