



HISTORICALLY UNDERUTILIZED BUSINESSES 2015 ANNUAL REPORT





Historically
Underutilized Businesses
ADMINISTRATION

OUR MISSION

To promote economic opportunities for historically underutilized businesses in state government contracting and procurement that will foster their growth and profitability.

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MESSAGE FROM THE GOVERNOR



Governor Pat McCrory

I am pleased to present the FY 2015 Annual Report for the Historically Underutilized Businesses (HUB) division of the North Carolina Department of Administration. 2015 was a high water mark in growth and achievement for the HUB Office and its many programs. The office is well positioned to continue the promotion of small, minority and women-owned businesses in contracting opportunities with the State of North Carolina. One of my top priorities is encouraging and expanding opportunities for the many minority and women-owned businesses across North Carolina.

Over the past year, the HUB Office has strengthened small and HUB firms' ability to compete and win contracting opportunities with state agencies for funds made available through my Repair and Renovation initiative. To date, more than \$4.9 million has been awarded to HUB firms since the start of this initiative. Moreover, HUB firms have increased business development opportunities through HUB sponsored networking events, peer to peer training and have increased networking relationships with state agencies.

I am pleased to share that two HUB Contractors College programs were completed in 2015 in diverse areas of North Carolina. Prime contractors have benefited from the value in supporting small businesses that aid in the development of sub-contractor readiness as the economy continues to grow. Some of North Carolina's largest prime contractors, universities and non-profit financial institutions, supported the HUB Contractors College programming from the planning stage through implementation. Small and HUB firm owners, upon graduation, now have invaluable connections and partnerships with resources that will provide a growth strategy that enable them to be successful in North Carolina's growing economy.

The Carolina Comeback remains strong and small and HUB firms are part of it. Since 2013, North Carolina ranks sixth in job creation – creating more than 270,000 private sector jobs. Since 2013, North Carolina has the fastest growing economy in the nation. With small, minority businesses well positioned for continued growth through capacity building and increased relationships with North Carolina state agencies, 2016 promises to be a profitable year for these companies. Because of the increased opportunity with agency purchasing of goods and services through repair and renovation construction opportunities, there is no better time to do business in North Carolina.



Secretary of Administration

Kathryn Johnston

Governor McCrory's Office of Historically Underutilized Businesses, under the North Carolina Department of Administration, has made large strides in 2015. We have empowered small and HUB firms with economic opportunity, boosted contracting efficiency between state procurement officers and contracting firms, and invested in small and HUB firms' education of best business practices and industry networking connections. These steps when taken together represent a new and higher level of commitment by the McCrory Administration to the success of North Carolina's small and HUB firms.

Each of these firms offer a unique and growing contribution to North Carolina's economy. Through Governor McCrory's construction initiatives – Connect NC, Project Phoenix and the Repair and Renovation funds – state agencies are now able to engage the construction and service industries in a robust way to remedy the years of disrepair and facility neglect. The HUB Office has kicked operations into high gear to enable small and HUB firms to take advantage of these readily available contracting opportunities. North Carolina is in the midst of the Carolina Comeback, and thanks to the hard work in the HUB Office, small and HUB firms are now able to play a major role.

To assist small and HUB firms with their objectives of growth and success, I am proud to report that the HUB Office provides efficient customer service and a broad offering of educational opportunities. Restructuring the Office and hiring experienced personnel was completed in 2015 which will put us on firm footing for success in years to come. Efficient operations and excellent customer service for our 3,000 HUB certified firms can be listed as a one of our primary missions and accomplishments. Education and equipping these firms with the tools of success is key in moving them forward and connecting them with state government contracting opportunities.

The Contractors College is a HUB Office education program that has provided significant growth opportunities for the State's small and minority business owners. Since 2014, the Office has partnered with industry leaders from across the State in holding two Contractors Colleges which produced 22 graduates. In 2015, two Contractors College programs were held – one in the Central Region and one in the Eastern Region of North Carolina. A primary objective of this program is to help participants begin to develop relationships with industry leaders, state agencies, universities and local governments in order to gain access to the many construction opportunities available across the State.

The HUB Office has worked to establish strong relationships with these companies providing them with resources, tools and information that has propelled many of these business owners to the next level. Through greater customer service and education efforts from the HUB Office, small and minority owned businesses are better able to compete in North Carolina's growing economy.



