

MINUTES OF THE MEETING  
STATE ADMINISTRATION COMMITTEE  
MONTANA STATE SENATE

February 12, 1985

The twenty-fourth meeting of the State Administration Committee was called to order by the Chairman Jack Haffey, on Tuesday, February 12, 1985, at 10 a.m. in Room 331, Capitol.

ROLL CALL: All the members were present with Senator Tveit arriving late.

CONSIDERATION OF SENATE BILL 207: Joe Mazurek, Senate District 23, is the sponsor of this bill entitled, "AN ACT REQUIRING THAT STATE PRINTING CONTRACTS INCLUDE ALL OPERATIONS NECESSARY TO PRODUCE A FINISHED PRINTED PRODUCT; INCREASING THE RESIDENT BIDDER PREFERENCE FOR PRINTING FROM 3 PERCENT TO 10 PERCENT; AMENDING SECTIONS ..., MCA; AND PROVIDING AN EFFECTIVE DATE AND AN APPLICABILITY DATE." Senator Mazurek said that he was sponsoring this bill at the request of the printers. He thinks this bill has some problems but arises out of noble intention and purpose. Publication and Graphic Arts Division is the division that does the printing in the state. I first became aware of the problem when a controversy arose over the prison industry getting into the furniture trade. Private industry was afraid that the state was going into business to compete against them. A number of printers came to me and the same thing is happening with the Division of Publication and Graphic Arts. This has a detrimental impact on businesses across the state. Senator Mazurek felt that as the paperwork for the state increases, it will have an even greater effect on private industry. The Division of Publication and Graphic Arts gets paid for what it does because it is on a revolving account, which operates like private business. They are a large operation and it has grown rapidly. Senator Mazurek said this came out in 1979 when the printing control act established the Division that would assist other government agencies in making sure they get the most for their money printing wise. The Division of Publication and Graphics would have expertise to make sure that departments would not pay more than it should pay for printing. This Division has an extensive print shop, for which they have bought equipment lately which will expand their ability to do work cheaper. Senator Mazurek further said that he had heard from a lot of state agencies telling him that he was restricting what they can do in their own offices and making them send out confidential reports to be printed commercially. Senator Mazurek further stated that he was very much in favor of raising the in-state preference from 3% to 10%.

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PROPOSERS: Bill Schneider, Falcon Press, supports this bill. Mr. Schneider very much supports this bill, but feels that it goes too far. He feels the purpose is to limit the growth in the Division of Publication and Graphic Arts, and it should not affect other state agencies. He feels that the Division is his biggest competitor, and he is sure the legislature did not mean for them to get into the printing business. He does not believe that this is saving the taxpayers money, but he cannot prove it.

George Allen, Montana Retail Association, supports this bill. Mr. Allen has seen this same problem crop up in all areas. If it keeps up, he feels, the state will be the only employer in the state. Mr. Allen said they think they have reached a compromise to keep the prison from infringing on private enterprise. He questions whether or not they are saving that much money by the state being in competition with the private sector.

Stan Thurston, Thurber Printing, supports this bill. He said that he wished he had had time to read John LaFaver's testimony for removing the state from the liquor business because this could apply to the printing business as well. Mr. Thurston said he has watched this Division grow to where many small printing shops are out of business. He also feels that the printing business needs help with out-of-state bidders. He said that many jobs are going to the out-of-state bidders and our state's preference should be higher. He said if these bidders had to live in Montana, and pay our taxes, and the prevailing wages, their bids would be higher. Mr. Thurston feels that in-state bidders should have this preference.

Riley Johnson, National Federation of Business, supports this bill. He agrees with the sentiments listed above, and feels that there are all kinds of businesses to be looked at.

Mike Murray, Action Printing, supports this bill. He feels there is getting to be a limited amount of state work.

OPPOSERS: Don Breiby, Administrator for the Division of Publication and Graphic Arts, opposes this bill. Mr. Breiby said that prior to the last legislative session various agencies of the state felt that they were being charged too much for printing and this office was set up to do it cheaper, and to co-ordinate state printing jobs being sent out. He feels that his office has been very thoroughly studied, including a report by Arthur E. Blumenthal Consultant to the Printing Industry, who recommends that this is the most cost effective way to go. (For handouts see Exhibit "1", "1-A" and "1-B" attached hereto and by this reference made a part hereof.) Mr. Breiby feels that every job that comes in they research it thoroughly and figure out what the most cost effective way is to do the job. He said that it is more cost effective, for example, for them to print the codes--there is no wait, it costs less, and they can print more copies for the money, but the covers are sent out to be printed. Mr. Breiby feels

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that the language in this bill is very ambiguous. In fact, he believes the way the bill is worded it ~~would keep~~ secretaries from running copies in their own offices--everything would have to be sent out. If you pass this bill, I feel it will open a Pandora's box. Mr. Breiby feels that when jobs go out, they are camera ready, and that's the way the printers like them. This bill is not in the best interest of state government.

Bill Gosner, Department of Highways, opposes this bill. Mr. Gosner said that a lot of their printing is confidential and they prefer to do them in-house.

Hal James, Montana Bureau of Mines, said that they publish 18-24 publications a year. He said these publications are very technical and they have to have internal control over the work. They have to experiment to even set up a page, especially on their geological maps. If we lose control, this will wipe our production efforts out.

Jim Flynn, Department of Fish, Wildlife and Parks, opposes this bill for all the reasons above. Mr. Flynn said that he had written testimony from Ken Woosley, Eastern Montana College, and other University students who would be glad to answer questions. He felt these students were very well versed in these matters. (For testimony of Ken Woosley see Exhibit "4" attached hereto and by this reference made a part hereof.)

Bob Archibald, Montana Historical Society, opposes this bill for all the reasons listed above.

Jerry Loendorf, Montana Broadcasters Association, opposes this bill. We are appearing on the side of opponents, but do not disagree with the concerns of the proponents. Lines 14-17, page 2, worries us, and this applies to the fact that the job must be submitted in total. These projects are submitted in parts in most cases.

Paul Dunham, University system, said that several campuses were represented here, and that they oppose this bill in this form. These people will be glad to answer questions. (See Exhibit "2", Exhibit "3" attached hereto and by this reference made a part hereof.)

Marilyn Miller, Executive Assistant to State Superintendent of Public Instruction Ed Argenbright, opposes this bill. She agreed with all the testimony listed above and felt that they need internal control. Ms. Miller showed the Committee some of the directories, etc., which they print. If they had to do these outside, it would cost twice the amount and since their budget wouldn't double, they would have to cut down the number they print.

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Alan Smart, Montana State University, opposes this bill. He feels that they need internal control.

COMMITTEE QUESTIONS: Senator Farrell asked Mr. Thurston if he knew how many of these jobs are going out of state. Mr. Thurston said you could go down to the Division of Publication and Graphics and look at the bid list. Mr. Thurston said that they do not bid out-of-state jobs because their bids are not welcome in other states. Senator Lynch said that this bill had a lot of trouble and wondered if it would be worthwhile to amend it. Senator Mazurek challenged the Committee to find a workable solution. Senator Farrell asked Mr. Breiby how much staff and how much equipment they have. Mr. Breiby replied that they have 75-100 people and perhaps \$2-\$3 million worth of equipment, but he said it has been bought over a long time. There was much discussion about studying the cost effectiveness of the printing office, but it came out that there have been many studies done, including the one by Mr. Blumenthal. The Committee also discussed Representative Jan Brown's house bill which also addresses this problem. Valencia is going to check into this. Senator Haffey asked Valencia Lane, staff Attorney to check into; (1) Publication and Graphics Division; (2) other state agencies; (3) private sector; (4) Jan Brown's bill; and, (5) 3%-10% preference and make her recommendations as soon as possible. Senator Farrell asked how much in-state and how much out-of-state printing contracts there were. Mr. Breiby said that in fiscal year 1984 there were \$1.4 million in-state contracts and \$800,000 out-of-state contracts. He said that he tries very hard to see that the in-state bidders get the contract if at all possible.

In closing Senator Mazurek said this bill has a noble purpose and he once again challenged the Committee to find a solution to this problem. SENATE BILL 207 is closed.

EXECUTIVE ACTION ON SENATE BILL 207: Executive action will be deferred until Wednesday or Thursday.

CONSIDERATION OF SENATE BILL 251: Senator Tom Towe, Senate District 19, is the sponsor of this bill entitled, "AN ACT EXEMPTING FROM CERTAIN FINANCING REQUIREMENTS PROJECTS THAT ARE NOT TO BE GUARANTEED OR SECURED BY THE MONTANA ECONOMIC DEVELOPMENT BOARD; CHANGING HEARING NOTIFICATION REQUIREMENTS; AMENDING SECTIONS ..., MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE." Senate Bill 251 is a bill which addresses the problem I would call "fine tune-up" for the "Build Montana" program. There were two bills dealing with bonding--pool bonding and large bonding. This was to allow the state to help obtain

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benefits of industrial revenue bonds, because if the city or state sponsors these, they get tax free bonds. However, if the city or county doesn't want to be bothered, this allows them to come to the state. Small businesses can't afford to go through this by themselves and by pooling can put together a package to take care of this situation. These bills were passed in the last legislature. Senator Towe said the state offers their protection and they are a tax exempt authority. What we forgot was the ones that don't want the state's guarantee. They want to stand alone, but they want to use the state's tax exempt authority. This particularly holds true when you are dealing with two counties. Normally, you would have to go to both counties in order to float a bond issue. Maybe one county would not want to be bothered. In this case, you could go to the state who would act on behalf of both counties. We were so busy trying to insure that the state would not get in the banking business that we forgot the people that could stand alone and don't want the state's protection. That's what this bill does, it allows them to stand alone. Senator Towe also went through the minor changes to the bill, such as the requirement for posting in a newspaper--changing this from 3 weeks to 2 weeks.

PROPOSERS: Dale Harris, MEDB, supports this bill. Mr. Harris said that the Board had introduced this bill and had it drafted. Two different bond programs were passed last session. The provisions were very appropriate if you want a bank participation, you don't want to finance more than 90%. These provisions are working very well--this program works very well. He said his staff is developing the expertise needed in this field, and some counties don't want to be bothered working with underwriters, so the state does it for them.

Pat Giblin, Investment Banker, supports this bill. The conditions listed by Senator Towe on a stand alone will not be necessary. Mr. Giblin said that if they had a large client doing a job in two counties, they would have to go to both counties to get industrial development bonds approval. In the alternative, you could try to get one county to give up authority and transfer it to the other county. With this bill we would have the option of asking the state to act for both counties and there would be far less hassle, but we would not need the guarantee of the state or the other provisions. Therefore, we should not have to go through all the "hoops" the others would go through with the forms, etc. This is a good bill.

Bill Verwolf, Finance Officer, City of Helena, supports this bill.

OPPOSERS: There were no opposers.

COMMITTEE QUESTIONS: Senator Harding said we have heard from the cities what about the counties. What do the county

commissioners think of it? Senator Towe said they did not object to it. Mr. Giblin said that they did a study of this program and the county commissioners did not object to it. Senator Haffey asked if this in anyway affected the fact that the legislature last year wanted to be sure it did not get into the banking business. Senator Towe said that it did not. It simply affects the people they forgot about last year, the ones that don't need their protection, but would like the state to act on behalf of the counties.

Senator Towe closed by saying that we tried so hard to make sure that everyone was credit worthy, that we forgot about person who does not want our protection. SENATE BILL 251 is closed.

EXECUTIVE ACTION ON SENATE BILL 251: Senator Conover made a motion that SENATE BILL 251 do pass. Question was called by Senator Harding and the Committee voted unanimously that SENATE BILL 251 DO PASS.

CONSIDERATION OF SENATE BILL 247: Senator Daniels, Senate District 24, is the sponsor of this bill entitled, "AN ACT REQUIRING A PUBLIC EMPLOYER TO PICK UP A MEMBER'S CONTRIBUTIONS UNDER THE PUBLIC EMPLOYEES', TEACHERS', HIGHWAY PATROLMEN'S, SHERIFFS', STATE GAME WARDENS', MUNICIPAL POLICE OFFICERS', AND FIREFIGHTERS' UNIFIED RETIREMENT SYSTEMS; REQUIRING THE EMPLOYER TO DEDUCT FROM THE MEMBER'S COMPENSATION AN AMOUNT EQUAL TO THE AMOUNT OF THE MEMBER'S CONTRIBUTIONS PICKED UP BY THE EMPLOYER; REQUIRING A MEMBER TO PAY STATE AND LOCAL TAXES ON A REFUND OF HIS CONTRIBUTIONS; AMENDING SECTIONS ..., AND ..., MCA; AND PROVIDING AN EFFECTIVE DATE." Senator Daniels says that this is a very technical bill and it comes about because of the Internal Revenue Service codes. This will allow the employer in this instance to pick-up the employee's contributions, which will permit PERS and other retirement plans, with the exception of judges who asked to be excused, to increase their take-home pay. This bill allows the employer to take the retirement out before tax dollars rather than after tax dollars, making the employee's gross receipts less, so their taxable value is less, and that makes their take-home pay more. For example, if an employee made \$1,000, the state would take out the employee's PERS, which would bring the amount down to \$940.00. Therefore, their federal and state taxes are based on the \$940.00 figure. Ellen Feaver will be able to explain this in more detail for you.

PROPOSERS: Ellen Feaver, Director of Department of Administration said that this bill would affect all public employees in the state except the judges. No single individual can choose to opt out. She showed a chart showing how it will affect a Grade 8, a Grade 11, and a Grade 16. At the Grade

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8 level, take home pay will go up annually \$182.00 for a single person and \$130.00 for a married person. Ms. Feaver said that school foundation programs will be impacted by about \$1½ million, but this has been budgeted in the executive budget to benefit state employees. The employee does not pay taxes on this money now, but will pay on this money at retirement, when he/she will be in a lower tax bracket, or it can be rolled over into an I.R.A. if the person withdraws early.

Larry Nachtsheim, Administrator for the Public Employees Retirement system supports this bill. He felt Ellen Feaver had done a good job of explaining the program.

Bob Johnson, Teachers Retirement System, supports this bill. Mr. Johnson said they have this throughout the country and he feels they should have it here.

Tom Schneider, Montana Public Employees Retirement System, supports this bill. He was one of the people who have worked for over two years to bring this to Montana. The only other person who might be hurt by this plan is the person in the higher income tax bracket.

Nadian Jensen, Council #9 of State and County Employees, supports this bill.

Mary Lou Garrett, Interdepartmental Coordinating Committee for Women, supports this bill. The ICCW endorses this bill as it sets a uniform contribution for members of retirement systems and provides a means of increased take home pay in a time of restricted budgets and continued inflation.

Eric Feaver, Montana Education Association, supports this bill.

Chuck O'Reilly, Lewis and Clark County Sheriff, and President of Montana Peace Officers Association, supports this bill.

Paul Kindt, Local 971, Boulder, supports this bill. He said this bill was in agreement with their contract.

Bill Verwolf, City of Helena, supports this bill.

OPPONENTS: Mike Walker, Montana State Firemen's Association, does not support this bill. His group would like to be eliminated as the judges are. He asked that the bill be amended. Senator Haffey turned this over to Valencia to take care of.

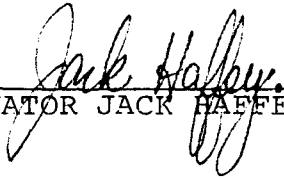
COMMITTEE QUESTIONS: Senator Tveit was upset with the impact on the school foundation programs, but Ellen Feaver explained that this was budgeted for in the executive budget. Senator Manning asked if this means less money in the state coffers.

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Ms. Feaver said that it would be about \$2 million less for the year, but this too has been budgeted for in the executive budget.

In closing, Ellen Feaver said that the employee's payments will remain the same on their retirement plans. SENATE BILL 247 is closed. Senator Haffey asked Valencia Lane, staff Attorney to make the amendments necessary to delete the Firemen's Fund.

The meeting was adjourned at 12:01 p.m.

  
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SENATOR JACK HAFFEY, CHAIRMAN



ROLL CALL

STATE ADMINISTRATION

COMMITTEE

49th LEGISLATIVE SESSION -- 1985

Date 2-12-85

NAME	PRESENT	ABSENT	EXCUSED
SENATOR JACK HAFLEY, Chairman	✓		
SENATOR LES HIRSCH, Vice-Chairman	✓		
SENATOR JOHN ANDERSON	✓		
SENATOR MAX CONOVER	✓		
SENATOR WILLIAM FARRELL	✓		
SENATOR ETHEL HARDING	✓		
SENATOR J. D. LYNCH	✓		
SENATOR DICK MANNING	✓		
SENATOR JOHN MOHAR	✓		
SENATOR LARRY TVEIT	Late	✓	

COMMITTEE ON

DATE

February 12, 1985

State Administration

## VISITORS' REGISTER

NAME	REPRESENTING	BILL #	Check One	
			Support	Oppose
Don Breiby	PUBLICATIONS + GRAPHS	SB207		X
Paul Dunbar	MT Univ System	SB207		X
Ol Madison	U of Montana	SB207		X
Ken Woosley	Eastern Montana College	SB207		X
Nadine Jensen	AFSCME	SB247	X	
Tom Schneider	MPEA	SB247	X	
Doc Harris	MEDB	251	X	
Mike Walker	MT ST FIREMANS ASSOC	SB247		
Nicholas	" " " "	SB247		
Russ Nachtshin	PERP	SB247	X	
Bruce Parker	Montana State Univ.	SB207		X
Melanie Starnes	-	"		
Kerr McChesney	Montana H U	SB207		
Neil Handley	-	SB207		
Ellen Farrow	Dept of Admin	SB247	X	
Gregg Morgan	Thurber printing	SB207	X	
Steve Hunter	cr	SB207	X	
Robert Johnson	Teachers' Retirement	SB247	X	
Paul Knecht	AFSCME Local 971	SB247	X	
George Allen	MT Retailers Assn	SB207	X	
R. Anderson	MT West Sen	SB207		X
William	MT West Sen	SB207		X
Bill Johnson	Falcon Press	207	X	
Bill Gosdard	MT DO Hygiene	207		X
Riley Johnson	NFIB	207	X	
Leanne Schneider	MT Ass Clerks Assn	SB247	X	

(Please leave prepared statement with Secretary)

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# VISITORS' REGISTER

[illegible]

(Please leave prepared statement with Secretary)

Exhibit 1  
SB-207  
2-12-85

## RECOMMENDATIONS

### A. Duplicating Bureau

The Publishing & Graphic Arts Division should continue to do Duplicating Work. (See Appendix G for a definition of what Duplicator work is). It should continue to do this work because:

1. The printing plant is apparently cost effective based on tests made in the previous chapter and based on the assumption that at least one State Legislative session will be held each year.
2. The P&GA management, craft people and support staff are competent and able to supply the services that are needed. This statement is based on a comparison of individuals seen here with similar job classifications in successful private sector plants around the country.
3. The P&GA has the benefit of a central paper buying agency that can furnish a wide variety of stock that is suitable to the State's printing needs.
4. The Duplicating Bureau is equipped with the best current technology available to do the work they are required to do, as stated by qualified managers in all kinds of printing plants.
  - a. State, county and municipal governments all across the country are equipped with AM System 4 and System 5 electrostatic master duplicating and collating machines. Where large volumes of sharp, legible copies are needed, all collated into sets on a fast turn-around basis these duplicators are voted best. The States accounting records show that when the Legislature is in session the high weekly volume of printed work required must be done on machines like the System 5.

This equipment is easy enough to operate so that lesser skilled people can be taught to use these devices.

The P&GA have a good management, maintenance service and paper supply to keep the copies moving when there is real pressure to get work out. More importantly, the P&GA Central Office has a number of good duplicators and a sufficient number of high capacity collators to be a back-up for the System 4's and 5's. It was reported to this investigator that at times all of the duplicating capacity in all P&GA areas is needed to work on the State's immediate requirements.

Many independent private sector small printers around the country have told this investigator that the new Davidson line of perfecting duplicators are the best machines that a fast-turn-around shop can have. They are easy to operate, rugged and dependable. They can give sharp print, and they have a roll feeder that can give good economies on a wide variety of paper purchases. This is a true high speed machine and it is well suited to the work that is required in this duplicating shop.

The collating, padding, stapling and very small perfect binding facility is needed for the fast turn around work.

B. The Graphic Arts Bureau should be expanded because:

1. New technology is already in place in the State Government here that can help the Graphic Arts Bureau to cut costs and give much better service to State Agencies.

Other States have connected typesetting equipment to their Legislative reporting systems to be able to output quality typeset materials right from the Legislatures own proceedings.

In Montana, the ALTER System is in place. The new Quadex typesetter can take the information and convert it directly into type matter for paste up and later reproduction. In addition the typesetter can be hooked up to the State Governments ATMS word processor system. At present the typesetter is not working as it should and as it does in other installations.

In the opinion of this investigator the operator seen during the study was not qualified to carry out the potentials of this typesetter. Every effort should be made to get a composing room operator that can fully take advantage of this Quadex unit.

Industry is learning that it makes no sense at all to have secretaries type out information and then later retype (input) the data to a typesetter. Once the characters have been recorded they can be manipulated by an operator using one of the new machines like the Quadex Typesetter.

This means that in the future the individual agencies can be sending their copy over wires to the central typesetter.

In-House work and jobs that normally go to private sector printers from State Agencies can be typeset on the large Graphic Arts Bureau machine. The State's future work need be typed only once.

It will also mean that the Graphic Arts Group will have to expand page makeup and pasteup as well to handle the work as well. More of the work that goes to the private sector will be send out as Camera ready mechanicals.

This in turn will make the bidding on outside printed work much easier to evaluate and to administer. After the bid is approved late changes to type matter will not throw the whole pricing up-for-grabs as was done in the past.

- 2 . The Reprographics, camera, stripping and metal platemaking operations should be placed under the the direction of the Duplicating Bureau. The operator of this area had just started to work at the time of this study. She needs good training and supervision. This can be given in the Duplicating section. There is almost no printing plant where the prepress operation is not under the direction of the printing manager.
- 3 . The layout of the Graphic Arts Bureau space should provide for individual booths and privacy for the artists and their work.

(This sheet to be used by those testifying on a bill.)

SB-207  
2-12-85

NAME: Allan Smart DATE: 11/12/85

ADDRESS: 1216 S. 3rd, Bozeman

PHONE: 587 4307

REPRESENTING WHOM? Montana State University

APPEARING ON WHICH PROPOSAL: SB 207

DO YOU: SUPPORT? ☐ AMEND? ☐ OPPOSE? ☒

COMMENT:

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

(This sheet to be used by those testifying on a bill.)

Exhibit 3  
SB-207  
2-12-85

NAME: Hal James DATE: 2-12-85

ADDRESS: 3821 MARS, 3-C

PHONE: 496-4175

REPRESENTING WHOM? mt. Ban. Min.

APPEARING ON WHICH PROPOSAL: \_\_\_\_\_

DO YOU: SUPPORT? \_\_\_\_\_ AMEND? \_\_\_\_\_ OPPOSE? ☒

COMMENT: \_\_\_\_\_

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.



Exhibit "4"  
SB-207  
2-12-85



News Media Services/657-2268

Mr. Chairman and members of the ~~sub~~committee:

For the record I am Ken Woosley, Director of News Media Services at Eastern Montana College. I have been in charge of publications at Eastern for five years.

