



CENTRAL HEALTH

**FY 2014**

**Historically Underutilized  
Business**

**Budget and Finance Committee  
February 18, 2015**

**Larry Wallace  
Norma Williams**



## 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 Expenditures

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

**Expense 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, and other expenses as determined by the State of Texas Disparity Study.**



## FY14 HUB Eligible Expenditures Operating and CIP Expenses

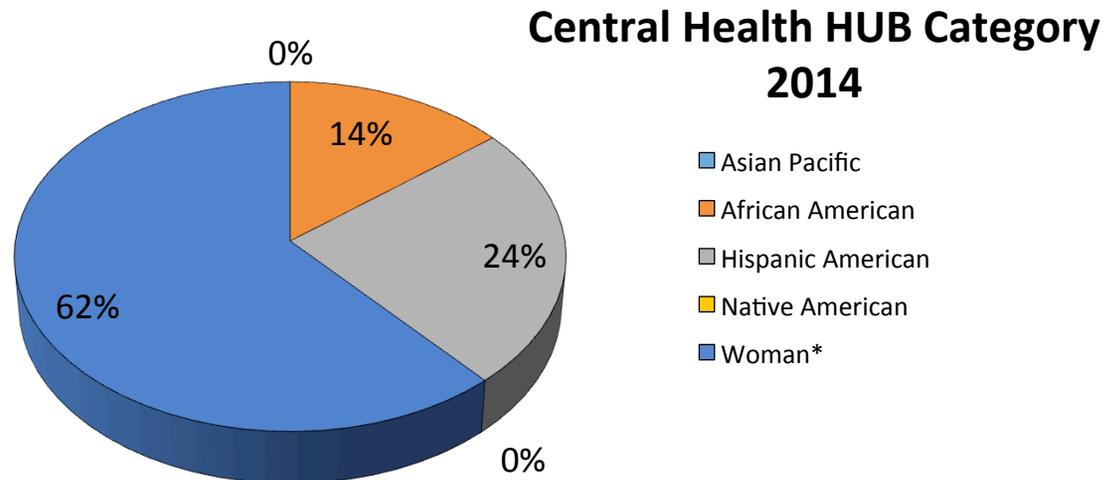
Total Eligible Operating Expense	\$ 3,371,077
Total HUB Operating Expenditure	\$ 537,514
Percentage of HUB Operating Expenditure	15.9%

Total Eligible CIP Expense	\$ 6,716,271
Total HUB CIP Expenditure	\$ 1,178,719
Percentage of HUB CIP Expenditure	17.6%



## FY14 HUB Eligible Expenditures Totals

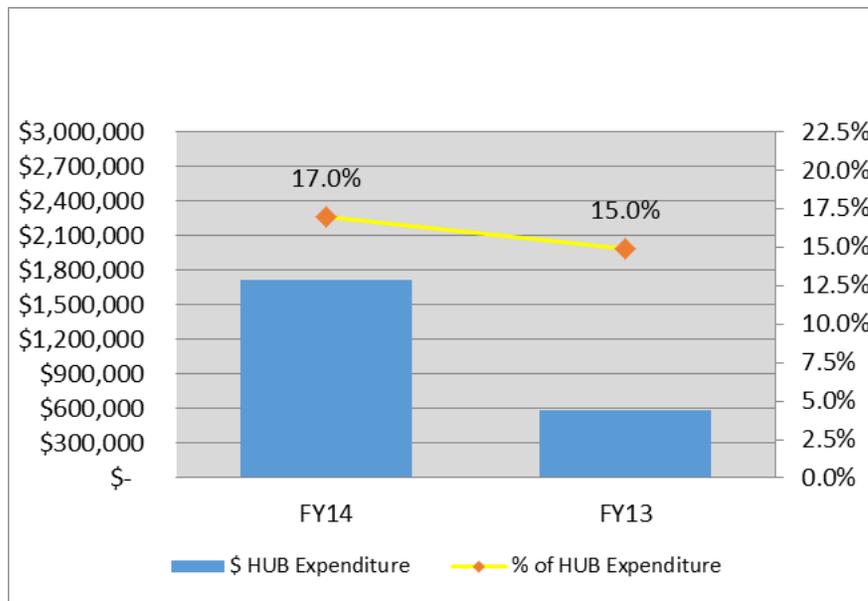
Grand Total Eligible Expenditure	\$ 10,087,348
Grand Total HUB Expenditure	\$ 1,716,233
HUB as a Percentage of Total Eligible Expenditure	17.0%