HUB Director
Dennis English

In 2015, the HUB Office focused on making economic development a priority. The vision from the beginning has always been to promote economic growth for small and HUB businesses across North Carolina. Our new office enhancements were a key factor in ensuring that the vision going forward would become a reality. We spent countless hours working with the Governor's Advisory Council for Small and HUB Businesses and our state agency procurement partners to identify the gaps in our Division. From there, we developed new job descriptions within the HUB Office to meet those needs.

We recognized that going forward into 2016, the following priorities had to be implemented, tracked and measured to ensure that Governor McCrory's goals were being accomplished:

- Build awareness of contracting opportunities in Executive Departments and supporting agencies for North Carolina's small and HUB firms to increase the number of contracts awarded to small and historically underutilized businesses;
- Meet monthly with purchasing officers and capital project coordinators within state agencies to identify and utilize HUB vendors, contractors and service providers;
- Be the gateway for contractor readiness programs to ensure the state has the workforce available to meet the growing construction demand;
- Develop a uniform process for statewide agency compliance to ensure reporting and good faith laws are being followed; and
- Track measurable outcomes monthly to ensure the goals are being accomplished.

As we listened to our procurement partners, their underlying message was consistent: they need assistance identifying small and HUB suppliers that sell goods and services purchased by state agencies, and help facilitating those networking connections. With this type of engagement we are confident that we will increase fiscal growth for small and historically underutilized business owners. Aligning the mission of the HUB Office with Governor McCrory's Executive Order #24, has allowed us to create the greatest benefit where it matters most for our small and HUB businesses.

I could not have made this gigantic leap forward without the continuous support of Governor McCrory and Secretary of Administration, Kathryn Johnston. I am extremely humbled to know that they support my vision to implement a significant priority of this administration.



*Historically
Underutilized Businesses*
ADMINISTRATION

OFFICE ENHANCEMENTS

The North Carolina Office for Historically Underutilized Businesses was established on April 20, 1999 through the signing of Executive Order 150. The mission of this office is to promote economic opportunities for historically underutilized businesses in state government contracting and procurement that will foster their growth and profitability. This mission has been the primary principle guiding this office and every employee who has served within this office throughout

the years. Standing on the shoulders of this history, the North Carolina Office for Historically Underutilized Businesses fully embraces the opportunity to serve moving forward.

Under the current office leadership, it was recognized that there were significant economic opportunities for HUB firms within the areas of government goods and services. Since the inception of the HUB Office, the focus for the majority of firms was obtaining certification in order

to help prime contractors meet Good Faith Efforts on construction projects. However, State Government is, and will continue to be, engaged in purchasing outside of construction. The leadership of this office determined that in order to more effectively serve the State of North Carolina, the focus of the HUB Office must reflect intentionality and the goal to foster growth and profitability for HUB firms in government procurement of goods and services in addition to construction. With this



focus, the HUB Office underwent enhancements to foster this growth and intentionality. During the fourth quarter of 2015, the HUB Office strategically moved forward to accomplish its goals, which resulted in the creation of four positions and filling one vacant position.

New HUB Office staff positions include:

Supplier Diversity Specialists: Two positions were developed to handle certification and serve as direct liaisons to State Cabinet agencies. These Supplier Diversity Specialists will work with procurement managers and staff to ensure aspirational goals are being tracked and accomplished.

Business Development Specialist: The Business Development Specialist is responsible for identifying outreach opportunities, coordinating the Contractors College program, managing the repair and renovation initiative, and assisting State Agencies with identifying and introducing HUB certified firms to agency procurement and Capital Project Managers.

Certification Technician: The Certification Technician serves as the processing agent for the Statewide Uniformed Certification Program. She manages the incoming certification and re-certification requests for the HUB Office to ensure timely responses and continuous feedback to vendors.

Compliance Officer: The Compliance Officer is responsible for managing State agencies' HUB compliance and reporting, and compliance with General Statutes and Executive Orders. This individual will review and update the compliance program to ensure that State Agencies are aware of the small business and HUB program, and are in compliance with applicable governing legislation and Executive Orders.

In the year ahead, the HUB Office's new priorities include building awareness of contracting opportunities, tracking success and HUB contract wins on a monthly basis, continuing to be the gateway for contractor readiness programs, and develop a uniform process for statewide agency compliance in order to more effectively ensure that reporting and good faith effort laws are being followed. With these priorities at the forefront, the Office for Historically Underutilized Businesses will continue in its advocacy and promotion of diversity and inclusion in state government procurement and contracting.





GOVERNOR'S ADVISORY COUNCIL ANNUAL REPORT PRESENTATION

In September 2013, Governor Pat McCrory established the Governor's Advisory Council on Small and Historically Underutilized Businesses through the signing of Executive Order #24.