Several years ago, EMC publications were bid much as they would be under Senate bill 207: Typesetting, layout and design, and printing were let for bid under one contract. We were among those instrumental in pushing for a change in this. At the present time, we do layout and design in house. Typesetting and printing continue to be put out for bid and the typesetting contract is awarded on an annual basis.

In my experience, the quality of our work has gone up considerably and the cost of it has gone down significantly since we adopted this method. We have greater quality control over our publications with less reason to make changes in design and type during the later stages of production which contributes to efficiency and cost savings.

To be more specific about our objections to Senate Bill 207:

Section 18-7-101 paragraph (5) states that "All state printing contracts on which competitive bids are requested must include graphic arts, typesetting, layout, binding, and other operations necessary to produce a finished printed product."

This section of Senate Bill 207, if approved, would prohibit a variety of commercial printers in Montana from bidding on state printing because it requires that all bids must contain quotes for graphic arts. Some of the largest printers in Montana do not have "in house" graphic artists. Obviously, the passage of this bill would effect the competitive nature of bidding state printing. This is contrary to the spirit of requesting bids for state printing since those in state government are interested in awarding printing contracts to those commercial printers who will perform quality work at reasonable prices. Commercial printers are interested in being given an equal opportunity to submit bids on state printing, and Senate Bill 207 does not give equal opportunity to them. If all printing houses are to receive equal treatment on state work, each of them would have to hire or contract with a graphic artist to do state work. For quality control, efficiency and cost effectiveness this is backwards. We have no guarantees under Senate Bill 207 that graphic arts work will be of acceptable quality. What happens if the printer insists the graphic work is acceptable and we insist that it doesn't meet our specifications? Who pays for revisions and how many times will printers allow changes in graphics at no additional charge? Also, allowing commercial printers to perform graphic arts work virtually eliminates any control over standardization of designs and formats which is essential.

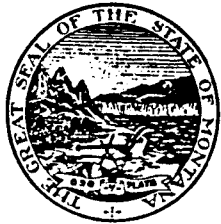
Senate Bill 207 would require bids for typesetting to be packaged in with printing jobs submitted for competitive bid. This has serious legal ramifications for existing typesetting contracts which have already been awarded to those in the private sector. In addition, some printers which have been low bidders for printing, based on our experience, charge much more than many others to set type. In effect, the requirement to package the typesetting and printing into one bid most likely would increase state printing costs.

Senate Bill 207 also has serious consequences for existing in house duplicating centers. For example, if a duplicating job was to be done in house and the duplicating center did not have the necessary equipment to produce a negative, at that point the entire job would have to be sent out for competitive bid if this bill is read literally. In house duplicating centers can demonstrate cost effectiveness and efficiency compared with commercial printers, but passage of this measure would eliminate these factors.

Given the climate of being frugal with tax dollars, raising the resident preference from three percent to 10 percent may not be in the best fiscal interests of state government. This could prove to be very costly.

Based on the above reasons, I strongly urge a "do not pass" recommendation to Senate Bill 207.

Thank you for your consideration.



OFFICE OF PUBLIC INSTRUCTION

STATE CAPITOL  
HELENA, MONTANA 59620  
(406) 444-3095

Ed Argenbright  
Superintendent

February 12, 1985

TO: SENATE STATE ADMINISTRATION COMMITTEE

My name is Marilyn Miller. I serve as Executive Assistant to State Superintendent of Public Instruction Ed Argenbright. As part of my job, I am in charge of public information and word processing for the Office of Public Instruction.

The office owns an Editwriter 7500 which allows us to typeset printed material. We also do graphics and layout. All of the printed work the office does--and that's a considerable amount--is typeset in the office and submitted to the printer in camera ready form.

We do three types of printing in the office. The first kind is typeset and laid out in the office and printed at Publications and Graphics (OPI Report). The second is typeset and laid out by us, the printing done by Publications and Graphics, but perhaps we have the cover bid out to an outside printer to give a slicker-looking finish to the material (Vo-Ed Executive Summary). The third type is the one which would be affected by this bill. We do all the typesetting and layout, but we put the printing out for bid (Education Directory, Montana Schools). Because the latter material is by far the minority of the work that we do, we will still need the current machinery and current staff if the bill should be passed.

The effect of the bill is that the cost of this third type of printing will approximately double. Since we aren't going to have double the printing budget next year, it will mean that we will print half of the directories and that some Montanans who want one won't get one; and that we will print two issues of Montana Schools instead of four and that teachers will miss some of the information we could have shared with them. Some of the other publications affected will be the FHA and FFA newsletters and many budget and transportation forms.

If we are to operate on current level budgets, it is imperative that we be allowed to do our work in the most efficient and cost-effective manner. For that reason, we would ask that you not pass SB 207.

Thank you.

*Exhibit 4-A*

*SB-207*

*2-12-85*

Arthur E. Blumenthal  
Consultant to the Printing Industry  
69-10 108th Street  
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212-268-1995

Report of the  
Publications and Graphic Arts Div.  
State of Montana  
November 1982

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Report of a Study of the  
Publishing and Graphic Arts Division  
State of Montana

This report is written to summarize the findings of a survey of the printing facilities and purchasing methods, made in Helena, Montana the later part of June 1982. It will also show the conclusions reached in the study and recommendations for improvement of the Publishing and Graphic Arts Division (P & G) of the State of Montana.

This short review of the Study of the Publishing and Graphic Arts Division (P & G) of the State of Montana offers a future direction for the P & G and answers some specific questions raised at the start of this survey.

First, this report is written from the viewpoint of an independant observer who has no vested interest in the outcome of the survey. The study was directed by the investigator.

Second, all of the recommendations in the study are written with the following guidelines:

- \*Decisions taken in regard to the P & G should give the taxpayers of Montana the best value for their printing dollar.
- \*The State Government should deal fairly with the private sector printers here.
- \*Bidding on outside work should be carried out so that the greatest number of Montana private sector printers can go after the State's work.
- \*Scheduling and the design of State Printing jobs should be arranged to help keep the work in the State of Montana to provide the greatest number of jobs for its own workers.

equipment seen in like private sector plants. The newer machines are maintained under a service contract while the older multilith presses were found to be worn under normal use and care. The replacement of these older duplicators should be planned one at a time. The typesetter in the Graphic Arts Bureau is new and it was not completely hooked up and operating during the study. Therefore no evaluation of its suitability could be made.

The artist layout tables are crowded together and should be placed in individual booths to give the creative people quiet and privacy.

The Addressograph-Multigraph System 4 and System 5 platemaking, duplicating, and collating complex is correctly accepted as the standard producing units for State, County, and municipal governments, and also for large print users looking for the best quality in the quick copy field.

The new Davidson #702 machine is recognized as the best duplicator on the market today for doing one or two sided work by some of the most progressive copy centers in the country. This new machine features an advanced paper feed mechanism, chain carrier of printed sheets through the press, large inker for a duplicator and fast changeover. It is a full 11 X 17" press. It was observed running well above rated speed at 8800 impressions per hour. The Davidson #702 duplicator is well suited to the work of the P & G.

In the bindery, the Polar cutter is probably more machine than is needed, but every shop needs a cutter to handle the wide variety of paper required by State agencies. The cutter is big and rugged enough to do the trimming of collated soft covered, bound books as well. Several bindery people can run the cutter in this shop.

The O & M full, buckel folder is more machine than is needed by a duplicator shop. This folder was obtained at low cost from a previous owner. It looks to be in good shape.

### 3. Tests Made During the Study

A rigorous test program was initiated in the study to learn about the skill levels and competency of shop craftsmen.

A special test form was requested from the Graphic Arts area. They were asked to make a test metal plate from the form. The metal plate was then put on the Davidson #702 Duplicator and about 50 sheets were printed.

The form was assembled well but the resulting plate was not sharp. It was exposed for too long a time. Three more plates were made at shorter exposures and the image and test targets became acceptably sharp. A test Stouffer strip should be put on all metal plates to show when a proper exposure has been made.

The plate was then put on press and run with normal settings. The test showed that the press is adjusted with a heavy impression, (blanket to paper). This lets the operator run a wide variety of different paper thickness without changing settings.

The added dot gain, however, will cause the print to have less sharpness and could hurt forms printing. It is suggested that some back pressure on the Davidson #702 be reduced.

The acidity in the water fountains was tested at 4.5 ph. In addition ink film thickness of .0002" was recorded on inkers - all good.

A sample of G.P.I. inks was taken from the press fountain. A "tap out" showed that this is a "SHORT" ink, soft and free flowing - good for duplicators. A draw down on white paper showed that the ink is TINCTORIALY strong, and that it is free from contamination.

4. The skill of shop craftsmen was also studied.

The skills of the Davidson #702 press operator and the AM Tandom press craftsman were observed to be better than seen in other duplicator shops.

A press makeready was observed on the #702 press. In this study a complete press changeover was undertaken. The operator went to a different paper size, thickness and oil absorbancy. Different ink was used. The makeready was done well.



This makeready was achieved in just under 30 minutes which meets the industry standard for this type of changeover.

The bindery personnel did their work in a professional manner. It was gratifying to see that each bindery person was trained in several different skills and could be transferred from one machine to another.

The Compugraphic typesetter operator was not trained to use the capabilities of this machine. This deficiency was called to the attention of the P & G Administrator. As a result, no adequate evaluation of the P & G typesetting activity was possible during the study.

#### 5. Quality of P & G Work

Ten samples of printed work were taken from the P & G and carefully examined for recognized print quality characteristics. See Exhibit B at the back of this report for a listing of the quality elements surveyed. In each of the randomly picked samples, the work was observed to be equal to or better than similar jobs with the same end use done in private sector shops.

#### 6. Paper Stock Used

The P & G has the benefit of a central paper purchasing and warehousing facility. The ability of the State to utilize its buying power to get a price break on quantities of paper and then store them for the printing group is a strength of this division and a good thing for Montana State Government.

Paper is not actually credited to the P & G until withdrawn for their use. Only minimal storage is maintained by the Duplicating Bureau.

#### 7. Estimating of Job Costs at the P & G

The Publishing of Graphic Arts group has published a price schedule for its services. Just about every operation they normally do is covered in this price schedule.

The use of a price schedule is common in duplicator printshops. The work done here is fairly simple and lends itself to the use of these laundry lists of prices. (See Exhibit C at the back of this report.)

#### 8. Scheduling of Work Through the P & G Shop

One of the most important duties of the Graphic Arts Bureau Chief is the scheduling of design jobs through his area. This man has actually done the various jobs in the shop himself in most cases so he can schedule people in his area to do the tasks required. He can sequence the jobs in order of highest priority. But, no real formal scheduling system exists in this group. There is no sense of urgency in this area and a formal scheduling is needed, to let Govt. Agency print coordinators know where their job stands and when it would be delivered.

The Duplicator Bureau Chief also takes job instructions and sequences them to get out work with the highest priority and to minimize the makeready. A formal system should be instituted here however with a regular schedule board and feedback from the plant. This would allow more work to be put into the shop and it would allow the P & G to exercise tighter control over deliveries to State Agencies.

#### B. What Key State Agency Print Coordinators Think of the P & G

A good cross section of print coordinators and legislative administrators were interviewed in this study to learn their perspective of reproduction problems and also their future needs. The State respondents talked to were selected at random by the investigator and all were very cooperative. About half of those interviewed felt that the P & G gave them good service. This group sees the Graphic Arts Bureau as a willing source of constructive information and design help. Each could cite examples of a clever approach to a printing problem that saved the State money. They also felt that the Duplication Bureau went out of their way to get work to them on time to meet their delivery deadlines. This group showed examples of printing that met their quality needs.

The other half of Govt. Agency print buyers felt that the P & G was not responsive enough to their delivery needs. Some expressed the thought that the P & G charges made to them were out of line. It was pointed out that some of this group had their own print shops in the past. When the Legislative Council Consultants reported in 1979 that a P & G should be formed, this group of agency print buyers lost some of the control over their work.

Almost all of the Govt. Agency people said that they expected the total volume of State printing would increase in the foreseeable future.

#### C. What the Private Sector Printers Think About the Montana State Printing Operations

A good cross section of printers was canvassed in this study. Each and everyone approached took time out of their busy schedule to talk to the investigator frankly and openly about their own role in the State Printing Business and the operation of the P & G as they see it.

Almost all of those interviewed feel that the specifications and forms they receive from the P & G are clear and that they can make a proper bid from the information given.

All would like to receive more samples of the prospective jobs or Xerox copies of the material to be furnished.

They note that the specs are now much more informative under the direction of the P & G than before it was formed.

Most of the private sector printers interviewed feel that the P & G is competing with them for some desirable work like---longer run State duplicator jobs, letterheads, collating, and perfect binding on soft covered reports and booklets. Some printers pointed to the March 19th 1977 legislative resolution affirming the States commitment to promote small business in Montana. They also called attention to the House-Bill #76 of the 1979 State Legislative giving a 2% advantage to Montana printers in their bidding on Agency jobs.

A majority of those interviewed said that the P & G should continue to do the State's duplicator work. They cited a 30 day period to get bids for new work out to the printers and returned to the Purchasing Agent. They also noted that it probably costs \$50 per outside job to process the bids. The private sector printers acknowledge that these factors preclude their going after small, fast-turn-around jobs.

Almost all of the private sector printers want to reserve the right to pick and choose which State jobs they bid on.

Almost all of those interviewed said that the State of Montana was getting a real value for its printing dollars. Some said that the bid prices that were accepted by the Purchasing Agent were generally so low that they would just as soon only bid on a small portion of the State's work.

All of those talked to in the study said that they expected the total volume of State printing would grow in the years ahead.

#### D. The Bidding Procedures for Outside Purchased Work

Most of the printing vendors interviewed in the study believe that the bidding procedures are fair and that they encourage the greatest number of outside printers to bid on State work.

A review of "Class Contracts" by the investigator offered to State printers by the P & G showed a general lack of information in the specifications and a grouping of items together that would tend to encourage present suppliers to continue to get the additional work. The "Class Contracts" do not encourage the widest number of State printers to bid on the upcoming jobs. They are found to be hard to monitor as well.

The Council of State Governments consultants in their July, 1979 report Page 10 state that - "Contracts 2, 2A and 6 are too broad and tend to put all purchasing in one basket". -- "What often results (from these contracts) is that a vendor designs the printing (for that type of job) to fit his equipment capabilities thereby potentially excluding competition at a later date."

In the Dept. of Administration Report to the Legislature of May, 1980 Page 72, the author notes that 10 Class 2 & 2A contracts were bid on the basis of taking discounts from the Porte Publishing Co. Franklin Catalog. This report further notes that bidding competition for class work has been reduced because of this method of bidding. (Fewer printers are now bidding on the work.)

On P-77 of the Dept. of Administration report they recommend the following:

"We recommend that the Purchasing Division discontinue establishing term contracts based on the Franklin Catalog and use competitive bidding for the "high dollar printing service purchases."

It was learned in this study that the Publishing and Graphic Arts Division is presently working to reduce the number of class type contracts in force. The University printing is an exception. In addition the purchase of large envelope and continuous business forms is being arranged so that more competitive bidding will be encouraged.

This will mean more work for the P & G. Avoiding possible abuses in the administration of state printing orders will take more time and staff work in the future. The costs of printing, paper, and ink are expected to go up at the real rates of inflation for energy, financing charges and machine tools. Thus the expenditures for properly monitoring the large number of print purchases expected in the future can be justified.

E. Test of the Cost Effectiveness of Outside Printing  
Buying by the P & G

It is not enough to merely see that the State Agencies buy at the price of the lowest bidder to see that the State is getting its money - worth in the printing it buys, because --

Some printers have an unfair advantage in having a previous job "standing" in plate form or in film, when they bid on a repeat order.

The P & G can save the State money by insisting that furnished original materials be returned to them in the future.

Some printers have made unusual paper buys and can give a one-time savings on a job that can not be repeated.

Some firms can take a loss on contract work for example in order to get additional revenue on future work or on extra services provided.

In order to test the buying effectiveness of this Division, 10 typical jobs were taken from the Purchasing Agent and the costs estimated using National Average hourly rates and production standards. In all cases these estimates showed that the bulk of the printers going after the work had used accepted procedures and rates. It can be assumed that the lowest bidder who got the work, took the job at his cost, or he used some special advantage to get a jump on his competition. (Please see Exhibit D at the back of this report.)

In any case the State of Montana is getting a good "buy" on its outside purchased printing work on the jobs studied.

Some specific objectives should be set forth in the P & G relationship with the private sector printers sometime in the future. Some examples of these objectives are as follows:

- a. As many printers as possible should be encouraged to bid on the Stat's work.
- b. As much of the printing work as possible should be done by the taxpayer workers in the State of Montana.
- c. Big jobs should be assessed to see how printers in the State could do more of the specialized work.

The total volume and kind of business forms should be studied to see if some private printer in the State could be induced to buy a press and see if the State's work could keep it busy as long as he remained competitive.

The total volume of envelopes bought by the State and certain private industries in Montana should be evaluated to see if that volume could keep an envelope machine busy.

The Internal Overview Report of the P & G of March, 1982 shows that out of state printers do about \$1,095,000 worth of the State's printing work per year.

#### F. What former P & G Employees Think of this Division

The investigator in this study talked to some past P & G workers who now have their own sales activities in the graphic arts field. These people were very open in giving recommendations to make the P & G better and their ideas will be listed in the Recommendations section of this report.

#### G. Cost Effectiveness of the P & G Division

This part of the study was given the majority of the investigators time. The justification for the future use of the P & G in this study is based to a large extent on the money they can save the State Govt. in the years ahead.

##### 1. Cost Effectiveness of the Graphic Arts Bureau

No attempt should be made to compare the costs of the design and creative departments of the P & G with outside vendors doing this type of work. There are just too many costs variables for this activity. This work in the P & G is taken on a time and material basis with no estimate given. The hourly rates charged for artists, etc. are reasonable and they compare favorably with National Averages for this type of work.

Typesetting, Repregraphics, Duplicating Binding and Finishing costs at the P & G can be compared with similar outside vendors.

The Compugraphic-Quadex typesetter could not be evaluated during the study of the P & G. The machine was not yet fully operational. It was not run by a competent operator. It was not hooked up to the work-processor ATMS System. In addition the Legislative Administration does not feel that hooking the typesetter up to their Legislative ALTER reporting system would be an advantage to them.

On the other hand additional studies in the printing field generally were made by the investigator after the P & G study was completed. The following was discovered:

Other State Printing Facilities are hooking their legislative reporting systems up to digital typesetters like the P & G's Quadex with good results.

Typesetting experts in the printing field report that there is a trend among large buyers of type matter (like Montana State Govt.) to hook up new word processors to type setting machines. They reportedly save the extra inputting of data into the unit.

Other State Printing Administrators report that the hook up of the legislative reporting system with the typesetter gives more legible copy. It allows the reduction or enlargement of print. It can retrieve previously recorded data.

It is generally accepted in the printing industry that the Compugraphic-Quadex machine is a quality typesetter whose capability will be expanded in the near future to do more different jobs.

A check of the \$26/Hr. P & G rate by the investigator was found valid. This low rate compares to the 30 to 40 dollar/Hr. charge made by State printers for direct entry single purpose typesetters.

#### H. Test of the Cost Effectiveness of the Duplicating Bureau

Select 10 representative jobs done by the P & G. Using the actual job instructions for that work and the newly prepared tables of standard data, calculate representative costs of the jobs and compare these new figures with the costs charged by the P & G to State Agencies.

These calculations show that on an average, the P & G charges to the State Agencies for printing work done are fair and inline with normal costs for these types of jobs. A variance of about 10%, up and down from the P & G figures is seen. The P & G has higher hourly rates for the equipment but they also include other items in their costs that are figured separately in the study calculations: (See Exhibit F)



No attempt was made in this study to compile a complete financial audit of the P & G as this would be beyond the scope of the study.

The cost effectiveness of the P & G Duplicating Bureau was further tested by comparing their already substantiated price schedules against independantly collected private sector price lists for doing the same types of work. (See Exhibit G.)

In each case the P & G Duplicating prices are significantly lower than the same services available from private sector printing companies.

## II Conclusions

The conclusions drawn from the study of the State of Montana printing facilities are expressed here as answers to specific questions raised at the start of this survey.

- Q. 1. When considering the printing needs of Montana State Government in terms of timeliness of production, cost effectiveness, and the unique requirements of various State Agencies, is a state printing operation necessary to meet some degree of those needs.
- A. In the opinion of this investigator, the State Printing Facility is necessary and the Publications and Graphic Arts Division (P & G), is uniquely able to meet the duplicating needs of State Agencies.

Various specific and recognized tests were set up in this study to measure the effectiveness of the P & G to do the printing work required. These tests analyzed the----

Organization structure of the P & G  
Layout of the Printing Plant  
Condition and suitability of machinery  
Printing performance  
Skill level of shop craftsmen  
Quality of work produced  
Paper inventory control  
Estimating procedures  
Scheduling-timeliness of deliveries  
Cost effectiveness

In the opinion of the investigator, in each of the above Duplicator Bureau categories the P & G was the equal or better than private sector printers studied in the past, doing the same types of work.

The State Agencies and legislative administrators require millions of duplicator copies per year. See Exhibit A and the Internal Overview of the P & G Div. of March, 1982 for a listing of these quantities.

In the opinion of many in the printing field, the System 4 & 5 and the Davidson #702 machines are best for this type of duplicator work.

The Duplicator Bureau is cost effective for the work they do. A rigorous Estimating System and procedure was set up in this study to check on the duplicator work they do.

The Graphic Arts Bureau has saved the State of Montana much money in controlling forms usage, reducing letterhead paper quality and helping agencies revise their designs to save money.

Changes are needed in the production of metal plates, in the layout of the design dept. and in the people who operate the Compugraphic-Quadex typesetter.

The typesetter can be hooked up to the State's work processors to save one inputting of data. At present the Legislative administration has decided to stay with typewriter reproduction of legislative bills, and procedures.

By doing some of the State's typesetting on the Quadex, the P & G saves money in the following ways:

It retains control over the original work so that if a rerun is needed the cost of the type changes on the Quadex will be low.

It can furnish pasted-up, camer-ready copy to private sector printers:

- Reducing later charges for alterations to the original job
- Encouraging the widest number of State printers to bid on the Govt. work.
- Making it easier to monitor the contract for the work once the job has been let.

A canvass of large users of type matter shows that more and more publishers, advertisers and merchandisers are putting in their own typesetters to cut down on composition costs and to get better control over the work.

Q. 2. If the state printing operation is necessary, to what degree should printing services be provided and by what method?

A. In the opinion of this investigator and according to the guidelines set forth on page-1 of this Summary, the P & G is necessary to the efficient running of the Montana State Govt. and to give the taxpayers of the State the best value for their printing dollars.

\* The P & G should provide design services to standardize and cut down the number of forms used in State Govt.

\* They should offer design help to agencies to get more impact for the State's Printing Dollars. They should train print coordinators in the Agencies to prepare their work more effectively.

\* They should use their Quadex typesetter and inter-agency hook up if cost effective to prepare more camera-ready copy. This will eventually save the State a great deal of money. Manuscripts prepared for print on word processors will only have to be typed once. Currently, a secretary types the work and then a highly paid compositor must type it again to input the data into the typesetter.

The P & G should do the short run, fast-turn-around duplicating State's work in their shops. They should use the present day typesetting, duplicating and collating equipment.

