



CENTRAL HEALTH

FY16 Historically Underutilized Business Report

Budget and Finance Committee
February 15, 2017
Jeff Knodel, VP and CFO



Central Health's General Purchasing Policy

The Board of Managers approved Central Health's Purchasing Policy, which states that a “*good faith effort*” must be made to assist certified Historically Underutilized Businesses (HUB) vendors and contractors in its award of contracts and subcontracts.



Definition of a HUB

“Historically Underutilized Business”

A for-profit entity that has not exceeded the size standards prescribed by [34 TAC § 20.23](#) (Texas Administrative Code), and has its principal place of business in Texas, and is at least 51% owned by an Asian Pacific, American, Black American, Hispanic American, Native American, Woman-owned, or Service Disabled Veteran, who reside in Texas and actively participate in the control, operations and management of the entity's affairs.



Eligible and Ineligible Expenses

Expense Categories Include: Heavy Construction, Building Construction, Special Trade, Professional Services, and other Services.

Expenditure (Object) Code Categories Not Included: benefits, claims and judgments, interfund transfers, interagency payments, investments, payment of interest, payment of principal, public assistance payments, rental and leases, utilities, salaries, wages, travel grants, scholarships, real estate purchases, right-of way, emergency abatement response, healthcare services, and other expenses as determined by the State of Texas Disparity Study.



FY16 HUB Eligible Expenditures Operating and CIP Expenses

Total Eligible Operating Expense	\$3,144,971
Total HUB Operating Expenditure	\$439,747
Percentage of HUB Operating Expenditure	13.98%

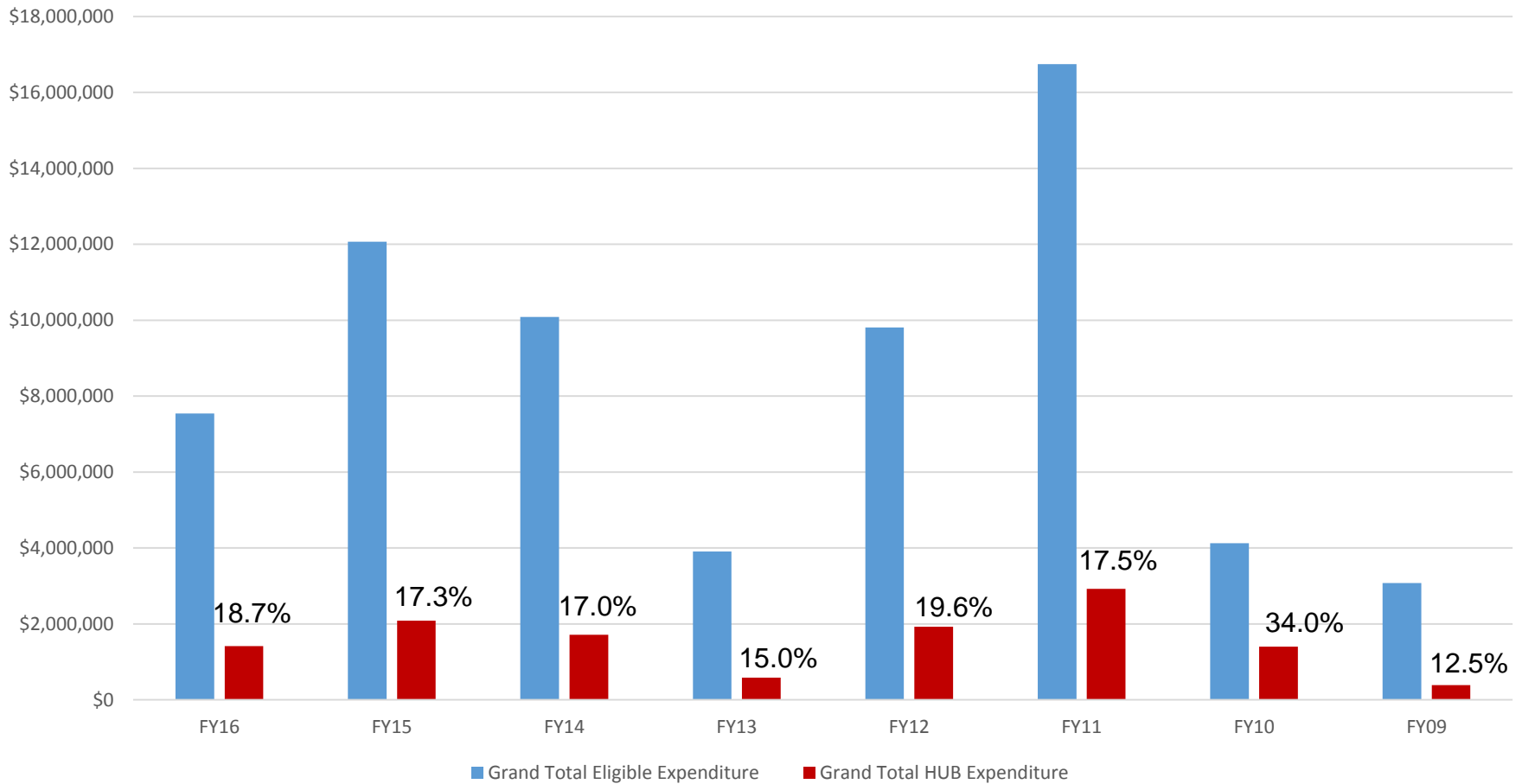
Total Eligible CIP Expense	\$4,398,136
Total HUB CIP Expenditure	\$972,872
Percentage of HUB CIP Expenditure	22.12%