The 13 member council meets on a quarterly basis and submits an Annual Recommendation Report to the Governor in December. Since its creation in 2013, Council members have provided the Governor, the Secretary of the Department of Administration and HUB Office with support and guidance on matters specific to small businesses and HUB firms doing business with the State of North Carolina. In March 2015, the Council presented recommendations following a nine month assessment of North Carolina Cabinet Agency Procurement Practices.

These recommendations were to:

1. Develop a Small Business Program for the State HUB Office
2. Create a definition of Small Business specific to North Carolina
3. Accurately report total HUB spend for each Cabinet Agency monthly
4. Assess the unbundling opportunities of large state government contracts
5. Establish procurement system integration



GOVERNOR'S ADVISORY COUNCIL - RECOMMENDATIONS MEETING

Wayne Branch, Chair
Duplin County

Mark Haupt, Vice Chair
Wake County

Marsha Wyly, Secretary
Pitt County

Nicholas Perkins
Mecklenburg County

Bridget Chisholm
Guilford County

Marlene Sanford
Guilford County

Julius Smith
Wake County





CABINET AGENCIES ASPIRATIONAL GOAL MONTHLY MEETINGS

In FY15-16, the HUB Office plans to collaborate with the 10 Cabinet Agencies to create an Aspirational Goal Partnership Plan. The partnership is to develop an understanding and methodology for the inclusion of HUB firms into each cabinet agency procurement model. The HUB Office began to analyze data and reports within cabinet agencies and across the state for procurement trends. In FY13-14, the state made changes to the strategic sourcing strategy and purchases of Goods and Services. This change in strategy and the procurement model for statewide and term contracts impacted HUB participation. This was an initiative to reduce cost and vendor management. The HUB Office will continue to analyze historical data, and review cabinet agency aspirational goal plans to identify opportunities to increase HUB firm contract participation.



ROAD MAP TO SUCCESS

The Gold Star Program was held from February 3, 2015 through March 3, 2015. 11 small minority construction firms with proven successful performance on state agency construction projects completed the program. Graduates of the Gold Star Program (Strategically Trained and Ready) were challenged to create growth plans that would leverage their ability to increase the number of state agency projects they would compete for and ultimately win. Since Gold Star's completion, graduates have competed for State Agency Repair and Renovation projects, increased financial relationships with various banking institutions, and added full time employees as well as additional company locations.

Gold Star Program Sponsor Wells Fargo





CONTRACTORS COLLEGE—THE ROAD MAP TO SUCCESS



Angela Esteva

Vistabution, LLC is a local, veteran-owned corporation certified as a Historically Underutilized Business (HUB), Minority Business Enterprise (MBE), Disadvantaged Business Enterprise (DBE), and Small Professional Services Firm (SPSF) recognized for providing Environmental, Geotechnical, Engineering and Project Management Consulting services.

Based in North Carolina, with headquarters in Raleigh, in 2001 Vistabution opened its doors to serve as a Right-of-Way environmental consultant for NCDOT specializing in asbestos, lead, and mold remediation. Since then, and due to our clients' increasing demands, the firm continued to expand its list of services and today specializes in providing Engineering, General Contracting, Demolition, and Environmental Remediation services to state, municipal, city and government agencies.

Vistabution's solid reputation and impeccable safety record in demolition, contaminated soil removal, UST removal, site work, grading, and excavation created a growing need to open satellite offices in Wilmington, NC and Chesapeake, VA.

Angela Esteva, Vistabution Director of Business Development, completed the 2015 Contractors College Gold Star Program. Since completing the program, the company has expanded by offering additional services such as solar farm construction.

"Governor McCrory's HUB Office has been instrumental in promoting economic and networking opportunities and providing introductions to key personnel in state agencies. Vistabution is proud to have been a part of the Gold Star Contractors college training program."

MCCLURE AND ASSOCIATES CONSTRUCTION, INC.



Lesle McClure

Lesle McClure started in the construction industry more than 30 years ago. A graduate of LSU, Lesle has been involved in construction since her college days when she worked for her father's company. Lesle founded McClure and Associates Construction 16 years ago. In the beginning, she focused on the residential construction market. In an effort to diversify and grow her business, Lesle moved the company into commercial

construction. McClure and Associates has a diverse range of projects and expertise. The company has a long and successful history completing work in historic restoration for the State of North Carolina, commercial projects throughout the Triangle Region and the custom home market.

