



INTEROFFICE MEMO

Gary Grief, Executive Director

Alfonso D. Royal III, Charitable Bingo Operations Director

To: J. Winston Krause, Chairman
Carmen Arrieta-Candelaria, Commissioner
Peggy A. Heeg, Commissioner
Doug Lowe, Commissioner
Robert Rivera, Commissioner

From: Mike Fernandez, Administration Division Director *MF*

Date: April 14, 2016

Re: Report, possible discussion and/or action on HUB and/or minority business participation, including the agency's Fiscal Year 2015 Minority Business Participation Report

A copy of the agency's Fiscal Year 2015 Minority Business Participation Report is attached for your review. This report, which is required by Section 466.107 of the State Lottery Act, must be made available annually to the Governor, Lieutenant Governor, Speaker of the House, and members of the Legislature. The report requires your formal approval prior to being printed and published on the TLC website.

Commissioners:

J. Winston Krause,
Chairman

Carmen
Arrieta-Candelaria

Peggy A. Heeg

Doug Lowe

Robert Rivera



TEXAS LOTTERY COMMISSION

Gary Grief, *Executive Director*

Alfonso D. Royal III, *Charitable Bingo Operations Director*

April 14, 2016

The Honorable Greg Abbott
The Honorable Dan Patrick
The Honorable Joe Straus
Members of the 84th Legislature

Ladies and Gentlemen:

In accordance with Section 466.107 of the State Lottery Act, the Texas Lottery Commission (TLC) is submitting its annual Minority Business Participation Report for fiscal year (FY) 2015.

During FY 2015, the agency achieved an overall participation of 14.20 percent in its minority/Historically Underutilized Business (HUB) contracting activity, which represented a decrease from FY 2014's performance of 29.02 percent. This was largely due to one of the agency's major contractors graduating from the HUB program just prior to FY 2015, which resulted in a reduction of approximately \$21.6 million in HUB credit during the reporting period. The agency continued to surpass its 20-percent goal for licensing minority retailers.

During FY 2016, the Texas Lottery will continue to implement initiatives designed to increase the minority/HUB participation in its business operations.

Should you have any questions regarding the report, please do not hesitate to contact our executive director, Mr. Gary Grief.

Sincerely,

J. Winston Krause
Chairman

P.O. Box 16630 • Austin, Texas 78761-6630

Phone (512) 344-5000 • FAX (512) 478-3682 • Bingo FAX (512) 344-5142

txlottery.org • txbingo.org

TABLE OF CONTENTS

| | |
|---|----|
| INTRODUCTION | 1 |
| BACKGROUND | 2 |
| EXECUTIVE SUMMARY | 4 |
| KEY CONTRACTORS | 6 |
| FISCAL YEAR 2015 HIGHLIGHTS | 7 |
| FISCAL YEAR 2015 MINORITY/HUB EXPENDITURE SUMMARY | 8 |
| FISCAL YEAR 2015 ACCOMPLISHMENTS | 9 |
| FISCAL YEAR 2016 RECOMMENDED IMPROVEMENTS | 13 |
| APPENDICES | 15 |

TEXAS LOTTERY COMMISSION

MINORITY BUSINESS PARTICIPATION REPORT

FISCAL YEAR 2015

INTRODUCTION

The Texas Lottery Commission (TLC) has prepared its annual Minority Business Participation Report for FY 2015 in accordance with Section 466.107 of the State Lottery Act. This report documents the agency's level of minority business participation both in its lottery and bingo contracting activity, and in the licensing of lottery retailers. It also provides recommendations for the improvement of lottery-related minority business opportunities.

As defined by the State Lottery Act, a "minority business" is a "business entity at least 51 percent of which is owned by minority group members or, in the case of a corporation, at least 51 percent of the shares of which are owned by minority group members." Minority group members include African Americans, American Indians, Asian Americans, Mexican Americans and other Americans of Hispanic origin. Throughout this report, the terms "minority-owned business" and "minority business" are used interchangeably.

Although it is not specifically addressed by the State Lottery Act, the TLC also has a strong commitment to including minorities in its business operations by maintaining a diverse workforce. Information about this area is included in Appendix D of the report (page 25).



BACKGROUND

TEXAS LOTTERY COMMISSION VISION

To be the preeminent Lottery and Charitable Bingo agency through innovative leadership.

TEXAS LOTTERY MISSION

The Texas Lottery is committed to generating revenue for the state of Texas through the responsible management and sale of entertaining lottery products. The Texas Lottery will incorporate the highest standards of security and integrity, set and achieve challenging goals, provide quality customer service and utilize a TEAM approach.

CHARITABLE BINGO MISSION

Provide authorized organizations the opportunity to raise funds for their charitable purposes by conducting bingo. Determine that all charitable bingo funds are used for a lawful purpose. Promote and maintain the integrity of the charitable bingo industry throughout Texas.

CORE VALUES

The Texas Lottery Commission combines private business management principles with public service standards of conduct in all its operations. The following values guide us in our work:

- Integrity and Responsibility
- Innovation
- Fiscal Accountability
- Customer Responsiveness
- Teamwork
- Excellence

MINORITY/HUB COMMITMENT

The Texas Lottery Commission is committed to assisting and including minority-owned businesses and Historically Underutilized Businesses (HUBs) in its procurement opportunities. In accordance with the provisions of the State Lottery Act, Texas Government Code, Chapter 466, the agency and its contractors make a good faith effort to contract and subcontract with minority-owned businesses for the purchase of goods and services for the operation of the agency.

MINORITY/HUB PROGRAM

The TLC's Minority/HUB Program functions as part of the agency's Administration Division. The agency's HUB Coordinator is responsible for advising and assisting the TLC in complying with the requirements of the State Lottery Act and the state's HUB rules. The agency's Minority/HUB Program operates in three key areas to promote the inclusion and utilization of minority-owned businesses and HUBs: outreach activities, contract compliance and reporting.

OUTREACH ACTIVITIES

Outreach activities make up one of the most important components of the TLC's Minority/HUB Program. The purpose of these activities is to inform minority/HUB vendors about opportunities to provide goods and services to the agency and its contractors. Outreach is performed primarily by participating in business opportunity forums and other events throughout the state. The TLC HUB Coordinator may also assist in planning and cosponsoring statewide events in cooperation with other state agencies. In addition, the agency conducts an annual HUB Forum to inform minority/HUB vendors about TLC procurement processes and to provide networking opportunities. A chart listing the outreach events in which the agency participated during FY 2015 is available in Appendix C (page 24).

Other types of outreach activities include providing information to prospective vendors via the TLC website, coordinating meetings with individual minority/HUB vendors, administering the agency's Mentor-Protégé Program, and assisting eligible businesses with obtaining state HUB certification.

CONTRACT COMPLIANCE

The TLC's HUB Coordinator, Purchasing and Contracts staff, and administering divisions work collaboratively to maintain vendor compliance with contract terms relating to minority and HUB participation. The first step in this process involves assisting the agency with making HUB subcontracting determinations for contracts with an expected value of \$100,000 or more prior to releasing solicitations. Pre-bid and pre-proposal conferences are held to highlight the TLC's HUB policy and subcontracting plan requirements. The HUB Coordinator also assists evaluation teams by reviewing HUB Subcontracting Plans submitted with bids/proposals to determine whether good faith effort criteria were met. Finally, the agency's subcontracting plans are monitored for compliance following contract award.

REPORTING

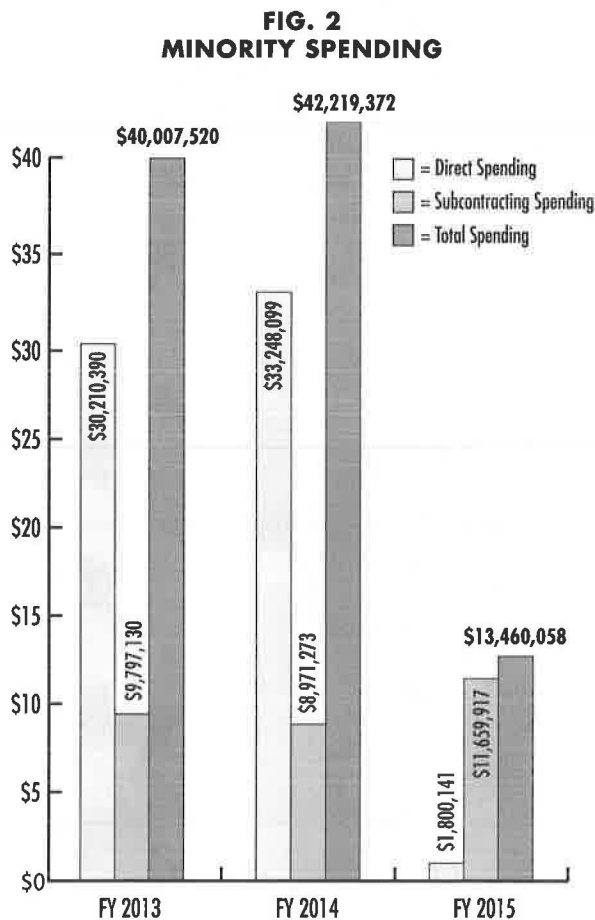
The TLC's minority/HUB expenditures are monitored throughout the year. Monthly internal minority/HUB participation reports are distributed to agency directors, and periodic updates are provided to TLC commissioners. In addition, HUB subcontracting expenditures and supplemental information are reported twice annually to the Comptroller of Public Accounts (CPA) for inclusion in the Statewide HUB Reports. During FY 2015, in accordance with CPA budget riders 17 and 18, the TLC also submitted Quarterly Assessments of HUB Related Activities. HUB participation information is included in the agency's Strategic Plan, Legislative Appropriations Request, and Annual Report of Non-Financial Data.