FY16 HUB Eligible Expenditures Totals

Grand Total Eligible Expenditure	\$7,543,106
Grand Total HUB Expenditure	\$1,412,619
HUB as a Percentage of Total Eligible Expenditure	18.73%



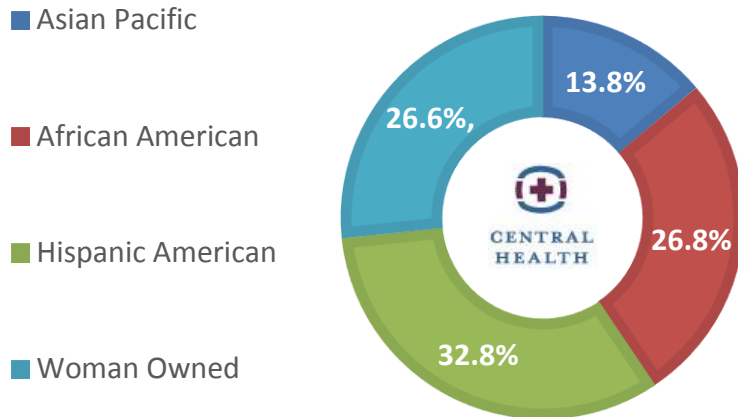
Eligible HUB Expenditures Historical Comparison



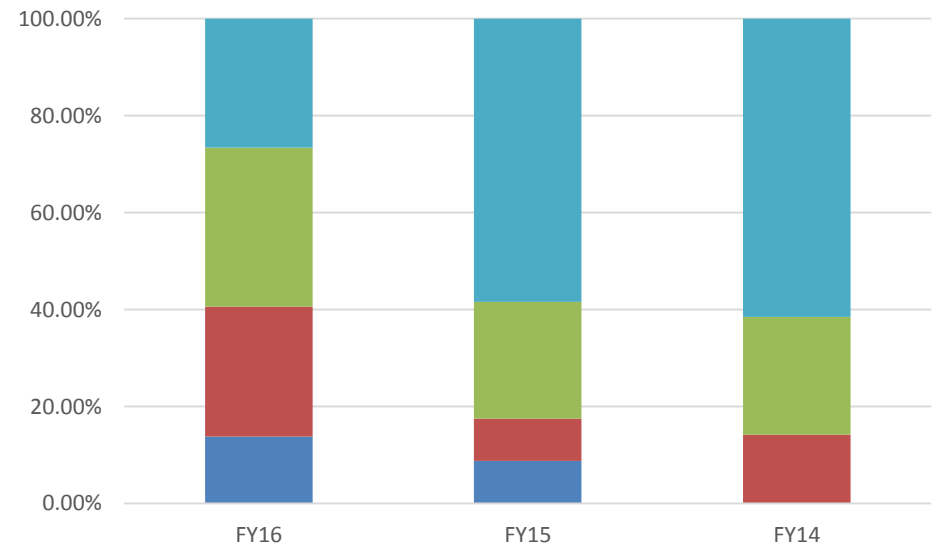
HUB Comparison Report by Entity

	Central Health	State of Texas (1)	Travis County (1)	City of Austin (1)
Total Eligible Expenditure	\$7,543,106	\$18,898,542,734	\$108,265,568	\$578,393,340
Total HUB Expenditure	\$1,412,619	\$2,135,542,734	\$7,769,558	\$59,766,921
HUB Expenditure %	18.7%	11.3%	7.2%	9.0%

FY16 Classification Breakdown



Historical Classification Breakdown



(1) Most recent data available

Central Health's Continuing Outreach Efforts

- **Continue to use the following sourcing methods when procuring services and goods.**
 - BIDSYNC-The largest Government bid notification system in the US.
 - Electronic State Business Daily (ESBD) is a website where state (political subdivisions) post bid opportunities valued at \$25,000 or more. <http://esbd.cpa.state.tx.us/>
 - Central Health Website-Travis County Healthcare District d/b/a Central Health (“Central Health”) contracts and purchases goods and services that are necessary to provide for the healthcare needs of those we serve.
 - Advertised in traditional and Spanish language media outlets, including Austin American Statesman and La Prensa
 - Direct communication to vendors that have signed up through the Central Health portal to be notified of solicitations.



Central Health's Continuing Outreach Efforts

- **Continue to participate in HUB fairs through the Greater Austin Chamber of Commerce and other procurement fairs as offered.**
- **Highlights of outreach efforts:**
 - City of Austin workshop
 - Greater Austin Asian Chamber of Commerce Connect Forum
 - Greater Austin Hispanic Chamber of Commerce meeting
 - Texas Association of African American Chambers of Commerce meeting
 - Texas Comptroller of Public Accounts Procurement Seminar and Expo





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