In February 2015, Lesle was accepted into the Contractors College Gold Star Program. Through this program Lesle has been able to further fine tune her business model. She utilized the program to leverage relationships with other class participants and various state agency partners. McClure and Associates continues to grow partnerships through public sector projects. "Building Peace of Mind," the McClure mission and vision, is evident in the recommendations the company has received over the years.

"It is evident by the finished product that McClure and Associates focuses on quality, craftsmanship and professionalism"- Dwayne Parker, NC Division of Parks and Recreation.

NESMITH CONSTRUCTION, LLC



Maurice McNeal and Jacob Nesmith

Nesmith Construction, LLC was first opened in Andrews, South Carolina in 1980. This family owned business was started by three brothers. In the beginning, Nesmith performed small construction services in order to "build their community, one job at a time." Eventually the company began to take on larger commercial construction projects. In March 2014, Nesmith Construction expanded into North Carolina opening an office in Greensboro. Jacob Nesmith and Maurice McNeal run the North Carolina office of Nesmith Construction.

McNeal and Nesmith met while in Graduate School at North Carolina A&T University in Greensboro. In 2007, with Civil Engineering degrees in hand, the two set out to work in the construction industry. Nesmith went back to South Carolina to work in the family business and McNeal went to work for a larger construction firm in North Carolina. The decision for Nesmith to expand into North Carolina seemed very natural to Nesmith and McNeal. Having worked in the industry for several years, they had experience that lent itself to the growth and expansion goals of the company.

McNeal completed the Gold Star Program, sponsored in part by the HUB Office, in March 2015. Both Nesmith and McNeal agree that the program provided them with the tools and resources to begin building a stronger company. The program provided education and real time tools in the technical aspects of owning a construction firm in North Carolina. Both McNeal and Nesmith agree that a major benefit of Gold Star was that it allowed McNeal and Nesmith to begin to build the necessary relationship capital required to grow a business and keep construction projects in their pipeline.



2015 STATE CONSTRUCTION CONFERENCE & NETWORKING EXPO

2015 State Construction Conference

The HUB Office participated in the State Construction Conference by presenting the Annual Good Faith Effort Awards at the Luncheon and hosting breakout sessions throughout the event. At the close of the conference, the HUB Office hosted the Annual Matchmaking Event and Networking Reception. HUB businesses met with large corporations, government agencies and representatives from companies that provide resources to small businesses across the state.

2015 Good Faith Effort Awards

The 2015 Good Faith Effort Awards were presented during the Annual State Construction Conference Luncheon.

Award Recipients were: Public Sector Owner/Agency: Charlotte Mecklenburg Schools

HUB Advocate: This year, the UNC System HUB Coordinators from each campus were recognized for their tireless efforts to support the HUB contractors that compete for, and win work, on each campus.

Special Recognition: Miriam Tripp and Gordon Rutherford

GOVERNOR MCCRORY'S REPAIR AND RENOVATION INITIATIVE

Governor McCrory's Repair and Renovation Initiative started in FY2014 and continued in FY2015. In May 2015, an additional \$60 Million was allocated for Repair and Renovation Construction Projects to state owned property. The HUB Office worked closely with the State Construction Office and Capital Project Coordinators from each State Agency to increase HUB Firm participation in State Construction via the Repair and Renovation Initiative.

Since the 2015 release of funds, \$69,979,034 in Construction Contracts have been awarded with \$3,522,938 awarded to HUB Certified Construction Firms.

The largest Repair and Renovation projects to receive funding in 2015 is the Albemarle Building, with \$42 million allocated for renovation of the building. The project began in May 2015 and is scheduled for completion in February 2017. The project has an overall goal of achieving 30% participation from HUB Firms. The HUB office worked extensively with the General Contractor to create numerous construction packages increasing the opportunity for small and minority owned construction firms to bid and potentially win contracts on the Albemarle Building Project.

Going forward into 2016, the effort to increase HUB Firm participation in the Repair and Renovation Initiative remains a high priority of the HUB Office. Each project is being tracked from Bid Advertisement to HUB Outreach Session to Contract Award to Completion. The tracking consists of the HUB Office Business Development Specialist working with each state Agency to determine project timelines and to assist in HUB Outreach efforts.