## HUB Eligible Expenditures Comparison of FY13 to FY14

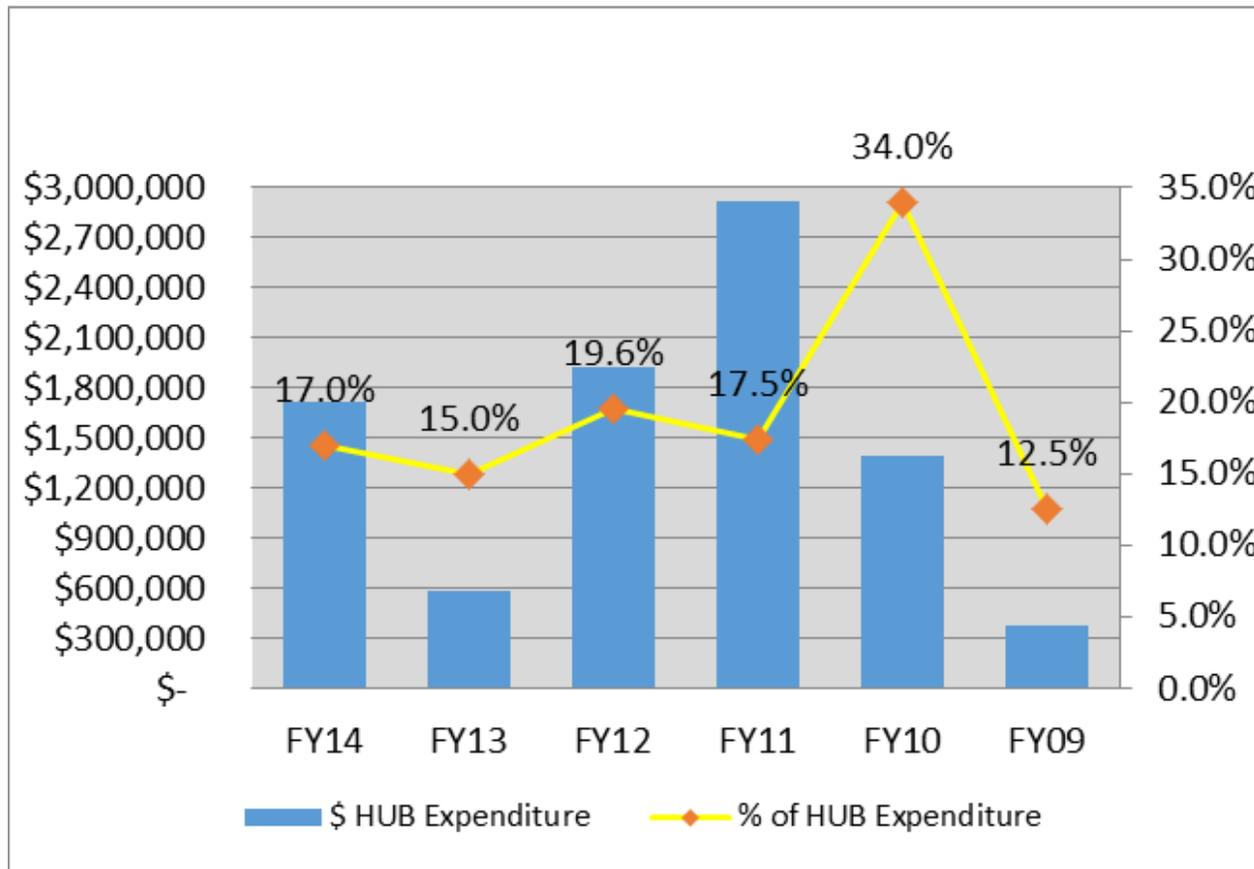
	FY14	FY13
Total HUB Operating Expenditure	\$ 537,514	\$ 410,727
Total HUB CIP Expenditure	\$ 1,178,719	\$ 173,795



Central Health's total HUB Expenditure for 2014 is \$1.7M compared to \$585k in 2013. The increase is primarily due to the construction of the new Southeast Health and Wellness Center.

