

# COMPTROLLER OF PUBLIC ACCOUNTS



TEXAS PROCUREMENT AND SUPPORT SERVICES DIVISION

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## SELF-EVALUATION REPORT

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For the  
SUNSET ADVISORY COMMISSION  
September 1, 2011

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# Texas Procurement and Support Services Division of the Texas Comptroller's Office

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## Self-Evaluation Report

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### I. Agency Contact Information

A. Please fill in the following chart.

Texas Procurement and Support Services Division (TPASS) of the Texas Comptroller's Office Exhibit 1: Agency Contacts				
	Name	Address	Telephone & Fax Numbers	E-mail Address
<b>Agency Head</b>	Susan Combs	PO Box 13528 Austin, TX 78711-3528	PH: 463-4444	susan.combs@cpa.state.tx.us
<b>Agency's Sunset Liaison</b>	Ron Pigott	1711 San Jacinto Blvd Austin, TX 78701	PH: 463-5038 FAX: 475-0851	ron.pigott@cpa.state.tx.us

### II. Key Functions and Performance

Provide the following information about the overall operations of your agency. More detailed information about individual programs will be requested in a later section.

A. Provide an overview of your agency's mission, objectives, and key functions.

**Mission:** TPASS develops and employs efficient, cost-effective, and strategic supply chain best practices to promote fair competition among all potential vendors and Historically Underutilized Businesses, to lead and improve statewide contracting and procurement processes and methods, and to obtain the best value in all procurement activities on behalf of, or in partnership with, all Texas: state agencies, institutions of higher education, and cooperative purchasing partners.

**Objectives:** TPASS strives to manage a statewide procurement system that ensures that the state receives quality, cost-effective goods and services by maximizing competition, facilitating business opportunities for Historically Underutilized Businesses, achieving 100% utilization of statewide term contracts each fiscal year and providing support services to state agencies in a timely, cost-effective manner.

**Key Functions:** TPASS has five main functions:

- Establish statewide term contracts and multiple award schedules for all state agencies and universities to obtain best-value goods and services.
- Review and certify eligible businesses as Historically Underutilized Businesses (HUBs) and report on the state's use of HUBs on a semi-annual basis.

- Manage all statewide contracts and contractors to ensure timely, proper delivery of the goods and services ordered by state agencies and universities.
- Train and certify state purchasers and contract managers to ensure basic knowledge of legal requirements and best practices.
- Timely deliver and route state mail within Travis County, Texas and provide mail services to all state agencies within this area.

**B. Do your key functions continue to serve a clear and ongoing objective? Explain why each of these functions is still needed. What harm would come from no longer performing these functions?**

Each of the functions identified above serves a clear and ongoing objective. Further, the functions are needed and would result in harm to state operations if they were no longer performed.

**Key Function #1:** Part of the TPASS objective is to ensure the state receives quality, cost-effective goods. By establishing statewide contracts for all state agencies, universities and local entities to use, TPASS aggregates the state's spend to drive prices as low as possible. This means the entities using the statewide contracts receive lower pricing than they would be able to achieve through a contract by that agency alone.

If TPASS ceased to perform this function, agencies, state universities, and local entities would either have to buy from vendors separately or voluntarily form their own purchasing cooperatives to attempt to leverage their purchasing power. This would result in redundancy and in these entities paying higher prices for the same commodities and services, costing the state more.

**Key Function #2:** The TPASS division issues an Annual and Semi-Annual HUB Report. Pursuant to the Fiscal Year 2011 Semi-Annual HUB Report, TPASS has certified 15,593 businesses as HUBs. As detailed in the report, total state spending with HUBs rose by \$165 million in the first six months of FY 2011.

If TPASS ceased to perform these functions, agencies and state universities would not be able to comply with the HUB requirements in state law. Also, the legislature would not be able to track HUB spending to ensure goals are being reached. In effect, the state would not be able to eliminate the disparity in state contracting.

**Key Function #3:** TPASS manages all of the contracts it puts in place for the state. This means that TPASS works with state agencies, state universities, and local entities when there is a problem with a particular purchase through a TPASS contract. For example, when the Texas Department of Criminal Justice (TDCJ) has a problem with a vendor supplying raw materials on time for the Texas Correctional Industries, TPASS intervened and worked with TDCJ to correct the issues and ensure a steady supply of needed raw materials.

Because TPASS holds the contract and buys on behalf of the entire state, vendors are more likely to respond to TPASS when there are problems with a contract. If TPASS did not perform this function, the entities using the TPASS contracts would have to try resolving problems on their own. Because they don't have the weight of the entire state behind them, and because they do not have the ability to terminate a TPASS contract, they lack the tools that may be needed to successfully

resolve contract problems. This means TPASS customers may not receive the goods and services for which they paid.

**Key Function #4:** State law requires agencies to have the purchasers certified to handle any purchases of significant dollar amounts. TPASS trains and certifies state purchasers and contract managers, as required by state law. TPASS also provides professional development courses. All of the courses offered are online at <http://www.window.state.tx.us/procurement/prog/training-cert/>.

If TPASS ceased performing this function, agencies would not be able to comply with the legal requirements to have purchasers and contract managers who are trained and certified.

**Key Function #5:** TPASS delivers U.S. and interagency mail in Travis County to state agencies, as required by state law. This ensures the timely and cost-effective delivery of mail for state business.

If TPASS ceased to perform this function, state agencies would have to either employ their own mail runners to pick up and deliver mail or they would need to work out separate deals with the U.S. Postal Service to ensure delivery. This would increase the costs to the state.

<b>C. What evidence can your agency provide to show your overall effectiveness and efficiency in meeting your objectives?</b>
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There are several indicators of our effectiveness and efficiency in meeting our objectives:

- The online ordering system for statewide contracts, [www.txsmartbuy.com](http://www.txsmartbuy.com), has streamlined ordering for all customers and now has over one million items for purchase and over \$1 billion in sales.
- The Comptroller's office conducted a HUB Disparity Study of the state of Texas, the first of its kind in 15 years. Based on the results, the Comptroller's office is refining the HUB program rules to match the current business environment in Texas and ensure HUBs receive a fair share of all state contracting opportunities.
- In Fiscal Year (FY) 2010, the number of certified HUBs increased by 11 percent. Also, HUBs received 1.39 percent more of the state spend and 18 percent more in revenue from subcontracts, in FY 2010. (Please note, the FY 2011 data will be available by the end of October 2011).
- In FY 2011, TPASS attended more than 140 HUB events and provided more than 180 outreach activities and networking opportunities to HUBs.
- The Comptroller's office instituted electronic certified mail for state agencies. This not only provides better tracking on all state certified mail, it is saves thousands and thousands of dollars a year in mailing costs.
- The Comptroller's office has created vast efficiencies in statewide procurement. For example, the state used to make two to three hundred "one-time" purchases of road asphalt for highway projects each year. Now, the state uses one contract for its road asphalt needs, streamlining the ordering process and time taken to obtain products. The Comptroller's Office has also created comprehensive contracts for office supplies, motor vehicles, school buses, law enforcement equipment, uniforms, and prison food.

- Now that the Legislative session is over, the Comptroller's office is dedicating resources to analyze the savings from the strategically sourced contracts. This data will be available during the Sunset Advisory Commission review process.

**D. Does your agency's enabling law continue to correctly reflect your mission, objectives, and approach to performing your functions? Have you recommended changes to the Legislature in the past to improve your agency's operations? If so, explain. Were the changes adopted?**

The laws pertaining to the TPASS division correctly reflect our mission, objectives, and approach to performing our functions.

We have recommended changes to these laws during the 82<sup>nd</sup> Regular Session of the Legislature. These changes were in House Bill 2021 and Senate Bill 1109. Senate Bill 1109 was engrossed in the Senate but failed to pass through House Committee. The recommended changes were to:

- Authorize benefit funding, so that TPASS can help agencies get special consultants for large projects and pay them from the savings realized in the purchase.
- Require agencies to submit their solicitations to TPASS for review, if the procurement was projected to exceed \$250,000, so that TPASS could look for areas to consolidate and to ensure best practices were being utilized.
- Require agencies to submit biennial procurement plans to TPASS (as they do to the Department of Information Resources, now) so that TPASS could anticipate where the needs for statewide contracts would be.