Q. 3. If the State Printing operation is being run efficiently, are the staffing and equipment resources reflective of the specific services offered and the volume of work supplied? What monitoring controls could be implemented to assure efficiency and effective management?

A. The State P & G is operated efficiently in the opinion of this investigator as compared to other similar private sector companies. Please see the tests used to measure the P & G efficiency listed above. In particular, the organization of the P & G was carefully examined in this study.

The administration and functions of the managers of the P & G is good and consistant with the job descriptions of similar managers in private sector printing companies doing the same type of work.

Printing equipment has been well chosen and in fact is the standard all over the country for this type of work.

Print quality at the P & G is acceptable and suited to the end use of the work.

The monitoring of production at the P & G is not as thorough as seen at the best run print shops. This study sets up a Quality Control Program, a comprehensive Scheduling Plan, and a Job Costing System, to help the P & G monitor their work which will be submitted in a separate manual for the P & G.

Q. 4. If the State printing charges are reasonable and cost effective compared to the private printing industry--Are there specific services or individual jobs which have been done by the State printing operation that could have been done more cost effectively by a private printer. What should the scope of the State operation be to obtain maximum efficiency and cost effectiveness in meeting State Agency printing needs and consequently what changed to the present operation would have to be made?

A. This study reviewed a broad spectrum of P & G jobs. In the opinion of this investigator, the majority of work done at the P & G in the recent past was well suited to the short run, fast-turn-around types of jobs that they do best. A few of the longer run jobs were questioned, but it is hard to pin down the full delivery requirements of that work in this study.

This survey has shown that the P & G is a well run duplicator shop. It is cost effective in thw work it does. It is impossible for the administrators to rigorously examine every borderline job to see where it properly belongs.

The decision to do work in the P & G or in outside printing plants should be made by the special Printing Purchasing Agent with help from the P & G staff on the basis of which source gives the best value to the taxpayers of Montana. The decision should

also take into account the cost of the bidding process itself added to the expense of doing small jobs and the time to make up specifications, circulate requests for prices, get back quotations and award the jobs for the work sent to the outside.

The function of purchasing outside printing should be done at the P & G. This is a complicated process and needs the advice of skilled people who are believed to be dedicated to saving the State money on their printing work.

Q. 5. If the current bidding process and specifications utilized promote efficiency, cost effectiveness and assures private printers that all projects are evaluated in a manner that accurately identifies work that should be let out for bids--What method should be used to determine whether a specific service or individual project should be done in-house or by a private printer. Do the State bidding procedures for printing need to be altered; and if so why and how.

A. The P & G should be very careful about the work that they put into their own plant and that which goes outside. First, a comprehensive scheduling system should be put into place along the lines of the section in the manual. Work that is needed on a fast-turn-around basis must be done in-house for there is simply not time to go outside for comprehensive bidding.

Second, work that must be done on coated stock or that needs great skill to run or have heavy ink coverage must be bid outside. See Exhibit H for a definition of duplicator work.

Third, simple, duplicator work should be done inside.

Fourth, there is a gray area in between the difficult jobs and the duplicator work. This may be longer run light ink coverage jobs or work requiring special paper. In such cases the P & G administrator should rigorously estimate the cost of doing the work in-house. He should check that cost against the prices of the lowest bidder for similar recently done work. Bids on State work are public information. A library of previously purchased jobs with a sample of the job and its price should be

kept on file. Estimates of new work can be made with the new impartial set of standards and hourly rates given to the P & G in this study. An independant agency of government could audit these comparisons to see that this regulation is working.

The cost effectiveness of the Compugraphic-Quadex typesetter should be checked in the near future. When the system has been hooked up to the work processor ATMS and when competent operators have been hired, the output can be checked against the standards given to the P & G in this study.

### III Recommendations

The Publishing and Graphic Arts Division should continue to do the State's fast-turn-around duplication work (see Exhibit H for a definition of duplicator work).

1. They are apparently cost effective according to the tests applied in this study. No attempt was made to do a financial audit of the P & G in this survey.
2. The quality of work is good.
3. They are well managed.
4. They are staffed and equipped to do duplicator work.

The Graphic Arts Bureau should find a competent operator for the typesetter and then compare the cost effectiveness of the output, by checking the productivity against composition standards set forth in this study and against the P & G typesetting hourly rate. If the composition work is cost effective then the Graphic Arts Bureau should expand their pasteup operations to give more camera-ready work to private sector printers to--

- Save money for the State--
- Retain Control of Composition-
- Reduce private sector charges for alterations
- Get the widest number of printers to bid on the State's work.

### IV Additional Recommendations

1. Separate booths should be provided for Graphic Arts designers to give more privacy and quiet to the creative people.
2. The reprographics, work camera, stripping, metal platemaking should be placed under the direction of the Duplicator Bureau. The work is more closely

related to the presses than to the design function. The reprographics operator would then get more instruction.

3. A rigorous scheduling system should be put in place to help tell Govt. Agencies when they will actually get delivery on their work.
4. The P & G administrators should be on the alert for new machines that would be more effective to do the State's work.

The P & G administrators should be at the forefront of a program to get more Montana State Printers to do more of this governments reproduction work. Some suggestions in this regard are as follows:

1. Run a school for the smaller State printers to show them --

How to read the specifications

How to order paper most advantageously

How to respond to the bid, how to get a performance bond

Show them what typical kinds of printing cost and what the low bids on some typical items were.

2. Canvass the State Agencies to learn what the govt. needs will be for envelopes, business forms and other items bought from outside the State.

The P & G can see if the deliveries for those items can be spread out so that a Montana State Printer could buy one machine and fill the State's needs.

3. Canvass the newspapers in the State and see if they could do some of the promotional books and instructions that are now done out-of-State.

4. Through State Agencies also canvass the public utilities --

The telephone company and others who do business with the State and see if they have envelopes, business forms or web work that could also help fill the private sector presses.

## Exhibits



# Exhibit A

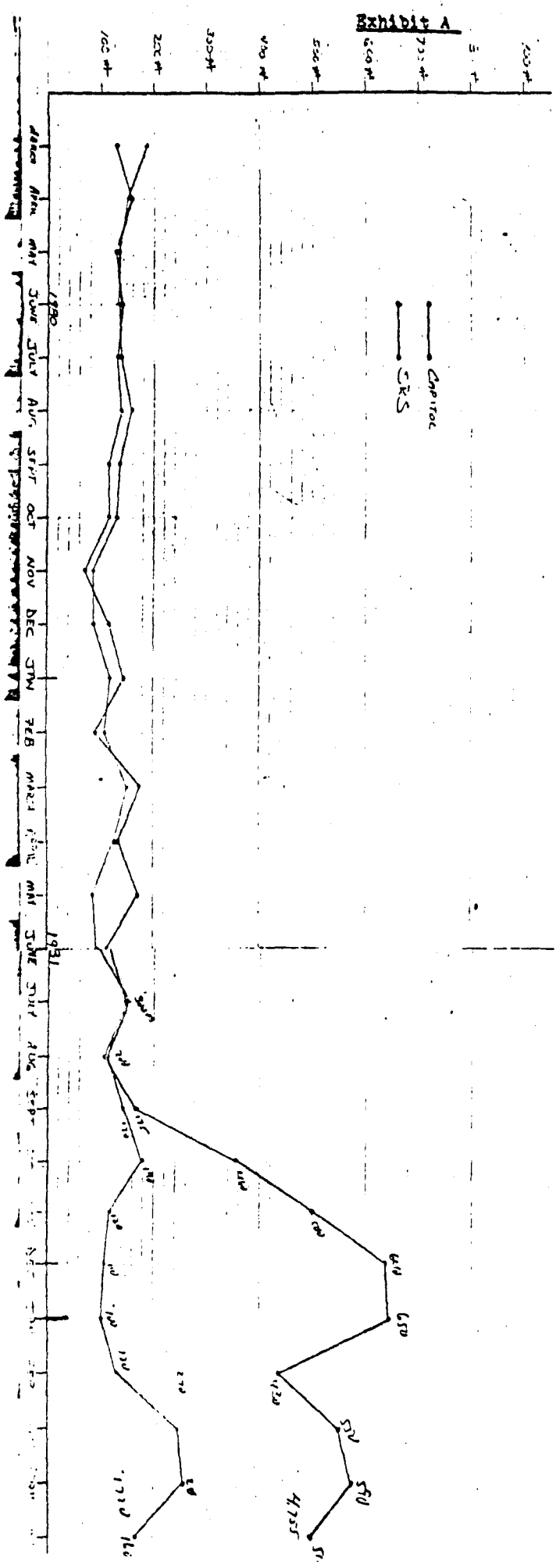
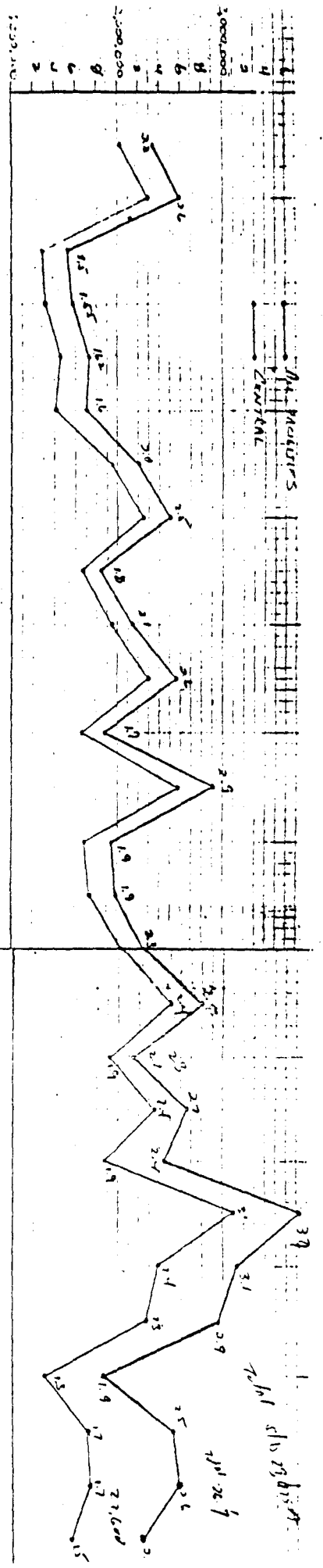


Exhibit B

Review of the Printing Quality  
of the Duplicating Bureau

The quality of the P & GA was reviewed critically on a cross section of typical jobs produced there. The following elements have a direct bearing on the quality of a job and were considered here..... Legibility, Uniformity, Suitability of paper for the job, Cleanliness, Lineup of the job, Folding, and Binding.

Random printed jobs were taken from the P & GA and viewed through a 100 power microscope, and measured as needed to come up with the following quality evaluation. Each element was rated on a scale of 1 to 5 with 5 the highest as follows:

Description of Job	Legi- bility	Uni- formity	Suit- ability of paper	Clean- liness	Line up	Fold ing	Bind ing	Remarks
1. Dept. of Revenue Price List a Booklet	5	5	5	5	3	3	3	Very thin type well done on the paper
2. Warrant Cancel- lation form-238	5	3	5	4	4	NA	3	Type & rules broken on NCR paper
3. DNRC Monthly Vehicle Report	5	4	4	4	3	NA	NA	Type is crowded
4. "Naturally Inviting Montana" Group Tour Plan- ning Guide	5	4	5	4	3	4	4	Well done Some missin Dots in HT
5. Supreme Court Stationery	5	4	3	3	5	NA	NA	Some dirt in bkgd
6. Liquor Vendors Price Quotations	4	4	5	4	4	NA	3	Rough type & rules
7. Request for Set Aside Assist. DNRC form	4	4	4	4	4	NA	NA	Rough type & Rules
8. P & GA Type Styles Booklet	5	5	4	4	4	4	4	Well design Easy read
9. State Tax Fairness Booklet	5	4	4	4	3	4	4	Suitable for end us.
10. SRS Reviewer Sign-Off Sheet	5	5	5	4	4	NA	Na	Good clear form

DEPARTMENT OF ADMINISTRATION  
PUBLICATIONS AND GRAPHICS DIVISION



TELEPHONE GOVERNOR

STATE OF MONTANA

(406) 449-2053

HELENA, MONTANA

TO: ALL STATE AGENCIES

FROM: D. R. Breiby, Administrator  
Publications & Graphics Division

SUBJECT: Rate Changes, Effective January 4, 1982

Due to increases on rent and price fluctuations on supplies, we find it necessary to adjust our recovery rates for various services. The new schedule is as follows:

Number of copies	Cost	Number of copies	Cost	Number of copies	Cost	Number of copies	Cost
1	.15	6	.41	11	.56	16	.66
2	.25	7	.44	12	.58	17	.68
3	.30	8	.47	13	.60	18	.70
4	.34	9	.50	14	.62	19	.72
5	.38	10	.53	15	.64	20	.74

EACH COPY OVER 20 COSTS .012

Based on 8½ x 11", 20 lb. white stock. Price may vary according to size & p

MASTERS

8½ x 11	.15*
8½ x 14	.15*
11 x 17	1.00
15 x 18	1.00
* Clean up, enlarge- ment or reduction, add 60¢	

BINDERY

Collating	.0045 per sheet
Stitching (Stanling)	.45 per minute
Punching	.45 per minute
Padding	.45 per minute
Cutting	.55 per minute
Perfect Bind (Hot Glue)	.55 per minute

MINIMUM DUPLICATION OR BINDING CHARGE - \$1.50

GRAPHIC ARTS

Paste up	\$13 per hour	Typesetting	\$26 per hour
Graphic Art	\$22 per hour	Forms Design	\$22 per hour
Commercial Art	\$25 per hour	Reprographics	\$21.50 per hr

\* Individually priced items available upon request.

MINIMUM GRAPHIC ARTS CHARGE - 15 minutes

Exhibit D

Test of the Printing Dollar Value the People of Montana  
Get from the P & GA Purchases of Private Sector Printing

A Comparison of the New Estimated Prices for Typical Jobs  
Bought by the P & GA with Median Public Bid Prices and the  
Low Bid Prices on the Same Jobs.

<u>Job Description</u>	<u>P &amp; GA Number</u>	<u>New Estimated Price*</u>	<u>Median Bid Price</u>	<u>Low Bid Price</u>
15,000 Renewable Energy Handbooks for DNRC	2272-S	\$ 31,800	\$ 33,000	Colorworld \$ 20,940
150,000 (7 x 10) Historical Society Form Letter	2249-S	1,840	1,900	Colorworld 1,490
175 Traffic By Sections Books	2206-S	100	99	Colorworld 83
25,000 Letterheads Office of Public Instruction	2181-S	457	460	Stylart 405
20,000 16pp Catalogs for Montana Historical Society	2067-F	8,400	8,900	Times Litho & State Pub 7,600
360 books Employment Training CETA Annual Report	P. O. 900576	744	NA	Artcraft \$ 681.98
1500 Montana Board of Housing, 1981 Annual Report	2167-S	1888	2,286	Artcraft 1,467
8000 Montana Services for the Blind Brochures	2280-S	495	551	Star Print 443
20000 Report Drunk Drivers Pamphlets	2263-S	679	807	570
10000 Montana Poison Control Cards	2222-S	421	443	Uarco 352

\* Note: New Estimated Prices calculated in this study are based  
on National Production Averages and Published Hourly Rates  
plus an average markup on the all inclusive costs.

Exhibit E

Comparison of Grphic Arts Bureau Hourly Rates with  
National Association of Printers and Lithographers  
all inclusive costs for one shift operation for  
similar wage rates

<u>Equipment or Operation</u>	<u>Graphic Arts Bureau Rates</u>	<u>NAPL 1980 All Includ</u>
20 x 24" Horizontal Camera	\$ 22	\$ 31.10 Group C
Stripping	22	25.30
Pasteup	18	21.18 Group B
Typesetting Compugraphic 8400	26	46.67

This comparison is based on basically equivalent labor  
rates and skill levels.

Exhibit F

A Comparison of Publishing & Graphic Arts Actual Charges to  
Montana State Agencies and an Independant Estimate of All  
Inclusive Costs of those Same Jobs.

<u>Description of the Job</u>	<u>Job No.</u>	<u>P &amp; GA Actual Cost of Jobs</u>	<u>Independant Est. of Costs of Same Job</u>
SRS Form #DDD-48	8784	\$ 320.15	\$ 310.22
Historical Society Subscription Pitch*	6132	1050.15*	912.58
SRS Fair Hearing Form #6901	8673	407.10	448.60
SRS A. D. C. Pamphlet	8674	616.10	758.41
Montana Library Directory Booklet	8283	1210.88	1119.94
Dept. of Commerce Motel Regulations	8693	896.55	787.12
Montana Election Publication	8561	78.30	81.59
Special Price List Revenue Dept.	7799	181.50	207.01
Montana State Library Borrowers Handbook	8287	487.50	456.62
Board of Crime Control-Certificate	8046	120.17	149.15

\* Note: This job was actually run on the old small folder at the P & GA. The independant estimate was figured on the basis of the new O & M folder recently acquired by the P & GA. The savings of the new machine will soon be available to State Agencies.

Exhibit G

Test of the Publishing & Graphic Arts Division Prices Charge  
Montana State Agencies with other Published Price Lists from  
Other Private Sector Printers---Short Run Work

<u>Description of the Work</u>	<u>P &amp; GA Prices</u>	<u>Sprint Prices</u>	<u>N Stant Printer</u>	<u>New York Printer</u>
100 copies 8½ x 11 Black & White, 1 Side Only, Incl. 20# paper, Printing and Ink.....	\$ 1.85	\$ 5.50	\$9.09	\$ 3.75 (w/poc
+Master.....	<u>.15</u> 2.00			
5000 copies of the Above.....	\$61.55	125.00	93.44	59.00 (w/poc
+Master.....	<u>.75</u> 62.30			
10,000 copies of the Above.....	122.60	250.00	178.42	91.50 (w/poc
+Masters.....	1.50			
	<u>124.10</u>			

Test of the Publishing & Graphic Arts Division Prices charge  
for Large Numbers of Copies as Compared with Private Printer

Estimated Costs of P & GA for large volume printing:

Duplicator Time = \$ .0079 per copy  
Paper, 20# bond = .0046 " "  
Ink..... = .0003  
+ Master ..... = .0003  
\$ .0131 per copy

As compared with \$ .02 to .0225 charged in the private sector

P & GA published prices = \$ .012 + Master

Exhibit H

Definition of Printed Work Suited to the Duplicator Types of Presses.

First there is no written description of the work that normally goes on duplicator presses around the country. Such unwritten scope of reproduction jobs is based on the following:

1. The primary design of the equipment.

- \*Light duty framing
- \*Small inker
- \*No real register system for sheet feeding
- \*Coarse delivery mechanism

These small devices were marketed to produce clean copies of type and rules on office papers. It was designed before the entrance of the Xerox machines. It was made to be run by inexperienced people in the office environment.

The relatively cheap presses were soon expanded to print on both sides of a sheet. A two color printing head was made available to duplicator users. The machines were enlarged to handle 11 x 17" and even 17 x 22" sheets.

2. Politics

The word duplicator, has been accepted by labor in the country, as being a machine that could be run by non-union help in a fully organized company.

3. Skill of the operators

The investigator of this study has seen talented operators of small duplicators, right off of the shelf machines, print 150 line screen halftones on # 1 conversion coated enamel with rubber based inks that were picture perfect.

This investigator is now advising a small shop in the midwest on methods to use on a 14 x 20" sheet duplicator from Japan to print full 4 color process reproductions.

The following list of print characteristics are offered as especially suitable to the Duplicator Bureau of the P & GA. It is suggested that this service organization take in work that in general fits this description to take advantage of the skills of this group.



Exhibit H (cont'd)

Types of work best suited to the Duplicating Bureau of the P & GA:

1. Fast turn-around, short run jobs. Work that has to go out in 3 to 4 days.
2. Legislative work that is of a quick-copy nature, bills, codes, reports, etc. that is of a particularly timely nature.
3. Light ink-coverage jobs that are made up of simple type and rules, reproduced in 1 color or in 2 color (spot).
4. Labor saving forms. The forms design and layout are well done in the Montana State Agencies. They can be printed in a satisfactory manner on duplicating equipment.
5. The duplicators here handle NCR paper well and forms done on this stock that are basically open and with little coverage should be considered.
6. Letterheads. The newly designed utilitarian letterheads in Montana are suitable to the duplicator process
7. The P & GA has become proficient in the collating and perfect binding and saddlestitching of short run books and reports 1000 quantity and under. They need the capability of this equipment to do the legislative work and short turn-around jobs. This type of activity should be continued.

The timely presentation of books and reports to busy agencies is of prime importance to the smooth flow of government.

Some of the agency people feel more secure in being confident that the job will be done for a committee meeting when handled by the P & GA.

8. The P & GA is especially well suited to do padding. Their layout is well conceived and the workers show a good attitude toward this monotonous work.
9. The Dept. of Revenue, Liquor price lists are handled very well by the P & GA and this type of critical work should be continued.
10. Other more complex jobs should be evaluated by the Administrator before being put into the Duplicating Bureau.

Such evaluation should include a complete estimate of the cost of doing the job in-house as compared with the effort of going out for bids in the private sector.

Most important---Printing jobs on coated stock, or with heavy ink coverage, or those jobs that need special craft skills or the use of special machinery should be sent out to the private printing sector without any further screening.

Exhibit 1-B  
SB-207  
2-12-85

# Examination of Montana's

## Printing And Duplicating Operations

A Study by  
The Interstate Consulting Clearinghouse  
of  
The Council of State Governments



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Several draft manuscripts preceded this final document. The Clearinghouse coordinator and the study team wish to express their appreciation to Mrs. Margaret Haertzen, Clearinghouse secretary, for her diligent and conscientious typing of those drafts as well as this final report.

## PREFACE

This study of Montana's printing/duplicating system commissioned by that state's Department of Administration was prepared under the auspices of the Council of State Governments' Interstate Consulting Clearinghouse program. Instituted in 1972 with funding through the U.S. Civil Service Commission's Bureau of Intergovernmental Programs, the Clearinghouse is CSG's vehicle for providing technical assistance to requesting state governments. Now supported exclusively by Council funds, the Clearinghouse offers as resources to states needing technical assistance, the expertise of state officials and CSG professional staff. Services typically include management studies, short-term consultation, assistance in developing in-state or multistate seminars, or arranging for expert legislative testimony on subjects before state legislatures.

## INTRODUCTION

This report and its recommendations culminate an assessment of Montana's printing and duplicating operations by a team of specialists coordinated by the Interstate Consulting Clearinghouse of the Council of State Governments.

Team members included William Hanson, Department of Printing, Washington; William Strusinski, Minnesota's Deputy Commissioner of Administration; and Vernon Lundquist, Superintendent of Iowa's Printing Division. Coordinator was Michael Kannensohn of the Council's Interstate Consulting Clearinghouse headquartered in Lexington, Kentucky.

The consulting team relied on two principal sources of information in analyzing Montana's printing and duplicating operations. The first was extensive interviews conducted during a field visit to Helena from September 18-22, 1978. In addition to the field visit, the consulting team requested and received written materials (statutes, rules and regulations, job descriptions, organizational charts, budget data, production schedules, and printing volumes).