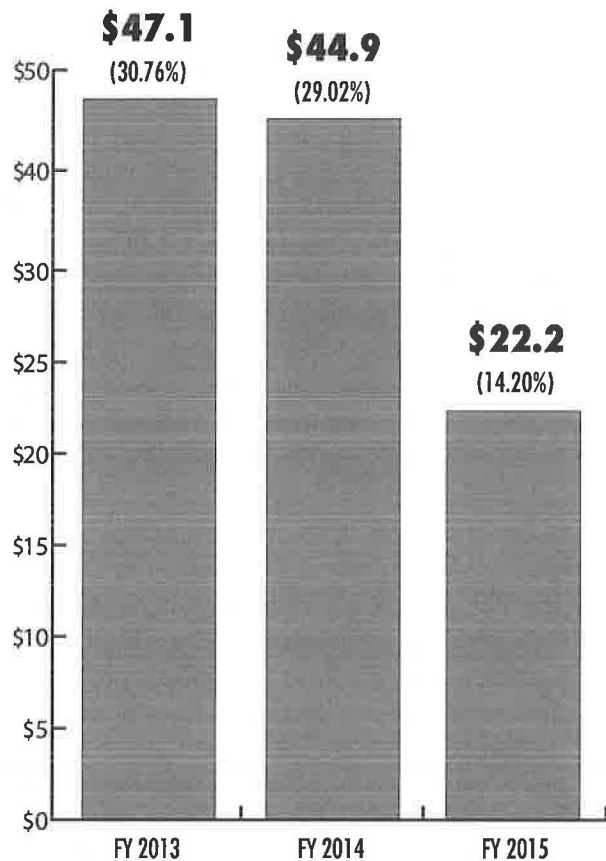
EXECUTIVE SUMMARY

During FY 2015, the TLC continued its efforts to provide opportunities for minority-owned businesses to participate in its procurement processes. Developing contacts with minority-owned businesses in Texas and licensing minority retailers are essential to the agency's initiatives.

The TLC's overall expenditures, as captured by the CPA's *Fiscal Year 2015 Annual Statewide HUB Report*, increased from FY 2014 to FY 2015. During this reporting period, the Commission ranked 17th by overall expenditures among the 50 largest-spending agencies, which was the same ranking as in FY 2014.



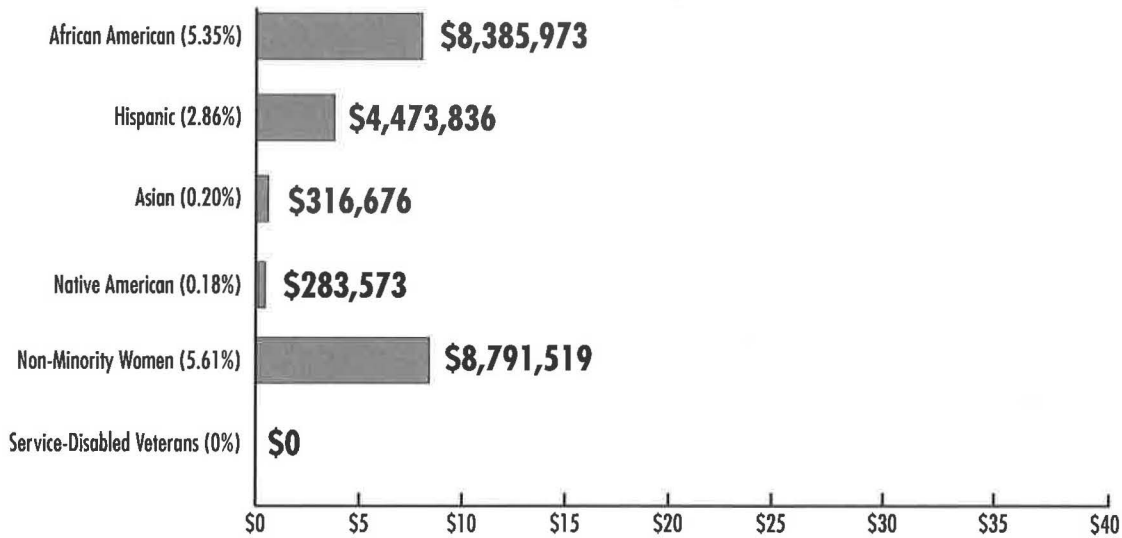
**FIG. 1
MINORITY/HUB SPENDING
(IN MILLIONS)**



During FY 2015, the TLC achieved an overall participation rate in its minority/HUB contracting activity of 14.20 percent. As shown in Figure 1, total expenditures paid to all minority/HUB vendors decreased from the previous fiscal year. This was largely due to one of the agency's major contractors graduating from the HUB program just prior to FY 2015, which resulted in a reduction of approximately \$21.6 million in HUB credit during the reporting period. Figure 2 summarizes payments made to minority-owned businesses only, and does not include non-minority women or service-disabled veterans.* During this reporting period, total expenditures made to minority-owned businesses decreased, but subcontracting payments to minority-owned businesses increased. Figure 3 shows the breakdown of FY 2015 minority/HUB spending by ethnic group.

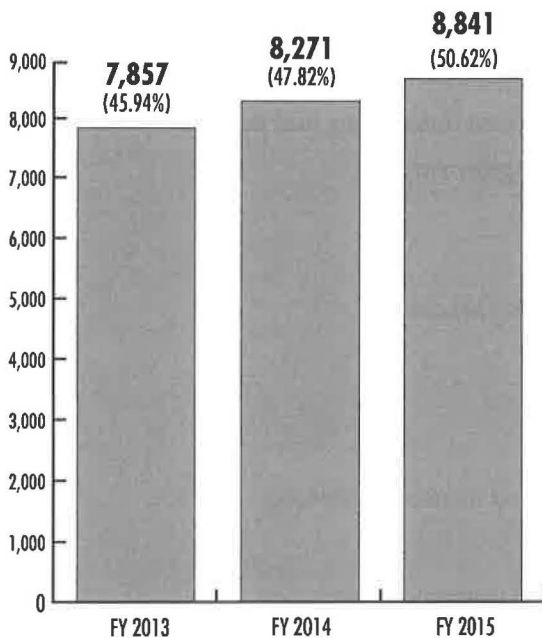
*Service-disabled veterans were added to the statewide HUB program, effective September 1, 2013 (see definition of "Economically disadvantaged person" in Appendix A).

**FIG. 3
MINORITY/HUB SPENDING BY ETHNICITY**

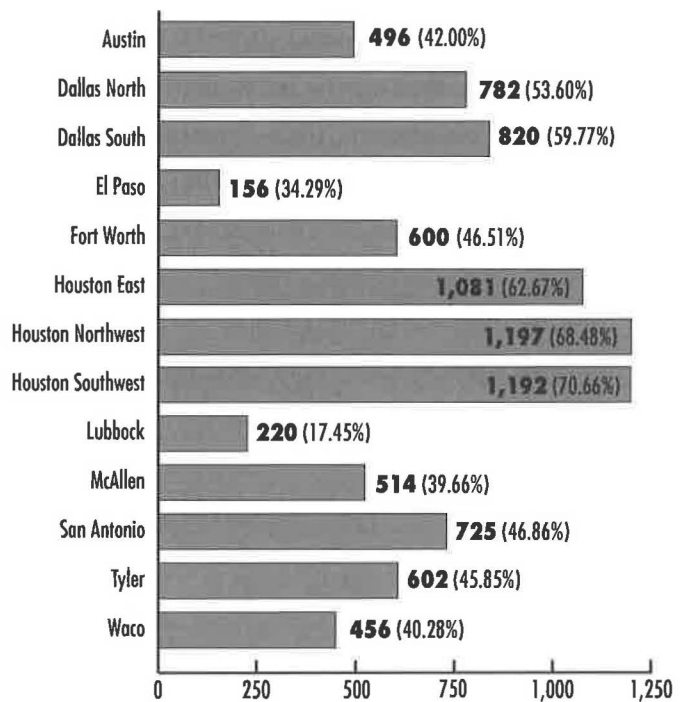


During FY 2015, the TLC continued to exceed the 20-percent goal for its minority retailer base, which is set out in Texas Government Code Section 466.151. Minority retailers now number 8,841, representing 50.62 percent of the agency's total Texas Lottery retailer base (see Figures 4 and 5). In addition, the TLC has maintained a minority retailer percentage of more than 45 percent for three consecutive years. More detailed information on minority retailers by county is located in Appendix B (page 18).

**FIG. 4
NUMBER OF
MINORITY RETAILERS**



**FIG. 5
MINORITY RETAILERS
BY DISTRICT**



KEY CONTRACTORS

The Commission's key contractors during FY 2015 for contracts estimated to be \$100,000 or more* included the following:

AGENCIES OF CHANGE, LLC DBA TECHNOLOGY SPA – Website hosting services.

AUSTIN RIBBON AND COMPUTER SUPPLIES, INC.** – Uninterrupted power supply lease.

BARKER & HERBERT ANALYTICAL LABORATORIES, INC. – Lottery product testing services.

BEEHIVE SPECIALTY CO.** – Promotional products (primary).

