

## PEPS Fireside Chat Question & Answer Summary

### HUB Subcontracting Plans - Avoiding Disqualification – July 2023

**Q1: What if there are more categories than even the additional form allows?**

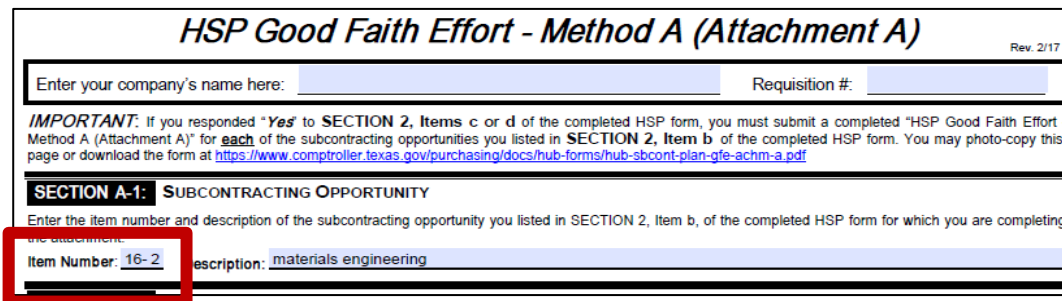
**A1:** You can add additional pages.

**Q2: How do we number the follow-up items then? Do we duplicate the numbers?**

**A2:** Section 2, page 1 has space for items 1 -15. The continuation sheet has space for items 16 through 43. If you need to add a second continuation sheet, there will be duplicate items 16 – 43. As long as the item number and descriptions match the Good Faith Effort attachments, it is permissible. To clarify, you may use the Item Number field on Method A (Attachment A) SECTION A-1 or Method B (Attachment B) SECTION B-1 or B-4 to indicate repeated item number with a "-2" to indicate it is the second page. See image below.

Method A (Attachment A)

Make a note in the item number field in Section A-1



**HSP Good Faith Effort - Method A (Attachment A)** Rev. 2/17

Enter your company's name here:  Requisition #:

**IMPORTANT:** If you responded "Yes" to SECTION 2, Items c or d of the completed HSP form, you must submit a completed "HSP Good Faith Effort - Method A (Attachment A)" 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-a.pdf>


**SECTION A-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: **16-2** Description: materials engineering

Method B (Attachment B)

Make a note in the item number field in Section B-1



**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: **16-2** Description: materials engineering

Method B (Attachment B)  
Make a note in the item number field in Section B-4

**HSP Good Faith Effort - Method B (Attachment B) Cont.** Rev. 2/17

Enter your company's name here:  Requisition #:

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**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.

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

Item Number:  Description:

- Q3: I appreciate that PEPS has automated the project team composition form. Would it be possible for the Comptroller's Office to automate the HSP whereby the percentages add up automatically for each sub opportunity--to avoid math errors?**
- A3: The HSP is the Comptroller's form, however, TxDOT is researching the possibility of automating the form through the Diversity Management System.
- Q4: What is the cut off for being a HUB if the procurement is posted on May 18 and the HUB for that subprovider expires on May 31 of the same year?**
- A4: The firm must be HUB certified on the closing date of the solicitation. If the HUB certification of a subprovider expires after that date, we would communicate with the Civil Rights Division to make that call. It is based on a good faith effort. Sometimes a firm has recertified but the Comptroller's Office has not yet updated the information. Civil Rights helps us track that information.
- Q5: About how many disqualifications occur in a typical year?**
- A5: We typically have quite a few each year based on a variety of reasons. It often occurs in patterns.
- Q6: Can you confirm that we do not have to meet the HUB goal if we use Method 1 (HUB subs only)?**
- A6: That is correct. If you are only using HUB subcontractors, that is the good faith effort, so you do not have to meet the HUB goal. However, if you are using both HUB and non-HUB firms, you must meet or exceed the goal. If only using Texas Certified HUBs, then you would be responding with a "Yes" on Section 2 c., which is also outlined on the HSP Quick Checklist.
- Q7: If a firm is qualified as a HUB when the contract begins but then loses their HUB status, how does the prime handle this?**
- A7: In those situations, the HUB subprovider's contribution lasts until the end of the fiscal year. At the end of that fiscal year their contribution no longer counts. To ensure that the overall contract goal is met, the prime may need to redistribute work to other HUBs on the team or find and add another Texas Certified HUB to the contract. These efforts should be documented as part of the Good Faith Effort. For changes, Exhibit-HSP and form 2580, HUB Subcontract Plan Change Request form, must be completed and submitted to the contract manager, for review and approval.