CAPITAL PROJECTS COORDINATOR

Construction Contracts within each State Agency are overseen by a Capital Projects Coordinator. Through intentional relationship building, the HUB Office and Capital Project Coordinators worked closely increasing communication about construction contract opportunities available for HUB Construction Firms to bid on. HUB Firms continued to complete the Statement of Qualification available on the HUB website giving Capital Project Coordinators a database of firms with the capacity to implement and complete various construction projects with state agencies. In some cases, HUB Firms were introduced to State Agency Capital Project Coordinators through the Contractors College Program. This program provided additional opportunity for HUB Firms to network and provide information directly to Capital Project Coordinators about their businesses and areas of expertise.

The increased communication strategy will continue in 2016. The HUB Office and Capital Projects Coordinators will partner in strengthening HUB Construction firms through networking opportunities at State Construction Conference- Reverse Trade Fair, Outreach Events, and the Statewide Contractors College Program.



State Agency Capital Project Coordinators

Administration: Latif Kaid

Attorney General/Justice: Dana Phillips

Agriculture & Consumer Services:

Kent Yelverton

Commerce: Bill Schmidt

Public Safety: William Stovall

Natural & Cultural Resources: Mark Cooney

Transportation: Priscilla Williams

Environmental Quality: Chris Ivers

General Assembly: Wesley Taylor

Information Technology:

Scott Travis

Health & Human Services: Luke Hoff

Administrative Office of the Courts:

William J. Stuckey

**HUB PARTICIPATION
CHANGES FROM
FY 13-14 TO FY 14-15:**

**\$45.9 Million increase in
Purchasing**

- **0.23% HUB Participation
increase**

**\$35.6 Million increase in
Construction**

- **6.07% HUB Participation
decrease**

**Top Purchasers of Goods
and Services from HUB
Vendors (By \$):**

Entity Name	HUB Spending
UNC Chapel Hill	\$34,887,144
NC Department of Transportation Wake County Public School System	\$25,990,996
Charlotte- Mecklenburg Schools	\$25,403,562
Winston Salem / Forsyth County Schools	\$22,377,589
	\$14,622,725

HUB REPORTING FY 14-15

By NC General Statute state and local government entities as well as public educational institutions and certain non-profits are required to report on Purchases of Goods and Services from HUB vendors and/or use of HUB Vendors on building construction, repair or renovation projects. (NC GS 143-48 and 143-128.3)

HUB Participation in North Carolina State Purchasing and Construction for FY Year 2015 (July 1, 2014—June 30, 2015) was as follows:

Category	Total Spending	HUB Spending	HUB %
Purchasing	\$6,106,717,054	\$322,711,648	5.28%
Construction	\$553,003,958	\$99,297,401	17.96%

PURCHASES OF GOODS AND SERVICES

State Agency data is largely based on purchase orders, which may not reflect actual spending. The value of purchase orders for multiple year contracts are reported in the first year that the contracts are awarded.

Some state agencies also include p-card (credit card) purchases and direct pay (where a check is written, but the purchase did not go through the NC e-Procurement system). There is a need to review how p-card purchases and direct pay is reported to assure accuracy and that HUB vendors are appropriately identified.

State Reporting Entities	Purchasing Totals HUB & Non-HUB	Purchasing HUB Spending	Purchasing HUB %
Cabinet Agencies	\$1,296,859,887	\$46,445,777	3.58%
Council Agencies	\$152,746,085	\$4,503,235	2.95%
Support Agencies	\$233,575,798	\$7,741,261	3.31%
Universities	\$1,706,866,102	\$81,844,428	4.80%
Community Colleges	\$547,507,130	\$42,150,796	7.70%
School Systems	\$2,169,162,052	\$140,026,151	6.46%
Totals	\$6,106,717,054	\$322,711,648	5.28%

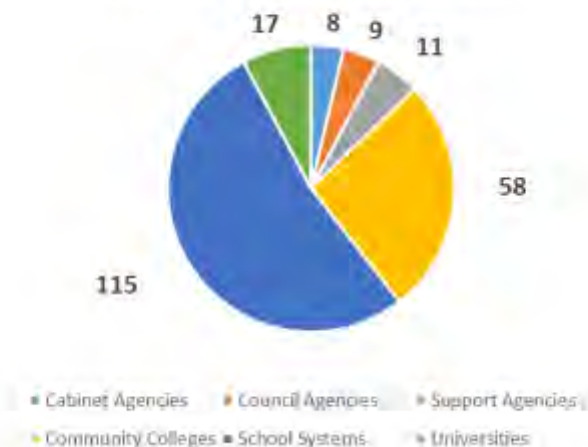
HUB REPORTING
FY 14-15 CONTINUED

Purchasing HUB Spending



Reporting Entities: Reporting participation for the Purchases of Goods and Services was nearly 100%, with some follow-up needed in certain cases and some technical issues that hindered reporting in a small set of reporting entities. UNC-Pembroke and NC A&T were the two entities that did not report during any quarter of FY 14-15.