CANON SOLUTIONS AMERICA (FKA OCÉ IMAGISTICS, INC.) – Document management services.

CFJ MANUFACTURING** – Promotional Products (secondary).

DK PARTNERS, P.C. (FKA DAVILA, BUSCHHORN AND ASSOCIATES, P.C.)** – Lottery drawings CPA services.

ELEPHANT PRODUCTIONS, INC. – Drawing studio and production services.

ELSYM CONSULTING, INC. – Internal control system and related services.

EUBANK AND YOUNG STATISTICAL CONSULTING – Statistical consulting services.

GRANT THORNTON, LLP – Lottery security study services.

GRANT THORNTON, LLP – Risk review and compliance monitoring services.

IGT GLOBAL SOLUTIONS CORPORATION DBA IGT SOLUTIONS (FKA GTECH CORPORATION®) – Lottery operations and services.

IGT GLOBAL SOLUTIONS CORPORATION DBA IGT SOLUTIONS (FKA GTECH PRINTING CORPORATION) – Instant ticket manufacturing and services.

IPSOS-REID CORPORATION – Market research services.

KNIGHT SECURITY SYSTEMS, LLC – Surveillance camera products and services.

LATINWORKS MARKETING, LLC – Advertising services.

MCCONNELL AND JONES, LLP** – Internal audit services.

MEYERTONS, HOOD, KIVLIN, KOWART AND GOETZEL, P.C. – Outside counsel intellectual property legal services.

POLLARD BANKNOTE, LTD. – Instant ticket manufacturing and services.

RFD & ASSOCIATES, INC.** – DBITS application development for Charitable Bingo Operations Division system.

SCIENTIFIC GAMES INTERNATIONAL, INC. – Instant ticket manufacturing and services.

SHI GOVERNMENT SOLUTIONS** – Microsoft enterprise agreement.

SHI GOVERNMENT SOLUTIONS** – SAN equipment lease.

SIERRA GROUP, LLC – Promotional products.

SMARTPLAY INTERNATIONAL, INC. – Lotto Texas Drawing Machines.

SUNGARD VERICENTER, INC. – Website hosting services.

SUMMUS INDUSTRIES** – Desktop Computer Lease.

VETS SECURING AMERICA – Security Officer Services.

TYCO INTEGRATED SECURITY – Security management system and monitoring services.

WEAVER AND TIDWELL, LLP – Audit services.

*List does not include interagency contracts, property leases, or licensed property contracts.

**HUB certified contractors

FISCAL YEAR 2015 HIGHLIGHTS

- The Texas Lottery Commission's minority/HUB expenditures totaled more than \$22.2 million.
- For FY 2015, the TLC ranked 17th in terms of overall expenditures as captured by the CPA's *Fiscal Year 2015 Annual Historically Underutilized Business (HUB) Report*. Of the 17 largest-spending state agencies, the TLC ranked 9th by overall HUB percentage (see Table C, page 12).
- Two of the TLC's key contractors increased subcontracting payments to minority/HUB businesses.
- Eight HUB companies provided key contract services to the agency during FY 2015 (see page 6).
- The TLC awarded \$16,508 worth of bid opportunities at the "Doing Business Texas Style Spot Bid Fair" held in conjunction with ACCESS 2015 in Irving, Texas. This was an increase of more than double the amount that was awarded at the previous year's event.
- The agency continued to sponsor two mentor-protégé relationships during FY 2015.
- The TLC continued to assist vendors with the HUB subcontracting plan (HSP) process by offering one-on-one HSP workshops and reviews of draft HSPs. This resulted in greater numbers of compliant HSPs and increased competition.
- The TLC participated in 11 economic opportunity forums and HUB-related outreach events statewide, including one event that was focused on the veteran population.
- The agency conducted a successful annual HUB forum on June 25, 2015, which attracted minority/HUB participants from across the state. Roundtable networking sessions at this event allowed maximum interaction between attendees, agency staff, and key TLC contractors.
- The TLC participated in HUB Discussion Workgroup meetings throughout the year.
- The TLC maintained a minority retailer percentage of more than 45 percent for the third consecutive year. This represents a lottery retailer participation of more than twice the established goal.



FISCAL YEAR 2015 MINORITY/HUB EXPENDITURE SUMMARY

TABLE A

I. DIRECT MINORITY/HUB EXPENDITURES

| MINORITY/HUB GROUP | DIRECT EXPENDITURES | % OF TOTAL | TOTAL EXPENDITURES |
|---------------------------|---------------------|--------------|----------------------|
| AFRICAN AMERICAN | \$560,736 | 0.36% | |
| HISPANIC AMERICAN | \$936,139 | 0.60% | |
| ASIAN AMERICAN | \$303,266 | 0.19% | |
| NATIVE AMERICAN | \$0 | 0.00% | |
| AMERICAN WOMEN | \$2,245,034 | 1.43% | |
| SERVICE DISABLED VETERANS | \$0 | 0.00% | |
| TOTAL | \$4,045,175 | 2.58% | \$156,647,053 |

II. MINORITY/HUB SUBCONTRACTING EXPENDITURES

| MINORITY/HUB GROUP | SUBCONTRACTING EXPENDITURES | % OF NON-MINORITY/ NON-HUB TOTAL | TOTAL NON-MINORITY/ NON-HUB EXPENDITURES |
|---------------------------|-----------------------------|-------------------------------------|---|
| AFRICAN AMERICAN | \$7,825,237 | 5.13% | |
| HISPANIC AMERICAN | \$3,537,697 | 2.32% | |
| ASIAN AMERICAN | \$13,410 | 0.01% | |
| NATIVE AMERICAN | \$283,573 | 0.19% | |
| AMERICAN WOMEN | \$6,546,485 | 4.29% | |
| SERVICE DISABLED VETERANS | \$0 | 0.00% | |
| TOTAL | \$18,206,402 | 11.93% | \$152,601,876 |

III. GRAND TOTAL OF MINORITY/HUB EXPENDITURES

| MINORITY/HUB GROUP | MINORITY/HUB EXPENDITURES | % OF TOTAL | TOTAL EXPENDITURES |
|---------------------------|---------------------------|---------------|----------------------|
| AFRICAN AMERICAN | \$8,385,973 | 5.35% | |
| HISPANIC AMERICAN | \$4,473,836 | 2.86% | |
| ASIAN AMERICAN | \$316,676 | 0.20% | |
| NATIVE AMERICAN | \$283,573 | 0.18% | |
| AMERICAN WOMEN | \$8,791,519 | 5.61% | |
| SERVICE DISABLED VETERANS | \$0 | 0.00% | |
| GRAND TOTAL | \$22,251,577 | 14.20% | \$156,647,053 |

NOTE: Fiscal Year expenditures were based on the reportable expenditure object codes utilized by the Comptroller of Public Accounts (CPA) for the State of Texas HUB Report. Totals may not sum exactly to CPA report due to rounding.

FISCAL YEAR 2015 ACCOMPLISHMENTS

The Texas Lottery Commission promotes fair and competitive opportunities for minority/HUB vendors interested in doing business with the agency and its key contractors. The TLC conducted an effective program during FY 2015 to inform and educate minority businesses/HUBs about opportunities to provide supplies, equipment, and services for the operation of the agency and to serve as licensed lottery retailers. The following sections detail some of the TLC's achievements in FY 2015.

INCLUSION IN PROCUREMENTS

The TLC's procurement-related initiatives included:

- Participating in forums and other outreach events to inform minority/HUB vendors about the TLC's contracting and subcontracting opportunities.
- Hosting an annual HUB forum to present procurement-related information to minority/HUB vendors and provide networking opportunities.
- Determining the probability of subcontracting and identifying potential minority/HUB subcontracting opportunities for contracts with an expected value of \$100,000 or more.
- Providing vendor support by offering one-on-one HUB subcontracting plan (HSP) workshops and reviews of draft HSPs.
- Evaluating good-faith-effort compliance with HSP requirements as part of the bid/proposal process.
- Conducting post-contract award follow-up with awarded vendors to discuss HSP requirements; monitoring contracts to ensure compliance.
- Providing procurement opportunities at HUB Forums and other outreach events.
- Hosting meetings with interested vendors to assist them in becoming familiar with the TLC's procurement processes.
- Assisting eligible vendors to become certified as HUBs.



FISCAL YEAR 2015 ACCOMPLISHMENTS

Bids/Proposals Received and Contracts Awarded:

During FY 2015, the TLC received 120 competitive bids and proposals from HUB vendors, which represented nearly 72 percent of all responses. Overall, the agency awarded 201 total contracts to HUB vendors, 93 of which were awarded to minority-owned HUBs. These included contracts resulting from noncompetitive “spot purchases,” informal and formal quotes, bids, offers, and proposals received from HUB vendors.

OUTREACH ACTIVITIES

Advertisements: During FY 2015, the TLC ran print advertisements to promote its HUB program and to publicize minority/HUB outreach events in minority-owned newspapers. Examples of the types of advertising placed are available in Appendix E (page 27).

Outreach Materials: The TLC provided information to minority businesses and HUBs that were interested in doing business with the agency. This included information regarding the agency’s procurements, and contacts for both agency staff and key TLC contractors.

Website: Information about the TLC’s HUB Program is available via the agency’s website (txlottery.org), which also provides links to Statewide HUB Program information.