The study team's analysis of Montana's printing system and subsequent recommendations on the following pages are organized in the following sections:

1. Organization and Operations.
2. Determination of Equipment Needs and Configurations.
3. Review of Procedures for In-House Duplicating.
4. Procurement of Outside Printing.
5. Financial Management Analysis.
6. Printing Laws, Rules and Regulations.

## I. ORGANIZATION AND OPERATIONS

### FINDINGS

#### COMMUNICATION AND COOPERATION

The consulting team's review of Montana's current printing operations revealed little in the way of organizational structure within DOA's General Services Division. Instead we found a fragmentation of service and control among the various agencies which presently have the responsibility for their own printing procurement. There is very little direction or communication coming from DOA to user agencies regarding standards, procedures, or guidelines. Communication between DOA and user agencies is essentially informal.

No single individual in the line agencies makes the decision to "make" a printing job in-house or buy outside. In fact, nearly every department functions individually through contract vendors and the agencies only contact the DOA when they need a purchase order after specifications have been developed and the printing decision has been made by the individual ordering the work. The reason for this lack of communication seems to be that there is no real printing expertise available in DOA even though they have the statutory responsibility for printing purchasing. Consequently, each agency goes its own way and individuals order their printing and seek their guidance from the vendors rather than from the state. When the vendors write the specifications, they naturally tend to write them to suit their own shop and equipment rather than what is necessarily in the best interest of the agency.

Several other problems also stem from this lack of expertise and centralized control within the state. One of the problems is that presently much of the agency printing is being ordered by inexperienced personnel with little knowledge of procedures for drafting printing specifications to produce the product in the most cost-effective manner. One vendor even stated that many times jobs were sent to the wrong contract vendor as a result of this inexperience.

The printing firm holding the contract for the 2 and 2A Contracts informed us that, in his opinion, there were only one or two acceptable specification writers in all of the state agencies combined and that most jobs were three weeks late before he even received them. It is the opinion of the consulting team that most of these problems exist mainly because there is no single printing authority with the necessary expertise to coordinate the total printing operations for the state.

#### STAFFING AND PROFESSIONAL DEVELOPMENT

The consulting team found a shortage of highly skilled personnel in central duplicating; a high turnover rate among lower paid employees, and generally low pay scales in all areas. Additionally, there are no career path incentives for employees. No formal training program exists to provide the sophistication



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necessary to operate more technical equipment that could improve product. Supervisory personnel are not trained in modern management techniques, and they are not provided with proper management reports to guide them in making decisions. We were informed that 15 workers terminated their employment during a one-year period--a turnover rate of 100 percent. This causes a continual training problem; wastes productivity of expensive equipment; wastes time of other employees; and generally lowers the productivity and morale of the total operation.

By comparison, the state of Washington has had only two voluntary employment terminations and three new hires during the past two years. This is due to several facts: prior knowledge of career advancements; pay scales equal to or better than best in private industry; competent supervision, and emphasis on individual self-worth. The results have been high productivity; very low turnover; high morale; and lower duplicating costs in the state's estimation.

The consulting team recognizes that no savings will result from the employment of low-skilled and low-paid personnel to operate expensive and sophisticated equipment. The resultant loss of productivity and increased downtime for maintenance will rapidly eat up any possible savings under such a policy. The very complex and technical printing industry needs highly skilled and motivated employees to produce a quality product at a reasonable price.

## RECOMMENDATIONS

1. Establish a State Printer position within the Department of Administration to coordinate all state printing functions. The individual selected should be a knowledgeable, practical printing manager with considerable work experience in printing production and purchasing. He or she should also be able to communicate effectively with both employees and user agencies.

Duties of the State Printer's position would include the following:

- (a) Management of all in-plant operations,
- (b) Control of purchasing or leasing of all state copying devices,
- (c) Purchase of all printing equipment and supplies,
- (d) Development of monthly financial and management reports for all services provided by the printing division,
- (e) Negotiation of all the vendor contracts,
- (f) Approval of vendor responsibility,
- (g) Assistance to all agencies in drafting printing specifications,
- (h) Review of all specifications and submission, along with all pertinent data, to the contract vendor or the successful bidder,
- (i) Issuance of all purchase orders prior to the start of production, and

(j) Provision of cost estimates for jobs to agencies as requested.

The State Printer would be directly responsible to the Deputy Director of Administration and the printing function would be elevated to a division status (proposed organizational chart is attached). This is the first and most important recommendation. This entire study and its recommendations are based on the merger of all printing functions under one head within the Department of Administration. (See Appendix A)

Candidates for the State Printer's position should be carefully screened to assure that the state finds an individual who has the expertise necessary to manage the printing division in a competent and effective manner. The consulting team would recommend that Montana seek professional assistance in the selection of the individual to fill the State Printer's position. Printing management organizations, such as the National Association of Printers and Lithographers, or The Council of State Governments could be helpful in making this selection. We also recognize that while it may be possible to find such an individual in Montana, national advertising in such publications as the Inland Printer, Graphic Arts Monthly, and other magazines may be necessary and advisable.

2. Transfer all existing typesetting and composing operations from the various agencies in the capitol campus area to the control of the DOA to form a central composition service available to all agencies in a convenient location. As the Department of Natural Resources (DNA) has the only real expertise in composing, this established group should be used as a nucleus to form the new service.

Because Montana presently owns most of the necessary equipment to establish the typesetting service, the start-up cost should be minimal. At most, a few paste-up and stripping tables and miscellaneous items might be needed to start, plus the cost of moving existing equipment to a central location and transferring personnel. The service would then be available to all state agencies to provide completed plate-ready negatives to any vendor, especially for those jobs requiring close communication between the ordering agency and the composing service.

The camera and darkroom presently in the Capitol Building should be moved to the composing area and utilized for both composing and cartography production. This will eliminate an existing contract by DNR for camera work that exceeds \$10,000 per year. Centralized composition will provide a convenient service in the capitol that will reduce many of the costly and time consuming trips to vendors as far away as Billings or Great Falls.

The Cartography Division of Natural Resources would be a natural adjunct to the composing service unit and could share both equipment and personnel. The State Printer would finalize all printing requisitions assisted by the composing supervisor and make the decision to produce in-house or buy through an applicable contract or bid procedure.

Centralized composition would be a natural for eventual interfacing with wordprocessing equipment of various agencies to eliminate much rekeyboarding costs as this technology is perfected within the industry. Washington is now working toward this goal and expects considerable savings to result by the

reduction of the duplication of effort. Real savings are available us procedure--as much as 50 percent of the typesetting costs.

3. A Printing Coordination Officer (PCO) in each agency should mally designated. There is no particular need to establish a new posi if someone presently performs these duties; instead, existing personnel formally assigned. The PCO would be responsible for maintaining records, viewing requisitions; handling specifications, and airing and resolving problems in cooperation with the State Printer. The PCOs should be trained the State Printer in proper procurement procedures and basic specifications.

4. Establish a journeyman classification and wage for fully trained production personnel.

5. Institute a continuous four-year training program for all production employees, training them in all operations of the duplicating department.

6. Establish pay scales for new employees at the rate of 60 percent the journeyman rate with automatic 10 percent increases annually until the journeyman rate is reached at the end of the four years. At this time, the employee should be fully trained and capable of operating all equipment in the plant.

7. Train production supervisors in basic management and printing. This training is generally available through university extension courses, printing equipment companies, and printing service organizations such as the Printing Industries of America and National Association of Printers and Lithographers. Supervisors can, in turn, train other employees in new techniques and equipment.

8. A procedures manual should be developed. The manual should:

- (a) Explain statutory printing restrictions,
- (b) Designate who is authorized to order printing,
- (c) Explain the printing process,
- (d) Identify location of printing facilities,
- (e) List services provided by centralized duplicating,
- (f) Describe the complaint process, and
- (g) Identify the forms to be used.

This manual should be supplemented with periodic informational memoranda issued by the central duplicating division to using agencies.

## IMPLEMENTATION

Creation of a State Printer's position would require a change in Montana's statutes. Section 82-1916 would need to be amended to designate the authority and duties of a State Printer.

The following is the estimated cost of implementing the above staffing and professional development recommendations:

Assistance in hiring State Printer	\$ 2,500
Annual salaries:	
State Printer	25,000
Estimator	15,000
1 additional clerk	10,000
Move composing equipment to central location	10,000
Training and miscellaneous needs	<u>20,000</u>
	\$82,500

These figures are rough estimates but should provide an approximate encumbrance figure for necessary legislation and appropriation requirements.

The personnel training and staff development changes can be implemented administratively by the DOA. However, additional funds will likely be needed and, therefore, an additional increased legislative appropriation or internal DOA budget reallocation would be required.

The State Printer would be responsible for developing a procedures manual. Information specialists from other state agencies could probably be enlisted to help write and compile the manual. After the manual is written and published, training sessions should be scheduled by the State Printer with each agency to assist their Printing Coordination Officers in the writing of specifications and the proper ordering of printing.

## II. DETERMINATION OF EQUIPMENT NEEDS AND CONFIGURATIONS

### FINDINGS

The consulting team, in its review of the physical printing facilities operated by the DOA, found that equipment was overcentralized in one location known as central duplicating. While there is no question that this would provide more efficient handling of duplicating from the duplicating management position, the users complained of the inconvenience of the new plant's location. It appears that rather than centralizing control, equipment was centralized, thus inconveniencing user agencies and causing them to seek more convenient methods of reproducing rush work.

One of these methods is the use of convenience copiers located in their own buildings to produce jobs that could have been produced much more economically on duplicating equipment. Records indicate there are eight high-speed copiers (Xerox 4500's and IBM 111's) with collators located in various buildings, designated for use on jobs of less than 10 copies, that are used for runs greater than 10 at a much higher per copy cost than duplicating.

Agencies are generally unaware of standards they are required to meet when installing an office copier. Consequently, some agencies have leased or purchased copiers without contacting DOA. Occasionally, this equipment is even installed without DOA's knowledge. It was also found that, while the DOA restricts to 10 the number of copies per original to be produced on convenience copiers, this policy is not policed and is often entirely ignored.

### RECOMMENDATIONS

1. Install duplexing (two-sided) duplicating equipment in existing satellite copy centers and put on-line to collators for more convenient service to agencies and reduced turn-around time. Monthly volumes should be in excess of 500,000 per month to efficiently operate this type of equipment. There should be little need to transfer work from this kind of copy center to central duplicating except for long-run collated jobs (too large for the on-line collator). Copy centers of this type will give the customers the turn-around they need plus provide convenient service in a close location.

2. Research copying needs in the various campus buildings with an eye toward installing other convenience copy centers where they can be cost effective. As volumes permit, double- or single-sided equipment should be installed in all feasible locations to reduce travel of employees and improve turn-around time and service.

Washington has eight convenience copy centers located strategically throughout the capitol campus area, five of which are operated by one person each. There is one center reserved for long-run and unusual work. This center is equipped to produce such work in the most efficient manner possible and has six employees including two bindery workers to do padding and long-run collating. This has been found to be an efficient system as copy center rates in Appendix

D show. However, it must be remembered that Washington also has a large in-plant printing operation and can, therefore, selectively direct only that work that is best suited to the copy centers, producing the rest in the main plant.

3. The State Printer should be responsible for the placement of all office copiers. A policy must be established with all agencies and copier vendors to the effect that no copiers could be placed in any location without the approval of the State Printer. This would include any copiers that are placed in an office on a free trial basis. The reeducation of copier users will be a long process and consideration must be given to agency's true needs as well as the need for economy of copying. Also in the Appendix is a copy of the criteria used by Washington State's Department of Administration in determining the type of copier that is needed based on the number of copies per month as well as average run lengths.

### III. REVIEW OF PROCEDURES FOR IN-HOUSE DUPLICATING

#### FINDINGS

##### QUALITY CONTROL PROCEDURES

The procedures established for monitoring quality control appear Central duplicating has developed a good log-in system for monitoring times. There is also a system in place requiring supervisors to check off on jobs before they are processed. Tracing of orders is facilitated procedure whereby orders from central duplicating to satellite operations corded.

##### INVENTORY AND STOCK CONTROL

The physical control of inventory is very adequate. There are good and balances in the system, and items are entered and dispersed with accurate counting. However, the consulting team did identify areas which require improvements, the greatest problem being the lack of cash flow to maintain adequate supplies.

Interviews revealed that inventory value was \$76,305, a level which tails effective working capital. Part of this excess was due to the circumstances connected with establishing a central duplicating operation. The making a concerted effort to reduce the excess inventory that it was required to buy from other agencies when central duplicating was established. The inventory on hand represented a two-month or more supply, which could be excessive for items. To correct this inventory excess, it would be necessary to study inventory flow and the availability of some items. After a careful study by DOA personnel of inventory movement, it should be determined if some items be stocked on the basis of one-month supply, which would be more ideal.

It also appears that paper is being sold to state agencies with little or no mark-up for storage and handling costs. Thus, each sale transaction is conducted at a loss to DOA because of costs of rents and salaries of paper handling personnel.

Some paper purchases by state agencies are not made through central duplicating. Instead, agencies sometimes are purchasing a few cases of paper on an individual basis through DOA's purchasing division. This practice costs the state additional dollars because of loss in volume buying purchasing power.

#### RECOMMENDATIONS

1. A system needs to be established for checking the quality of orders when order is entered. All orders are received by one person in central duplicating and this individual should check the reproduction quality of all orders when the order is logged in.

As a double check each operator or platemaker should check the quality of the same original before a plate or master is made. With experience this can be performed very quickly by a trained operator. Our last visit indicated that this procedure is currently being used.

Agencies should be notified that the original quality is too poor for good reproduction (if one is found to be such) before an order is printed. The ordering agency would then assume the responsibility to determine if the finished product would be acceptable.

2. The present system of logging printing orders should be retained as well as current method of quality control for print production.
3. The Department of Administration should review requirements to determine adequate inventory levels based on available cash flow and establish a maintenance schedule to assure those levels. As a general rule of thumb, it is suggested that no more than a 50-day maximum supply of paper should be accumulated. This practice, of course, would vary periodically, depending on availability from suppliers.
4. Other supplies should be increased to ensure steady and consistent production.
5. All paper requests by state agencies should be channeled to the State Printer.
6. Paper purchases should be subject to a price mark-up covering the cost of handling and storage.

## IMPLEMENTATION

In the period between the consulting team's first and second visits, DOA established a monthly usage record of paper and supplies as recommended by the team members. The establishment of this system permitted central duplicating to quickly obtain additional data on inventories requested by the consulting team for inclusion in the final report. In the future, this information should be reported to the State Printer, who would make the determination when to buy supplies and paper. The supervisor of central reproduction would then be the responsible party to be certain this information is accurate and timely for use of State Printer. Under this system, some items may be reduced to less than 50 days supply if availability permits.

The actual costs of storing and handling paper should be established within the cost accounting system proposed in Section V of this report. This responsibility would be with the fiscal officer and should be regularly reported to State Printer. Costs should cover salaries of people handling paper and supplies, rent and depreciation of equipment. A percentage should be added as mark-up to each paper and supply sale.

All paper requisitions by state agencies should be sent to the office of the State Printer. The State Printer or printing purchasing agent would then make the decision whether to buy from outside vendor or sell from inventory. The State Printer ultimately would be responsible for the performance of this operation.



## IV. PROCUREMENT OF OUTSIDE PRINTING

### FINDINGS

#### BIDDING PROCEDURES

In interviews with the consulting team, vendors complained that b often opened in June, which means that information about contractual aw often received as late as a week before the new fiscal year. In respons finding, the purchasing division has already moved schedule calls, bid o and awards from June to early spring.

#### SPECIFICATIONS AND CONTRACTS

Examination of specifications that were submitted to the study tea the second visit indicated that the quality of the specifications was bet assumed to be earlier.

The specifications for individual items to be purchased are general grouped together, rather than established as separate items for bidding p This practice, as evidenced by the 1979 fish and game maps and regulations forces a contractor to bid on all items which are grouped, rather than sub bid on an individual item. The disadvantage of this practice is that one may be efficient on one item but not the other; hence, Montana loses the a tage of good competitive bidding. The same criticism appears to apply to continuous data mailers and computer forms, where specifications fail to i whether bids will be awarded separately.

There is a penalty clause that is written in some of the specificati but it is not consistent. On the highway maps, the penalty is .5 percent i each day late; and for the game and fish maps for the Department of Fish an the penalty is 1 percent per day for late delivery. Some specifications di contain a penalty clause. The penalty should be consistent on all specific and enforced when necessary.

All envelopes used by Montana were purchased under one contract. As consequence, envelope prices appear to be high (e.g. 1,000 #10-24# white w envelopes cost Montana \$15.10, compared to Iowa's cost for the same envelop \$11.38).

Contracts 2, 2A and 6 are too broad, and tend to put all the purchas one basket. Each printing request would have to be examined to determine i should be bid separately or printed on contract. The present contracts pla printing orders with the contract printer, whether that printer is competit on that item or not. This method of operation also enables the vendor to c vent central purchasing and deal directly with using agencies. What often sults is that the vendor designs printing to fit his equipment capabilities thereby potentially excluding competition at a later date.

## RECOMMENDATIONS

1. The State Printer should be primary author of printing specifications.
2. Specifications should contain a standard penalty clause for late deliveries. That penalty clause should be consistently enforced in instances of violations. As one example of a state penalty clause, Montana might wish to refer to the Iowa provision which penalizes vendors 1 percent per working day for late deliveries (see Appendix B).
3. Montana should reserve the right to bid separately on envelope orders exceeding 25,000. The envelopes bid separately should be sent directly to the envelope house, as well as the printer. The printing of large orders of envelopes is just a few cents per 1,000 above the cost of the envelopes, since the printing is done while the envelope is being made.
4. By sending all requisitions to State Printer, the incidence of placing additional orders to bypass the 10,000 limitation on the Class 2 and 2A contracts would be decreased. The State Printer should review all printing requisitions and have the option to bid as a separate item, place a contract order, or produce the item in-house.
5. Every possible item should be bid as a separate printing order. This will allow Montana to make better printing buys by taking advantage of more competition. Class contracts tend to discriminate against small printers who often are unable to absorb the load of a full year's contract, but could possibly supply some printing orders throughout the year.
6. Purchase orders should be written when the requisition for printing is submitted by the agency. If Montana is to continue using the class contract, the pricing for the purchase order should be done by a state printing estimator. The printing estimator would be experienced or be trained to use the Franklin Catalog. One benefit of employing an estimator would be in preventing vendors from billing the state for a higher class (with attendant increased cost) of state printing. An estimator could also prove beneficial in writing specifications and working with the bid process.
7. All contacts with vendors should be through the State Printer's office--not each state agency as now is the case. This would require a firm position by the State Printer to prevent the vendors from circumventing this policy.

## IMPLEMENTATION

Proper implementation of these recommendations is dependent upon the creation of the State Printer's position suggested in the first section of this report.

In addition to the State Printer's position, the implementation of these recommendations would be assisted by the employment of a printing estimator. The cost of such a position would be approximately \$20,000 a year, but this expense would likely be more than offset through more economical and efficient printing purchases.

(f) inventory, (g) photo copying, and (h) administrative. This approach would yield a gross profit from operations by unit and provide better financial production control. Comparisons as well as operational adjustments can be made.

It should be noted that these possible cost centers are only a starting point. They should provide data which will enable a break-even analysis of each cost center as a whole and a comparison of profit generated between centers. This approach should prove most beneficial.

3. To provide adequate cash flow, the accounts receivable must be fully monitored and inventory turned frequently. Completed jobs should be invoiced immediately upon completion, not on a monthly cycle.

4. The current rate structure and charges should be reviewed annually so as to reflect the current level of operating costs and return on capital investment. Also, the rates established should include all costs incurred in the service including depreciation on equipment.

5. Shop (cost center) production records should be developed and maintained. (The consulting team found in its second visit to Montana that a production capacity was being developed.) Associated with this recommendation is the implementation of management practices that will ensure the production of quality products at competitive prices.

6. It is extremely important to develop a comprehensive training program focusing on financial management principles. Several "canned" programs are available from AMA, state universities, The National Printers Association and PIA. Once managers are properly trained, the benefits of decisions made by a new reporting system will be realized.

The accounting system must support the needs of the management system. Further, the internal accounting system should comply with generally accepted accounting principles. With the development of a total system comes the responsibility to make uniform, consistent and quality decisions.

The six suggestions referenced herein are independent parts of a total system. Recommendations one, two, and six cannot be separated from the rest of the package if the state is to benefit from these suggested improvements.

## IMPLEMENTATION

It is strongly recommended that no action be taken on implementing the recommendations contained in this section until a State Printer has been selected. This person, along with the appropriate staff from the fiscal services department, must collectively develop an implementation plan and schedule. Both units must have to understand and agree to the development of this or an alternative accounting system. The commitment to make it work is extremely important and consequently requires total cooperation.

Finally, there is a possibility that the services of a financial consulting firm may have to be employed to help implement several of these recommendations. This action, of course, would be contingent upon the degree of expertise within the Department of Administration and their available time for implementation.

## I. PRINTING LAWS, RULES AND REGULATIONS

### FINDINGS

As part of the consulting team's review, an examination of the current codes and administrative rules and regulations was undertaken. The consulting team found that the Montana codes governing printing are generally well and clearly written. More importantly, the consulting team also concluded that the current codes can provide DOA with sufficient management authority to operate an effective printing system. While printing codes are generally sound, the consulting team did find one major deficiency which should be corrected. That problem relates to the provision for an in-state preference for Montana printers found in Sections 82-1137 and 82-1157 of the Montana code. The experience of the consulting team members has been that such provisions only benefit a selected few, while the additional, unnecessary printing costs are absorbed by the taxpayer. This point was made in an earlier Council of State Governments study of Montana's purchasing system, which stated that:

"State or local preferences should neither be acceptable or allowable. Such preferences have been determined by most states to be a violation of free and open competition, a hindrance to purchasing in obtaining maximum value for each dollar spent, and results in retaliatory measures by other states."

It should be pointed out that most states have repealed such statutory language. Further, it should be noted that vendors, in interview sessions, admitted to the consulting team that they do indeed use these provisions to their advantage. More specifically, a percentage is taken off the top on many large jobs that they subcontract to out-of-state firms.

The consulting team also found that the DOA lacked administrative rules and regulations specifically outlining its printing and duplicating responsibilities. Instead of a manual of rules and regulations, the DOA has attempted to define printing policies through a few memorandums, most of which are not adequate in providing a systematic definition. The experience of the consulting team members has shown that, in situations where line agencies have too much discretionary policy latitude, unpredictable and costly decisions often result. For example, under the current loosely run system--determinations about matters such as what constitutes an emergency; what specifications should be used for printing acquisitions, and which vendor should receive a printing job--can be made by almost anyone within state agencies. Such determinations can be more closely regulated if DOA adopts and enforces a well-defined set of administrative rules and regulations, which would bring a more competitive and fair system for vendors, as well as cost savings for the state.

### RECOMMENDATIONS

1. Administrative rules, regulations and procedures providing for a more precise description of activities premised on the code should be developed. In the process of developing rules and regulations, DOA should solicit public and

state agency input. A workable set of rules and regulations, if periodically updated, will provide for more consistent, cost effective and efficient management decisions. The enforcement of developed policies is essential.

2. Those aspects of Montana Code Sections 82-1137 and 82-1157, pertaining to in-state preference, should be repealed.

3. Enabling legislation should be enacted authorizing a State Printing position and describing the duties of that position. A copy of suggested language is referenced in Appendix C.

