

VetHUB Subcontracting Plan Q&A



General Requirements

1. Has the VetHUB program changed the subcontracting requirements?

No. The underlying procurement requirements under Texas Government Code and Texas Administrative Code remain largely unchanged. The primary changes are:

- The HUB goals were removed.
- Contractors now only have two options:
- Self-perform the contract, or
- Subcontract portions of the work.
- Vendors must now provide documentation demonstrating their good faith effort when subcontracting.
- A reduction in the number of vendors that must be solicited.
- The reduction in compliance methods from four to two.

2. Are VetHUB goals currently included on applicable state-funded contracts?

No. VetHUB goals were removed; however, removing the goal did not eliminate the subcontracting plan requirements.

3. Is a subcontracting plan still required when there is no VetHUB goal?

Yes. For a state-funded solicitation valued at \$100,000 or more with a probability of subcontracting, the subcontracting plan remains a required document even though the solicitation does not have a VetHUB goal.

4. What are the two available methods for completing the subcontracting plan?

A respondent must indicate that it will either:

- Self-perform the entire contract, or
- Subcontract one or more portions of the contract.

5. Which version of the subcontracting plan should respondents use?

If you are bidding on a Texas state contract, you are required to use the official [State of Texas HUB Subcontracting Plan \(HSP\) form](#) administered by the Texas Comptroller. Respondents should use the latest version made available with the solicitation and can also be found on the CPA website. Earlier versions will be considered noncompliant.

6. Does the information on the first page need to be completed by the respondent?

The agency-provided information on the first page should already be completed. The respondent should retrieve that page and include it with the submitted plan. The respondent is responsible for accurately completing the sections assigned to the respondent.

Self-Performance

1. What does it mean to self-perform the contract?

The respondent may use the self-performing method to demonstrate a good faith effort for any subcontracting opportunity by indicating that it intends to fulfill the entire contract, including each subcontracting opportunity, with its own equipment, supplies, materials, and employees. The respondent shall be able to provide the following **if** requested by the procuring state agency.

- Evidence of existing staffing to meet contract objectives;
- monthly payroll records showing employees engaged in the contract;
- on-site reviews of company headquarters or work site where services are to be performed; and
- documentation proving employment of qualified personnel holding the necessary licenses and certificates required to perform the work.

2. What must a respondent submit if it will self-perform the entire contract?

The respondent must:

- Select the option stating that the company will self-perform the entire contract
- Complete the respondent information
- Sign and date the self-performance affirmation in Section 3
- Submit pages one and two of the plan

It is important that the correct box and affirmation are completed.

3. If I am self-performing, do I have to show a good faith effort?

The respondent may use the self-performing method to demonstrate a good faith effort for any subcontracting opportunity by indicating that it intends to fulfill the entire contract, including each subcontracting opportunity, with its own equipment, supplies, materials, and employees. Self-performing contractors must complete the required Sections on the State of Texas Subcontracting Form.

If requested by the procuring state agency a prime contractor must be able to provide:

- Evidence of existing staffing to meet contract objectives;
- monthly payroll records showing employees engaged in the contract;
- on-site reviews of company headquarters or work site where services are to be performed; and
- documentation proving employment of qualified personnel holding the necessary licenses and certificates required to perform the work.

4. Does a self-performing respondent have to conduct vendor outreach?

No. If the respondent will genuinely self-perform the entire contract, it does not conduct the subcontractor outreach process. Its compliance consists of properly indicating self-performance and signing the applicable affirmation.

5. Is self-performance viewed negatively?

No. The session states that self-performance is not considered negative when the respondent properly completes the plan and is able to perform the entire scope using its internal resources.

6. What happens if a respondent selects self-performance but later needs a subcontractor?

If the need occurs after award, the prime contractor must contact the appropriate contract manager or point of contact and follow the applicable change-request process.

If subcontracting becomes necessary, the contractor must complete the required outreach and supporting documentation for the added subcontracting opportunity.

7. What are common self-performance errors that may result in disqualification?

Examples discussed in the session include but are not limited to:

- Failing to select the self-performance box
- Signing the wrong affirmation
- Failing to sign the self-performance affirmation
- Failure to give 7 full business days for Vet HUBs to respond
- Lack of required documentation
- Selecting self-performance when the respondent intends to subcontract work

Identifying Subcontracting Opportunities

1. What should be listed in Section 4 of the subcontracting plan?

Section 4 should list each item of work the respondent intends to subcontract. It should not list work that the respondent will perform.

2. Should the respondent list every item in the solicitation?

No. The respondent should list only the items it intends to subcontract.

3. Can several different services be grouped together as one subcontracting opportunity?

Respondents should not combine distinct services into a broad category merely because they share the same NIGP code. Separate types of work should be listed as separate subcontracting opportunities when they involve distinct scopes or capabilities.

4. Should respondents rely only on the possible subcontracting opportunities listed on the first page?

No. Those entries may not contain every possible opportunity. Respondents should review the complete scope of work and independently determine which portions they intend to subcontract.