The benefit funding in the first bullet, above, was passed by the Legislature in Senate Bill 1, during the First Called Special Session of the 82<sup>nd</sup> Legislative Session.

**E. Do any of your agency's functions overlap or duplicate those of another state or federal agency? Explain if, and why, each of your key functions is most appropriately placed within your agency. How do you ensure against duplication with other related agencies?**

While the statewide procurement function of TPASS is similar to the Information and Communications Technology (ICT) Cooperative Contracts Program at the Department of Information Resources (DIR), there is little to no overlap or duplication. DIR specifically procures information resource commodities and TPASS procures everything *except* information resource commodities.

The functions that reside in TPASS were transferred to the Comptroller's office when the Texas Building and Procurement Commission was abolished. These functions are appropriate for TPASS because they are procurement and support services utilized by all agencies, state universities and local entities. By having these functions in one division, we are able to create savings opportunities that would not be apparent if the functions were split among several agencies.

There is no risk of duplication, as the functions performed at TPASS are statutorily assigned to TPASS and no other agency.

In addition, most agencies have procurement staff for internal purchasing. These purchasers utilize the contracts put in place by TPASS. However, they also perform purchases within their delegated authority and those authorized by law. For instance, several agencies have the legal authority to directly purchase needed goods and services for their programs, whereas they are required to use TPASS contracts for administrative needs.

**F. In general, how do other states carry out similar functions?**

In general, there are a few models that states use for statewide procurement and support services:

1. Some states have all statewide procurement and support services residing in one entity.
2. Other states split the procurement functions so that information technology is separate from all other procurement.
3. Other states split procurement from general services.

Texas appears to be unique in having its statewide procurement function in the Comptroller's office. Most states appear to have statewide procurement reside in a general services entity. Those states that have contacted TPASS express great interest in having statewide procurement in a financial entity, as these functions work well together and result in greater efficiency and savings to the state.

**G. What key obstacles impair your agency's ability to achieve its objectives?**

The key obstacle in achieving greater savings for the state is staffing. If the TPASS division had approximately 20% more staff resources, it could create and manage more statewide contracts to further leverage state spending and save more money on the goods and services agencies, state universities, and local entities need. It would also be able to process more HUB applications and provide even greater outreach to HUBs.

**H. Discuss any changes that could impact your agency's key functions in the future (e.g., changes in federal law or outstanding court cases).**

In the First Called Special Session of the 82<sup>nd</sup> Legislature, Senate Bill 1 made two key changes to the TPASS division:

1. It provided benefit-funding authority. This enables the Comptroller's office to work with other state agencies, state universities, and local entities to provide a consultant that is an expert in a particular procurement category to work on a procurement to maximize savings. The consultant would only be paid from the savings realized by the state.
2. It transferred the Uniform Grant Management Standards responsibilities of Chapter 783, Government Code, from the Governor's office to the Comptroller's office. These responsibilities will reside in TPASS.

**I. What are your agency's biggest opportunities for improvement in the future?**

The biggest opportunity is to accurately identify what agencies are buying in order to create contracts for those items at the best pricing. The txsmartbuy.com online ordering system gives the state a much closer look at the actual commodities purchased by state agencies, state universities, and local entities. This enables the TPASS division to focus on contracts for those commodities that are most often purchased. This also enables TPASS to use the sales data to show vendors how much volume they can expect, which drives prices lower.

As the state moves towards Enterprise Resource Planning, the purchasing data available to TPASS will be even greater. With more data comes a better ability to establish contracts to save money across agencies.

**J. In the following chart, provide information regarding your agency's key performance measures included in your appropriations bill pattern, including outcome, input, efficiency, and explanatory measures.**

<b>TPASS Division Exhibit 2: Key Performance Measures c Fiscal Year 2010</b>			
<b>Key Performance Measures</b>	<b>FY 2010 Target</b>	<b>FY 2010 Actual Performance</b>	<b>FY 2010 % of Annual Target</b>
Number of new, revised, and renewed statewide volume contracts awarded	200	615	307.5%
Number of business days to process non-delegated open market requisitions from client agencies	45	30.44	67.6%
Number of new HUBs certified	1,200	1,934	161.2%
Number of HUB field audits conducted	800	641*	80.1%
Number of HUB Desk Audits conducted	2,500	4,041	161.64%

\* The Comptroller's office far exceeded all of its performance measures, except this one. This is due to turnover in the HUB auditing section. This section now has full-staffing and all auditors are trained to operate independently.

### III. History and Major Events

Provide a timeline of your agency’s history and key events, including:

- X the date your agency was established;
- X the original purpose and responsibilities of your agency;
- X major changes in responsibilities or statutory authority;
- X changes to your policymaking body’s name or composition;
- X significant changes in state/federal legislation, mandates, or funding;
- X significant state/federal litigation that specifically affects your agency’s operations; and
- X key changes in your agency’s organization (e.g., a major reorganization of the agency’s divisions or program areas).

#### 2007

House Bill 3560, 80<sup>th</sup> Legislature, goes into effect on September 1, 2007. This bill eliminates the Texas Building and Procurement Commission. All property management functions remain and the agency is renamed the Texas Facilities Commission. All functions not related to property management are transferred to the Comptroller of Public Accounts and become the TPASS division.

#### 2008

The Comptroller initiated a strategic sourcing project for statewide contracts. During this project, the TPASS division strategically sourced (1) fleet vehicles, (2) prison food, (3) mail equipment, (4) overnight delivery services, (5) office equipment, and (6) road aggregate. Based on the enormous success of this projects, the Comptroller created the Strategic Sourcing and Contract Monitoring Division.

### IV. Policymaking Structure

A. Complete the following chart providing information on your policymaking body members.

TPASS Division Exhibit 3: Policymaking Body			
Member Name	Term/ Appointment Dates/ Appointed by ___ (e.g., Governor, Lt. Governor, Speaker)	Qualification (e.g., public member, industry representative)	City
Comptroller Susan Combs	Statewide Election	Statewide Election	Austin

**B. Describe the primary role and responsibilities of your policymaking body.**

Comptroller Combs is the Texas Comptroller of Public Accounts. The Comptroller is the chief steward of the state's finances, acting as tax collector, chief accountant, chief revenue estimator and chief treasurer for all of state government.

**C. How is the chair selected?**

Comptroller Combs was elected through statewide election.

**D. List any special circumstances or unique features about your policymaking body or its responsibilities.**

Comptroller Combs holds a Constitutional position of statewide authority.

**E. In general, how often does your policymaking body meet? How many times did it meet in FY 2010? In FY 2011?**

Comptroller Combs, as a statewide elected official over a state agency, does not have a governing body to convene in public meeting.

**F. What type of training do members of your agency's policymaking body receive?**

This question is not applicable to the TPASS Division.

**G. Does your agency have policies that describe the respective roles of the policymaking body and agency staff in running the agency? If so, describe these policies.**

This question is not applicable to the TPASS Division. The Comptroller's office does have a current Agency Strategic Plan (<http://www.window.state.tx.us/taxbud/strategic/96-361-10.pdf>) that describes the TPASS Division's role and functions in the agency.

**H. What information is regularly presented to your policymaking body to keep them informed of your agency's performance?**

This question is not applicable to the TPASS Division. The director of the TPASS Division and the director of the Strategic Sourcing Division both meet with the Deputy Comptroller and the Comptroller on a regular basis. Further, the TPASS Division internally reports its Performance Measures progress on a quarterly basis.