Entities Reporting on Purchases of Goods and Services
(Total of 218 entities reported)



Reporting Systems: In FY 14-15, Reporting on Purchases of Goods and Services from HUB vendors was conducted using an Excel spreadsheet that was filled out and submitted to the HUB Office by e-mail, fax and/or mail. In FY 15-16, reporting will be completed using an online system that will reduce data entry requirements and the time needed to compile aggregate reports.

Opportunities exist to use training (both in person and distance training) and outreach to increase accuracy of data provided, particularly for entities that have experienced turnover of staff tasked with collecting and reporting HUB purchasing information.

HUB REPORTING FY 14-15 CONTINUED

Top Entities using HUB firms on Construction projects (By \$):

Entity Name	HUB Spending
Charlotte-Mecklenburg Schools	\$24,761,562
Wake County Public School System	\$15,722,698
Central Piedmont Community College	\$8,646,576
Wake Technical Community College	\$7,424,232
City of Winston-Salem	\$7,285,802

Construction Spending

Reporting on construction projects, both the total amount spent and how much was spent with HUB vendors, is done in the fiscal year when a new building or repair or renovation project is complete. In some cases it can take multiple years to complete a project and pay all the associated vendors. All spending associated with a completed project is reported in the fiscal year the project was complete.

STATE REPORTING ENTITIES	Total Dept. \$	Total HUB \$	Total HUB %
Cabinet Agencies	\$10,725,612	\$749,330	6.99%
Community Colleges	\$82,129,295	\$17,328,310	21.10%
Counties	\$114,254,679	\$9,391,505	8.22%
Hospital Associations	\$25,651,669	\$501,706	1.96%
Municipalities	\$84,221,719	\$9,356,363	11.11%
Non-State Agencies	\$580,613	\$0	0.00%
Public Schools	\$183,802,744	\$47,567,098	25.88%
State Universities	\$50,120,093	\$14,368,140	28.67%
Supporting Agencies	\$130,026	\$0	0.00%
Water and Sewer Authorities	\$1,387,508	\$34,949	2.52%
TOTAL	\$553,003,958	\$99,297,401	17.96%

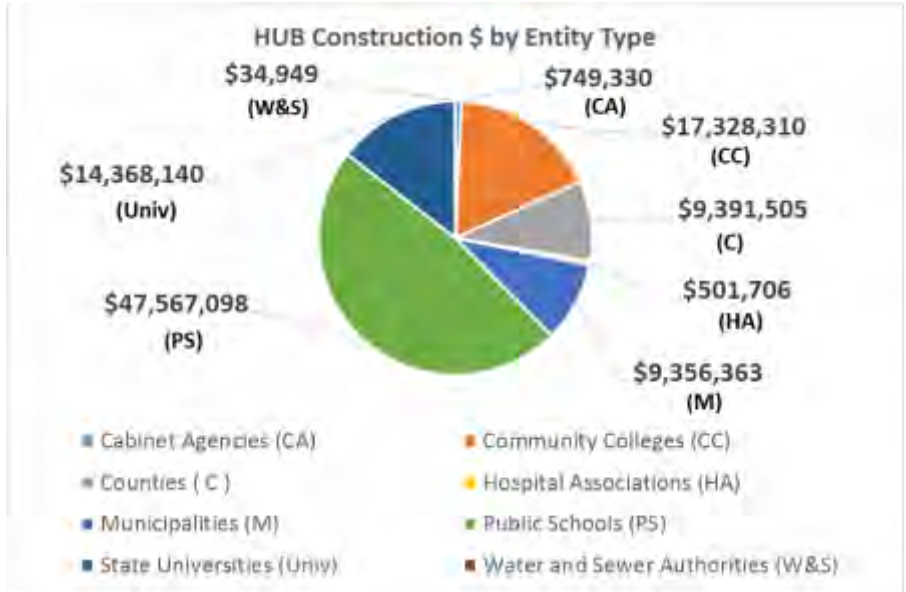
No construction spending was reported by the following: Airport Authorities, Councils of Government, Council of State agencies, Public Housing Authorities.