Forums: In accordance with legislative mandates, the TLC participated in conferences, forums and events to provide information regarding the agency’s procurement opportunities. As part of the TLC’s outreach program, staff attended Economic Opportunity Forums (EOFs) sponsored by state agencies and/or other governmental entities. These included forums presented by the Texas Procurement and Support Services (TPASS) division of the Comptroller of Public Accounts (CPA). In addition, the TLC participated in a number of forums, conferences and vendor fairs coordinated by other state agencies and/or small, minority- and woman-owned business organizations. A summary of the agency’s outreach efforts is provided in Appendix C (page 24) of this report.

The TLC conducted its Annual HUB Forum on June, 25, 2015, in Austin. The forum drew minority- and woman-owned companies from throughout the state. Texas Lottery Commission presenters provided an overview of the agency’s procurement opportunities and processes, as well as other information to assist HUBs. Roundtable networking sessions gave attendees the opportunity to meet face-to-face with agency management/staff and representatives from some of the TLC’s largest contractors. Vendors who attend the TLC forum consistently provide positive feedback regarding the meeting format and the opportunity to directly network with agency staff and contractors.

Subcontracting Opportunities: In FY 2015, the TLC continued to identify subcontracting opportunities for minority/HUB vendors and to monitor HUB Subcontracting Plan requirements.

FISCAL YEAR 2015 ACCOMPLISHMENTS

MENTOR-PROTÉGÉ PROGRAM

In accordance with Texas Government Code, Section 2161.065, all state agencies with biennial budgets of more than \$10 million are required to have a Mentor-Protégé Program. The purpose of the Mentor-Protégé Program is to foster long-term relationships between prime contractors and HUBs. The ultimate goal of the program is to provide developmental assistance to HUBs that will potentially increase their ability to contract directly with the state and/or to obtain subcontract opportunities under a state contract. All relationships among mentors, protégés and the program sponsor are voluntary, and participation in the agency's Mentor-Protégé Program is neither a guarantee for a contract opportunity nor a promise of business.

The TLC continued to sponsor two mentor-protégé relationships during FY 2015. The Mentor-Protégé Program is an ongoing initiative, and the TLC will continue its efforts to form additional relationships during FY 2016.

HUB DISCUSSION WORKGROUP

The TLC participates in the HUB Discussion Workgroup, an established group of HUB Coordinators from state agencies and institutions of higher education that meets on a regular basis. The workgroup shares program practices and ideas, supports outreach events, and provides input to the CPA on methods for improving the state's HUB Program.

CONTRACTOR SUPPORT

Contractors are encouraged to include minority businesses and HUBs when purchasing goods and/or services related to the fulfillment of their contracts with the TLC. When the TLC determines that subcontracting is probable for contracts with an expected value of \$100,000 or more, respondents must complete HUB subcontracting plan (HSP) forms and perform a good faith effort to use HUBs when subcontracting. The state's Centralized Master Bidders List and HUB Directory are key resources for identifying potential HUB subcontractors. Many of the TLC's largest contractors also participated in the TLC's FY 2015 HUB Forum, providing information and networking opportunities to HUBs. Through these efforts, the agency's key contractors who utilized minority and/or HUB subcontractors achieved the following results in FY 2015:

TABLE B

| CONTRACTOR NAME | MINORITY/HUB SUBCONTRACTING EXPENDITURES* |
|--|--|
| LATINWORKS MARKETING, LLC | \$9,154,910 |
| IGT CORPORATION | \$4,835,560 |
| SCIENTIFIC GAMES INTERNATIONAL, INC. | \$1,761,810 |
| POLLARD BANKNOTE, LTD. | \$1,532,505 |
| ELEPHANT PRODUCTIONS, INC. | \$595,095 |
| DK PARTNERS, P.C. (FKA DAVILA, BUSCHHORN & ASSOCIATES, P.C.) | \$201,070 |
| IGT CORPORATION (FKA GTECH PRINTING CORPORATION) | \$166,260 |
| AGENCIES OF CHANGE DBA TECHNOLOGY SPA | \$79,461 |

*Amounts have been rounded to the nearest dollar.

FISCAL YEAR 2015 ACCOMPLISHMENTS

RANK AMONG LARGEST-SPENDING AGENCIES

The Texas Lottery Commission ranked 17th in terms of overall expenditures captured by the CPA's *Fiscal Year 2015 Annual Historically Underutilized Business (HUB) Report*. Of the 17 largest-spending agencies, the TLC ranked 9th by overall HUB percentage (see Table C).

TABLE C
ANNUAL FISCAL YEAR 2015 HUB REPORT

SEVENTEEN LARGEST-SPENDING AGENCIES RANKED BY OVERALL HUB PERCENTAGE

| RANK | AGENCY NAME | TOTAL EXPENDITURES | HUB EXPENDITURES | HUB PERCENTAGE |
|----------|---|----------------------|---------------------|----------------|
| 1 | TEXAS TECH UNIVERSITY | \$192,621,473 | \$45,893,806 | 23.83% |
| 2 | TEXAS A&M UNIVERSITY (MAIN UNIVERSITY) | \$296,570,250 | \$61,285,254 | 20.66% |
| 3 | UNIVERSITY OF HOUSTON | \$229,207,807 | \$43,094,780 | 18.80% |
| 4 | UNIVERSITY OF TEXAS SYSTEM | \$724,919,151 | \$133,163,659 | 18.37% |
| 5 | HEALTH & HUMAN SERVICES COMMISSION | \$873,538,011 | \$157,532,367 | 18.03% |
| 6 | UNIVERSITY OF TEXAS AT AUSTIN | \$371,538,604 | \$61,517,036 | 16.56% |
| 7 | DEPARTMENT OF PUBLIC SAFETY | \$205,853,491 | \$30,024,094 | 14.59% |
| 8 | TEXAS DEPARTMENT OF CRIMINAL JUSTICE | \$237,123,738 | \$34,519,232 | 14.56% |
| 9 | TEXAS LOTTERY COMMISSION | \$156,647,053 | \$22,248,306 | 14.20% |
| 10 | DEPARTMENT OF STATE HEALTH SERVICES | \$381,973,296 | \$52,639,453 | 13.78% |
| 11 | UT SOUTHWESTERN MEDICAL CENTER | \$661,259,526 | \$78,750,229 | 11.91% |
| 12 | TEXAS A&M UNIVERSITY SYSTEM | \$431,971,784 | \$48,755,923 | 11.29% |
| 13 | TEXAS EDUCATION AGENCY | \$158,556,344 | \$17,505,674 | 11.04% |
| 14 | TEXAS DEPARTMENT OF TRANSPORTATION | \$6,296,364,716 | \$534,234,214 | 8.48% |
| 15 | UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON | \$407,962,526 | \$34,183,910 | 8.38% |
| 16 | GENERAL LAND OFFICE | \$321,911,803 | \$14,450,044 | 4.49% |
| 17 | UT MD ANDERSON CANCER CENTER | \$1,323,393,954 | \$59,291,345 | 4.48% |

Note: The largest-spending agencies are determined by total expenditures made for object codes which are reportable in the CPA's *Fiscal Year 2015 Annual Historically Underutilized Business (HUB) Report*. The state does not have an overall HUB goal, but utilizes six procurement category goals, in accordance with the State Disparity Study. These figures are unaudited and have been rounded to the nearest dollar.

MINORITY RETAILERS

The Texas Lottery Commission's minority retailer base consistently exceeds its statutory goal of 20 percent. In FY 2015, the agency's minority retailers numbered 8,841, which represented 50.62 percent of the Texas Lottery's total retailer base (see Figure 4 and Appendix B). This represents an increase from the previous fiscal year. In addition, the agency has maintained a minority retailer percentage of more than 45 percent for the past three fiscal years.

FISCAL YEAR 2016 RECOMMENDED IMPROVEMENTS

- Develop a Frequently Asked Question (FAQ) page regarding the HSP process.
- Work with TLC technical staff to improve internal HUB reporting capabilities.
- Track expenditures made to graduated HUBs.
- Attend at least one outreach event that includes the veteran population.
- Continue providing bid opportunities at the “Doing Business Texas Style” Spot Bid Fair.
- Include TLC Purchasing staff in additional HUB outreach events.
- Maintain active participation in the HUB Discussion Workgroup.



APPENDICES

| | |
|---|----|
| A. Definitions | 16 |
| B. Minority Retailers by County | 18 |
| C. Fiscal Year 2015 HUB, Minority and Small Business Outreach Events..... | 24 |
| D. Workforce Diversity Human Resources Statement | 25 |
| E. Sample Advertisements in Minority Newspapers | 27 |

DEFINITIONS

MINORITY BUSINESS: As defined in Texas Government Code §466.107 (b), “Minority Business” means a business entity at least 51 percent of which is owned by minority group members or, in the case of a corporation, at least 51 percent of the shares are owned by minority group members, and that:

- 1) is managed and, in daily operations, is controlled by minority group members; and
- 2) is a domestic business entity with a home or branch office located in this state and is not a branch or subsidiary of a foreign corporation, firm or other business entity.

“MINORITY GROUP MEMBERS” include African Americans, American Indians, Asian Americans, and Mexican Americans and other Americans of Hispanic origin.