**I. How does your policymaking body obtain input from the public regarding issues under the jurisdiction of the agency? How is this input incorporated into the operations of your agency?**

This question is not applicable to the TPASS Division. The Comptroller's office does, though, regularly seek input from the public on all matters. For example, the Comptroller's office voluntarily held a series of public hearings across the state while proposing revisions to the HUB administrative rules in 2011. The TPASS division also posted a link to a customer survey on the Internet in 2010 to obtain feedback on how the division was performing. The Strategic Sourcing Division also regularly surveys customers to determine satisfaction with the strategically sourced contracts. Also, Section 2155.086, Government Code, requires the chief clerk of the Comptroller's office to hold a public meeting, attended by the Statewide Procurement Advisory Council, when awarding a statewide contract that has a value of \$100,000 or more and when the award will be based on factors other than cost. These meetings are posted, pursuant to the Open Meetings Act, in the Texas Register and on the Comptroller's calendar on the Web. Each meeting has a public comment provision and everyone is invited to speak on any contract being considered for award.

In addition, the TPASS Division does have a Vendor Advisory Committee. Part of this committee's function is to review TPASS policies and provide insight into how those policies will impact the vendor community.

Lastly, the HUB Discussion Workgroup, made up of HUB coordinators at state agencies and universities, share issues and discuss solutions. This enables the state to respond in a uniform fashion to HUB issues and share knowledge and solutions.

**J. If your policymaking body uses subcommittees or advisory committees to carry out its duties, fill in the following chart.**

<b>TPASS Division</b>			
<b>Exhibit 4: Subcommittees and Advisory Committees</b>			
<b>Name of Subcommittee or Advisory Committee</b>	<b>Size/Composition/How are members appointed?</b>	<b>Purpose/Duties</b>	<b>Legal Basis for Committee</b>
Statewide Procurement Advisory Council	Four members: one member appointed by the governor; one member appointed by the Texas Facilities Commission; one member appointed by the Department of Information Resources; and one member appointed by the Legislative Budget Board.	A quorum of the council shall attend each meeting under §2155.086, Government Code, in which the chief clerk awards a contract. In the meeting, the council shall make recommendations to and advise the chief clerk on the proposed contract award.	§2155.087, Government Code.
Vendor Advisory Committee	The committee is composed of employees from TPASS and vendors who have done business with the state who are invited by TPASS to serve on the committee, representing a cross-section of the vendor community. Currently, the committee is composed of nine vendor representatives.	The committee represents the vendor community, to provide information to vendors, and to obtain vendor input on state procurement practices.	§2155.081, Government Code.

## V. Funding

### A. Provide a brief description of your agency's funding.

The TPASS Division is funded by General Revenue. Funding is described in Strategy B.5.1 of the General Appropriations Act for the Comptroller of Public Accounts. In addition, TPASS has functions that receive supplemental funding through fees charged to customers. Under §2155.266, TPASS charges a fee for vendors to register with the Centralized Master Bidders List (CMBL). This fee is authorized to recover the costs of making and maintaining the CMBL and in soliciting bids from the members of the CMBL. Also, the law requires TPASS to add \$20 to this fee for enforcing compliance with the HUB certification laws.

Section 2155.078, Government Code, requires TPASS to provide training and certification for state agency personnel and vendors. The statute requires TPASS to set and collect a fee in an amount that covers the costs of providing the training and certification.

Section 271.082, Local Government Code, authorizes TPASS to charge local governments to be in the State Cooperative Purchasing program in an amount not to exceed the actual costs incurred in providing purchasing services to the local governments under the program.

### B. List all riders that significantly impact your agency's budget.

There are no riders that significantly impact TPASS' budget.

### C. Show your agency's expenditures by strategy.

TPASS Division Exhibit 5: Expenditures by Strategy c Fiscal Year 2010 (Actual)		
Goal/Strategy	Total Amount	Contract Expenditures Included in Total Amount
B.1.5. Procurement	\$6,192,120	\$1,264,408
<b>GRAND TOTAL:</b>	\$6,192,120	\$1,264,408

### D. Show your agency's objects of expense for each category of expense listed for your agency in the General Appropriations Act FY 2010-2011.

TPASS Division Exhibit 6: Objects of Expense by Program or Function c Fiscal Year 2010			
Object-of-Expense	Program Name	Program Name	Program Name
See attached spreadsheet (Exhibit 2)			

<b>Total</b>			
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**E. Show your agency's sources of revenue. Include all local, state, and federal appropriations, all professional and operating fees, and all other sources of revenue collected by the agency, including taxes and fines.**

<b>TPASS Division Exhibit 7: Sources of Revenue c Fiscal Year 2010 (Actual)</b>	
Source	Amount
General Revenue	\$4,119,294
Appropriated Receipts	\$1,829,900
Interagency Contracts	\$682,594
<b>TOTAL</b>	<b>\$6,631,788</b>

**F. If you receive funds from multiple federal programs, show the types of federal funding sources.**

<b>TPASS Division Exhibit 8: Federal Funds c Fiscal Year 2010 (Actual)</b>				
Type of Fund	State/Federal Match Ratio	State Share	Federal Share	Total Funding
N/A				\$0
<b>TOTAL</b>				<b>\$0</b>

**G. If applicable, provide detailed information on fees collected by your agency.**

<b>TPASS Division Exhibit 9: Fee Revenue c Fiscal Year 2010</b>				
Fee Description/ Program/ Statutory Citation	Current Fee/ Statutory maximum	Number of persons or entities paying fee	Fee Revenue	Where Fee Revenue is Deposited (e.g., General Revenue Fund)
CMBL Registration	\$70 per year	11,767	\$806,796	General Revenue Fund
Training Fees	Vary	2,007	\$470,845	General Revenue Fund
Fleet Management	Vary	99	\$142,179	General Revenue Fund
TIBH Industries	Vary	1	\$84,040	General Revenue Fund
Statewide Mail	Vary	71	\$748	General Revenue Fund
Cooperative Program Fee	\$100 per year	1,995	\$199,500	General Revenue Fund

## **VI. Organization**

**A. Provide an organizational chart that includes major programs and divisions, and**

shows the number of FTEs in each program or division.

Attached as Exhibit #1.

**B. If applicable, fill in the chart below listing field or regional offices.**

TPASS Division Exhibit 10: FTEs by Location c Fiscal Year 2010			
Headquarters, Region, or Field Office	Location	Number of Budgeted FTEs, FY 2010	Number of Actual FTEs as of August 31, 2010
Not applicable			
<b>TOTAL</b>			

**C. What are your agency’s FTE caps for fiscal years 2010-2013?**

As a division, TPASS does not have a specific FTE cap. However, when H.B. 3560 was passed in 2007, the General Appropriations Act at that time transferred 109.8 FTEs to the Comptroller’s Office for the TPASS division.

**D. How many temporary or contract employees did your agency have as of August 31, 2010?**

TPASS had 0 temporary employees and 0 contract employees, as of August 31, 2010.

**E. List each of your agency’s key programs or functions, along with expenditures and FTEs by program.**

TPASS Division Exhibit 11: List of Program FTEs and Expenditures c Fiscal Year 2010		
Program	FTEs as of August 31, 2010	Actual Expenditures
State Mail Operations	13 FTEs	\$484,199
Statewide HUB Program and Certification	18 FTEs	\$790,335
Statewide Procurement and Contract Management	32 FTEs	\$1,511,974
TPASS Administration	6 FTEs	\$440,332
HUB Disparity Study	1 FTE	\$94,747
Strategic Sourcing	5 FTEs	\$413,574
<b>TOTAL</b>	<b>75 FTEs</b>	<b>\$3,735,161</b>

## VII. Guide to Agency Programs

Complete this section for **each** agency program (or each agency function, activity, or service if more appropriate). Copy and paste the questions as many times as needed to discuss each program, activity, or function. Contact Sunset staff with any questions about applying this section to your agency.

