**HUB Construction Contract FSS/PPS No. 08.09**

**Administration Issue No. 4**

**Revised Date: 03/22/2024**

**Effective Date: 01/17/2018**

**Next Review Date: 10/01/2023 (E5Y)**

**Sr. Reviewer: Associate Vice President for Facilities**

**01. PURPOSE**

01.01 This document establishes divisional policies for administration of construction contracts.

**02. POLICY**

02.01 The Division of Finance and Support Services is committed to protecting the financial integrity of the university by establishing appropriate policies and procedures for administration of construction contracts.

\*02.02 The Division of Finance and Support Services is committed to the university’s goals, The Texas State University System (TSUS) Historically Underutilized Business (HUB) Program (established in May 1996), and the state’s goal of increasing HUB contracting opportunities.

02.03 The university shall follow the HUB program requirements of the [Texas Administrative Code Title 34, Part 1, Chapter 20, Sub-chapter D,](https://texreg.sos.state.tx.us/public/readtac$ext.ViewTAC?tac_view=4&ti=34&pt=1&ch=20)

[Division 1](https://texreg.sos.state.tx.us/public/readtac$ext.ViewTAC?tac_view=4&ti=34&pt=1&ch=20) (as promulgated by the Texas Procurement and Support Services Division of Texas Comptroller of Public Accounts).

02.04 Facilities Planning, Design, and Construction (FPDC) has primary responsibility for assuring that the HUB program requirements are met.

a. FPDC will coordinate with the TSUS associate vice chancellor for Contract Administration to assure that bid specifications include HUB subcontracting plans.

b. FPDC will consult with the TSUS legal counsel, as needed, to assure legal requirements are met.

c. FPDC will require prime contractors maintain business records documenting compliance with the HUB subcontracting plan and shall submit a Progress Assessment Report (PAR) to the university monthly. Reports will be forwarded to the university’s director of Procurement and Strategic Sourcing immediately upon receipt of PAR’s.

d. FPDC is responsible for maintaining files that document bids, awards, contractors, and sub-contractors on university construction projects.

02.05 The director of Procurement and Strategic Sourcing is responsible for coordinating with FPDC to assure that HUB data is included in the university’s state HUB reports.

02.06 Contractors who submit non-conforming bids may be rejected. After construction contract awards have been made, payments may be withheld by the university from contractors who fail to conform to HUB sub-contracting requirements. The invoice will be considered in dispute, as defined by the Texas Prompt Payment Act ([Texas Government Code 2251 “Payment Goods and Services”](http://www.statutes.legis.state.tx.us/Docs/GV/htm/GV.2251.htm)).

**03. REVIEWERS OF THIS PPS**

03.01 Reviewers of this PPS include the following:

Position Date

Associate Vice President for Facilities October 1 E5Y

Director, Facilities Planning, Design October 1 E5Y

and Construction

Director, Procurement and Strategic Sourcing October 1 E5Y

**04. CERTIFICATION STATEMENT**

This PPS has been approved by the following individuals in their official capacities and represents Texas State Finance and Support Services policy and procedure from the date of this document until superseded.

Associate Vice President for Facilities; senior reviewer of this PPS

Executive Vice President for Operations and Chief Financial Officer