Reporting Systems: In FY 14-15, construction reporting for all entities was conducted through the HUBSCO system. As of July 1, 2015, construction reporting by Cabinet, Council and Support agencies as well as state universities and community colleges will be completed using the InterScope+ system. InterScope+ will include integration of funding and budget information as well as updated HUB certifications. Trainings for the use of InterScope+ began in May 2015.

HUB REPORTING FY 14-15 CONTINUED

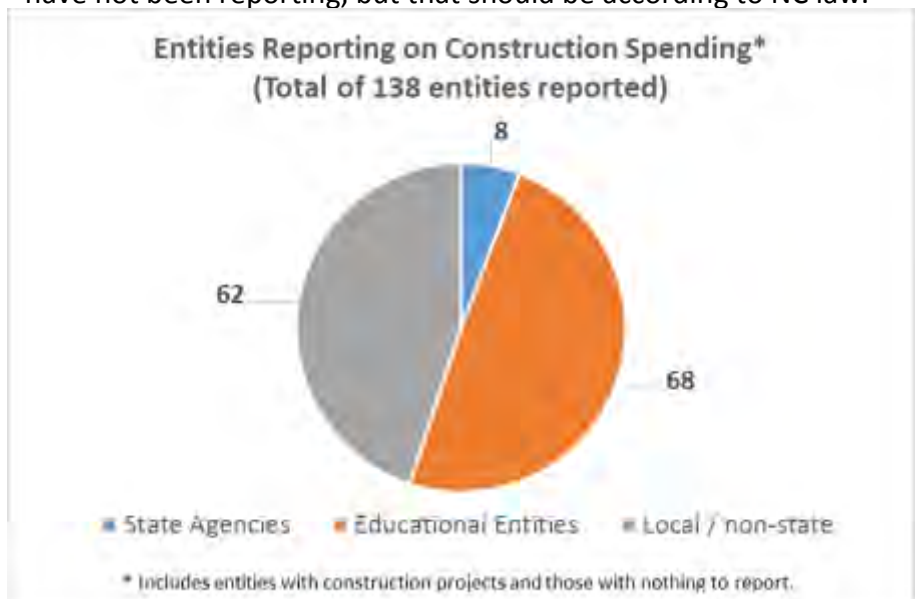
Construction Reporting Entity Types	# with HUB spending
Airport Authorities	0
Cabinet Agencies	4
Community Colleges	7
Council of Government	0
Council of State Agencies	0
Counties	7
Hospital Associations	0
Municipalities	5
Non-State Agencies	0
Public Housing Authorities	0
Public School Districts	12
State Universities	9
Supporting Agencies	0
Water and Sewer Authorities	1
Total	45

As shown below, the majority of spending with HUB vendors for construction, repair or renovation projects in FY 14-15 was reported by educational entities such as state universities, community colleges and public schools. A smaller portion was reported by local governments and non-state agencies such as counties, municipalities and water and sewer authorities and a very limited amount was reported by state agencies.

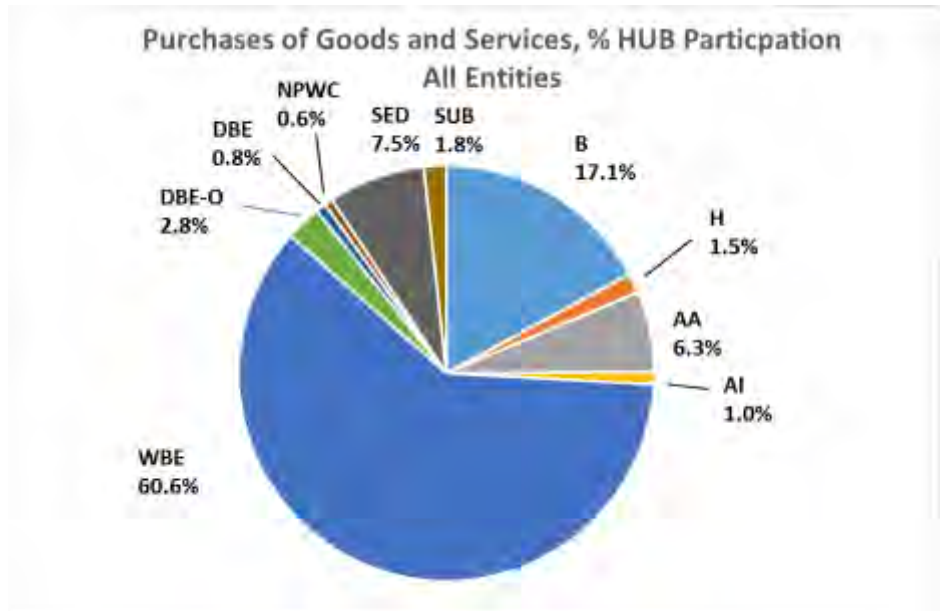


Entities reporting: In FY 14-15, 75 entities reported completing at least one new construction project, repair project or renovation project during the year. There were 19 entities that submitted a notice that no construction projects were completed during FY 14-15.