HISTORICALLY UNDERUTILIZED BUSINESS (HUB): As defined in Texas Government Code, §2161.001 subdivisions (2) and (3), “historically underutilized business” means an entity with its principal place of business in the state of Texas that is:

- 1) a corporation formed for the purpose of making a profit in which 51 percent or more of all classes of the shares of stock or other equitable securities are owned by one or more economically disadvantaged persons who have a proportionate interest and actively participate in the corporation’s control, operation and management;
- 2) a sole proprietorship created for the purpose of making a profit that is completely owned, operated, and controlled by an economically disadvantaged person;
- 3) a partnership formed for the purpose of making a profit in which 51 percent or more of the assets and interest in the partnership are owned by one or more economically disadvantaged persons who have a proportionate interest and actively participate in the control, operation and management;
- 4) a joint venture in which each entity in the venture is a historically underutilized business, as determined under another paragraph of this subdivision; or
- 5) a supplier contract between a historically underutilized business determined under another paragraph of this subdivision and a prime contractor under which the historically underutilized business is directly involved in the manufacture or distribution of the goods or otherwise warehouses and ships the goods.

“ECONOMICALLY DISADVANTAGED” PERSON means a person who is economically disadvantaged because of the person’s identification as a member of a certain group, including Black Americans, Hispanic Americans, women, Asian Pacific Americans, Native Americans, and veterans as defined by 38 U.S.C. Section 101(2) who have suffered at least a 20 percent service-connected disability as defined by 38 U.S.C. Section 101(16), and who has suffered the effects of discriminatory practices or other similar insidious circumstances over which the person has no control.

APPENDIX A

DEFINITIONS

COMMISSION: As defined in Texas Government Code, §466.002(1), “Commission” means the Texas Lottery Commission.

HUB SUBCONTRACTING PLAN: As defined by Texas Administrative Code Title 34, Part 1, Chapter 20, Subchapter B, Rule §20.11, a HUB subcontracting plan is “written documentation regarding the use of subcontractors, which is required to be submitted with all responses to state agency contracts with an expected value of \$100,000 or more where subcontracting opportunities have been determined by the state agency to be probable. The HUB subcontracting plan subsequently becomes a provision of the awarded contract, and shall be monitored for compliance by the state agency during the term of the contract.”

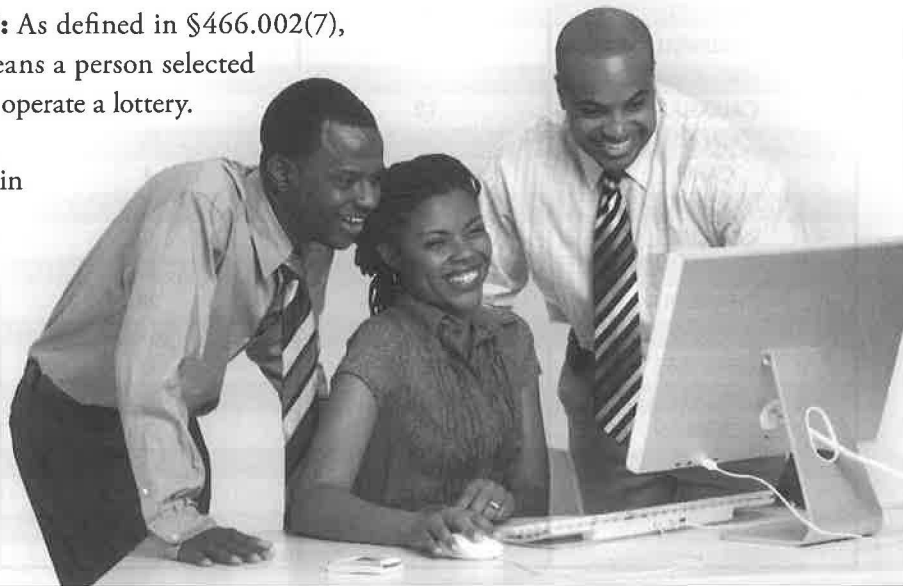
LOTTERY: As defined in Texas Government Code, §466.002(5), “lottery” means the procedures operated by the state under this chapter through which prizes are awarded or distributed by chance among persons who have paid, or unconditionally agreed to pay, for a chance or other opportunity to receive a prize.

SALES AGENT OR SALES AGENCY: As defined in Texas Government Code §466.002(9), “sales agent” or “sales agency” means a person licensed under this chapter to sell tickets. Throughout this report, sales agents are referred to as “retailers.”

SUBCONTRACTOR: As defined in Texas Government Code §2251.001, “subcontractor” means a person who contracts with a vendor to work or contribute toward completing work for a governmental entity.

LOTTERY OPERATOR: As defined in §466.002(7), “lottery operator” means a person selected under §466.014(b) to operate a lottery.

VENDOR: As defined in Texas Government Code §2251.001, “vendor” means a person who supplies goods or a service to a governmental entity or another person directed by the entity.



MINORITY RETAILERS BY COUNTY

| COUNTY | TOTAL RETAILERS | MINORITY RETAILERS | PERCENTAGE |
|-----------|-----------------|--------------------|------------|
| ANDERSON | 108 | 51 | 47.22% |
| ANDREWS | 8 | 1 | 12.50% |
| ANGELINA | 64 | 34 | 53.13% |
| ARANSAS | 21 | 6 | 28.57% |
| ARCHER | 11 | 4 | 36.36% |
| ARMSTRONG | 3 | 1 | 33.33% |
| ATASCOSA | 34 | 16 | 47.06% |
| AUSTIN | 35 | 26 | 74.29% |
| BAILEY | 7 | 0 | 0.00% |
| BANDERA | 12 | 4 | 33.33% |
| BASTROP | 63 | 36 | 57.14% |
| BAYLOR | 4 | 0 | 0.00% |
| BEE | 19 | 9 | 47.37% |
| BELL | 213 | 91 | 42.72% |
| BEXAR | 950 | 515 | 54.21% |
| BLANCO | 13 | 6 | 46.15% |
| BORDEN | 0 | 0 | 0.00% |
| BOSQUE | 30 | 14 | 46.67% |
| BOWIE | 54 | 19 | 35.19% |
| BRAZORIA | 183 | 129 | 70.49% |
| BRAZOS | 128 | 85 | 66.41% |
| BREWSTER | 9 | 2 | 22.22% |
| BRISCOE | 2 | 0 | 0.00% |
| BROOKS | 6 | 2 | 33.33% |
| BROWN | 34 | 8 | 23.53% |
| BURLESON | 24 | 16 | 66.67% |
| BURNET | 36 | 20 | 55.56% |
| CALDWELL | 25 | 6 | 24.00% |
| CALHOUN | 17 | 8 | 47.06% |
| CALLAHAN | 12 | 3 | 25.00% |
| CAMERON | 183 | 59 | 32.24% |
| CAMP | 12 | 4 | 33.33% |
| CARSON | 5 | 0 | 0.00% |
| CASS | 24 | 8 | 33.33% |
| CASTRO | 7 | 0 | 0.00% |
| CHAMBERS | 47 | 28 | 59.57% |
| CHEROKEE | 40 | 22 | 55.00% |
| CHILDRESS | 7 | 0 | 0.00% |
| CLAY | 5 | 1 | 20.00% |
| COCHRAN | 7 | 2 | 28.57% |
| COKE | 4 | 2 | 50.00% |
| COLEMAN | 9 | 1 | 11.11% |
| COLLIN | 332 | 159 | 47.89% |

APPENDIX B

MINORITY RETAILERS BY COUNTY

| COUNTY | TOTAL RETAILERS | MINORITY RETAILERS | PERCENTAGE |
|---------------|-----------------|--------------------|------------|
| COLLINGSWORTH | 2 | 0 | 0.00% |
| COLORADO | 33 | 21 | 55.56% |
| COMAL | 67 | 14 | 18.46% |
| COMANCHE | 13 | 2 | 7.69% |
| CONCHO | 5 | 0 | 0.00% |
| COOKE | 38 | 18 | 42.11% |
| CORYELL | 34 | 11 | 35.29% |
| COTTLE | 2 | 1 | 50.00% |
| CRANE | 5 | 1 | 20.00% |
| CROCKETT | 7 | 2 | 16.67% |
| CROSBY | 9 | 1 | 0.00% |
| CULBERSON | 7 | 2 | 30.00% |
| DALLAM | 11 | 1 | 0.00% |
| DALLAS | 1,638 | 1,016 | 57.84% |
| DAWSON | 8 | 2 | 33.33% |
| DEAF SMITH | 14 | 1 | 6.67% |
| DELTA | 3 | 1 | 33.33% |
| DENTON | 319 | 152 | 44.34% |
| DE WITT | 16 | 3 | 20.00% |
| DICKENS | 3 | 1 | 33.33% |
| DIMMIT | 15 | 8 | 66.67% |
| DONLEY | 5 | 1 | 0.00% |
| DUVAL | 13 | 5 | 42.86% |
| EASTLAND | 26 | 5 | 16.00% |
| ECTOR | 102 | 22 | 19.00% |
| EDWARDS | 3 | 1 | 33.33% |
| ELLIS | 100 | 45 | 42.00% |
| EL PASO | 371 | 133 | 35.03% |
| ERATH | 28 | 13 | 50.00% |
| FALLS | 16 | 7 | 37.50% |
| FANNIN | 26 | 13 | 41.67% |
| FAYETTE | 23 | 7 | 27.27% |
| FISHER | 4 | 1 | 25.00% |
| FLOYD | 5 | 0 | 0.00% |
| FOARD | 1 | 0 | 0.00% |
| FORT BEND | 295 | 189 | 62.94% |
| FRANKLIN | 7 | 3 | 42.86% |
| FREESTONE | 23 | 7 | 30.43% |
| FRIO | 21 | 11 | 45.00% |
| GAINES | 9 | 1 | 20.00% |
| GALVESTON | 280 | 192 | 67.73% |
| GARZA | 5 | 0 | 0.00% |
| GILLESPIE | 11 | 1 | 15.38% |