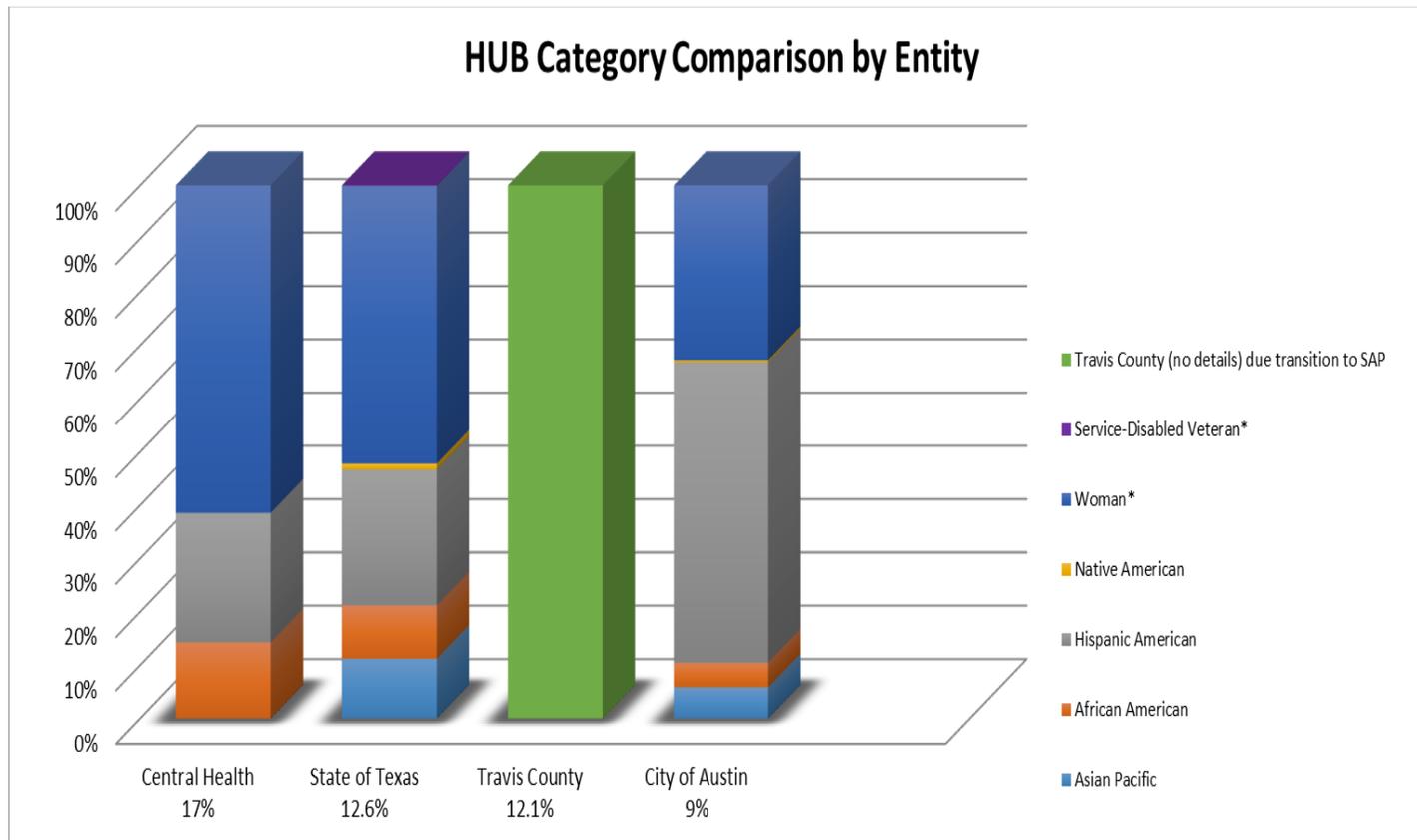


## Eligible HUB Expenditures Historical Comparison





# HUB Entity Comparison





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# Questions?

[www.CentralHealth.net](http://www.CentralHealth.net)