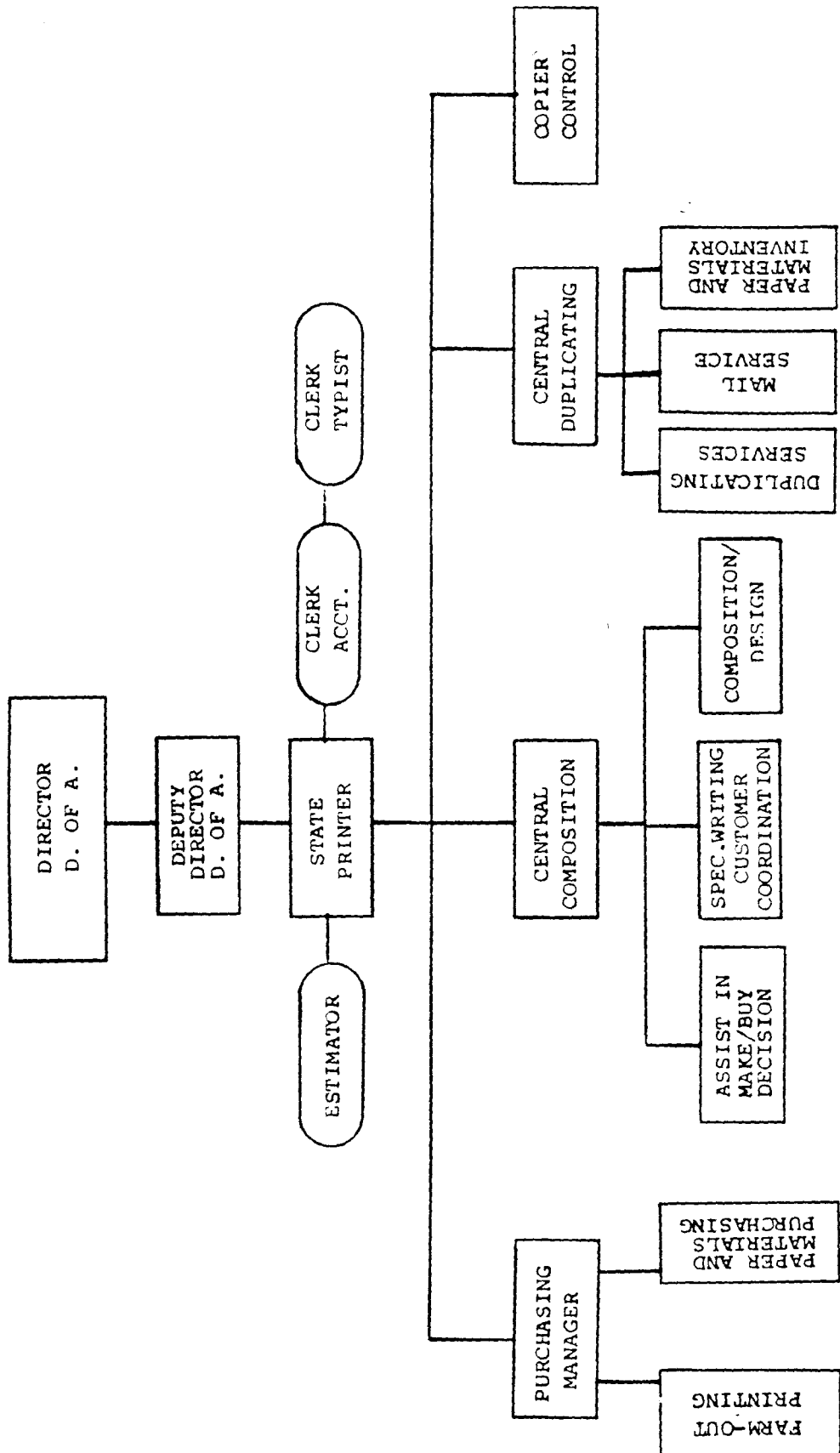
4. Legislation should be passed which would provide a penalty for vendors and employees who enter into illegal leases for reproduction equipment.

## IMPLEMENTATION

It is suggested that the DOA follow established legislative procedure in amending the state code. To assist in language development, however, it is suggested that a small task force be created. This group could also assist in providing language for needed rules, regulations, and procedures. Representatives of the director's office, legal staff, purchasing, the user agencies, and knowledgeable in printing should make up the task force. Code revision project should be developed this session with the balance to be accomplished within the next year.

Appendix A

Organizational Chart  
State of Montana  
Printing Division



Appendix B

Sample of Penalty Clause  
State of Iowa



## APPENDIX B

### CHAPTER 17

#### OFFICIAL REPORTS AND DOCUMENTS

Referred to in §§18 28, 18 30, 18 50, 18 59, 35A 6, 524 216, 5 161

- |  |   |
|--|---|
| 17.1 Official reports—preparation.                     | 17.18 Legislative bills.                                |
| 17.2 Made to governor.                                 | 17.19 Legalizing Acts of local nature.                  |
| 17.3 Biennial reports—time covered and date of filing. | 17.20 Miscellaneous documents.                          |
| 17.4 Annual reports—time covered and date of filing.   | 17.21 Legal publications.                               |
| 17.5 Governor.   | 17.22 Price.  |
| 17.6 Attorney general.                                 | 17.23 Price of departmental reports.                    |
| 17.7 Repealed by 64GA, ch 1088, §206.                  | 17.24 Repealed by 63GA, ch 1014, §6.                    |
| 17.8 Superintendent of banking.                        | 17.25 New editions.                                     |
| 17.9 State department of transportation.               | 17.26 Number printed.                                   |
| 17.10 Commerce commission.                             | 17.27 Other necessary publications—when necessary sell. |
| 17.11 Repealed by 65GA, ch 139, §31.                   | 17.28 Governor may fix filing date.                     |
| 17.12 Delay.   | 17.29 Title pages—complimentary insertions.             |
| 17.13 Governor may grant extension.                    | 17.30 Inventory of state property.                      |
| 17.14 Number of copies—style.                          | 17.31 and 17.32 Repealed by 58GA, ch 76, §1.            |
| 17.15 Legislative journals.                            | 17.33 Repealed by 67GA, ch 1105, §9.                    |
| 17.16 Legislative proceedings.                         |   |
| 17.17 Corrected journals.                              |   |

**17.1 Official reports—preparation.** State officials, boards, commissions, and heads of departments shall prepare and file written official reports, in simple language and in the most concise form consistent with clearness and comprehensiveness of matter, required by law or by the governor.

Before filing any report its author shall carefully edit the same and strike therefrom all minutes of proceedings, and all correspondence, petitions, orders, and other matter which can be briefly stated, or which is not important information concerning public affairs, and consolidate so far as practicable all statistical tables.

Any report failing to comply substantially with this section shall be returned to its author for correction, and until made so to comply shall not be printed.

This section shall not be construed as depriving the superintendent of printing of the right to edit and revise said report. (C24, 27, 31, 35, 39, §244; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, §17.1)

Referred to in 1476.16

**17.2 Made to governor.** All official reports shall be made to the governor unless otherwise provided.

Reports after being filed with the governor are considered by him shall be delivered to the superintendent of printing. (C24, 27, 31, 35, 39, §245; C46, 54, 58, 62, 66, 71, 73, 75, 77, §17.2)

Industrial commissioner's report transmitted to general assembly, §86

**17.3 Biennial reports—time covered and date of filing.** Reports of the following officials and departments shall cover the biennial period ending June 30 in each even-numbered year, and shall be filed as soon as practicable after the end of the reporting period:

1. State comptroller on fiscal condition of state.
2. Treasurer of state as to the condition of the treasury.
3. Secretary of agriculture.
4. Superintendent of public instruction.
5. Commissioner of the department of social services.

## §17.3. OFFICIAL REPORTS AND DOCUMENTS

- 6 Board of regents.
- 7 Superintendent of printing.
- 8 Industrial commissioner.
- 9 Commissioner of public health.
- 10 Commissioner of labor.
- 11 State historical board.
- 12 State librarian.
- 13 Library commission.
- 14 Department of general services.
- 15 State conservation director.
- 16 Adjutant general.

The officials and departments required by this section to file biennial reports shall, in addition thereto, in each odd-numbered year, file summary reports relating to their operations for the preceding fiscal year. Such reports shall be filed as soon as practicable after June 30 of each odd-numbered year and shall be as detailed as may be required by the governor, or in case the reports are to be filed with the general assembly, the presiding officers of the two houses of the general assembly.

The officials and departments required by this section to file reports shall submit the reports on standardized forms furnished by the state comptroller. All officials and agencies submitting reports shall consult with the state comptroller and the director of the office of planning and programming, and shall devise standardized report forms for submission to the governor and members of the general assembly. [C73,§125; C97,§122; S13,§122; C24, 27, 31, 35, 39,§246; C16, 50, 54, 58, 62, 66, 71, 73, 75, 77,§17.3]

Referred to in §455B.7(4)

Adjutant general, §29A.12

Auditor of state, §§11.25, 11.27

Board of accountancy, §115.3

Board of parole, §247.32

Board of regents, §252.25

Commissioner of public health, §§135.37, 136.10

Industrial commissioner, §46.9

Labor commissioner, §91.4(5)

Secretary of agriculture, §159.15

Secretary of executive council, §19.6

General services board, §235.2, subsection 5, and §251.3(3)

Landers' home, §219.21

State board for vocational education, §§259.4(15), 259.8

State comptroller, Const., Art. III, §18. Also §§8.6, 8.21-8.25, 14.10, 27.22, 37.218

State conservation director, §109.10

State department of revenue, §421.17 (12) and (13)

State historical board, §79.3(5)

State historical commission, §167A.11

Superintendent of public instruction, §§257.19(18), 258.13

Treasurer of state, §§12.17, 12.18.12

**17.4 Annual reports—time covered and date of filing.** Reports of the following officials and departments shall cover the year ending December 31 of each year, and shall be filed as soon as practicable after said date:

- 1 Commissioner of insurance.
- 2 Apurist.
- 3 State geologist.
- 4 Fire marshal.
- 5 Board of accountancy.\*
- 6 Board of engineering examiners.
- 7 Director of passenger boats.\*\*
- 8 Higher education facilities commission. [C24, 27, 31, 35, 39,§247; C16, 50, 54, 58, 62, 66, 71, 73, 75,

77,§17.4]

\*See §116.3(3)

\*\*Report abolished

Apurist, §160.13

Board of architectural examiners, §118.4

Board of educational examiners, §260.29

City development board, §368.10

Commission for the blind, §601B.6(7)

Commissioner of insurance, §§505.12, 505.13

Department of environmental quality executive committee, §455B.7

Engineering examiners, §114.10

Fair board, §173.21

Fire marshal, §100.33

Higher education facilities commission, §261.15

Iowa beer and liquor control council, §123.55

Merit employment commission, §19A.7

Printing division, §18.27(5)

Savings and loan supervisor, §534.58

State department of revenue, §422.75

State geologist, §305.7

Status of women commission, §601.8

**17.5 Governor.** The biennial report of the governor to the general assembly on reprieves, commutations, pardons, and remission of fines and forfeitures shall cover the two years ending with December 31 immediately preceding the convening of the general assembly in regular session, in odd-numbered years, and shall be filed as soon as practicable after said date. [C24, 27, 31, 35, 39,§248; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77,§17.5]

**17.6 Attorney general.** The biennial report of the attorney general shall cover the two-year period ending with December 31 in even-numbered years and shall be filed as soon as practicable after the expiration of said period but not later than March 1. [C24, 27, 31, 35, 39,§249; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77,§17.6]

**17.7** Repealed by 64GA, ch 1088, §206.

**17.8 Superintendent of banking.** The annual report of the superintendent of banking shall cover the year ending June 30 of each year, and shall be filed as soon as practicable after said date and not later than September 1. [C24, 27, 31, 35, 39,§251; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77,§17.8]

Annual report, §524.216

**17.9 State department of transportation.** The annual report of the state department of transportation shall cover the year ending June 30 and shall be filed not later than September 1 of each year, provided the summary report of county highway engineers may be filed on a date not later than February 1. [C24, 27, 31, 35, 39,§252; C16, 50, 54, 58, 62, 66, 71, 73, 75, 77,§17.9]

Referred to in §308.4

Additional provision, §307A.2(7)

Research and engineering reports, §310.36

**17.10 Commerce commission.** The annual report of the Iowa state commerce commission\* shall, as to all statistical data, cover the year ending December 31 preceding the filing of the report, and the proceedings of the commission to date of filing the report each year. Said report shall be filed on or before December 1. The commission shall determine the manner in which such annual report shall be published.

[C24, 27, 31, 35, 39, §253; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, §17.10]

Referred to in §476.16

\*See also ch 307

Additional provision, §327C.6

**17.11 Repealed by 65GA, ch 139, §31.**

**17.12 Delay.** Should the governor deem the delay in filing a report to be unreasonable he shall take such steps as will correct the delinquency. [C24, 27, 31, 35, 39, §255; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, §17.12]

**17.13 Governor may grant extension.** The governor shall have authority to grant an extension of time for the completion of any report or any portion thereof, but in the case of any delay deemed by him to be unnecessary or unreasonable he shall take whatever steps may be necessary to have the delayed report prepared for filing. [C24, 27, 31, 35, 39, §256; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, §17.13]

**17.14 Number of copies—style.** The annual and biennial reports shall be published, printed, and bound in such number as the superintendent of printing may order. The officials and heads of departments shall furnish the superintendent with information necessary to determine the number of copies to be printed.

They shall be printed on good paper, in legible type with pages substantially six inches by nine inches in size. They may be divided for binding where one portion should receive larger distribution than another, or be issued in parts or sections for greater convenience. [C73, §130; C97, §125; S13, §125; C24, 27, 31, 35, 39, §257; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, §17.14]

**17.15 Legislative journals.** The record of the transactions of the senate and house shall be published in a daily journal, printed in number as authorized by the general assembly or directed by the superintendent of printing. The completed journals shall be published in book form, with index and record of bills, in an edition of such number as shall jointly be specified by the presiding officers of the two houses of the general assembly in library binding and such number as shall jointly be specified by the presiding officers of the two houses of the general assembly in paper covers. There shall also be printed for the general assembly or the members thereof such other material necessary for the transaction of legislative business. [C97, §§127, 130; SS15, §§132-b, -d; C24, 27, 31, 35, 39, §259; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, §17.15]

**17.16 Legislative proceedings.** The reports of the legislative proceedings shall be delivered by the secretary of the senate and the chief clerk of the house to the superintendent of printing promptly upon completion, and he shall cause such reports to be printed in accordance with the contracts covering the same. He shall require that proof copies of the daily journal be furnished the next legislative day after date and shall promptly deliver them to the sergeants at arms of each house. The corrections and changes made therein by the general assembly shall be made before the printing of the corrected or completed journal.

[C24, 27, 31, 35, 39, §260; C46, 50, 54, 58, 75, 77, §17.16]

**17.17 Corrected journals.** The journals directed by order of the general assembly shall be printed promptly and be delivered by the sergeant at arms to the sergeants at arms of each house, with index, record and history of bills, and passed, shall be prepared by the superintendent of printing for the completed edition of [C24, 27, 31, 35, 39, §261; C46, 50, 54, 58, 75, 77, §17.17]

**17.18 Legislative bills.** The bills introduced in the general assembly shall be printed on good paper, in the style and format of such bills shall be specified by the rules but in the absence of such rules by the sergeant at arms of the senate and the sergeant at arms of the house. The number of copies of each bill shall be printed unless otherwise ordered shall be determined by the superintendent according to the needs of the general assembly, and to supply subscribers thereof. [C24, 27, 31, 35, 39, §262; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, §17.18]

Recommendations of Code editor, §14.8

**17.19 Legalizing Acts of local nature.** Any act which seeks to legalize the acts of an officer, board or other official body, in regard to the performance of public nature or for any person or partnership or corporation, shall not be considered as a bill and distributed to the members of the general assembly, and the printing shall be at the expense of the state. The superintendent shall not order any such bill printed unless a deposit has been received to cover the cost thereof, which shall be fixed under the current legislative printing for the bills, and from the journals all such bills and the publication of such bill shall be without charge to the state, and same shall not be published until the cost of same has been paid to the secretary of the general assembly. [C24, 27, 31, 35, 39, §263; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, §17.19]

Additional requirements, §565.1

**17.20 Miscellaneous documents.** The documents, reports, printed, and bound, uniform copies of all official reports, unless otherwise provided, shall be printed in the periods indicated, the following miscellaneous documents, each of which shall be compiled by the secretary of the department or association having charge thereof:

1. Iowa book of agriculture, biennially
  2. Iowa official register, biennially.
  3. Assessments by department of revenue, annually.
- [C24, 27, 31, 35, 39, §264; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, §17.20]

**17.21 Legal publications.** The Code of Iowa, the Code of Civil Procedure, the Rules of Appellate Procedure, the Rules of the Supreme Court, the session laws, annotated, the corresponding sections and reports of the courts, unless otherwise specifically provided, shall be printed, and paid for in the same manner as other public printing. [C97, §§218-224; C24, 27, 31, 35, 39, §265; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, §17.21]

## §17.22. OFFICIAL REPORTS AND DOCUMENTS

**17.22 Price.** Said publications shall be sold at a price to be established by dividing the total cost only, of printing, binding, distribution and paper stock by the total number printed of each edition.

1 Code or supplements thereto and Iowa administrative code.

2 Session laws.

3 Daily journals and bills.

4 Book of annotations to the Code.

5 Supplements to the book of annotations.

6 Tables of corresponding sections to the Code.

7 Reports of the supreme court, and reports of the court of appeals.

8 Rules of civil procedure, rules of appellate procedure and supreme court rules.

The Iowa administrative code and bulletin may be distributed with each order for purchase of the Code. The Iowa administrative code, its supplements, the Iowa administrative bulletin or the Code may be distributed separately. There shall be established separate prices for the Iowa administrative code, for its supplements, for the Iowa administrative bulletin and for the Code. The price charged for the Iowa administrative code, its supplements or the Iowa administrative bulletin shall represent the cost of compiling and indexing plus the amount charged for the printing and distribution.

When the Code is published in more than one volume the superintendent of printing may distribute each volume on order, after payment of the estimated purchase price for the set, when said volume becomes available. [C27, 31, 35, §265-a1; C39, §265.1; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, §17.22; 67GA, ch 1025, §6]

67GA, ch 9, §17, editorially divided

See §17.23

**17.23 Price of departmental reports.** The state superintendent of printing shall establish and fix a selling price for all other state departmental reports and any other state publications it may designate, which price per volume shall be the amount charged any person, other than public officials, who may desire to purchase the same; such price shall cover the cost of printing and distribution. The superintendent may distribute gratis to such state or local public officials, or officers, he may deem necessary, copies of departmental annual reports. [C35, §265-e1 C39, §265.2; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, §17.23]

**17.24** Repealed by 63GA, ch 1014, §6.

**17.25 New editions.** New editions of the Code or supplements thereto, book of annotations, reports of the supreme court, and reports of the court of appeals may be published by the superintendent of printing when the supply on hand of the last edition becomes exhausted and when a new edition is necessary in order to meet the demand. [C24, 27, 31, 35, 39, §267; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, §17.25]

**17.26 Number printed.** The number of each edition of the Code or supplements thereto, tables of corresponding sections and session laws shall be determined by the superintendent of printing unless expressly determined by presiding officers of the general assembly. [C73, §37, C97, §40, C24, 27, 31, 35, 39, §266, C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, §17.26]

**17.27 Other necessary publications—when necessary to sell.** There may be published other miscellaneous documents, reports, bulletins, books, and booklets that are needed for the use of the various officials and departments of state, or are of value for the information of the general assembly or the public, in form and number most useful and convenient, to be determined by the superintendent of printing.

When such publications, except supplements to the Iowa administrative code, paid for by public funds furnished by the state, contain reprints of statutes or rules, or both, they shall be sold and distributed at cost by the department ordering same if the cost per publication is one dollar or more, unless a central library or depository is established. Such publications shall be obtained from the superintendent of printing on requisition by the department and the selling price, if any, shall be determined by the superintendent by dividing the total cost of printing, paper, distribution and binding by the number printed. Said price shall be set at the nearest multiple of ten to the quotient thus obtained. Distribution of such publications shall be made by the superintendent gratis to public officers, purchasers of licenses from state departments required by statute and departments. Funds from the sale of such publications shall be deposited monthly in the general fund of the state except the cost of distribution shall be deposited in the permanent revolving fund established in section 18.57. [C24, 27, 31, 35, 39, §269; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, §17.27]

Additional geological reports, \$305.9

Publication of director of institutions bulletins, \$218.46

Publication of parts of Code, \$14.21

**17.28 Governor may fix filing date.** The governor shall have the right to fix a date for the completion of or filing of any copy or manuscript for any miscellaneous document or other publication, or for any portion of the manuscript, and to compel compliance with such orders the same as in the case of the official reports. The superintendent of printing shall report to the governor any failure to furnish manuscript or other delay affecting any publication. [C24, 27, 31, 35, 39, §270; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, §17.28]

**17.29 Title pages—complimentary insertions.** The superintendent of printing shall provide the necessary printer's copy for a suitable title page for each publication requiring such title which shall contain the name of the author, but no such title shall have written or printed thereon or attached thereto the words "Compliments of" followed by the name of the author, nor any other words of similar import. [C24, 27, 31, 35, 39, §271; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, §17.29]

**17.30 Inventory of state property.** Each state board, commission, department and division of state government and each institution under the control of the department of social services and the state board of regents and each division of the state department of transportation shall be responsible for keeping a written, detailed, up-to-date inventory of all real and personal property belonging to the state and under their charge, control and management. Such invento-

## ADMINISTRATIVE PROCEDURE ACT

ries shall be in such form as may be prescribed by the director of the department of general services.

Inventories maintained in the files of each such agency of state government shall be open to public inspection and available for the information of the executive council and director of the department of

general services. [C46, 50, 54, 58, §§17.30-17.33; 66, 71, 73, 75, 77, §17.30]

17.31 and 17.32 Repealed by 58GA, ch 76

17.33 Repealed by 67GA, ch 1105, §303A.22.

## DIVISION II

### STATE PRINTING

**18.26 Director.** The director of the department of general services or his designee shall administer the provisions of this division. [C24, 27, 31, 35, 39, §18.26; C46, 50, 54, 58, 62, 66, 71, 73, §15.1; C75, 77, 18.26]

Referred to in §§18.3, 18.28, 18.30, 18.50

**18.27 Duties.** The director of the department of general services shall:

**18.28 "Printing" defined.** As used in chapters 18.26 to 18.103, "printing" means the production of an image from a printing surface generally by a contact impression that causes a transfer of ink or the reproduction of an impression by a photographic process and shall include binding, but may include material, processes, or operations necessary to produce a finished printed product, but not include binding, rebinding or repairs of journals, pamphlets, magazines and literary articles by any library of the state or any of its office departments, boards and commissions held as part of their library collection.

For the purposes of this chapter, the reproduction of ten or more copies from one original on any electronic office copier located in the city of Des Moines is printing and shall not be permitted without the approval of the superintendent of printing. [C24, 27, 31, 35, 39, §18.28; C46, 50, 54, 58, 62, 66, 71, 73, §15.7; C75, 77, §18.28]

Referred to in §§18.3, 18.30, 18.50

### GENERAL SERVICES DEPARTMENT, §18.30

1. Let contracts, except as provided in section 18.49, for all printing for all state offices, departments, boards, and commissions when the cost of the printing is payable out of any taxes, fees, licenses, or funds collected for state purposes.