<b>A. Provide the following information at the beginning of each program description.</b>
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<b>Name of Program or Function</b>	Statewide Mail Operations
<b>Location/Division</b>	Austin / TPASS
<b>Contact Name</b>	Chris Christine, Manager
<b>Actual Expenditures, FY 2010</b>	\$726,071
<b>Number of FTEs as of August 31, 2010</b>	13
<b>Name of Program or Function</b>	Statewide HUB Program and Certification
<b>Location/Division</b>	Austin / TPASS
<b>Contact Name</b>	Paul Gibson, Manager
<b>Actual Expenditures, FY 2010</b>	\$1,196,922
<b>Number of FTEs as of August 31, 2010</b>	18
<b>Name of Program or Function</b>	Statewide Procurement and Contract Management
<b>Location/Division</b>	Austin / TPASS
<b>Contact Name</b>	Dee Dorsey
<b>Actual Expenditures, FY 2010</b>	\$1,634,597
<b>Number of FTEs as of August 31, 2010</b>	32
<b>Name of Program or Function</b>	TPASS Administration
<b>Location/Division</b>	Austin / TPASS
<b>Contact Name</b>	Ron Pigott, Director
<b>Actual Expenditures, FY 2010</b>	\$456,109
<b>Number of FTEs as of August 31, 2010</b>	6
<b>Name of Program or Function</b>	HUB Disparity Study
<b>Location/Division</b>	Austin / TPASS
<b>Contact Name</b>	Dr. Rom Haghighi
<b>Actual Expenditures, FY 2010</b>	\$180,877
<b>Number of FTEs as of August 31, 2010</b>	1
<b>Name of Program or Function</b>	Strategic Sourcing

<b>Location/Division</b>	Austin / Strategic Sourcing
<b>Contact Name</b>	Chuks Amajor, Director
<b>Actual Expenditures, FY 2010</b>	\$416,910
<b>Number of FTEs as of August 31, 2010</b>	5

**B. What is the objective of this program or function? Describe the major activities performed under this program.**

Statewide Mail Operations:

Statewide Mail Operations delivers and routes mail in Travis County for all state agencies. They also provide certified mail services, postage metering, and coordinate with the US Postal Service for all state agency mail.

Statewide HUB Program and Certification:

Statewide HUB Program and Certification has several objectives: (1) certifying eligible businesses as HUBs, (2) auditing certified HUBs to ensure they comply with eligibility requirements, (3) tracking HUB spend by state agencies and state university systems, (4) training and certifying state purchasers and contract managers, and (5) enrolling eligible entities in the Cooperative Purchasing Program.

The major activities are:

- (1) Receiving applications for HUB certification, reviewing the applications to ensure all legal requirements are met, and issuing certifications to those businesses that qualify.
- (2) Auditing HUBs that present risk elements in their eligibility (for instance, a recent change in ownership of the business).
- (3) Compiling the statewide HUB spend into the Annual and Semi-Annual HUB Reports.
- (4) Providing training to state purchasers and contract managers, pursuant to state law. Providing certification testing and issuing certifications to those who pass the testing.
- (5) Enrolling local entities into the Cooperative Purchasing Program.
- (6) Marketing the HUB Program and the Cooperative Purchasing Program.
- (7) Enrolling businesses on the Centralized Master Bidders List, to receive notification of solicitations for contracting opportunities.

Statewide Procurement and Contract Management:

The Statewide Procurement and Contract Management section has two main objectives: (1) establishing statewide contracts that provide the best value to state agencies and state universities, and (2) managing those contracts to ensure compliance with all statutory and contractual requirements.

To achieve these objectives, Statewide Procurement and Contract Management:

- (1) Issues solicitations for non-technology goods and services. Based on the evaluation of these solicitations, the section makes open market purchases and awards managed contracts and term contracts.
- (2) Reviews applications for the Texas Multiple Award Schedule (TXMAS) program and establishes TXMAS contracts, when appropriate.
- (3) Manages all TPASS and Strategic Sourcing contracts, which involves working with state agencies, state universities, and Cooperative Purchasing Program members to ensure proper delivery of all goods and services ordered through TPASS and Strategic Sourcing contracts. It also involves reviewing pricing increase requests and negotiating with vendors to ensure the best value is maintained.
- (4) Reviewing requests for delegation by state agencies that are contemplating purchases of goods over \$25,000 and services over \$100,000. The request is either granted or TPASS handles the procurement project for the agency.
- (5) Performs Contract Advisory Team reviews for all solicitations with an anticipated value between \$1 million and \$10 million. For solicitations with an expected value over \$10 million, the section coordinates a full Contract Advisory Team review and consolidates the responses into one document for the submitting agency.
- (6) Uploads and maintains the catalog items for TxSmartBuy.com. This involves massive spreadsheets that must be maintained and revised regularly.

#### TPASS Administration:

The TPASS administration group consists of the director, special project coordinator, administrative support, and general counsel. Their objective is to ensure the various TPASS functions are performed effectively and efficiently, within the requirements of agency policy and state law.

The TPASS administration group regularly:

- (1) Reviews and approves work from the various TPASS sections.
- (2) Handles all human resources issues.
- (3) Handles all budget issues.
- (4) Coordinates with executive management to ensure policy and direction for TPASS are correct.
- (5) Provides legal counsel to various TPASS sections.

#### HUB Disparity Study:

The HUB Disparity Study section recently managed the state's disparity study. Now that the study is complete, the section is working with every state agency to help them understand the study and answer questions regarding agency-specific HUB goals.

#### Strategic Sourcing:

The Strategic Sourcing division focuses on large-volume contracts to maximize the state's savings from leveraged buying. They are similar to the Procurement function in the TPASS division, but

perform complicated pricing analysis to develop contracts that maximize efficiencies and cost savings, where extensive market research is needed.

**C. What evidence can you provide that shows the effectiveness and efficiency of this program or function? Provide a summary of key statistics and performance measures that best convey the effectiveness and efficiency of this function or program.**

Statewide Mail Operations delivers the mail on time and handles two deliveries and pick-ups each day for each state agency in Travis County. The program also looks for innovations and cost savings. They recently made Texas the first state to implement a statewide electronic return receipt certified mail process. This has, in one year, saved the state \$73,000 in certified mail costs and improved the ability to track certified mail.

Statewide HUB Program and Certification has been improving the HUB program since it transferred to the Comptroller's office. In FY 2010, the number of certified HUBs increased by 11 percent. Also, HUBs received 1.39 percent more of the state spend and 18 percent more in revenue from subcontracts, in FY 2010.

In FY 2011, TPASS attended more than 140 HUB events and provided more than 180 outreach activities and networking opportunities to HUBs.

Statewide Procurement and Contract Management has completely updated the way statewide contracts are created. Rather than using Invitations for Bid, which do not allow for negotiation with vendors, the section almost exclusively uses Requests for Proposals, which allow for multiple rounds of negotiations and price requests. This helps drive down prices on goods and services. The section also manages the contracts and assists agencies in ensuring they get the goods and services they need, on time, and at the guaranteed contract pricing.

The section also updated its legacy system and is now on PeopleSoft 9.1 for Strategic Sourcing module to manage and track all solicitations.

Lastly, the section deployed the TxSmartBuy.com online ordering system and continues to provide user support for that system to all customers.

TPASS Administration has overseen the division through a period of great change. From the deployment of the online ordering system, the start of the strategic sourcing initiative, the HUB disparity study and resulting administrative rule changes, and the implementation of an internal cultural project, the section has lead the division.

HUB Disparity Study conducted in 2009 is the largest disparity study ever conducted in the United States. The study looked at every agency and provided a detailed look at disparity in state contracting. The section now works with each agency to develop agency-specific HUB goals that will be reported in the agencies' strategic plans.

Strategic Sourcing has awarded comprehensive contracts for charge cards, fleet, food, mail equipment, mail services, merchant card services, office equipment, road aggregate, office supplies, travel services, and traffic control devices. These contracts enable TPASS customers to

increase quality of goods and services while reducing costs, improve relationships with vendors, and simplify the requisition-through-payment process.

Now that the Legislative session is complete, the division is analyzing the spend data to determine the actual savings to the state from these contracts.

**D. Describe any important history regarding this program not included in the general agency history section, including how the services or functions have changed from the original intent.**

The Comptroller's Office has only had these functions for four years. In that time, we have studied each of the programs and made improvements for efficiency, customer services, and cost savings. As stated above, the biggest change in the past four years is the creation of the Strategic Sourcing division and the deployment of the TxSmartBuy.com online ordering system.

