SUPPLEMENTAL SUMMARY FY 1999 ANNUAL HUB REPORT for Agency No. 785

The UTHCT FY99 Historically Underutilized Businesses (HUB) report demonstrates the institution’s commitment to supporting the HUB in all areas of its procurement strategies. FY99 presented many unique opportunities and challenges toward achieving the recommended percentage of utilization. Our Y2K efforts required us to expend significantly more resources for hospital and financial software packages, implementation assistance for the software, and greater than normal expenditures for computer hardware. The Staff Coordinating Group worked closely with agency administration to provide as many opportunities as possible for HUB vendors to participate in the Y2K readiness efforts. Utilization of Central Master Bidders List and its HUB information helped our purchasing professional to find HUB partners whenever possible.

The following activities have helped to increase HUB percentages during fiscal 1999:

- Increased emphasis on HUB professional service contracts;
- Participation in community based business expositions, especially minority expos;
- Continuing to work with critical HUB vendors to keep certification current; and
- Cooperative efforts between University of Texas components to share information relating to HUB firms.

State medical agencies, teaching hospitals, and research facilities face tremendous competition in today’s marketplace. In addition, efforts to prepare for the Y2K event imposed additional financial burdens upon all agencies. Examples of expenditures where we faced challenges finding HUB firms to compete:

**Commodities**

- Blood Plasma Products 204,469
- Telephone, Computer, Medical Equipment rental/lease 1,845,275
- Pharmacy 4,636,215

**Group Purchase**

- Commodities (Grafts, Pacemakers, GPO, direct, ref labs) $3,519,859
- Software/Implementation 1,550,163

<table>
<thead>
<tr>
<th>Reportable Expenditures (see report)</th>
<th>25,449,360</th>
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<tbody>
<tr>
<td>HUB Expenditures</td>
<td>2,811,852</td>
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<tr>
<td>Overall HUB Percentage</td>
<td>11%</td>
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**Reportable Expenditures**

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<thead>
<tr>
<th>Less Total Non-Availability</th>
<th>11,966,079</th>
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<tbody>
<tr>
<td>Net Expenditure</td>
<td>$13,483,281</td>
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<tr>
<td>Adjusted HUB percentage</td>
<td>47%</td>
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We believe that our program is highly supportive of the good faith effort requirement of the state of Texas given the activities we perform and in view of our distance from a major metropolitan area.

Paul Jarboe, C.P.M., MBA
Director for Business Operations and HUB Coordinator