2. Direct the manner, form, style, and quantity of all public printing when not otherwise expressly prescribed by law.\*

\*See §14.12(9)

3. Employ and discharge all assistants necessary to enable the director to perform his duties and determine the compensation of the assistants when not otherwise determined by law.

4. Prescribe rules, not inconsistent with law.

5. Make annual, fiscal or calendar reports to the governor of the cost of the public printing for each department during the preceding fiscal term, with recommendations of any retrenchments that can be made therein.

6. Perform all other duties required by law. [C24, 27, 31, 35, 39, §18.3; C46, 50, 54, 58, 62, 66, 71, 73, §15.6; C75, 77, §18.27]

Referred to in §§18.3, 18.28, 18.30, 18.50, 18.59

Lensing facilities at Camp Dodge, §29A.11

Blanks relative to university hospitals, §§25.30, 25.27

Printing for board of educational examiners, §26(1.2)

Style of Code, §14.12

Time of annual report, §17.4

**18.29 Printing for state institutions.** The power of the director to let contracts shall not embrace printing for any state penal, correctional or board of regents institution, or area vocational schools, community colleges, or school corporations under the jurisdiction of the state department of public instruction when the institution is able and desires to do its own printing. [C24, 27, 31, 35, 39, §18.5; C46, 50, 54, 62, 66, 71, 73, §15.8; C75, 77, §18.29]

Referred to in §§18.3, 18.28, 18.30, 18.50

**18.30 Contracts with state institutions.** The director may, without advertising for bids, enter into contracts or make provision for doing any of the work coming under the provisions of chapter 17 and sections 18.26 to 18.103 at any school or institution under

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the ownership or control of the state. The work shall be done under conditions substantially the same as those provided for in the case of contracts with individuals and the same standard of quality or product shall be required. [C24, 27, 31, 35, 39, §186; C46, 50, 54, 58, 62, 66, 71, 73, §15.9; C75, 77, §18.30]

Referred to in §§18.3, 18.28, 18.50

**18.31 Specifications and rules.** The director shall, from time to time, adopt and print specifications and rules covering all matters relating to printing that are the subject of contracts. The specifications and rules shall contain, among other things, the following:

1. Provisions for the grouping of the work to be done or material furnished, so far as the same can be made the subject of general contracts, into classes according to the character or use thereof, or with relation to the department for which intended, or in any manner most convenient for securing bids and entering into contracts. All or any part of the printing needed for any department, board, or commission may be placed in a class by itself.

2. Estimates of the probable amount of work to be done, or material to be purchased, under each class or item, during the period of the proposed contracts.

3. Provisions for furnishing and keeping on file samples of work or stock, and other things necessary to assure compliance with the contracts.

4. Fixed standards for books and booklets, and for other printing so far as practicable, and for stock and material.

5. A schedule of maximum rates or prices, so far as the same can be made applicable, with provision that bids not within the maximum (each class being computed as a unit), may be rejected.

6. Details as to the delivery of stock to the state and placing the same in possession of contractors, and for delivery of the finished product and for a complete accounting for stock and reasonable allowance for waste where it is unavoidable.

7. A rule as to part payment for work in process of completion, or material in process of delivery, in proportion to the part completed or delivered.

8. General regulations necessary to assure prompt and satisfactory compliance with the proposed contracts, the submission of samples, the delivery of the product (which may be at the expense of the state), the preparation and filing of bills, and such general matters as will assure to the state the utmost economy and efficiency. [C24, 27, 31, 35, 39, §187; C46, 50, 54, 58, 62, 66, 71, 73, §15.10; C75, 77, §18.31]

Referred to in §§18.3, 18.28, 18.30, 18.50

**18.32 Advertisements for bids.** The director shall advertise for bids for the doing of the public printing. [C24, 27, 31, 35, 39, §188; C46, 50, 54, 58, 62, 66, 71, 73, §15.11; C75, 77, §18.32]

Referred to in §§18.3, 18.28, 18.30, 18.50

**18.33 Requirements.** Advertisements shall state where and how specifications and other necessary information may be obtained, the time during which the director will receive bids, and the day, hour, and place when bids will be publicly opened and contracts

awarded. [C24, 27, 31, 35, 39, §189; C46, 50, 54, 58, 62, 66, 71, 73, §15.12; C75, 77, §18.33]

Referred to in §§18.3, 18.28, 18.30, 18.50

**18.34 Information furnished.** The director shall supply prospective bidders and others on request with the specifications and rules, blank forms for bids, samples of printing so far as possible, and all other information pertaining to the subject. [C24, 27, 31, 35, 39, §190; C46, 50, 54, 58, 62, 66, 71, 73, §15.13; C75, 77, §18.34]

Referred to in §§18.3, 18.28, 18.30, 18.50

**18.35 Specifications public.** The specifications shall be kept on file in the office of the director, open to public inspection, together with samples so far as possible, of the work to be done or the material to be furnished. [C24, 27, 31, 35, 39, §191; C46, 50, 54, 58, 62, 66, 71, 73, §15.14; C75, 77, §18.35]

Referred to in §§18.3, 18.28, 18.30, 18.50

**18.36 Form of bids.** Bids must be:

1. In writing and only on the blanks furnished with the specifications.

2. Signed by the bidder.

3. Submitted in sealed envelopes which shall be properly endorsed.

4. In the hands of the director by the time fixed in the advertisements for bids. [C24, 27, 31, 35, 39, §192; C46, 50, 54, 58, 62, 66, 71, 73, §15.15; C75, 77, §18.36]

Referred to in §§18.3, 18.28, 18.30, 18.50

**18.37 Deposit with bid or yearly bond.** Each bidder must deposit with the director at the time he files his bid, a certified check payable to the state treasurer for an amount to be fixed in the specifications, either covering all classes or items, or separate checks for each bid in case he makes more than one bid, or in lieu of checks the bidder may furnish a yearly bond in an amount to be established by the director. Checks deposited by unsuccessful bidders, and by successful bidders when they have entered into the contract, shall be returned to them. [C24, 27, 31, 35, 39, §193; C46, 50, 54, 58, 62, 66, 71, 73, §15.16; C75, 77, §18.37]

Referred to in §§18.3, 18.28, 18.30, 18.50

**18.38 Opening of bids—award.** All bids shall be publicly opened and read and the contracts let at the time and place fixed therefor, or on the adjourned day or days named by the director, of which adjournment all parties shall take notice. In the award of contracts, due consideration shall be given not only to the price bid, but to the mechanical and other equipment, and financial responsibility of the bidder, and his ability and experience in the performance of like or similar contracts. [C24, 27, 31, 35, 39, §194; C46, 50, 54, 58, 62, 66, 71, 73, §15.17; C75, 77, §18.38]

Referred to in §§18.3, 18.28, 18.30, 18.50

**18.39 Rejection of bids—procedure.** The director shall have the right to reject any or all bids, and in case of rejection or because of failure of a bidder to enter into a contract, the director may advertise for and secure new bids. [C24, 27, 31, 35, 39, §195; C46, 50, 54, 58, 62, 66, 71, 73, §15.18; C75, 77, §18.39]

Referred to in §§18.3, 18.28, 18.30, 18.50

**18.40 Combination of bidders.** When the director is satisfied that bidders have presented bids pursuant to an agreement, understanding, or combination to

## GENERAL SERVICES DEPARTMENT

prevent free competition, he shall reject all of them and readvertise for bids as in the first instance. [C24, 27, 31, 35, 39, §196; C46, 50, 54, 58, 62, 66, 71, 73, §15.19; C75, 77, §18.40]

Referred to in §§18.3, 18.28, 18.30, 18.50

**18.41 Acceptance of bid.** Each accepted bid shall have endorsed thereon, over the signature of the director, the word "accepted" with the date of acceptance. This endorsement shall constitute immediate notice to the bidder of the fact of acceptance. [C24, 27, 31, 35, 39, §197; C46, 50, 54, 58, 62, 66, 71, 73, §15.20; C75, 77, §18.41]

Referred to in §§18.3, 18.28, 18.30, 18.50

**18.42 Duration of contract.** Contracts for printing and for work and material relating thereto shall be for a period not exceeding three years. [C24, 27, 31, 35, 39, §198; C46, 50, 54, 58, 62, 66, 71, 73, §15.21; C75, 77, §18.42]

Referred to in §§18.3, 18.28, 18.30, 18.50

**18.43 Duty to enter into contract—forfeiture.** Each successful bidder must within ten days after the award, enter into a contract in accordance with his bid, and unless this is done, or the delay is for reasons satisfactory to the director, the certified check submitted with the bid shall be forfeited to the state. The specifications on which the bid is made shall constitute a part of the contract. [C24, 27, 31, 35, 39, §199; C46, 50, 54, 58, 62, 66, 71, 73, §15.22; C75, 77, §18.43]

Referred to in §§18.3, 18.28, 18.30, 18.50

**18.44 Contract provisions.** The contracts shall, among other provisions, provide that:

1. The contractor shall complete all unfinished portions of jobs or orders in hand at the expiration of the contract.

2. The contract may be canceled, or other agreed penalty imposed, for failure to perform the terms thereof in a manner satisfactory to the director.

3. The contractor may be released on such conditions as may be agreed on, in case of injury to his plant by fire, or other providential contingency.

4. In order to avoid delay and inconvenience in the departments, and unnecessary transportation charges to the state, deliveries of printing for the various state officials, departments, boards, and commissions shall be made in the manner the director, after consultation with the various departments, orders. [C24, 27, 31, 35, 39, §200; C46, 50, 54, 58, 62, 66, 71, 73, §15.23; C75, 77, §18.44]

Referred to in §§18.3, 18.28, 18.30, 18.50

**18.45 Bond.** A bond for the faithful performance of the contract shall be required in connection with each contract, in an amount to be fixed by the director. The bond shall be filed with and approved by the director. [C24, 27, 31, 35, 39, §201; C46, 50, 54, 58, 62, 66, 71, 73, §15.24; C75, 77, §18.45]

Referred to in §§18.3, 18.28, 18.30, 18.50

**18.46 Written orders.** No printing shall be performed under any contract except on written orders therefor, on detailed forms prescribed by the director, and signed by the director or by some person authorized by the director. Every order shall designate the contract under which the order is given, the class of

the required printing, the definite quantity thereof, and be issued in duplicate with a preserved. A separate series of stubs and shall be used for each class of printing. [C35, 39, §202; C46, 50, 54, 58, 62, 66, 71, 73, §17, §18.46]

Referred to in §§18.3, 18.28, 18.30, 18.50

**18.47 Assistants outside Des Moines.** They may, at the various points in the state, or city of Des Moines, at which state institutions are located, appoint assistants to power the assistants to issue in the name of the director, orders for printing. Assistants shall be given with a copy of the contract under which they are to be given, necessary blank order books and proper instructions as to their procedure. On issuing an order shall immediately forward the original thereof to the director. [C24, 27, 31, 35, 39, §203; C46, 50, 54, 58, 62, 66, 71, 73, §17, §18.47]

Referred to in §§18.3, 18.28, 18.30, 18.50

**18.48 Acceptance of printing—penalty.** Printing shall be accepted as in compliance with the contract when not of the grade of workmanship usually employed by first-class printers on printing of this class, nor when the printing is not of the quality contracted for. If immediate necessity arises, lack of time to procure printing elsewhere causes use of defective printing furnished by a contractor, the contract shall be accepted without approval, and on the contract price thereon shall be deducted the damages for breach of contract. [C24, 35, 39, §204; C46, 50, 54, 58, 62, 66, 71, 73, §17, §18.48]

Referred to in §§18.3, 18.28, 18.30, 18.50

**18.49 Contracts by institutional heads.** The director may authorize the managing board, or chief executive officer of any institution or department of the state located outside the city of Des Moines to secure, under the specifications of the director, competitive bids for printing needed by the institution or department, and submit the bid to the director. If the director approves any of the bids, the authorized board, head, or officer may contract for the printing, but the contract shall not be valid until a duplicate copy is filed with and approved by the director. [C24, 27, 31, 35, 39, §205; C46, 50, 54, 58, 62, 66, 71, 73, §15.28; C75, 77, §18.49]

Referred to in §§18.3, 18.27, 18.28, 18.30, 18.50

**18.50 Emergency contracts.** The director may at any time award a special contract or may authorize his assistants to award a special contract for work or material coming within the provisions of chapter 17 and sections 18.26 to 18.103 but not included in contracts already in existence, or which shall not properly be made the subject of a general contract, if the amount of each contract shall not exceed the amount of two thousand dollars, and if bids have been duly solicited by the director from persons or firms engaged in the kind of work and consideration who have indicated a desire to bid for the class of work to be done. [C24, 27, 31, 35, 39, §206; C46, 50, 54, 58, 62, 66, 71, 73, §15.29; C75, 77, §18.50]

Referred to in §§18.3, 18.28, 18.30

## §18.51. GENERAL SERVICES DEPARTMENT

**18.51 Paper.** The director may contract for paper as part of the printing or may purchase paper and furnish the same to the contractor. All paper purchased for use of the state shall, when practicable, have a distinguishing mark or water line by which it can be identified. [R60,§2170; C73,§121; C97,§165; S13,§165; C24, 27, 31, 35, 39,§207; C46, 50, 54, 58, 62, 66, 71, 73,§15.30; C75, 77,§18.51]

Referred to in §§18.3, 18.28, 18.30, 18.50

**18.52 Paper account.** The director shall keep an accurate account with anyone doing printing for the state, and charge him with the value of all paper drawn, and credit him with all paper used on behalf of the state, and compel an accounting for all paper not so used. [C97,§169; C24, 27, 31, 35, 39,§208; C46, 50, 54, 58, 62, 66, 71, 73,§15.31; C75, 77,§18.52]

Referred to in §§18.3, 18.28, 18.30, 18.50

**18.53 Account with each department.** The director shall keep an account with each separate officer, board, department, and commission of the state to which printing is furnished by the state, in a manner to show in detail at all times what printing has been furnished, and the cost thereof. [C24, 27, 31, 35, 39, §209; C46, 50, 54, 58, 62, 66, 71, 73,§15.32; C75, 77,§18.53]

Referred to in §§18.3, 18.28, 18.30, 18.50

**18.54 Budget estimates.** Each official, board, department, commission or agency of the state shall file as part of its budget its estimate of expenditures for printing and these expenditures shall be paid from its official, board, department, commission or agency appropriation. [C24, 27, 31, 35, 39,§210; C46, 50, 54, 58, 62, 66, 71, 73,§15.33; C75, 77,§18.54]

Referred to in §§18.3, 18.28, 18.30, 18.50, 18.55

**18.55 Director to separate items.** Should the amount of a warrant for printing include printing for more than one officer, board, department, or commission, the director shall at once furnish the treasurer with a statement of the correct amounts chargeable under section 18.54 to each officer, board, department, or commission. [C24, 27, 31, 35, 39,§211; C46, 50, 54, 58, 62, 66, 71, 73,§15.34; C75, 77,§18.55]

Referred to in §§18.3, 18.28, 18.30, 18.50

**18.56 Vouchers—form—audit.** All bills accruing under contracts for printing shall be filed with the director. They shall be in duplicate, or in larger numbers if ordered by the director, verified and itemized with full details necessary for computation according to the terms of the contract and orders given in relation thereto or according to law, and shall be accompanied by samples of the work or materials when practicable and when ordered by the director.

All bills shall be examined and approved by the director and the duplicate vouchers passed to the state comptroller.

All bills approved by the director shall be endorsed accordingly before presentation to the comptroller.

[C24, 27, 31, 35, 39,§212; C46, 50, 54, 58, 62, 66, 71, 73,§15.35; C75, 77,§18.56]

Referred to in §§18.3, 18.28, 18.30, 18.50

**18.57 Centralized printing department.** A centralized printing department is hereby established under the jurisdiction of the director.

A permanent revolving fund is established and may be used in making payments for supplying paper stock, offset printing, copy preparation, binding, distribution costs, and original payment of printing and binding claims for any of the state departments, bureaus, commissions or institutions. All salaries and expenses properly chargeable thereto shall be paid from this fund. The director may also use the fund for the purchase of replacement or additional equipment, if a sufficient balance will remain in the fund to enable the continued operation of the centralized printing department.

The director shall periodically render a statement to each state department, bureau, commission or institution for the cost of paper stock, offset printing, copy preparation, distribution or binding supplied thereto. The expense shall be paid by the state departments, bureaus, commissions or institutions in the same manner as other expenses of the departments are paid, and the sum shall be credited to the centralized printing revolving fund. If a surplus accrues to the fund for which there is no anticipated need or use, the governor shall order the surplus turned over to the general fund of the state. [C54, 58, 62, 66, 71, 73,§15.36; C75, 77,§18.57]

Referred to in §§18.3, 18.28, 18.30, 18.50

**18.58 Printing machinery centralized—exception.** All printing presses, except such presses owned by the auditor of state and purchased pursuant to the provisions of section 11.4, and other printing equipment owned by the state and in the possession of any department, commission, agency, or board located in the city of Des Moines shall be centralized in a state building in the city of Des Moines under the control of the director.

All office copiers and other duplicating equipment owned by or in the possession of executive and judicial departments, commissions, agencies, or boards located in the city of Des Moines shall be under the jurisdiction of the director. The director may lease or purchase the duplicating machines as are necessary for each of the departments with funds from the revolving fund and assess the costs of operating the duplicating machines to the appropriate department. [C54, 58, 62, 66, 71, 73,§15.37; C75, 77,§18.58]

Referred to in §§18.3, 18.28, 18.30, 18.50

**18.59 Powers and duties.** The director is hereby authorized and directed:

1. To possess himself of all presses and other printing equipment, inventory all of the described equipment, and with the approval of the executive council sell the above-described machinery and equipment that is no longer necessary or is unfit for use.

2. To maintain the machinery and equipment and in his discretion, when the equipment is outmoded and becomes obsolescent, to purchase machinery and equipment for replacement purposes.

3. To make the printing department, its machinery and equipment available for the state printing services when in his discretion it is to the best interests of the state that it, rather than the contract procedure provided by section 18.27 shall be used; and to effectuate this power and direction, the director shall adopt suitable rules for the administration and



## GENERAL SERVICES DEPARTMENT

fulfillment of the power and direction hereby imposed.

4. To install and maintain an accurate accounting system appropriate and fitted to the purposes and the operations of this department. Each official, board, department, commission or agency shall requisition the director for its printing needs, accompanying such requisition with a statement of costs of compilation and editorial work upon the material to be published.

5. To avoid duplication, overlapping and redundancy of pamphlets and publications, other than official documents and books and publications authorized by chapters 14 and 17, to examine the contents of proposed pamphlets or publications and to approve or disapprove such pamphlets or publications only for such reason; and to effectuate this power, the director shall adopt rules for its administration. [C54, 58, 62, 66, 71, 73, §15.38; C75, 77, §18.59]

Referred to in §§18.3, 18.28, 18.30, 18.50

18.60 Cost systems maintained by departments. Each official, board, department, commission or agency located outside the city of Des Moines, who maintains printing equipment, or does any printing for the state or its departments shall likewise keep an accurate cost system and make report each June 30 to the director of the amounts, and these shall be included in the annual, fiscal or calendar report of the director. [C54, 58, 62, 66, 71, 73, §15.39; C75, 77, §18.60]

Referred to in §§18.3, 18.28, 18.30, 18.50

18.61 Departmental pamphlets—costs. Each official, board, department, commission and agency, who as part of its membership fee provides pamphlets and books, shall furnish all the costs of such publications. These costs shall be included in their printing budget. [C54, 58, 62, 66, 71, 73, §15.40; C75, 77, §18.61]

Referred to in §§18.3, 18.28, 18.30, 18.50

18.62 Paper stock drawn. All mimeograph paper, envelopes and other paper stock to be used in their Des Moines offices shall be drawn by the several state departments and agencies from the general services department with its approval and charged to the several officials, boards, departments, commissions or agencies and paid from the printing appropriation of each board, official, department, commission or agency. [C54, 58, 62, 66, 71, 73, §15.41; C75, 77, §18.62]

Referred to in §§18.3, 18.28, 18.30, 18.50

18.63 Approval required for printing. No department or commission of state located in the city of Des Moines shall expend any funds for the publication or distribution of books or pamphlets or reports unless the publication thereof be expressly required by law or approved by the director. A violation of this section shall constitute misfeasance in office.

The director may establish a central sales and distribution center from which shall be distributed all books, pamphlets, documents, reports and publications not required by law to be otherwise distributed. The director shall from time to time establish the cost of printing and distribution or mailing each book, pamphlet, report, document and publication. The director shall, thereafter, cause to be delivered, sent, or mailed to anyone requesting a book, pamphlet, re-

port, document, or publication upon receipt cost thereof plus distribution or mailing cost. Anyone may examine a copy of any book, pamphlet, document, report or publication at the central sales and distribution center. [C62, 66, 71, 73, §15.42; C75, §18.63; 67CA, ch 1105, §5]

Referred to in §§18.3, 18.28, 18.30, 18.50

See Atty. Gen. Opinion, Sept. 25, 1969

See I.R.S. 22

18.64 to 18.73 Reserved.

### DIVISION III

#### SUPERINTENDENT OF PRINTING

18.74 Appointment. The director of the department of general services shall appoint a person to administer the provisions of this division. This person shall be known as the superintendent of printing and shall serve at the pleasure of the director without being subject to the provisions of chapter 14 [SS15, §144-e; C24, 27, 31, 35, 39, §213; C46, 50, 56, 62, 66, 71, 73, §16.1; C75, 77, §18.74]

Referred to in §§18.3, 18.28, 18.30, 18.50

18.75 Duties. The superintendent of printing shall:

1. Have an office at the seat of government and devote his entire time to the duties of his position.
2. Have charge of the office equipment and supplies of the printing board and of the stock, if any required in connection with printing contracts.
3. Have general supervision of all matters relating to the enforcement of contracts for printing.
4. Prepare the specifications and advertisements for printing.
5. Have control and direction of the department.
6. Have legal custody of all Codes, session laws, books of annotations, tables of corresponding laws, publications, except premium lists published by the Iowa state fair board, containing reprints of statutes or administrative rules, or both, reports of state departments, and reports of the supreme court, and sell, account for, and distribute the same as provided by law.
7. Be responsible on his official bond for the public property coming into his possession.
8. In odd-numbered years, compile for publication the Iowa official register which shall contain historical, political, and other statistics of general value, but nothing of a partisan character.
9. Annually, September 1, cause to be printed a report in pamphlet form, to be paid for out of the general fund not otherwise appropriated, and distributed upon request, the name, residence, official title, salary received during the previous fiscal year, the base salary as computed on July 1 of the current fiscal year, and traveling and subsistence expense of the personnel of each of the departments, boards, and commissions of the state government except personnel who receive an annual salary of less than three hundred dollars. The number of the personnel and the total amount received by them shall be shown in each department in the salary book. The head of each department, board or commission shall, on request

## §18.75. GENERAL SERVICES DEPARTMENT

The superintendent, furnish the latter with the data covering the particular department, board or commission. The report shall be distributed upon request without charge to each member of the general assembly, elected state officers, and department heads. Any other person who wants a report may purchase a copy for five dollars per copy. All funds from the sale of the report shall be deposited to the general fund. All employees who have drawn salaries, fees, or expense allowances from more than one department or subdivision shall be listed separately under the proper departmental heading.