MINORITY RETAILERS BY COUNTY

| COUNTY | TOTAL RETAILERS | MINORITY RETAILERS | PERCENTAGE |
|------------|-----------------|--------------------|------------|
| GLASSCOCK | 1 | 1 | 0.00% |
| GOLIAD | 4 | 4 | 0.00% |
| GONZALES | 18 | 18 | 44.44% |
| GRAY | 19 | 19 | 26.32% |
| GRAYSON | 108 | 108 | 39.81% |
| GREGG | 133 | 133 | 36.09% |
| GRIMES | 28 | 28 | 75.00% |
| GUADALUPE | 77 | 77 | 36.36% |
| HALE | 24 | 24 | 8.33% |
| HALL | 5 | 5 | 20.00% |
| HAMILTON | 11 | 11 | 18.18% |
| HANSFORD | 4 | 4 | 0.00% |
| HARDEMAN | 7 | 7 | 0.00% |
| HARDIN | 50 | 50 | 10.00% |
| HARRIS | 3,260 | 3,260 | 73.25% |
| HARRISON | 46 | 46 | 41.30% |
| HARTLEY | 0 | 0 | 0.00% |
| HASKELL | 6 | 6 | 16.67% |
| HAYS | 90 | 90 | 28.89% |
| HEMPHILL | 6 | 6 | 33.33% |
| HENDERSON | 63 | 63 | 58.73% |
| HIDALGO | 360 | 360 | 42.78% |
| HILL | 45 | 45 | 33.33% |
| HOCKLEY | 15 | 15 | 6.67% |
| HOOD | 48 | 48 | 20.83% |
| HOPKINS | 28 | 28 | 35.71% |
| HOUSTON | 35 | 35 | 68.57% |
| HOWARD | 27 | 27 | 7.41% |
| HUDSPETH | 4 | 4 | 50.00% |
| HUNT | 71 | 71 | 56.34% |
| HUTCHINSON | 17 | 17 | 17.65% |
| IRION | 5 | 5 | 20.00% |
| JACK | 10 | 10 | 30.00% |
| JACKSON | 18 | 18 | 44.44% |
| JASPER | 37 | 37 | 13.51% |
| JEFF DAVIS | 2 | 2 | 0.00% |
| JEFFERSON | 268 | 268 | 32.46% |
| JIM HOGG | 5 | 5 | 40.00% |
| JIM WELLS | 39 | 39 | 53.85% |
| JOHNSON | 111 | 111 | 39.64% |
| JONES | 12 | 12 | 16.67% |
| KARNES | 16 | 16 | 18.75% |
| KAUFMAN | 94 | 94 | 53.19% |

APPENDIX B

MINORITY RETAILERS BY COUNTY

| COUNTY | TOTAL RETAILERS | MINORITY RETAILERS | PERCENTAGE |
|------------|-----------------|--------------------|------------|
| KENDALL | 25 | 12 | 48.00% |
| KENEDY | 0 | 0 | 0.00% |
| KENT | 0 | 0 | 0.00% |
| KERR | 35 | 1 | 2.86% |
| KIMBLE | 12 | 3 | 25.00% |
| KING | 0 | 0 | 0.00% |
| KINNEY | 3 | 0 | 0.00% |
| KLEBERG | 28 | 17 | 60.71% |
| KNOX | 4 | 0 | 0.00% |
| LAMAR | 40 | 14 | 35.00% |
| LAMB | 14 | 1 | 7.14% |
| LAMPASAS | 15 | 5 | 33.33% |
| LA SALLE | 10 | 4 | 40.00% |
| LAVACA | 22 | 8 | 36.36% |
| LEE | 21 | 14 | 66.67% |
| LEON | 28 | 13 | 46.43% |
| LIBERTY | 79 | 49 | 62.03% |
| LIMESTONE | 24 | 13 | 54.17% |
| LIPSCOMB | 3 | 0 | 0.00% |
| LIVE OAK | 19 | 3 | 15.79% |
| LLANO | 21 | 5 | 23.81% |
| LOVING | 0 | 0 | 0.00% |
| LUBBOCK | 156 | 33 | 21.15% |
| LYNN | 3 | 0 | 0.00% |
| MADISON | 13 | 9 | 69.23% |
| MARION | 15 | 8 | 53.33% |
| MARTIN | 1 | 0 | 0.00% |
| MASON | 5 | 1 | 20.00% |
| MATAGORDA | 41 | 27 | 65.85% |
| MAVERICK | 29 | 15 | 51.72% |
| MCCULLOCH | 7 | 1 | 14.29% |
| MCLENNAN | 189 | 84 | 44.44% |
| MCMULLEN | 4 | 0 | 0.00% |
| MEDINA | 30 | 10 | 33.33% |
| MENARD | 4 | 1 | 25.00% |
| MIDLAND | 82 | 8 | 9.76% |
| MILAM | 24 | 5 | 20.83% |
| MILLS | 4 | 0 | 0.00% |
| MITCHELL | 6 | 0 | 0.00% |
| MONTAGUE | 16 | 6 | 37.50% |
| MONTGOMERY | 334 | 207 | 61.98% |
| MOORE | 21 | 6 | 28.57% |
| MORRIS | 11 | 6 | 54.55% |

MINORITY RETAILERS BY COUNTY

| COUNTY | TOTAL RETAILERS | MINORITY RETAILERS | PERCENTAGE |
|---------------|-----------------|--------------------|------------|
| MOTLEY | 3 | 0 | 0.00% |
| NACOGDOCHES | 56 | 31 | 55.36% |
| NAVARRO | 49 | 21 | 42.86% |
| NEWTON | 14 | 3 | 21.43% |
| NOLAN | 21 | 3 | 14.29% |
| NUECES | 229 | 78 | 34.06% |
| OCHILTREE | 9 | 2 | 22.22% |
| OLDHAM | 3 | 1 | 33.33% |
| ORANGE | 88 | 23 | 26.14% |
| PALO PINTO | 41 | 9 | 21.95% |
| PANOLA | 17 | 7 | 41.18% |
| PARKER | 59 | 28 | 47.46% |
| PARMER | 8 | 0 | 0.00% |
| PECOS | 19 | 7 | 36.84% |
| POLK | 38 | 22 | 57.89% |
| POTTER | 102 | 44 | 43.14% |
| PRESIDIO | 5 | 1 | 20.00% |
| RAINS | 11 | 6 | 54.55% |
| RANDALL | 54 | 12 | 22.22% |
| REAGAN | 4 | 0 | 0.00% |
| REAL | 6 | 4 | 66.67% |
| RED RIVER | 12 | 6 | 50.00% |
| REEVES | 12 | 1 | 8.33% |
| REFUGIO | 12 | 5 | 41.67% |
| ROBERTS | 1 | 0 | 0.00% |
| ROBERTSON | 23 | 10 | 43.48% |
| ROCKWALL | 38 | 15 | 39.47% |
| RUNNELS | 14 | 1 | 7.14% |
| RUSK | 29 | 9 | 31.03% |
| SABINE | 12 | 2 | 16.67% |
| SAN AUGUSTINE | 13 | 6 | 46.15% |
| SAN JACINTO | 19 | 16 | 84.21% |
| SAN PATRICIO | 61 | 21 | 34.43% |
| SAN SABA | 7 | 2 | 28.57% |
| SCHLEICHER | 4 | 0 | 0.00% |
| SCURRY | 17 | 2 | 11.76% |
| SHACKELFORD | 5 | 0 | 0.00% |
| SHELBY | 22 | 9 | 40.91% |
| SHERMAN | 2 | 0 | 0.00% |
| SMITH | 148 | 82 | 55.41% |
| SOMERVELL | 11 | 4 | 36.36% |
| STARR | 45 | 26 | 57.78% |
| STEPHENS | 10 | 5 | 50.00% |

APPENDIX B

MINORITY RETAILERS BY COUNTY

| COUNTY | TOTAL RETAILERS | MINORITY RETAILERS | PERCENTAGE |
|--------------|-----------------|--------------------|---------------|
| STERLING | 2 | 0 | 0.00% |
| STONEWALL | 1 | 0 | 0.00% |
| SUTTON | 8 | 0 | 0.00% |
| SWISHER | 5 | 0 | 0.00% |
| TARRANT | 1,181 | 606 | 51.31% |
| TAYLOR | 107 | 9 | 8.41% |
| TERRELL | 2 | 1 | 50.00% |
| TERRY | 9 | 0 | 0.00% |
| THROCKMORTON | 2 | 0 | 0.00% |
| TITUS | 29 | 13 | 44.83% |
| TOM GREEN | 73 | 11 | 15.07% |
| TRAVIS | 627 | 221 | 35.25% |
| TRINITY | 18 | 8 | 44.44% |
| TYLER | 19 | 5 | 26.32% |
| UPSHUR | 24 | 13 | 54.17% |
| UPTON | 6 | 2 | 33.33% |
| UVALDE | 29 | 9 | 31.03% |
| VAL VERDE | 21 | 5 | 23.81% |
| VAN ZANDT | 39 | 22 | 56.41% |
| VICTORIA | 67 | 25 | 37.31% |
| WALKER | 52 | 33 | 63.46% |
| WALLER | 36 | 24 | 66.67% |
| WARD | 14 | 6 | 42.86% |
| WASHINGTON | 33 | 13 | 39.39% |
| WEBB | 116 | 44 | 37.93% |
| WHARTON | 51 | 30 | 58.82% |
| WHEELER | 9 | 1 | 11.11% |
| WICHITA | 105 | 46 | 43.81% |
| WILBARGER | 10 | 1 | 10.00% |
| WILLACY | 13 | 6 | 46.15% |
| WILLIAMSON | 188 | 72 | 38.30% |
| WILSON | 29 | 10 | 34.48% |
| WINKLER | 7 | 1 | 14.29% |
| WISE | 46 | 19 | 41.30% |
| WOOD | 27 | 13 | 48.15% |
| YOAKUM | 8 | 0 | 0.00% |
| YOUNG | 18 | 4 | 22.22% |
| ZAPATA | 14 | 10 | 71.43% |
| ZAVALA | 13 | 9 | 69.23% |
| TOTAL | 17,466 | 8,841 | 50.62% |