**E. Describe who or what this program or function affects. List any qualifications or eligibility requirements for persons or entities affected. Provide a statistical breakdown of persons or entities affected.**

The Strategic Sourcing Division affects all state agencies, state universities, and Cooperative Purchasing Program members. The Director of the Division, Chuks Amajor, has expertise in spend analysis, strategic sourcing, organizational efficiency, and strategic sourcing training. He has performed consulting for the State of Washington (Dept. of General Administration), the State of Michigan (House of Reps, MDOT, MDE), the State of New Mexico (General Services Department), the State of California (Department of General Services), and the State of Texas (Comptroller of Public Accounts).

The TxSmartBuy system affects all customers: state agencies, state universities, and local governments. TPASS provided training to all customers on how to use the system and gives updates and refresher courses, as needed. When the system first went live, it only had goods provided by TIBH Industries. Now, there are thousands of contractors and over a million items for agencies, universities, and local entities to access and order.

**F. Describe how your program or function is administered. Include flowcharts, timelines, or other illustrations as necessary to describe agency policies and procedures. List any field or regional services.**

The Strategic Sourcing Division uses the following analytical approach to sourcing contracts:

<b>STRATEGIC SOURCING PROCESS FLOW</b>			
<b>1. Identify the Opportunity</b>	<b>2. Talk to Our Customers</b>	<b>3. Talk to the Vendors</b>	<b>4. Award and Monitor the Contract</b>
Gather and consolidate spending data from multiple internal sources	Interview key stakeholders	Draft, revise and issue request for proposal	Conduct a competitive procurement (BAFOs, oral presentations, multiple rounds of negotiations, etc.)
Identify top spend categories and suppliers	Validate previous research	Conduct pre-proposal conference	Award contract
Conduct preliminary benchmarking	Conduct pre-solicitation conference with our customers	Answer written questions submitted by vendors	Monitor contract to ensure compliance with terms and conditions
Talk with other states and subject matter experts about challenges and keys to success	Create workgroup from cross-section of representative agencies	Revise request for proposal based on feedback from vendor community	Conduct benchmarking on an ongoing basis

The TxSmartBuy system is administered by NIC-USA, the vendor under contract with DIR. Deloitte provides technical support as a subcontractor to the Texas Online project at DIR. The TPASS division works with these vendors to keep the system operating and up to date with the right contracts.

**G. Identify all funding sources and amounts for the program or function, including federal grants and pass-through monies. Describe any funding formulas or funding conventions. For state funding sources, please specify (e.g., general revenue, appropriations rider, budget strategy, fees/dues).**

Funding sources are (1) General Revenue, (2) Appropriated Receipts, and (3) Interagency Contracts.

**H. Identify any programs, internal or external to your agency, that provide identical or similar services or functions. Describe the similarities and differences.**

As stated in Section I.E., above, DIR has a statewide procurement function, called the ICT Program. They establish statewide contracts for technology services and goods. This is a similar function to

TPASS but there is very little overlap, if any, as TPASS does not handle technology. The similarities are that both programs establish contracts for state and local entities to purchase through. The Comptroller's Office believes, though, that its processes to establish the contracts are different from DIR's, but we do not have specific knowledge of how DIR operates the ICT Program.

Also as stated above, most agencies have internal purchasing operations that provide similar services to their agencies.

**I. Discuss how the program or function is coordinating its activities to avoid duplication or conflict with the other programs listed in Question H and with the agency's customers. If applicable, briefly discuss any memorandums of understanding (MOUs), interagency agreements, or interagency contracts.**

As stated above, state law requires DIR to handle technology contracts and TPASS handles everything except technology contracts.

As for state agencies' procurement operations, if state law requires the agencies to seek delegation from TPASS, or if the agencies are required to have their draft solicitation reviewed by the Contract Advisory Team, TPASS tries to identify where goods and services are needed by multiple agencies. If this is discovered, TPASS will attempt to establish a term contract to provide the needed goods and services at leveraged pricing.

**J. If the program or function works with local, regional, or federal units of government include a brief description of these entities and their relationship to the agency.**

Through the Cooperative Purchasing Program, TPASS works with local governmental entities to provide them access to statewide contracts. This saves the local governmental entities money by providing them with access to pricing based on far greater leverage than they have on their own. A list of the members is available at:

<http://www.window.state.tx.us/procurement/prog/coop/coopmemb/>.

**K. If contracted expenditures are made through this program please provide:**

- the amount of those expenditures in fiscal year 2010;
- the number of contracts accounting for those expenditures;
- a short summary of the general purpose of those contracts overall;
- the methods used to ensure accountability for funding and performance; and
- a short description of any current contracting problems.

Please see Exhibit #2, attached to this report.

**L. What statutory changes could be made to assist this program in performing its functions? Explain.**

The following changes to state law would make statewide procurement more efficient and effective:

1. Require state agencies to submit a biennial procurement plan to the Comptroller, detailing the large, non-IT purchases they intend to make. This will enable the Comptroller to focus her efforts on

statewide contracts that matter the most to state agencies. This would also mirror the existing law that agencies provide an IT procurement plan to the Department of Information Resources.

2. Require the Comptroller to publish a manual providing strategic sourcing and best practices for procurement. This manual should be mandatory for agencies to follow. Currently, state law requires agencies to follow the Contract Management Guide. This is the Guide that aids agencies in successfully managing their contracts. A procurement manual will aid agencies in successfully entering contracts.

3. Require agencies to submit their draft solicitations for procurements expected to exceed \$250,000 to the Comptroller for review. This would mirror the Contract Advisory Team process already in state law for contracts over \$1M. While the Contract Advisory Team reviews solicitations for unnecessary risk to the state, the Comptroller should review solicitations to ensure best practices are used to ensure best value. As proposed in S.B. 1109, 82<sup>nd</sup> Legislative Session, the review of these solicitations should be discretionary for the Comptroller. Specifically, the Comptroller would have 30 days to get feedback to the agency. After 30 days, the agency would move forward. This allows the Comptroller to focus on the high-value solicitations with existing resources.

4. Authorize the Comptroller to consider one or more services for development into a statewide contract and determine if the service may be leveraged for multiple state agencies at a cost savings.

**M. Provide any additional information needed to gain a preliminary understanding of the program or function.**

The TPASS division was transferred to the Comptroller's Office to improve statewide procurement. The TPASS division continues to find ways to improve its operations and savings for the state.

**N. Regulatory programs relate to the licensing, registration, certification, or permitting of a person, business, or other entity. For each regulatory program, if applicable, describe:**

- **why the regulation is needed;**
- **the scope of, and procedures for, inspections or audits of regulated entities;**
- **follow-up activities conducted when non-compliance is identified;**
- **sanctions available to the agency to ensure compliance; and**
- **procedures for handling consumer/public complaints against regulated entities.**

While the TPASS division issues certifications for Historically Underutilized Businesses and for state purchasers and contract managers, it is not a regulatory body. The division does not have regulatory authority and instead performs these functions in an administrative manner.

**O. For each regulatory program, if applicable, provide the following complaint information. The chart headings may be changed if needed to better reflect your agency's practices.**

TPASS is not a regulatory entity.