10. Perform such other duties as are necessary, or incident to his position, or which may be ordered by the director, or required by law. [C97,§§70, 218-223; S13,§70; SS15,§§144-h, -i, -j, 224-d; C24, 27, 31, 35, 39, §215; C46, 50, 54, 58, 62, 66, 71, 73,§16.2; C75, 77,§18.75]

Referred to in §§18.3, 18.28, 18.30, 18.50

See for official register, §119.6, 26.4

Time and distribution, §§17.22, 18.95-18.99

18.76 Manuscript—editing—general directions. The manuscript of every report or document, or for any book, booklet, bulletin, or anything to be printed, or a copy thereof, shall be transmitted to the superintendent of printing at the time it is filed or as soon as it is ready for printing, with all photographs, drawings, maps, engravings, charts, or other material properly a part thereof. He shall edit, revise, condense, and arrange the same for printing, simplify where practicable the typographical arrangement, and, when not otherwise covered, give all necessary instructions for the type, illustrations, headings, titles, paper, cover, binding, and other similar details. Except in reference to the publication or printing of legislative publications the authority here given to edit, revise, condense, and eliminate portions of manuscript shall apply notwithstanding any provisions elsewhere. Where tables or other matters are once printed it shall be sufficient thereafter to refer to the same without repeating them. [SS15,§144-i; C24, 27, 31, 35, 39,§216; C46, 50, 54, 58, 62, 66, 71, 73,§16.3; C75, 77,§18.76]

Referred to in §§14.6, 18.3, 18.24, 18.30, 18.50

18.77 Co-operation. It shall be the duty of the said superintendent to advise with the officials and heads of departments as to the preparation of manuscript or copy for any printed matter, so the same may be handled in the most economical manner in the editing and printing. Officials or employees shall conform so far as practicable to all regulations of the superintendent for the improvement of the reports or other publications, or for decreasing the expense of preparation, printing, or distribution. [SS15,§144-i; C24, 27, 31, 35, 39,§217; C46, 50, 54, 58, 62, 66, 71, 73,§16.4; C75, 77,§18.77]

Referred to in §§18.3, 18.28, 18.30, 18.50

18.78 Appeals. In case of a disagreement between the superintendent and the head of any department as to the editing of manuscript, an appeal may be taken to the executive council which shall have authority to determine the matter in controversy. [SS15,§144-i; C24, 27, 31, 35, 39,§218; C46, 50, 54, 58, 62, 66, 71, 73,§16.5; C75, 77,§18.78]

Referred to in §§18.3, 18.28, 18.30, 18.50

18.79 Record relative to documents. The superintendent shall keep a record of the number, of each report or document ordered printed, the number received, and the number and manner of distribution. [SS15,§144-j; C24, 27, 31, 35, 39,§219; C46, 50, 54, 58, 62, 66, 71, 73,§16.6; C75, 77,§18.79]

Referred to in §§18.3, 18.28, 18.30, 18.50

18.80 Reserve supply. The superintendent shall designate, subject to the approval of the director, the number of copies of reports and publications to be held in reserve, and copies thus held in reserve shall be distributed only upon the written request of the head of the department, approved by the superintendent, and ordered by the director. [SS15,§144-j; C24, 27, 31, 35, 39,§220; C46, 50, 54, 58, 62, 66, 71, 73,§16.7; C75, 77,§18.80]

Referred to in §§18.3, 18.28, 18.30, 18.50

18.81 Unused documents. The superintendent shall from time to time report to the director any documents in his custody deemed not needed and which have been printed five years or more, and if the report has the written approval of the head of the department from which the documents were issued, the director may condemn and order the documents sold, and the proceeds turned into the unappropriated funds of the state. If a department no longer exists, approval by the head of the department shall not be required. If the condemned documents cannot be sold the director may order them destroyed. [SS15,§144-l; C24, 27, 31, 35, 39,§221; C46, 50, 54, 58, 62, 66, 71, 73,§16.8; C75, 77,§18.81]

Referred to in §§18.3, 18.24, 18.30, 18.50

18.82 Custody of documents and storage rooms. The superintendent shall receive and have the custody of the Iowa documents, reports, and all other printed matter and make and supervise the distribution of the same in such manner as will be most economical and useful to the public. He shall have charge of the state storage building or rooms, in which he shall keep the reports and documents. [SS15,§§144-m, -n; C24, 27, 31, 35, 39,§222; C46, 50, 54, 58, 62, 66, 71, 73,§16.9; C75, 77,§18.82]

Referred to in §§18.3, 18.28, 18.30, 18.50

Geological reports, §18.93

18.83 Information as to documents. The superintendent shall advise the public of the publication of reports and documents and of the nature of the material therein, and give information as to the publications that are for free distribution and how to obtain them. [SS15,§§144-j, -n; C24, 27, 31, 35, 39,§223; C46, 50, 54, 58, 62, 66, 71, 73,§16.10; C75, 77,§18.83]

Referred to in §§18.3, 18.28, 18.30, 18.50

18.84 Mailing lists. The superintendent shall require from officials or heads of departments mailing lists, or addressed labels or envelopes, for use in distribution of reports and documents. He shall revise such lists, eliminating duplications and adding thereto libraries, institutions, public officials, and persons having actual use for the material. He shall arrange such lists so as to reduce to the minimum the postage or other cost for delivery. [SS15,§144-n; C24, 27, 31, 35, 39,§224; C46, 50, 54, 58, 62, 66, 71, 73,§16.11; C75, 77,§18.84]

Referred to in §§18.3, 18.28, 18.30, 18.50

**18.85 Copies to departments.** The superintendent shall furnish the various officials and departments with copies of their reports needed for office use or to be distributed to persons calling for the same. [SS15,§144-n; C24, 27, 31, 35, 39,§225; C46, 50, 54, 58, 62, 66, 71, 73,§16.12; C75, 77,§18.85]

Referred to in §§18.3, 18.28, 18.30, 18.50

**18.86 Assembly members.** The official reports, the miscellaneous documents and other publications upon request, and the completed journals of the general assembly and ten copies of the official register, shall be sent to each member of the general assembly, and, so far as they are available, additional copies upon their request. [SS15,§144-n; C24, 27, 31, 35, 39,§226; C46, 50, 54, 58, 62, 66, 71, 73,§16.13; C75, 77,§18.86]

Referred to in §§18.3, 18.28, 18.30, 18.50

**18.87 Libraries.** The completed journals of the general assembly, and the official register shall be sent to each free public library in Iowa, the state library, the library commission, libraries at state institutions, and college libraries. [SS15,§§144-m, -n; C24, 27, 31, 35, 39,§227; C46, 50, 54, 58, 62, 66, 71, 73,§16.14; C75, 77,§18.87]

Referred to in §§18.3, 18.28, 18.30, 18.50

**18.88 Newspapers.** The journals of the general assembly and the official register shall be sent to each newspaper of general circulation in Iowa, and editors of newspapers in Iowa shall be entitled to other publications on request when they are available. [SS15,§§144-m, -n; C24, 27, 31, 35, 39,§228; C46, 50, 54, 58, 62, 66, 71, 73,§16.15; C75, 77,§18.88]

Referred to in §§18.3, 18.28, 18.30, 18.50

**18.89 Congressional library.** Two copies of each publication shall be sent to the library of Congress. [C97,§126; S13,§126; SS15,§§144-m, -n; C24, 27, 31, 35, 39,§229; C46, 50, 54, 58, 62, 66, 71, 73,§16.16; C75, 77,§18.89]

Referred to in §§18.3, 18.28, 18.30, 18.50

**18.90 County auditors.** The completed journals of the general assembly, and the official register shall be sent to each county auditor, who shall be required to keep the same at all times available for the inspection of the public. [C97,§126; S13,§126; SS15,§§144-m, -n; C24, 27, 31, 35, 39,§230; C46, 50, 54, 58, 62, 66, 71, 73,§16.17; C75, 77,§18.90]

Referred to in §§18.3, 18.28, 18.30, 18.50

**18.91 School libraries.** The official register shall be distributed, in addition to the foregoing provisions, to the school libraries. [C97,§71; S13,§71; C24, 27, 31, 35, 39,§231; C46, 50, 54, 58, 62, 66, 71, 73,§16.18; C75, 77,§18.91]

Referred to in §§18.3, 18.28, 18.30, 18.50

**18.92 General distribution.** The superintendent may send additional copies of publications to other state officials, individuals, institutions, libraries, or societies that may make request therefor. [C24, 27, 31, 35, 39,§233; C46, 50, 54, 58, 62, 66, 71, 73,§16.19; C75, 77,§18.92]

Referred to in §§18.3, 18.28, 18.30, 18.50

Reports of engineering examiners, §15.10

**18.93 Geological reports.** The reports and bulletins of the geological survey shall be placed at the dis-

posal of the state geologist. [C97,§27, 31, 35, 39,§234; C46, 50, 54, 58, 62, 66, 71, 73,§18.93]

Referred to in §§18.3, 18.28, 18.30, 18.50  
Sale and distribution of reports, §106.10

**18.94 Purchase by municipalities.** The board of supervisors may purchase out of the general fund such additional copies of the Code and session laws as necessary for the use of county and city. The council or commission of each city or town may purchase such copies of the Code and session laws in order to supply the public.

Each officer, except a state officer, at the expiration of his term of office, shall deliver to the state geologist the session laws furnished to him to his office. [C73,§§39, 40, 43; C97, p. 4,§§42,§§43, 46; C24, 27, 31, 35, 39,§236; C46, 50, 54, 58, 62, 66, 71, 73,§16.21; C75, 77,§18.94]

Referred to in §§18.3, 18.28, 18.30, 18.50

**18.95 Old Codes—free distribution.** The superintendent of printing may distribute to the public, without charge, the law enforcement officers and other publications, the Code of 1897 and all supplemental supplements thereto; which have been issued subsequent to 1897 and which have been supplanted by the Code; also all session laws which have been published in the last issued Code by years; provided that he shall maintain a reserve of copies of each such book as may be required by the director. Such reserve when fixed by the director shall be distributed except on the order of the director. [S13,§46-a; C24, 27, 31, 35, 39,§237; C46, 50, 54, 58, 62, 66, 71, 73,§16.22; C75, 77,§18.95]

Referred to in §§18.3, 18.28, 18.30, 18.50

**18.96 Distribution to colleges.** Upon request in writing, from the librarian or chief clerk of any incorporated college in this state, the superintendent of printing shall, upon the order of the director, forward to said college, without charge, bound volumes of the laws enacted by the general assembly. [C24, 27, 31, 35, 39,§238; C46, 50, 54, 58, 62, 66, 71, 73,§16.23; C75, 77,§18.96]

Referred to in §§18.3, 18.28, 18.30, 18.50  
See also §17.33

**18.97 Code—session laws.** The superintendent of printing shall make free distribution of the Code and its supplements to the Code, rules of civil procedure, appellate procedure, supreme court rules, and the rules of each general assembly, and, upon request, the administrative code, its supplements, and the administrative bulletin as follows:

1. To state law library for exchange purposes
2. To law library of state University for exchange purposes
3. To state historical department
4. To state historical society
5. To each judge of the supreme court, the court of appeals and the district court, two copies of each district associate judge and each justice of the peace
6. To each judge of the federal courts

## §18.97. GENERAL SERVICES DEPARTMENT

7. To the clerk of the supreme court of Iowa . . . . 1 copy
8. To the clerk of each federal court in Iowa . . . . 1 copy
9. To each state institution under the control of either the state board of regents or the state department of social services . . . . 1 copy
10. To each elective state officer . . . . 2 copies
11. To the separate departments of principal state offices and each major subdivision thereof . . 1 copy
12. To each member of the present and subsequent general assemblies . . . . 1 copy
13. To chief clerk of the house . . . . 1 copy
14. To secretary of the senate . . . . 1 copy
15. To the following offices such number of copies as shall enable them to perform the duties of their respective offices.

- a. Code editor.
- b. Attorney general.
- c. Legislative service bureau.
- d. Legislative fiscal bureau.
- e. Court administrator.

16. To the clerk of the district court and each separate office of the clerk, the county attorney, the county auditor, the county recorder, county and city assessor, the county treasurer, the sheriff and each separate office of a sheriff, the public defender's office, and the administrator of each area education agency in the state and also for use in each courtroom of the district court . . . . 1 copy

17. To the library of the United States supreme court . . . . 1 copy

18. To the depository library center established pursuant to section 303A.22 . . . . 75 copies

19. To library of the United States department of justice . . . . 1 copy

20. To library of the judge advocate general, United States department of defense . . . . 1 copy

21. To library of the United States department of agriculture . . . . 1 copy

22. To library of the United States department of labor . . . . 1 copy

23. To legal staff, office of public debt, United States treasury department . . . . 1 copy

24. To library of the United States department of state . . . . 1 copy

25. To law library of the United States department of the interior . . . . 1 copy

26. To library of the United States department of internal revenue . . . . 1 copy

27. To each member of the Iowa congressional delegation . . . . 1 copy

28. To each board of supervisors for each county . . . . 1 copy

29. To each juvenile referee . . . . 1 copy

30. To the following offices such number of copies as shall enable them to perform the duties of their respective offices.

- a. Code editor.

18.98. Book of annotations and tables of corresponding sections. The superintendent of printing shall make free distribution of the book of annotations to the Code, and of the supplements to said book

of annotations, and of the book of tables of corresponding sections of the Code, as follows:

1. To state law library for exchange purposes . . . . 60 copies
2. To law library of state University of Iowa for exchange purposes . . . . 75 copies
3. To state historical department . . . . 2 copies
4. To state historical society . . . . 1 copy
5. To the office of each judge of the supreme court, court of appeals and district court, including district associate judges and judicial magistrates, and to each judge of the federal courts in Iowa . . 1 copy
6. To the office of each clerk of the federal courts in this state, and of the supreme and district courts of this state . . . . 1 copy
7. To the office of governor, secretary of state, auditor of state, treasurer of state, commissioner of insurance, and commerce counsel, each . . . . 1 copy
8. To the office of attorney general . . . 10 copies
9. To each member of the general assembly upon their request . . . . 1 copy
10. To the office of the Code editor . . . 5 copies
11. To the office of each county auditor, and county attorney . . . . 1 copy
12. To each courtroom of the district courts . . . . 1 copy

13. To the library of the supreme court of the United States . . . . 1 copy

14. To the office of the legislative service bureau and to the office of the legislative fiscal bureau . . . . 1 copy

[C27, 31, 35, §238-a2; C39, §238.2; C46, 50, 54, 58, 62, 66, 71, 73, §16.25; C75, 77, §18.98]

Referred to in §§18.3, 18.28, 18.30, 18.50

18.99. Appellate court reports. The supreme court shall cause to be furnished without charge copies of any publication containing official reports of the supreme court and the court of appeals to the chambers of each judge of the district court in each county and to such other governmental agencies as the supreme court shall direct. [R60, §119; C73, §159; C97, §215; SS15, §224-e; C24, 27, 31, 35, 39, §239; C46, 50, 54, 58, 62, 66, 71, 73, §16.28; C75, 77, §18.99]

Referred to in §§18.3, 18.28, 18.30, 18.50

18.100. Exchange. The volumes delivered to the state [law] library shall be used for the purpose of effecting exchange with other states, foreign countries and provinces, for similar reports. All books received in such exchange shall become a part of the state library. [R60, §119; C73, §159; C97, §215; SS15, §224-e; C24, 27, 31, 35, 39, §240; C46, 50, 54, 58, 62, 66, 71, 73, §16.29; C75, 77, §18.100]

Referred to in §§18.3, 18.28, 18.30, 18.50

18.101. Legislative journals and bills. The daily journals of the general assembly and the printed bills shall be sent by the superintendent of printing by mail to subscribers therefor. The journals and bills for both houses for any one session may be purchased for such sum as is fixed by the state printing board. The said superintendent shall cause to be printed a sufficient number of copies to fill orders received and reported to him. [C97, §§127, 130; SS15, §§132-b, -c, -d;

C24, 27, 31, 35, 39, §241; C46, 50, 54, 58, 62, 66, 71, 73, §16.30; C75, 77, §18.101]

Referred to in §§18.3, 18.28, 18.30, 18.50

**18.102 Index to bills.** The secretary of the senate and the chief clerk of the house shall throughout each legislative session compile and cause to be printed a cumulative bulletin of bills and joint resolutions which bulletin shall contain a brief history of each bill, and detailed information as to the status of legislation and shall be conveniently indexed. The bulletin shall be printed and delivered one day before the mid-term recess of each legislature and thereafter twenty-five days after the end of said recess except as may otherwise be provided by the joint rules of the general assembly. The last issue of each bulletin shall be brought down to the time of final adjournment and shall be promptly furnished to all members of the general assembly and to such others as the superintendent may determine. [C24, 27, 31, 35, 39, §242; C46, 50, 54, 58, 62, 66, 71, 73, §16.31; C75, 77, §18.102]

Referred to in §§18.3, 18.28, 18.30, 18.50, 18.103

**18.103 Enrolling clerks to keep records.** The enrolling clerks of the senate and house shall, under the directions of the secretary of the senate and house, respectively, keep a daily cumulative record of the information required in section 18.102 and in such manner that the same may be promptly furnished to the superintendent at the close of each week. [C24, 27, 31, 35, 39, §243; C46, 50, 54, 58, 62, 66, 71, 73, §16.32; C75, 77, §18.103]

Referred to in §§18.3, 18.28, 18.30, 18.50

**18.104 to 18.113** Reserved.

# ADMINISTRATIVE RULES

IAC 12/14/77

General Services[450]

## CHAPTER 5 PRINTING DIVISION

### 450—5.1(18) Definitions.

5.1(1) "*Regents institution*" means any institution under the board of regents—University of Iowa, Iowa State University, University of Northern Iowa, Iowa School of the Deaf and Iowa Braille and Sight Saving School.

5.1(2) "*Legal publication*" means any publication containing statutes of the state of Iowa.

450—5.2(18) **Purpose.** The department of general services, printing division, is established to purchase state printing, purchase and distribute paper stock, lease office copiers for all state departments, have custody, sale and distribution of state legal documents and establish publication rates of certain legal notices.

450—5.3(18) **Location.** The office is located in Des Moines, Iowa. All correspondence should be addressed to: Superintendent of Printing, Grimes State Office Building, Des Moines, Iowa 50319.

450—5.4(18) **Centralized printing.** The printing division maintains a centralized printing facility in a building in the capitol complex and subunits in other major buildings, not necessarily in the capitol complex. Centralized printing is equipped to handle 8½" x 11" to 11" x 17" runs, single-color on 16-pound to 110-pound paper stock. It is a short-run turnaround and if the quantity of a printed item is such that it can be handled economically, it will be done in centralized printing. The printing machines and equipment are available at all times to serve the best interests of the state.

5.4(1) *Control of equipment.* All printing presses and printing equipment owned by the state and in the possession of any state agencies located in the city of Des Moines shall be under the control of the printing division.

5.4(2) *Equipment use.* The use and possession of such equipment is subject to the approval of the printing division and shall also be subject to annual review by the superintendent of printing. State agencies must have justifiable reasons for possession of printing equipment, such as the necessity of making confidential reports.

5.4(3) *Annual reports.* Each state agency maintaining such equipment shall make an annual report to the printing division giving the cost of printing produced, amount of printing produced in terms of number of impressions and types of printing produced.

5.4(4) *Exempt presses.* Printing presses owned by the auditor of state and purchased pursuant to the provisions of section 11.4 shall be exempt from control of the printing division.

•5.4(5) *Private use of equipment.* No state owned printing presses may be used to produce printing for private purposes. Items produced on state printing presses can only be items for state agencies. State employees and persons doing business with the state of Iowa may purchase copies produced on office copiers. The selling price of these copies will be the actual cost of the copy including any retrieval costs involved.

450—5.5(18) **Submission of requisitions.** To order state printing, state agencies must submit the proper requisition to the state printing division office or centralized printing. These requisitions are available from either the main office, centralized printing or centralized printing subunits.

5.5(1) *Requisition for state printing.* This requisition is to be used by state agencies requesting printing of a nature that will require the item to be printed by a private contractor. Printed items in this category may include continuous forms, snap-out forms, OCR forms, brochures and folders in quantities exceeding 1000, annual reports,

\* In addition, see filed rules published IAC Supp. 4/6/77, 5/4/77, see filed rule IAC Supp. 12/14/77.

letterheads and envelopes, licenses, items requiring serial numbers, perforations, three-four-color work, and legal documents.

All paper stock for state agencies must be ordered on a "Requisition for State Printing." This includes blank envelopes, local mail envelopes, xerox paper, copier rolls, and similar supplies.

**5.5(2) *Requisition for centralized printing.*** This requisition is to be used by state agencies requesting the type of printing that will be produced in one of the units of centralized printing. Items in this category include typesetting, artwork, and items described in 450—5.4(18).

**5.5(3) *Wrong form.*** Should a state agency requisition printing on the wrong form, in the interest of expediency, the printing division will write the requisition on the proper form using the original requisition as the authority to do so.

**5.5(4) *Agencies' statutory authority.*** All printing requisitions shall include, with other necessary information, the state agencies' statutory authority to expend funds to produce the requested printed material. Those items not expressly required by law must have the approval of the state printing division.

**450—5.6(18) Printed items of an extensive nature.** To obtain the most economical use of the printing budget, certain items should have the approval of the printing division while the printing project is still in the planning stage. These items are as follows:

5.6(1) *Size.* The printed item should be sized in such a manner as to make the optimum use of paper, printing equipment and serve the purpose for which the item was designed.

5.6(2) *Paper.* Only standard grades of paper shall be used in the production of state printing. Paper of a higher quality or more expensive than No. 1 grade and commonly referred to as premium grade may be used only if warranted and approved by the superintendent of printing.

5.6(3) *Number of colors.* All state printing shall be printed single color unless additional colors are approved by the superintendent of printing. Color should be used judiciously and must serve a useful purpose to be approved for use. Any requisition for two or more color printing must be signed by the state agency director or commission head.

5.6(4) *Design.* The printing division has the right to refuse to print an item if the design submitted is not suitable in the promotion of the state of Iowa or in the best interests of the state, or if the design is derogatory towards persons, places, or things.

5.6(5) *Duplicate publications.* Publications will be examined to determine if there is duplication, redundancy or overlapping of any publication that is already in existence. Any publication that is found to duplicate an existing publication will not be approved for printing. Special dispensation can be given for duplicate publications by the superintendent of printing if it is determined that the publication merits it.

5.6(6) *Difference resolved.* Any difference with decisions rendered by the superintendent of printing may be resolved by following the procedures outlined in section 18.78 of the Code.

These rules are intended to implement sections 18.59, 18.76 and 18.77 of the Code.

**450—5.7(17, 18) Annual, biennial reports and official reports.** These types of reports shall have a standard format and must meet the following specifications:

1. Page size is to be 8-1/2" x 11".
2. Each page must be printed on two sides unless the page is the end of a chapter, introduction page, preface, title page, letter or index.
3. Report will be saddlestitched unless the size prohibits; then the report will be perfect bound.
4. Each report should have 150 copies punched to fit a standard three-ring binder.
5. Individual's or author's names cannot be printed on the front cover. Material on the front cover can only be the title of the report, the state agency name, agency seal and date.