APPENDIX C

FISCAL YEAR 2015 HUB, MINORITY AND SMALL BUSINESS OUTREACH EVENTS

| I. STATE ECONOMIC OPPORTUNITY FORUMS | LOCATION |
|---|-------------|
| 2015 SOUTH TEXAS INAUGURAL BUSINESS OPPORTUNITY FORUM | BROWNSVILLE |
| 3RD ANNUAL HUB EVENT "TAKING CARE OF BUSINESS" | AUSTIN |
| TEXAS TECH UNIVERSITY SMALL BUSINESS EXPO | LUBBOCK |
| "DOING BUSINESS TEXAS STYLE" AT ACCESS 2015 | IRVING |
| TRS 14TH ANNUAL PURCHASING AND HUB CONNECTION NETWORKING FORUM | AUSTIN |
| GOVERNOR'S SMALL BUSINESS FORUM | AUSTIN |
| TEXAS PROCUREMENT AND SUPPORT SERVICES 2015 PROCUREMENT CONNECTION SEMINAR AND EXPO | AUSTIN |
| II. TEXAS LOTTERY COMMISSION FORUMS | |
| TEXAS LOTTERY COMMISSION ANNUAL HUB FORUM | AUSTIN |
| III. VENDOR FAIRS, CONFERENCES & PROCUREMENT EVENTS | |
| HOUSTON MINORITY BUSINESS SUPPLIER DEVELOPMENT COUNCIL EXPO | HOUSTON |
| BEXAR COUNTY 14TH ANNUAL SMALL, MINORITY, WOMAN AND VETERAN BUSINESS OWNER'S CONTRACTING CONFERENCE | SAN ANTONIO |
| 9TH ANNUAL FORT HOOD REGION PROCUREMENT CONFERENCE AND EXPOSITION | KILLEEN |
| 11TH PROCUREMENT AND CONTRACTING SYMPOSIUM | EL PASO |

APPENDIX D

FISCAL YEAR 2015 WORKFORCE DIVERSITY HUMAN RESOURCES STATEMENT

The Commission strives to ensure that its employee population reflects the ethnic and gender composition of the state of Texas. A workforce comprising **over 60 percent** women and **46 percent** minorities is the result of our positive approach to equal opportunity practices (see table below).

The Commission takes great pride in its workforce diversity. Efforts to maintain and enhance this diversity are apparent in the open and fair availability of employment opportunities to all members of the public, as well as to Commission employees. Commission staff is expected to treat others with respect, regardless of individual differences and lifestyle choices. The Commission recognizes that maintaining a diverse workforce plays a role in reaching our goal of increased minority participation. This recognition of the value of employee uniqueness is an important factor in the Commission's overall effectiveness.

Programs and policies that aid in accomplishing the goal of workforce diversity include:

- Encouraging a TEAM Approach
- Emphasizing employment recruiting and retention
- Monitoring workforce demographics
- Defining management roles and responsibilities
- Equal Employment Opportunity (EEO) training for management

TEXAS LOTTERY COMMISSION WORKFORCE

**TEXAS LOTTERY EMPLOYEES BY ETHNICITY
FISCAL YEAR 2015**

| ETHNICITY | NUMBER OF EMPLOYEES | % OF AGENCY EMPLOYEES |
|-------------------------|---------------------|-----------------------|
| AFRICAN AMERICAN | 40 | 12.01% |
| HISPANIC AMERICAN | 101 | 30.33% |
| ASIAN AMERICAN | 10 | 3.00% |
| NATIVE AMERICAN | 3 | 0.90% |
| TOTAL MINORITIES | 154 | 46.24% |
| CAUCASIAN | 179 | 53.76% |
| TOTAL EMPLOYEES | 333 | 100% |

**TEXAS LOTTERY EMPLOYEES BY GENDER
FISCAL YEAR 2015**

| ETHNICITY | NUMBER OF MALES | % OF AGENCY EMPLOYEES |
|-------------------------------|-------------------|-----------------------|
| AFRICAN AMERICAN | 10 | 3.00% |
| HISPANIC AMERICAN | 32 | 9.61% |
| ASIAN AMERICAN | 5 | 1.50% |
| NATIVE AMERICAN | 3 | 0.90% |
| CAUCASIAN | 81 | 24.33% |
| TOTAL MALES | 131 | 39.34% |
| ETHNICITY | NUMBER OF FEMALES | % OF AGENCY EMPLOYEES |
| AFRICAN AMERICAN | 30 | 9.01% |
| HISPANIC AMERICAN | 69 | 20.72% |
| ASIAN AMERICAN | 5 | 1.50% |
| NATIVE AMERICAN | 0 | 0% |
| CAUCASIAN | 98 | 29.43% |
| TOTAL FEMALES | 202 | 60.66% |
| TOTAL AGENCY EMPLOYEES | 333 | 100% |

APPENDIX E

SAMPLE ADVERTISEMENTS IN MINORITY NEWSPAPERS

SAMPLE ADVERTISEMENTS IN MINORITY NEWSPAPERS

HUB CERTIFICATION

IT'S A WINNING IDEA!

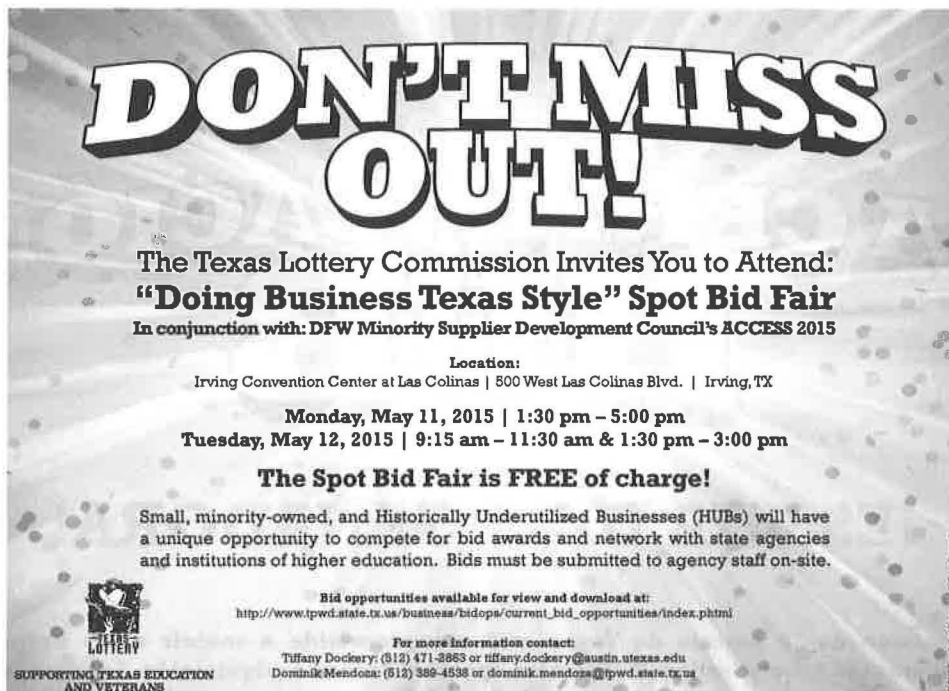
The Texas Lottery Commission is committed to including Historically Underutilized Businesses (HUBs) in its procurement opportunities. Your minority or woman-owned company may qualify to be certified as a Historically Underutilized Business (HUB) with the State of Texas.

For information about state certification and Texas Lottery opportunities, contact our HUB Coordinator,
Joyce Bertolacini at (512) 344-5293 or
joyce.bertolacini@lottery.state.tx.us

To learn more about the State of Texas HUB Program, visit the Texas Procurement and Support Services web page at:
<http://www.window.state.tx.us/procurement/prog/hub/>

© 2015 Texas Lottery Commission. All Rights Reserved.

SAMPLE ADVERTISEMENTS IN MINORITY NEWSPAPERS



DON'T MISS OUT!


The Texas Lottery Commission Invites You to Attend:
"Doing Business Texas Style" Spot Bid Fair
In conjunction with: DFW Minority Supplier Development Council's ACCESS 2015

Location:
Irving Convention Center at Las Colinas | 500 West Las Colinas Blvd. | Irving, TX

Monday, May 11, 2015 | 1:30 pm – 5:00 pm
Tuesday, May 12, 2015 | 9:15 am – 11:30 am & 1:30 pm – 3:00 pm

The Spot Bid Fair is FREE of charge!