<b>TPASS Division</b> <b>(Regulatory Program Name)</b> <b>Exhibit 12: Information on Complaints Against Regulated Persons or Entities</b> <b>Fiscal Years 2009 and 2010</b>		
	<b>FY 2009</b>	<b>FY 2010</b>
Total number of regulated persons		
Total number of regulated entities		
Total number of entities inspected		
Total number of complaints received from the public		
Total number of complaints initiated by agency		
Number of complaints pending from prior years		
Number of complaints found to be non-jurisdictional		
Number of jurisdictional complaints found to be without merit		
Number of complaints resolved		
Average number of days for complaint resolution		
Complaints resulting in disciplinary action:		
administrative penalty		
reprimand		
probation		
suspension		
revocation		
other		

## VIII. Statutory Authority and Recent Legislation

**A. Fill in the following chart, listing citations for all state and federal statutes that grant authority to or otherwise significantly impact your agency. Do not include general state statutes that apply to all agencies, such as the Public Information Act, the Open Meetings Act, or the Administrative Procedure Act. Provide information on Attorney General opinions from FY 2007 – 2011, or earlier significant Attorney General opinions, that affect your agency’s operations.**

<b>TPASS Division Exhibit 13: Statutes/Attorney General Opinions</b>	
<b>Statutes</b>	
<b>Citation/Title</b>	<b>Authority/Impact on Agency</b> (e.g., Provides authority to license and regulate nursing home administrators@)
Chapter 2151, Government Code	General provisions applicable to statewide procurement and the TPASS division’s authority.
Chapter 2155, Government Code	The general rules and procedures for state procurement.
Chapter 2156, Government Code	Provides the different types of solicitations that may be used by state agencies.
Chapter 2158, Government Code	Establishes requirements for purchasing motor vehicles, printing services, pharmacy services, and recycled goods.
Chapter 2161, Government Code	Establishes the Historically Underutilized Businesses program for the state.
Chapter 2163, Government Code	Authorizes TPASS division to review commercially available services for statewide contracts.
Chapter 2171, Government Code	Establishes the state travel management program and the office of vehicle fleet maintenance.
Chapter 2172, Government Code	Addresses miscellaneous services that may be offered by TPASS, such as business machine repair, printing, and commemorative items.
Chapter 2176, Government Code	Establishes the state mail operations as part of TPASS.
<b>Attorney General Opinions</b>	
<b>Attorney General Opinion No.</b>	<b>Impact on Agency</b>
Opinion No. GA-0685 (2008)	Guides TPASS in determining which vendors are “Texas bidders” when applying in-state preferences under §2155.444, Gov’t Code.

**B. Provide a summary of recent legislation regarding your agency by filling in the chart below or attaching information already available in an agency-developed format. Briefly summarize the key provisions. For bills that did not pass, briefly explain the key provisions and issues that resulted in failure of the bill to pass (e.g., opposition to a new fee, or high cost of implementation).**

<b>TPASS Division Exhibit 14: 82nd Legislative Session Chart</b>		
<b>Legislation Enacted – 82nd Legislative Session</b>		
<b>Bill Number</b>	<b>Author</b>	<b>Summary of Key Provisions</b>
SB 1 (Special Session)	Sen. Duncan	Provided “benefits funding” authority. Also transferred Uniform Grant Management Standards responsibilities from the Governor’s Office to the Comptroller’s Office.
<b>Legislation Not Passed – 82nd Legislative Session</b>		
<b>Bill Number</b>	<b>Author</b>	<b>Summary of Key Provisions/Reason the Bill Did Not Pass</b>
SB 1109 (HB 2021 – identical companion)	Sen. Williams (Rep. Pitts)	<ul style="list-style-type: none"> <li>• Focused Comptroller’s office on large, leveraged purchasing</li> <li>• Required Comptroller’s office to publish a Procurement Manual (similar to Contract Management Guide) that incorporates sourcing standards and best practices for reaching a contract.</li> <li>• Authorized Comptroller’s office to require agencies to use competitive bidding and to establish statewide contracts, as opposed to individual agency contracts.</li> <li>• Authorized the suspension and revocation of purchaser certification.</li> <li>• Required agencies to submit biennial procurement plans so the Comptroller’s office can forecast statewide contracting needs.</li> <li>• Required agencies to submit solicitations that exceed \$100,000 to the Comptroller’s office for possible review. Comptroller may recommend changes to the solicitation and the procurement strategy.</li> <li>• Added Comptroller to the Quality Assurance Team (QAT).</li> </ul>

## IX. Policy Issues

### A. Brief Description of Issue

The TPASS Division could increase the savings to the state if it were able to compel wider use of its contracts. Further, if TPASS had access to more information about customer needs, the division could focus its efforts better on contracts that are needed by multiple customers. This leverages, to the greatest extent, the state's spending power.

### B. Discussion

While the general rule is that state agencies must use TPASS contracts, there are numerous legal exceptions to this requirement. These exceptions authorize agencies to make individual purchases. By not combining agencies' purchasing power, the state fails to maximize its savings. The state should be maximizing its savings, wherever possible.

### C. Possible Solutions and Impact

Senate Bill 1109, 82<sup>nd</sup> Legislative Session, attempted to address this issue by:

(1) requiring agencies to provide the TPASS division with biennial procurement plans. These would show TPASS where its customers would be focusing their budgets for the next two year, thus giving TPASS direction in where it should focus its contracting efforts.

(2) requiring agencies to submit draft solicitations that will exceed \$100,000 to the Comptroller's office for possible review. The Comptroller would have been able to recommend changes to the solicitation and the procurement strategy. These insights into the procurement activities of its customers would have enabled TPASS to focus efforts on the most effective contracts and ensure best practices were utilized, even when agencies were purchasing on their own.

## X. Other Contacts

### A. Fill in the following chart with updated information on people with an interest in your agency, and be sure to include the most recent e-mail address.

TPASS Division Exhibit 15: Contacts			
INTEREST GROUPS (groups affected by agency actions or that represent others served by or affected by agency actions)			
Group or Association Name/ Contact Person	Address	Telephone	E-mail Address
Associated General Contractors of Texas	PO Box 2185 Austin, TX 78768	512-478-4691	
National Office Products Association	301 N. Fairfax St., Suite 200 Alexandria, VA 22314	800-542-6672	
INTERAGENCY, STATE, OR NATIONAL ASSOCIATIONS			

(that serve as an information clearinghouse or regularly interact with your agency)			
Group or Association Name/ Contact Person	Address	Telephone	E-mail Address
National Association of State Procurement Officers (NASPO)	201 East Main St., Suite 1405 Lexington, KY 40507	(859) 514-9159	<a href="mailto:naspo@amrms.com">naspo@amrms.com</a>
State Agency Coordinating Committee (SACC)	300 W. 15 <sup>th</sup> St. Suite 1300 Austin, TX 78701	512-486-5555	<a href="mailto:hrodri@dot.state.tx.us">hrodri@dot.state.tx.us</a>
LIAISONS AT OTHER STATE AGENCIES			
(with which your agency maintains an ongoing relationship, e.g., the agency's assigned analyst at the Legislative Budget Board, or attorney at the Attorney General's office)			
Agency Name/Relationship/ Contact Person	Address	Telephone	E-mail Address
Texas Department of Transportation – Glenn Hagler	3800 Jackson Avenue Austin, Texas 78703	(512) 374-5402	<a href="mailto:ghagler@dot.state.tx.us">ghagler@dot.state.tx.us</a>
Texas Department of Criminal Justice – Sheila Gaskins	Texas Department of Criminal Justice 2 Financial Plaza, Ste 300 A Huntsville, Texas 77340	(936) 437-7005	<a href="mailto:sheila.gaskins@tdcj.state.tx.us">sheila.gaskins@tdcj.state.tx.us</a>

## XI. Additional Information

**A. Fill in the following chart detailing information on complaints regarding your agency. Do not include complaints received against people or entities you regulate. The chart headings may be changed if needed to better reflect your agency's practices.**

TPASS Division Exhibit 16: Complaints Against the Agency c Fiscal Years 2009 and 2010		
	FY 2009	FY 2010
Number of complaints received	1	3
Number of complaints resolved	1	3
Number of complaints dropped/found to be without merit	1	3
Number of complaints pending from prior years	0	0
Average time period for resolution of a complaint	One week	One month

**B. Fill in the following chart detailing your agency's Historically Underutilized Business (HUB) purchases. See Exhibit 17 Example or [click here](#) to link directly to the example.**

TPASS Division Exhibit 17: Purchases from HUBs FISCAL YEAR 2008				
Category	Total \$ Spent	Total HUB \$ Spent	Percent	Statewide Goal
Heavy Construction	\$0	\$0	0%	11.9%
Building Construction	\$0	\$0	0%	26.1%
Special Trade	\$51,632	\$38,060	73.7%	57.2%
Professional Services	\$0	\$0	0%	20.0%
Other Services	\$22,785,188	\$7,591,686	33.3%	33.0%
Commodities	\$14,403,200	\$1,320,052	9.16%	12.6%
<b>TOTAL</b>	<b>\$37,240,020</b>	<b>\$8,949,799</b>	<b>24%</b>	