5. If I need to add subcontractors after award, what happens?

Because the Subcontracting Plan (SP) is a legally binding part of your final contract, any changes to your original subcontractor roster require prior agency approval through a formal Subcontracting Plan Change Request. You must contact your agency contract manager to initiate this amendment before any new subcontractor begins work.

NIGP Codes and Vendor Searches

1. Are work categories the same as NIGP codes?

No. Professional services work categories and the NIGP codes required for the subcontracting plan are separate concepts. The plan requires the applicable NIGP class and item code for the subcontracted service.

2. Can multiple subcontracting opportunities use the same NIGP code?

Yes. Several distinct services can fall under the same NIGP code. Each service should still be separately described if it represents a separate subcontracting opportunity.

3. What level of NIGP code detail must be provided?

The respondent must provide both the NIGP class and item code (XXX-XX). Entering only the general class is not sufficient because the item code identifies the specific type of work.

4. How should a respondent identify the appropriate NIGP code?

The respondent should use the NIGP commodity book and search for the service or commodity being subcontracted. Review both the code and its description to ensure that it matches the specific work.

5. Where should respondents search for potential VetHUB subcontractors?

Respondents should search for potential VetHUB subcontractors using the online the State of Texas [Centralized Master Bidders List \(CMBL\) - HUB Directory Search](#).

6. Which CMBL search option should be used?

When you open the Texas Comptroller CMBL/VetHUB Directory Search portal, the system defaults to "CMBL Only". You must actively change this by selecting the **"VetHUBs Only"** button to properly filter your results to only show certified service-disabled veteran-owned businesses.

7. How can a respondent determine whether a vendor can perform the required work?

The respondent should review the vendor's information and commodity descriptions in the search results. The listed commodity codes can help determine whether the vendor represents that it can perform the specific service being subcontracted. Direct outreach and communication with a VetHUB will help make the final determination.

8. Is the TxDOT pre-certification list a substitute for the CMBL search?

No. The pre-certification list and the VetHUB good-faith-effort search serve different purposes. A respondent cannot bypass the CMBL outreach simply because a VetHUB is not on a pre-certification list.

9. What if pre-certification is required for the subcontracted work?

The respondent must still complete the required good-faith-effort process. If a responsive VetHUB cannot be selected because it lacks the required pre-certification, license, or qualification, that circumstance may be documented as the business justification for not selecting the firm.

10. What documentation is required if the CMBL search returns no VetHUB vendors?

The respondent should retain and submit a dated, unedited screenshot showing the applicable NIGP search and the zero-vendor result. The date is important because the available vendor list could change later.

11. Is a screenshot of the CMBL search required when VetHUB vendors are found?

There is no need to submit the search results when vendors are found. The dated screenshot is only needed when the search produces zero VetHUB vendors.

Outreach

1. How many VetHUB firms must be contacted?

The respondent must notify two VetHUB firms for each subcontracting opportunity, when two firms are available through the applicable search.

2. What if only one VetHUB firm is available?

The respondent should list and notify the one available firm. Agency reviewers can verify through the CMBL that only one firm was available.

3. How long must vendors be given to respond?

The firms must be allowed at least seven full business days to respond.

- Do not count the day the notice is sent.
- Do not count weekends.
- Do not count state holidays.

Example:

- Notice sent Thursday = Day 0
- Friday = Day 1
- Following Monday through Thursday continue counting until seven full business days have elapsed.

4. May the respondent conduct outreach by telephone?

Telephone calls or call logs do not satisfy the written notification requirement. The respondent may communicate by telephone for its own business purposes, but the compliance documentation must show written outreach.

5. What should the written notification include?

Per the instructions on the State of Texas Subcontracting Plan a respondent can send either the Subcontracting Opportunity Notification template or an email notice that includes at minimum:

- Scope of work
- Location to review plans and specifications (if applicable)
- Bonding and insurance requirements
- Required qualifications
- Name of state agency
- State agency's point of contact
- State agency point of contact's phone number
- Requisition/solicitation number
- Prime contractor's contact name

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- Prime contractor's contact email
- Prime contractor's contact phone number
- Date response required; allow at least seven business days for response excluding weekends and state holidays.

6. Must the respondent use the notification template included with the plan?

Per the instructions on the Subcontracting Plan a respondent can send either the State of Texas Subcontracting Opportunity Notification template or an email notice. When utilized, the completed template must be submitted alongside any supporting documentation and the corresponding email notification of transmission.

7. What proof of outreach should be submitted?

Verifiable Proof of Written Notification

- Attach exact copies of the sent emails and/or official CPA Notification Forms.
- If you use the CPA Notification Form, you must include the e-mail that transmitted the notice.
- Timestamps must prove that vendors were given at least 7 full business days to respond (excluding the day of transmission, weekends, and state holidays or due date of bid).

CMBL Search Evidence

- No VetHUBs listed, Attach dated, unedited screenshots of your Centralized Master Bidders List (CMBL) / HUB Directory search results for each NIGP code utilized. This proves you searched the official state database. This proves your Good Faith Effort, when no VETHUB firms were found for that specific NIGP Code.

Objective Selection Justifications (If Applicable)

- If a certified VetHUB vendor responded but was not selected, include a concise narrative detailing the objective business reason (e.g., they did not bid, pricing was uncompetitive, or they lacked a specific technical capability).