Training and outreach opportunities around construction reporting in FY 15-16 will include both entities that have experienced turnover in roles that collect HUB construction data, and entities that have not been reporting, but that should be according to NC law.

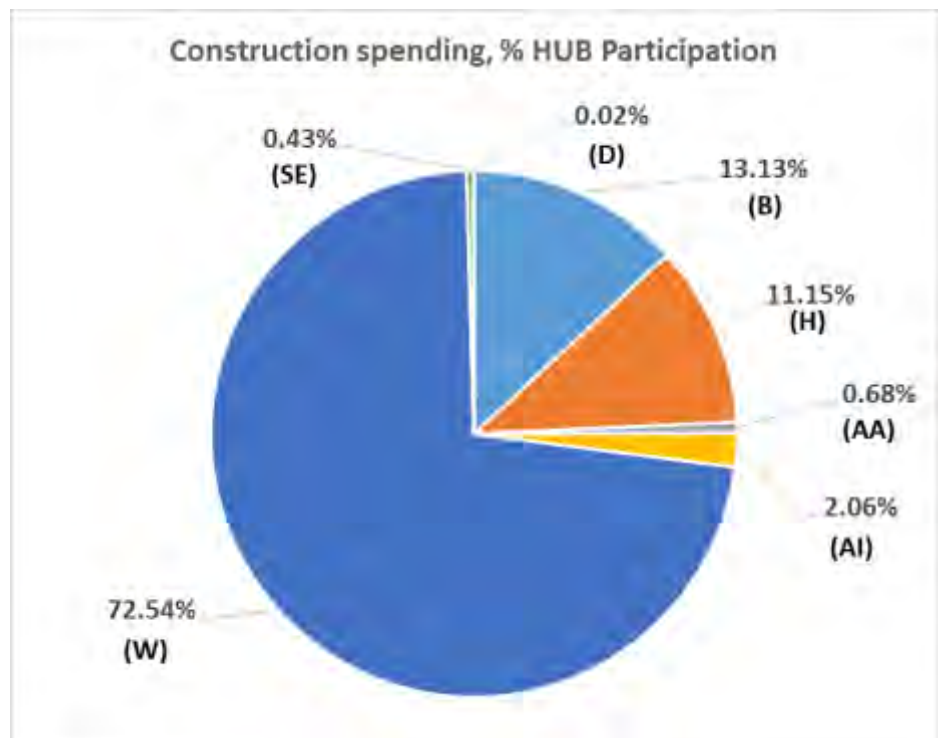


**PARTICIPATION BY
HUB BUSINESS TYPE
FY 14-15**



Purchasing of Goods and Services: Participation by HUB category was similar to prior years with WBE having the largest percentage of HUB Purchases of Goods and Services, followed by Black and Asian American. The WBE percentage increased by 2.9% points and SED (Socially and Economically Disadvantaged) increased by 6.2% points. All other business types decreased in percentage points.

Construction: Participation by HUB category was similar to prior years with WBE having the largest percentage of HUB Construction spending, followed by Black vendors. There was a substantial increase in percentage of spending done with Hispanic HUV vendors and a decreased percentage of spending with American Indian HUB vendors.





BUILDING BRIDGES

The HUB Office has strengthened its value proposition for HUB firms under the leadership of Dennis English. The new value proposition consists of keeping HUB firms informed of opportunities with state agencies; building bridges between HUB firms, state agencies and construction industry professionals; leveraging the HUB Office's key relationships with state agencies and general contractors; and removing obstacles which have historically prevented HUB firms from participating in state business opportunities.

This new direction has led to significant revenue opportunities for HUB firms such as GPS, which have the capacity to deliver supplies to the state directly and participate on large new construction and renovation projects like the Albemarle Building in downtown Raleigh.

**Antonio Wallace, Chief Executive Officer, GP Supply Company, Greensboro, NC
Awarded contract on the Albemarle Building Renovation of more than \$162,000.**



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State of North Carolina | Historically Underutilized Businesses
116 West Jones St. | 1336 Mail Service Center | Raleigh, NC 27699-1336
919 807 2330 T