FISCAL YEAR 2009				
Category	Total \$ Spent	Total HUB \$ Spent	Percent	Statewide Goal
Heavy Construction	\$0	\$0	0%	11.9%
Building Construction	\$0	\$0	0%	26.1%
Special Trade	\$106,062	\$8,495	8.0%	57.2%
Professional Services	\$0	\$0	0%	20.0%
Other Services	\$24,514,343	\$7,954,505	32.4%	33.0%
Commodities	\$12,889,514	\$1,849,323	14.3%	12.6%
<b>TOTAL</b>	<b>\$37,509,920</b>	<b>\$9,812,324</b>	<b>26.1%</b>	
FISCAL YEAR 2010				
Category	Total \$ Spent	Total HUB \$ Spent	Percent	Statewide Goal
Heavy Construction	\$0	\$0	0%	11.9%
Building Construction	\$0	\$0	0%	26.1%
Special Trade	\$216,972	\$18,221	8.39%	57.2%
Professional Services	\$0	\$0	0%	20.0%
Other Services	\$34,339,791	\$9,391,294	27.3%	33.0%
Commodities	\$21,983,774	\$2,389,793	10.8%	12.6%
<b>TOTAL</b>	<b>\$56,540,538</b>	<b>\$11,799,308</b>	<b>20.8%</b>	

**C. Does your agency have a HUB policy? How does your agency address performance shortfalls related to the policy? (Texas Government Code, Sec. 2161.003; TAC Title 34, Part 1, rule 20.15b)**

We post a Frequently Asked Questions page on the Web for all HUBs. This is available at <http://www.window.state.tx.us/ssv/faqhub.html>. To address shortfalls, we analyze where a HUB spend is not meeting expectations and then focus efforts in those areas to stimulate more HUB interest in contracts. We attend and host outreach events, provide information about getting on the Centralized Master Bidders List, and provide guides on how to win state contracts.

**D. For agencies with contracts valued at \$100,000 or more: Does your agency follow a HUB subcontracting plan to solicit bids, proposals, offers, or other applicable expressions of interest for subcontracting opportunities available for contracts of \$100,000 or more? (Texas Government Code, Sec. 2161.252; TAC Title 34, Part 1, rule 20.14)**

Yes. We seek a HUB subcontracting plan on virtually all of our contracts.

**E. For agencies with biennial appropriations exceeding \$10 million, answer the following HUB questions.**

	<b>Response / Agency Contact</b>
1. Do you have a HUB coordinator? (Texas Government Code, Sec. 2161.062; TAC Title 34, Part 1, rule 20.26)	Yes / Lynn Hodde - HUB Program Specialist (512) 463-4216 Justin Jones - HUB Program Specialist (512) 475-5673
2. Has your agency designed a program of HUB forums in which businesses are invited to deliver presentations that demonstrate their capability to do business with your agency? (Texas Government Code, Sec. 2161.066; TAC Title 34, Part 1, rule 20.27)	Yes / Lynn Hodde - HUB Program Specialist (512) 463-4216 Justin Jones - HUB Program Specialist (512) 475-5673
3. Has your agency developed a mentor-protégé program to foster long-term relationships between prime contractors and HUBs and to increase the ability of HUBs to contract with the state or to receive subcontracts under a state contract? (Texas Government Code, Sec. 2161.065; TAC Title 34, Part 1, rule 20.28)	Yes / Lynn Hodde - HUB Program Specialist (512) 463-4216 Justin Jones - HUB Program Specialist (512) 475-5673

**F. Fill in the chart below detailing your agency's Equal Employment Opportunity (EEO) statistics.<sup>1</sup> See Exhibit 18 Example or click here to link directly to the example.**

<b>TPASS Division</b>							
<b>Exhibit 18: Equal Employment Opportunity Statistics</b>							
<b>FISCAL YEAR 2008</b>							
<b>Job Category</b>	<b>Total Positions</b>	<b>Minority Workforce Percentages</b>					
		<b>Black</b>		<b>Hispanic</b>		<b>Female</b>	
		<b>Agency</b>	<b>Civilian Labor Force %</b>	<b>Agency</b>	<b>Civilian Labor Force %</b>	<b>Agency</b>	<b>Civilian Labor Force %</b>
<b>Officials/Administration</b>	2	0	6.6%	0	14.2%	0	37.3%
<b>Professional</b>	42	10	8.3%	9	13.4%	19	53.2%
<b>Technical</b>	2	0	12.4%	0	20.2%	1	53.8%
<b>Administrative Support</b>	4	1	11.2%	2	24.1%	3	64.7%
<b>Service Maintenance</b>	0	0	13.8%	0	40.7%	0	39.0%
<b>Skilled Craft</b>	0	0	6.0%	0	37.5%	0	4.8%

<sup>1</sup> The Service/Maintenance category includes three distinct occupational categories: Service/Maintenance, Para-Professionals, and Protective Services. Protective Service Workers and Para-Professionals are no longer reported as separate groups. Please submit the combined Service/Maintenance category totals, if available.

FISCAL YEAR 2009							
Job Category	Total Positions	Minority Workforce Percentages					
		Black		Hispanic		Female	
		Agency	Civilian Labor Force %	Agency	Civilian Labor Force %	Agency	Civilian Labor Force %
Officials/Administration	1	0	9.0%	0	23.7%	0	38.8%
Professional	35	10	11.7%	5	19.9%	17	54.5%
Technical	2	0	17.0%	0	27.0%	1	55.6%
Administrative Support	3	0	13.2%	2	31.9%	2	66.2%
Service/Maintenance	0	0	12.8%	0	44.8%	0	39.7%
Skilled Craft	0	0	5.1%	0	46.9%	0	5.1%
FISCAL YEAR 2010							
Job Category	Total Positions	Minority Workforce Percentages					
		Black		Hispanic		Female	
		Agency	Civilian Labor Force %	Agency	Civilian Labor Force %	Agency	Civilian Labor Force %
Officials/Administration	1	0	7.5.0%	0	21.17%	0	37.5%
Professional	38	10	9.7%	3	18.8%	18	53.3%
Technical	4	0	13.9%	0	27.1%	1	53.9%
Administrative Support	14	2	12.7%	8	31.9%	7	67.1%
Service/Maintenance	0	0	14.4%	0	49.9%	0	39.1%
Skilled Craft	0	0	6.6%	0	46.3%	0	6.0%

**G. Does your agency have an equal employment opportunity policy? How does your agency address performance shortfalls related to the policy?**

## XII. Agency Comments

Provide any additional information needed to gain a preliminary understanding of your agency.

TPASS does not have anything additional to provide at this time.

# ATTACHMENTS{TC \L1 "ATTACHMENTS}

Submit the following supplemental data or documents with the hard copy of the Self-Evaluation Report. Label each attachment with its number (e.g., Attachment 1). As part of the electronic version, attach a list of items submitted, but do not attach the actual documents to the electronic submission.

## Attachments Relating to Key Functions, Powers, and Duties

1. A **copy** of the agency's enabling statute.
2. A **copy** of each annual report published by the agency from FY 2006 – 2010.
3. A **copy** of each internal or external newsletter published by the agency from FY 2009 – 2010.
4. A **list** of publications and brochures describing the agency.
5. A **list** of studies that the agency is required to do by legislation or riders.
6. A **list** of legislative or interagency studies relating to the agency that are being performed during the current interim.
7. A **list** of studies from other states, the federal government, or national groups/associations that relate to or affect the agency or agencies with similar duties or functions.

## Attachments Relating to Policymaking Structure

8. Biographical information (e.g, education, employment, affiliations, and honors) or resumes of all policymaking body members. See Attachment 6 Example or [click here to link directly to the example](#).
9. A **copy** of the agency's most recent rules.