8. Must every subsequent email in a long correspondence chain be submitted?

No. You should submit the initial outreach email and any additional communication necessary to establish required facts, such as a vendor's response or inability to perform the work. Unrelated or repetitive correspondence is unnecessary.

9. What if a contacted VetHUB cannot perform the solicited item but offers to perform a different item?

The respondent should not automatically place the firm on the team for an item that was not included in the original notice.

If there is sufficient time, the respondent may conduct proper outreach for that separate opportunity. Otherwise, adding the firm for an unadvertised item could create an audit concern because the documented outreach would not match the selected work.

10. Must the email, notification form, and subcontracting plan match?

Yes. The listed services, NIGP codes, and other relevant information should be consistent across the subcontracting plan, written notification, and any attached notification form. Conflicting descriptions may prevent the reviewer from verifying compliance.

11. Do I perform outreach by work category or by NIGP code?

The subcontracting plan is based on NIGP codes, not PEPS work categories.

For each subcontracting opportunity:

- Identify the work being subcontracted.
- Locate the corresponding NIGP code.
- Perform outreach based on that subcontracting opportunity and NIGP code.

Completing Section 5

1. How many Section 5 forms are required?

One complete Section 5 package is required for each subcontracting opportunity listed in Section 4. A separate good faith effort record must be maintained for each subcontracted item.

For example:

- 1 subcontracting opportunity = 1 Section 5 package
- 6 subcontracting opportunities = 6 Section 5 packages
- 16 subcontracting opportunities = 16 Section 5 packages

2. Should all solicited vendors and selected subcontractors be combined on one Section 5 attachment?

No. Each Section 5 attachment should correspond to one particular subcontracting opportunity and show the outreach and selection information for that opportunity.

Selecting Subcontractors

1. What information must be provided for each selected subcontractor?

The plan should identify the selected company, indicate whether it is a VetHUB, provide the requested vendor identifier, and include either the expected dollar amount, the expected percentage of the contract, or both. See Section 5.4 Subcontractor Selection.

2. Must both the dollar amount and contract percentage be completed?

No. The respondent may provide either the dollar amount, the percentage, or both. At least one of the two fields must be completed.

3. What happens if a responsive VetHUB is not selected?

The respondent must provide a brief, business-based justification explaining why the responsive VetHUB was not selected.

4. What are examples of potentially acceptable justifications?

Justifications must be objective, business-related, and documentable. Examples include:

- Vendor did not submit a proposal.
- Vendor lacked required technical qualifications.
- The vendor lacked required software or equipment.
- Vendor lacked a required license, certification, or pre-qualification.
- Vendor could not perform in the required location.
- Vendor could not meet schedule requirements.
- Vendor reported that its current project backlog prevented it from accepting the work.
- The quoted price exceeded the amount allocated or was not competitive

5. What are examples of unacceptable justifications?

Examples include:

- Preferring a company because of an existing relationship.
- Selecting a company because it is a favorite subcontractor.
- Indicating that the outreach was performed only to satisfy a requirement.
- Rejecting a responsive VetHUB without a legitimate business-based reason.
- Using a vague statement that does not explain the selection decision.

6. Can a respondent preselect its preferred team before conducting outreach?

Outreach should not be treated as a box-checking exercise after the team has already been selected. The outreach and evaluation should be meaningful, and the final selection should be supported by legitimate business considerations.

Signatures, Documentation, and Disqualification

1. Which affirmation should be signed when the respondent is subcontracting?

A respondent that is subcontracting should skip the self-performance affirmation in Section 3 and sign the prime contractor affirmation in Section 6.

2. What happens if Section 6 is not signed?

The session states that failure to sign the applicable Section 6 affirmation can result in automatic disqualification because the missing signature cannot be resolved merely through clarification.

The appropriate signature must be signed, otherwise it is an automatic disqualification.

3. What supporting materials should generally not be included?

- Phone logs
- Company brochure or marketing materials
- Resumes
- The entire solicitation
- The complete pre-certification list
- Blank separator pages
- CMBL search results when VetHUB firms were found
- Unrelated email correspondence
- Other documents not requested by the plan
- The solicitation

4. What documentation should generally be included when subcontracting?

The submission should include:

- The completed official subcontracting plan
- A separate Section 5 attachment for each subcontracting opportunity
- Written outreach documentation and applicable vendor responses
- Business-based justifications when a responsive VetHUB was not selected
- A dated CMBL screenshot when zero VetHUB vendors were found
- The properly signed section

5. What are the most common reasons subcontracting plans are disqualified?

- Missing signatures
- Using an outdated form
- Checking the wrong method
- Signing the wrong affirmation or both affirmations
- Omitting required pages
- Leaving required fields blank
- Combining distinct subcontracting opportunities
- Using incomplete NIGP codes
- Failing to conduct or document outreach for each opportunity
- Providing fewer than seven full business days for responses
- Omitting vendor identifiers
- Failing to provide valid justification for not selecting a responsive vendor
- Submitting inconsistent information across the plan and supporting documents