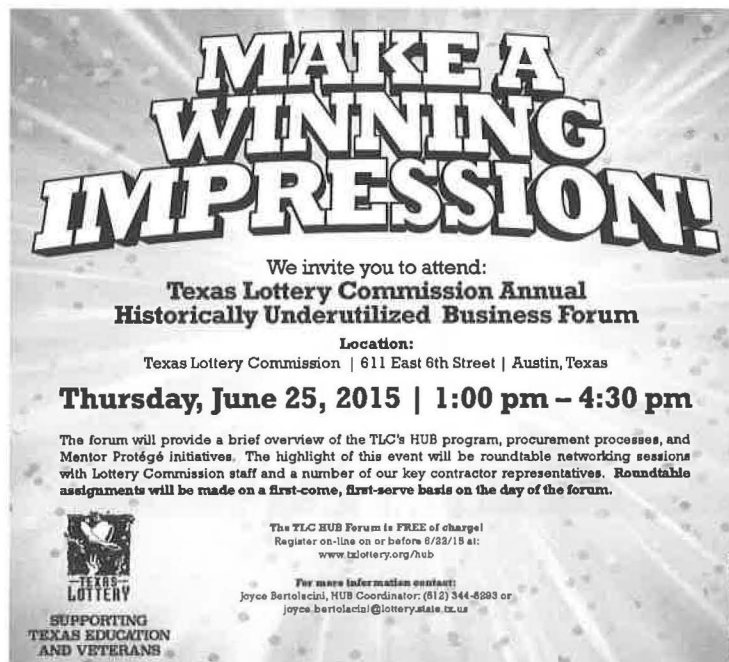
Small, minority-owned, and Historically Underutilized Businesses (HUBs) will have a unique opportunity to compete for bid awards and network with state agencies and institutions of higher education. Bids must be submitted to agency staff on-site.


SUPPORTING TEXAS EDUCATION AND VETERANS

Bid opportunities available for view and download at:
http://www.tpwd.state.tx.us/business/bidops/current_bid_opportunities/index.phtml

For more information contact:
Tiffany Dockery: (512) 471-3863 or tiffany.dockery@austin.utexas.edu
Dominik Mendoza: (512) 389-4538 or dominik.mendoza@tpwd.state.tx.us

© 2015 Texas Lottery Commission. All Rights Reserved.




MAKE A WINNING IMPRESSION!

We invite you to attend:
**Texas Lottery Commission Annual
Historically Underutilized Business Forum**

Location:
Texas Lottery Commission | 611 East 6th Street | Austin, Texas

Thursday, June 25, 2015 | 1:00 pm – 4:30 pm

The forum will provide a brief overview of the TLC's HUB program, procurement processes, and Mentor Protégé initiatives. The highlight of this event will be roundtable networking sessions with Lottery Commission staff and a number of our key contractor representatives. Roundtable assignments will be made on a first-come, first-serve basis on the day of the forum.


SUPPORTING TEXAS EDUCATION AND VETERANS

The TLC HUB Forum is FREE of charge!
Register on-line on or before 6/22/15 at:
www.tlottery.org/hub

For more information contact:
Joyce Bertolacini, HUB Coordinator: (512) 344-6983 or
joyce.bertolacini@lottery.state.tx.us

© 2015 Texas Lottery Commission. All Rights Reserved.

LA CERTIFICACIÓN HUB

¡ES UNA IDEA GANADORA!

La Comisión de la Lotería de Texas está comprometida a incluir a las Empresas Históricamente Subutilizadas (HUB) en las oportunidades de adquisición. Las compañías de dueños minoritarios o mujeres podrán calificar para ser certificadas como las Empresas Históricamente Subutilizadas (HUB) por el Estado de Texas.

Para más información acerca de la certificación del estado y las oportunidades de la Lotería de Texas, contacte a **Joyce Bertolacini** al (512) 344-5293 o joyce.bertolacini@lottery.state.tx.us

Para saber más acerca del programa HUB del Estado de Texas, visite la página web de información y soporte de los servicios de adquisiciones:
<http://www.window.state.tx.us/procurement/prog/hub/>



© 2013 Texas Lottery Commission. Todos los derechos reservados.

SAMPLE ADVERTISEMENTS IN MINORITY NEWSPAPERS

¡NO TE LO PIERDAS!

La Comisión de la Lotería de Texas te invita a asistir a la
Feria de Licitaciones para "Hacer Negocios al Estilo Texano"
 En conjunto con: ACCESS 2015 del DFW Minority Supplier Development Council

Lugar:
 Irving Convention Center en Las Colinas | 600 West Las Colinas Blvd. | Irving, TX

Lunes, 11 de Mayo de 2015 | 1:30 pm - 5:00 pm
Martes, 12 de Mayo de 2015 | 9:15 am - 11:30 am y 1:30 pm - 3:00 pm

¡La Feria de Licitaciones es GRATUITA!

Las Empresas Pequeñas, propiedad de minorías e Históricamente Subutilizadas (HUBs, por sus siglas en inglés) tendrán la oportunidad de concursar por proyectos y de hacer valiosos contactos con instituciones de educación superior y agencias estatales. Las propuestas deberán entregarse al personal de la agencia presente en el evento.

Puedes ver y bajar las oportunidades de propuestas disponibles en:
http://www.tpwd.state.tx.us/business/bidops/current_bid_opportunities/index.php

Para más información contacta:
 Tiffany Dockery: (512) 471-2863 o tiffany.dockery@austin.utexas.edu
 Dominik Mendoza: (512) 368-4838 o dominik.mendoza@tpwd.state.tx.us



**APOYAMOS LA EDUCACIÓN
 Y A LOS VETERANOS EN TEXAS**

¡HAZ UNA GRAN IMPRESIÓN!

Te invitamos a asistir a:
El Foro Anual de Empresas Históricamente Subutilizadas de La Comisión de la Lotería de Texas


Lugar: Texas Lottery Commission | 611 East 6th Street | Austin, Texas

Jueves 25 de junio, 2015 | 1:00 pm – 4:30 pm

El foro ofrecerá un breve resumen del programa HUB de TLC, procesos de adquisición, e iniciativas de Mentor y Discípulo. El punto culminante de este evento será la oportunidad de hacer valiosos contactos con personal de la Comisión de Lotería y con varios de nuestros representantes contratistas. **Asignaciones a la mesa redonda se basaran por orden en el que lleguen en el día del foro.**

Puedes ver y bajar las oportunidades de propuestas disponibles en:
 Regístrate por internet a más tardar el 22/6/15 en: www.txlottery.org/hub

Para más información contacta:
 Joyce Bertolacini, Coordinadora de HUB: (512) 344-8293 o joyce.bertolacini@lottery.state.tx.us



**APOYAMOS LA EDUCACIÓN
 Y A LOS VETERANOS EN TEXAS**

SAMPLE ADVERTISEMENTS IN MINORITY NEWSPAPERS



HUB 认证

致胜之道！

德州乐透委员会承诺，在其采购机会中包括历史上未被充分利用的企业(HUB)。
您的少数民族或妇女拥有的公司可能有资格
获德州认证为历史上未充分利用的企业。

有关州认证及德州乐透委员会机会的详情，请联系HUB协调员
Joyce Bertolacini，电话：(512) 344-5293或电邮：
joyce.bertolacini@lottery.state.tx.us



若想了解德州HUB计划，请访问德州
采购及支持服务网页，网址：
<http://www.window.state.tx.us/procurement/prog/hub/>

© 2013 Texas Lottery Commission. 保留所有权利。

SAMPLE ADVERTISEMENTS IN MINORITY NEWSPAPERS

良机勿失!

德州乐透委员会邀请您参加:
“德州式营商”现场暗标交易会
联办单位: DFW少数民族供应商发展委员会 ACCESS 2015

地点:
Irving Convention Center at Las Colinas | 800 West Las Colinas Blvd. | Irving, TX

2015年5月11日(星期一) 下午1:30-5:00
2015年5月12日(星期二) 上午9:15-11:30 及下午 1:30-3:00

免费参加现场暗标交易会!

小型、少数民族裔商有及在历史上未被充分利用的企业(HUB)可借此难得的机会竞标各项目, 并与州及高等教育机构建立联系。暗标必须交给在现场的机构工作人员。

查看及下载投标项目请访问:
http://www.tpwd.state.tx.us/business/hidopa/current_bid_opportunities/index.php

详细联络:
Tiffany Dockery: (512) 471-3563 或 tiffany.dockery@texaslottery.com
Dominik Mendoza: (512) 389-4538 或 dominik.mendoza@tpwd.state.tx.us



支持德州教育及退伍军人

预留这一天!

我们邀请您参加:
德州乐透委员会每年一度的
历史上未被充分利用的企业论坛

地点:
Texas Lottery Commission | 611 East 6th Street | Austin, Texas

2015年6月25日(星期四)下午1:00-4:30

本论坛将提供简报介绍, 帮助您认识德州乐透委员会的历史上未被充分利用的企业(HUB)计划、采购程序, 以及聘任计划。本次活动的亮点是与德州乐透委员会职员和我们主要承包商的代表举行关系网圆桌会议。圆桌席位在论坛举行当天分配, 先到先得。

参加德州乐透委员会HUB论坛是免费的!
请于2015年6月25日之前在网上登记。
网址: www.tlottery.org/hub



德州乐透彩票支持德州教育及退伍军人

详细联络:
HUB联络员 Joyce Bertolacini: 电话: (512) 344-6263 或
电邮: joyce.bertolacini@lottery.state.tx.us