## Attachments Relating to Funding

10. A **copy** of the agency's Legislative Appropriations Request for FY 2012 – 2013.
11. A **copy** of each annual financial report from FY 2008 – 2010.
12. A **copy** of each operating budget from FY 2009 – 2011.

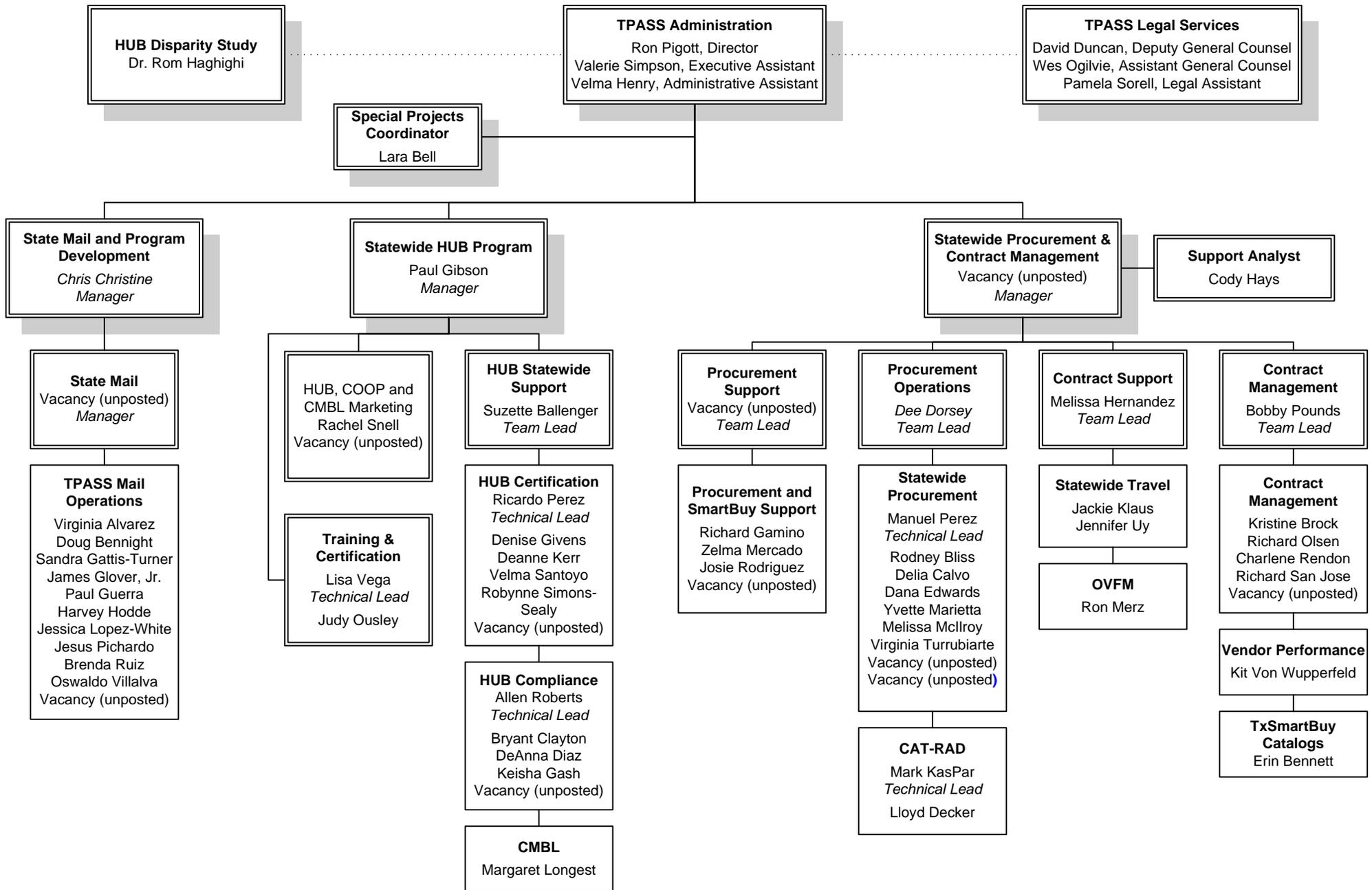
## Attachments Relating to Organization

13. If applicable, a map to illustrate the regional boundaries, headquarters location, and field or regional office locations.

## Attachments Relating to Agency Performance Evaluation

14. A **copy** of each quarterly performance report completed by the agency in FY 2008 – 2010.
15. A **copy** of any recent studies on the agency or any of its functions conducted by outside management consultants or academic institutions.
16. A **copy** of the agency's current internal audit plan.
17. A **copy** of the agency's current strategic plan.
18. A **list** of internal audit reports from FY 2007 – 2011 completed by or in progress at the agency.
19. A **list** of State Auditor reports from FY 2007 – 2011 that relate to the agency or any of its functions.
20. A **copy** of any customer service surveys conducted by or for your agency in FY 2010.

# Texas Procurement and Support Services (TPASS) Division



**TEXAS PROCUREMENT AND SUPPORT SERVICES  
FISCAL 2010 OPERATING BUDGET EXPENDITURES BY PROGRAM AND LBB CATEGORY**

Objects of Expense	Procurement and Contract Management	CMBL	COOP Program	Training	HUB	Mail Operations	TCPD	Disparity Study	Strategic Sourcing	Admin.	Fleet	Support	Impala Replacement Project	ERP	Grand Total
1001 - Salaries and Wages	\$1,462,030	\$60,072	\$50,356	\$102,684	\$577,623	\$484,199	\$51,455	\$94,747	\$413,574	\$440,332	\$49,944	\$316,763	\$0	\$0	\$4,103,779
1002 - Other Personnel Costs	0	0	0	0	0	0	11,942	0	0	0	0	0	0	0	\$11,942
2001 - Professional Fees/Services	0	0	0	253,878	0	0	0	82,913	0	0	0	35,284	884,123	0	\$1,256,198
2002 - Fuels and Lubricants	0	0	0	0	0	12,236	0	0	0	0	0	0	0	0	\$12,236
2003 - Consumable Supplies	7,283	2,769	2,137	28,121	26,201	18,569	117	73	469	810	570	5	4,000	0	\$91,123
2004 - Utilities	19,249	0	0	0	1,788	3,724	482	0	989	751	0	42	0	0	\$27,025
2005 - Travel	4,864	0	2,580	955	32,670	1,827	16,313	3,143	740	287	523	0	0	0	\$63,903
2006 - Rent - Building	0	0	3,985	3,415	1,825	0	2,342	0	0	0	0	0	0	0	\$11,567
2007 - Rent - Machine and Other	873	0	0	200	0	51,275	0	0	0	10,134	0	0	0	0	\$62,482
2009 - Other Operating Expense	9,111	0	1,138	1,585	42,940	137,816	1,389	0	1,138	3,795	80,150	0	16,376	0	\$295,438
5000 - Capital Expenditures	0	0	0	0	0	16,426	0	0	0	0	0	0	0	240,000	\$256,426
<b>Total - Objects of Expense</b>	<b>\$1,503,410</b>	<b>\$62,841</b>	<b>\$60,196</b>	<b>\$390,838</b>	<b>\$683,047</b>	<b>\$726,071</b>	<b>\$84,040</b>	<b>\$180,877</b>	<b>\$416,910</b>	<b>\$456,109</b>	<b>\$131,187</b>	<b>\$352,094</b>	<b>\$904,499</b>	<b>\$240,000</b>	<b>\$6,192,120</b>

**Major Contract Expenditures for Fiscal 2010:**

**Consultants and Professional Fees**

ACS Enterprises \$884,280 Impala System Replacement  
 ESI International \$212,700 Contract Management Training Services

**Maintenance and Repair**

Agile Assets \$80,000 Fleet Management System Maintenance

**Rental and Leasing**

Pitney Bowes \$10,774 Software Rental for Mail Operations  
 \$34,736 Equipment Rental for Mail Operations

**Other Operating Expenses**

TIBH Industries \$41,918 Temporary Services for HUB Application Entry