This rule is intended to implement section 17.14 of the Code.

**450—5.8(18) Methods of procurement used by printing division.** The department of general services, printing division, shall purchase by competitive bids, all printing for state agencies in Des Moines, except those items produced by centralized printing. Printed items costing \$2,000.00 or more for the regents institutions and the department of transportation in Ames shall also be purchased by competitive bids through the printing division office. Items costing less than \$2,000.00 at the regents institutions and the department of transportation shall be purchased by an appointed assistant at the respective state agency.

5.8(1) *Formal quotation.* Formal quotations as outlined herein shall be required on all printing items costing \$2,000.00 or more. The printing division shall prepare written specifications and bid form and mail same, with a special return bid envelope to the approved list of bidders for the particular class of printing. The written specifications shall contain the following information:

1. Due date and time of formal public bid opening.
  2. Complete description of printed piece.
- Bids shall be opened publicly and read aloud on the date and the hour designated on the form. Bids as received are to be tabulated and the tabulation made available to all interested parties. An award shall be made within twenty-four hours of the formal bid



opening to the lowest competent bidder. The printing division reserves the right to postpone an award until any disputes or questions are resolved.

a. Complete specifications will be furnished bidder on bid form. This form must be used by bidder to submit bids. All specifications are held on file in the printing division office and are available for inspection by prospective bidders. Vendors may view previous specifications and obtain previous pricing if such is available.

b. Bid form must be signed by bidder. Bidder's signature indicates that bidder has read the form and agrees with the conditions stated on bid form. Telephone or telegraph bids will not be considered on "formal bids".

c. Each bid must be accompanied by a certified or cashier's check for the amount stated in the specifications. A yearly bid bond may be deposited to be used in lieu of a certified or cashier's check. If the total estimated cost of a printed item will be more than \$100,000.00, all bidders will be required to submit with their bid a certified or cashier's check for 1% of the estimated cost; yearly bid bonds will not apply in these instances. The exact amount required will be stated in the specifications. Bids will be refused if not accompanied by a certified or cashier's check or if bidder does not have a yearly bid bond on file with the printing division. The amount of the surety bond is fixed annually and bonds are dated from July 1 to June 30 of the following year. Checks of unsuccessful bidders will be returned when the printed item is contracted. The check of the successful bidder will be returned when the performance bond is received and accepted by the printing division.

d. The successful bidder must deposit with the printing division a performance bond equal to ten percent of the contract price unless otherwise stated in the specifications. Performance bond must be deposited within twenty-one days of the contract date.

e. Failure to enter into a contract by the successful bidder within ten days of the award may result in forfeiture of certified or cashier's check or ten percent of the bid bond, if bond is on deposit in lieu of check. The bid specifications shall become a part of the printing contract.

In addition to the use of a direct mail request, the printing division shall cause to be printed in at least one daily paper in the state of Iowa a classified advertisement with the heading "Notice to Bidders". Said advertisement shall contain the following information:

- (1) Due date and time of formal bid opening.
- (2) General description of printing to be purchased.
- (3) Address, name and phone number of person to be contacted to obtain official bid forms.

**5.8(2) Informal quotation.** On any printing item costing less than \$2,000.00, the printing division shall obtain bids in the following manner:

Prepare a written "Request for Prices" form and mail same to the approved list of bidders for that particular class of printing. The "Request for Prices" shall contain the following information:

1. Due date informal quotation must be returned.
2. Complete description of printed piece.

Bids are to be opened informally on the due date and an award made to the lowest competent bidder meeting specifications. Bids as received are to be tabulated and the tabulation made available to all interested parties. An award shall be made within twenty-four hours of the informal bid opening. The printing division reserves the right to postpone an award until any disputes or questions are resolved.

The printing division will accept telephone bids on any item that is purchased by informal quotation provided the telephone bid is submitted prior to opening date and time, and a written verification of the telephone bid is submitted postmarked within twenty-four hours.

This rule is intended to implement sections 18.32 to 18.38 and 18.45 of the Code.

**450—5.9(18) Bidder eligibility.** Any firm or individual legally conducting business within the state of Iowa may request to be placed on the appropriate bidder list by printing classification. Such firm or individual must properly fill out the bid application form and place same on file with the printing division. The printing division shall maintain a current

bidder list by class of printing and cause to be mailed to concerned bidders all formal and informal written specifications prepared by the printing division.

A bidder may be removed from a bidder list for any of the following reasons:

1. Failure to respond to five consecutive bid requests.
2. Failure to deliver merchandise within specified delivery dates without permission of the printing division and the using agency.
3. Failure to deliver merchandise meeting specifications as outlined on the "printing order".
4. Failure to execute the contract and performance bond within twenty-one days of contract date.
5. Attempting to influence the decision of any state employee involved in the printing function.
6. If the director and the printing division have reasonable grounds to believe that there is an agreement by bidders to restrain competitive bidding, by any means, the bids of those bidder will be rejected and their names removed from the bidder list.
7. A bidder may be removed from an approved bidder list if the civil rights commission has determined that a bidder has shown discrimination in the bidder's employment.

**450—5.10(18) Instructions to bidders.** In processing bidding documents, the bidder must prepare the documents in the manner as prescribed and furnish all information and supplies as may be requested on the bidding document. The following procedures must be adhered to by all bidders in submitting bids to the printing division.

5.10(1) *Bid preparation.* Bids shall be prepared either in ink or typewritten.

5.10(2) *Information to be provided by bidder.* If requested, bidders shall supply brand name of paper stock and sample.

5.10(3) *Splitting bids.* The bidding document may specify whether or not bids will be split. If it is so stated on the bidding document, the printing division may award to one bidder the contract on the basis of the complete printing order or more than one bidder, whichever is to the advantage of the state of Iowa. Care will be taken by the printing division to insure bidders that they will not be penalized by split awards.

5.10(4) *Escalator clauses.* Unless specifically provided for on the bidding document, bids containing an "escalator clause" providing for an increase will not be considered.

5.10(5) *State taxes.* The state of Iowa is exempt from the payment of Iowa sales tax, and any other Iowa tax that may be applied to a specified commodity or service.

5.10(6) *Delivery date.* The delivery date of the printed product must be as specified on the bidding document. If the bidding document has a space provided for alternate delivery date, the printing division may consider delivery dates as a factor in determining the successful bidder.

5.10(7) *Time of submission.* All formal and informal bids shall be submitted in sufficient time by the bidder to reach the printing division prior to the date and time set for the opening of bids. Bids received after the date and time set for opening will be returned to the bidder unopened. Bids as received by the printing division will be stamped showing date received.

5.10(8) *Modifications or withdrawals of bids.* Bids may be modified or withdrawn by the bidder prior to the time and date set for the opening of bids. Said modifications or withdrawals must be in writing and delivered in a sealed envelope, properly identifying the contract bid proposal to be modified or withdrawn. After the opening of the bids, no bid may be modified. No withdrawals will be permitted after the opening of the bids, without the permission of the superintendent of printing.

5.10(9) *Testing.* Various items may require testing either before or after final award is made. This will be noted in the bid specifications and final award of contract will be made in conjunction of tests. In these cases, bidder must guarantee price until testing has been completed.

5.10(10) *Strikes, lockouts or natural disasters.* Whenever a contractor's place of business or source of supply has been disrupted by a strike, lockout or natural disaster, it

shall be the responsibility of the contractor to promptly advise the printing division. The state of Iowa may elect to cancel all orders on file with the contractor and place the order with another bidder.

**5.10(11) Subcontractor or secondary supplier.** Successful bidders shall be responsible for all acts and performance of any subcontractor or secondary supplier that the successful bidder may engage for the completion of any contract with the state of Iowa. Successful bidder shall be responsible for payment to all subcontractors or secondary suppliers.

**5.10(12) Rejection of bids.** The right is reserved to reject any or all bids. Bids may be rejected because of faulty specifications, abandonment of the project, insufficient funds, evidence of unfair bidding procedures, failure to provide security when required, financial insolvency of the bidder, or by the director of general services, if in his opinion the best interests of the state of Iowa will not be served. New bids may be requested at a time deemed convenient to the printing division and the agency involved.

**5.10(13) Minor deficiencies and informalities.** The state reserves the right to waive minor deficiencies and informalities if in the judgment of the printing division the best interests of the state of Iowa will be served.

**5.10(14) Tie bids.** The printing division will resolve bids which are equal in all respects and tied in price, by drawing lots. Whenever practical the drawing will be held in the presence of the bidders who are tied in price. If this is not possible, the drawing will be made in front of at least three persons and said drawing documented.

**5.10(15) Tie bids involving Iowa firms.** Whenever a tie involves one or more Iowa firms and one or more firms outside the state of Iowa, the drawing will be held among the Iowa firms only. Tie bids involving Iowa produced or manufactured products and items produced or manufactured outside the state of Iowa will be resolved in favor of the Iowa product.

**5.10(16) Deviations from specifications.** Successful bidders may not deviate from original specifications unless deviation is approved in writing by the printing division. Failure to obtain approval of deviations will result in rejection of printing order or nonpayment for deviation.

**450—5.11(18) Delivery and acceptance of printed piece.** When an award has been made to a bidder and the official printing order issued and received by the bidder, deliveries are to be made in the following manner:

**5.11(1) Deliveries.** All deliveries are to be made only to the point specified on the official printing order. If delivery is made to any other point, it shall be the responsibility of the contractor to promptly reship to the correct location.

**5.11(2) Delivery charges.** All delivery charges should be to the account of the contractor. If this is not possible, then all delivery charges should be prepaid by the contractor and added to the contractor's invoice.

**5.11(3) Late delivery penalty.** One percent per day of the contract price will be penalized for each day of delayed delivery. State agency to furnish copy and read proof according to specifications and the printer is required to give written notice to the printing division of any delay by state agency. Only working days will be counted in the calculation to determine the penalty to be imposed.

**5.11(4) Acceptance of inferior work.** When a printed item is determined to be inferior by the ordering state agency and the state printing division, but time does not permit reordering, the inferior item will be accepted without approval and one-half of the contract price shall be deducted as liquidated damages for breach of contract.

**5.11(5) Vendor name or logotype.** Printing contractors shall not affix their company label, name, logotype or other identifying information to any state printing. Should a vendor do so, the final invoice will be reduced five percent or \$50.00, whichever is the lesser amount, as advertising charges.

**5.11(6) Notice of rejection.** The nature of any rejection of shipment, based on apparent deficiencies disclosed by ordinary methods of inspection, will be given by

receiving agency to the contractor and carrier within a reasonable time after delivery of the item, with a copy of the notice to the printing division. Notice of latent deficiencies which would make items unsatisfactory for the purpose intended may be given by the state or at any time after acceptance.

811.76 *Disposition of rejected item.* The contractor must remove, at the contractor's expense, any item rejected by the state of Iowa. If the contractor fails to remove the rejected item, the state of Iowa may dispose of the item and bill contractor for the cost of disposal.

811.77 *Emergency contracts.* In the interest of expediency when time does not permit the printing division to follow established procedures for bidding, the following procedures will be followed:

- For items under \$2,000.00, quotations will be solicited by telephone from at least three firms and the award will be made to the lowest bidder. A set of written specifications will be furnished with the order to insure that all firms are submitting prices based on the same specifications.
- For items over \$2,000.00, the regular formal specifications will be mailed to bidders and received within seven days of mailing. The requirement to advertise will be waived. Regular contract procedures will prevail for the awarding of contracts.

811.78 *Expiration of contract.* When a contract is terminated, the contractor must return all orders that the contractor has, including those that are written on the last day of the contract. Except for those orders the contractor has in process, the contractor will return to the next successful contractor all plates and negatives that are associated with the contract within five days after contract expiration.

811.79 *How to receive payment.* The contractor should follow the outline as listed below. Payment can be made with the least possible delay.

811.80 *Contractor's printing order.* Contractor will receive two copies of printing order and receive as authorization to supply printed items as listed on the printing order to the printer and delivery to the designated geographic locations.

811.81 Contractor shall be paid for any state printing not authorized by an official printing order from the printing division office, the assistants in the regents institutions or the state of transportation.

811.82 *Original order required.* After the printed items have been shipped to the contractor, the contractor shall prepare an invoice in triplicate, one copy of which must be marked "original copy" and said invoices forwarded to the printing division along with the original copy of the printing order. Contractor's invoice, as submitted must refer to the original order number appearing in the upper right-hand corner of the printing order. Samples of the printed item should be included with the contractor's invoice.

811.83 Where the contractor cannot provide original invoice as outlined above, it will be processed as follows: Contact the printing division for claim forms which must be signed by the contractor's signature.

811.84 *Warrant issuance.* After the contractor's invoices have been received by the printing division, and the printing division has approved same, the invoices are forwarded to the accounting agency. The agency certifies that the merchandise has been received as ordered. The contractor's claim is then submitted to the state comptroller and a warrant is issued to the contractor.

811.85 *Warrant identification.* The state warrant will be mailed along with a copy of the contractor's original claim voucher to assist contractor in identifying the payment. The contractor's copy of the voucher is for contractor's file.

811.86 *Part payment.* When the value of a contract is \$20,000.00 or more, or the contract period exceeds four months, the contractor may submit a claim for part payment. Payment will be made for paper stock and work completed. Contractor, to receive payment for paper purchases, must show shipping manifests, paper merchants' invoice and receipt for paper. To receive payment for parts of work completed, contractor must show sufficient evidence that the portion of work being claimed has been completed.

**5.14(6) Past due payments.** All inquiries regarding past due payments should be addressed to the requisitioning agency with a copy sent to the printing division.

**5.14(7) Payment after delivery.** Payment for merchandise can only be made after the merchandise has been delivered or inventory storage verified.

**450—5.15(18) Printing machinery—reports.** Each state agency that maintains print equipment outside the city of Des Moines must make an annual report to the print division giving the cost of printing produced, amount of printing produced in terms of number of impressions and types of printing produced.

**450—5.16(18) Office copiers.** State agencies will hold the leases on office photocopiers. All leases to be effective must be countersigned by the superintendent of printing. The printing division reserves the right to assume complete control on any photocopier, which would mean assuming the lease and billing the state agency for costs. In lieu of the printing division holding leases on office copiers, an annual report shall be submitted to the printing division giving the cost of maintaining the copier, including supplies, and the amount of copies produced.

Upon a state agency's determination of the necessity for an additional photocopier or change in an existing photocopier, the agency's request for a photocopier should be sent to the office of records management and a duplicate sent to the superintendent of printing. The office of records management, in consultation with the state agency shall submit to the superintendent of printing a proposal stating the type of copying, the number of copies per month, and any special copy needs. Using the material submitted by records management, a recommendation shall be made by the superintendent of printing as to the proper equipment that will best fill the needs of the requesting agency. This recommendation will be submitted to the records management commission for final approval.

**450—5.17(18) Legal publications.** One copy of each legal publication is distributed free-of-charge to all principal state agencies and each major subdivision thereof, except in specific instances where the number of copies distributed is specified or limited by legislation, following the guidelines as prescribed in section 18.97 of the Code.

**5.17(1) Ordering legal publications.** The "Requisition for State Printing" form is used by state agencies to request additional copies of legal documents. Upon approval from the superintendent of printing, the additional copies will be supplied to state agencies free-of-charge.

To order by mail, publications for sale through the printing division office must be prepaid at the time of the order. Check or money order is to be made payable to: Iowa State Printing Division, and sent to the Iowa State Printing Division, Grimes State Office Building, Des Moines, Iowa 50319.

To eliminate shipping delay, publications may be purchased and picked up in the printing division office in person. Checks, money orders or cash are acceptable in the office.

All publications are priced to include distribution costs. Prices are derived by taking the total price of printing the items, dividing by the number of items ordered, and adding the distribution costs. Prices of publications and ordering instructions are available upon request from the printing division office.

**5.17(2) "Iowa Administrative Code" subscription renewal.** Subscribers to the "Iowa Administrative Code" supplements which are available by subscription will be notified by the printing division prior to expiration. Renewal prices and instructions will be mailed to each subscriber. All subscriptions will begin on July 1 and end June 30 of the following year. Any subscribers subscribing after July 1 will receive all back issues. Annual subscriptions to the "Iowa Administrative Code" and its supplements are cancellable but nonrefundable.

**5.17(3) Outdated Codes.** Upon the issuance of a new "Code of Iowa", the previous Code is distributed at the superintendent of printing's discretion, gratuitously to persons

requesting same. Quantities will be restricted to one set per person. If it is requested that the outdated Code be mailed, a charge will be made to cover postage. Exact price will be available from the printing division office at the time of ordering.

**450—5.18(17, 18) Iowa Official Register.** The "Iowa Official Register" is distributed by the printing division. It is available to the general public free-of-charge and mailed upon request. If requesting multiple copies of the "Official Register", the books must be picked up at the printing division warehouse. Prior approval from the superintendent of printing or his designee must be obtained if requesting more than five copies.

This rule is intended to implement section 17.20 of the Code.

**450—5.19(18, 49) Publication of ballot and notice.** A sample ballot as prescribed in section 49.53 of the Code may be published in a reduced size. When a ballot is reduced, the candidates' names on the ballot must not be smaller than six-point type.

**450—5.20(18, 49) Cost of publication—sample ballot.** The charges for the publication of a sample ballot shall not be more than the usual or customary display advertising rate that the newspaper charges its regular advertisers.

[Filed 7/12/76, Notice 3/22/76—published 7/26/76, effective 8/30/76]

[Filed 3/18/77, Notice 11/17/76—published 4/6/77, effective 5/11/77]

[Filed 5/17/77, Notice 4/6/77—Published 6/1/77, effective 7/6/77]

[Filed 11/23/77, Notice 10/19/77—published 12/14/77, effective 1/18/78]

## CHAPTERS 6 to 9

Reserved

Appendix C

Sample of Language  
for Creating a  
State Printer's Position

# Chapter 43.78 RCW PUBLIC PRINTER

Applying to Public Printer.

Appointment of public printer.

And

Duties—Exceptions.

Requisitions.

Itemized statement of charges.

Use of state plant—Conditions—Public printer's

salary

Printing specifications.

Reprinting.

Books to be furnished.

Printer may farm out printing.

**43.78.010 Appointment of public printer.** There shall be a public printer appointed by the governor who shall hold office at the pleasure of the governor and his successor is appointed and qualified. [1965 c 8 § 43.78.010. Prior: 1905 c 168 § 1; RRS § 10323.]

**43.78.020 Bond.** Before entering upon the duties of his office, the public printer shall execute to the governor a bond in the sum of ten thousand dollars conditioned for the faithful and punctual performance of all the duties of his office. [1965 c 8 § 43.78.020. Prior: 1905 c 168 § 2; RRS § 10324.]

**43.78.030 Duties—Exceptions.** The public printer shall print and bind the session laws, the journals and minutes of the legislature, all bills, resolutions, orders, and other printing and binding of either the house or senate, as the same may be ordered by the legislature, and such forms, blanks, record books, and other printing and binding of every description as may be ordered by the state officers, boards, commissions, and institutions, and the supreme court, and the court of appeals, and the court of appeals, as the same may be ordered by the proper authorities from time to time, by the proper authorities. That this section shall not apply to the printing and binding of the supreme court, and the court of appeals. That where any institution or other learning of the state is or may be equipped with facilities for doing such work, it shall be the duty of the public printer to print (1) for itself, or (2) for any other institution when such printing is done as part of a business relative to the profession of printer: And the public printer shall be needed by any institution of the state or any agency of the state department and health services not at Olympia, or the court of appeals or any officer thereof, the estimated cost of which shall not exceed two

hundred dollars, may be done by any private printing company in the general vicinity within the state of Washington so ordering, if in the judgment of the officer of said agency so ordering, the saving in time and processing justifies the award to such local private printing concern. [1971 c 81 § 114; 1965 c 8 § 43.78.030. Prior: 1959 c 88 § 1; 1917 c 129 § 1; 1915 c 27 § 2; 1905 c 168 § 3; RRS § 10325.]

*Commission on supreme court reports, member: RCW 2.32.160.*

*Printing and duplicating committee, member: RCW 43.77.010.*

*Public documents, duties: RCW 40.04.020.*

*Session laws, legislative journals, delivery to law librarian: RCW 40.04.030.*

**RCW 43.78.040 Requisitions.** All printing and binding shall be done under the general superintendence of the authorities ordering it, and when completed shall be delivered to such authorities, who shall sign receipts therefor.

Before the public printer shall execute any printing or binding for any office, board, commission, or institution, the proper officer thereof shall apply therefor by requisition. [1965 c 8 § 43.78.040. Prior: 1905 c 168 § 4; RRS § 10326.]

**RCW 43.78.050 Itemized statement of charges.** Upon delivering a printing or binding job and receiving a receipt therefor the public printer shall make out, and deliver to the requesting agency an itemized statement of charges. [1965 c 8 § 43.78.050. Prior: 1905 c 168 § 5, part; RRS § 10327.]

**RCW 43.78.070 Use of state plant—Conditions—Public printer's salary.** The public printer shall use the state printing plant upon the following conditions, to wit:

(1) He shall do the public printing, and charge therefor the fees as provided by law. He may print the Washington Reports for the publishers thereof under a contract approved in writing by the governor.

(2) The gross income of the public printer shall be deposited in an account designated "state printing plant revolving fund" in depositories approved by the state treasurer, and shall be disbursed by the public printer by check and only as follows:

First, in payment of the actual cost of labor, material, supplies, replacements, repairs, water, light, heat, telephone, rent, and all other expenses necessary in the operation of the plant: *Provided*, That no machinery shall



be purchased except on written approval of the governor;

Second, in payment of the cost of reasonable insurance upon the printing plant, payable to the state and of all fidelity bonds required by law of the public printer;

Third, in payment to the public printer of a salary which shall be fixed by the governor in accordance with the provisions of RCW 43.03.040;

Fourth, in remitting the balance to the state treasurer for the general fund: *Provided*, That a reasonable sum to be determined by the governor, the public printer, and the \*director of budget shall be retained in the fund for working capital for the public printer. [1965 c 8 § 43.78.070. Prior: 1961 c 307 § 5; 1955 c 340 § 12; 1951 c 151 § 1; 1933 c 97 § 3; RRS § 10327-2.]

\*Reviser's note: "director of budget" changed to director of program planning and fiscal management. See RCW 43.88.025.

**RCW 43.78.080 Printing specifications.** All printing, ruling, binding, and other work done or supplies furnished by the state printing plant for the various state departments, commissions, institutions, boards, and officers shall be paid for on an actual cost basis as determined from a standard cost finding system to be maintained by the state printing plant. In no event shall the price charged the various state departments, commissions, institutions, boards, and officers exceed those established by the Porte Publishing Company's Franklin Printing Catalogue for similar and comparable work. All bills for printing, ruling, binding, and other work done or for supplies furnished by the state printing plant shall be certified and sworn to by the public printer.

The public printing shall be divided into the following classes:

**FIRST CLASS.** The bills, resolutions, and other matters that may be ordered by the legislature, or either branch thereof, in bill form, shall constitute the first class, and shall be printed in such form as the legislature shall provide.

**SECOND CLASS.** The second class shall consist of printing and binding of journals of the senate and house of representatives, and the annual and biennial reports of the several state officers, state commissions, boards, and institutions, with the exception of the reports of the attorney general and the governor's message to the legislature, which shall be printed and bound in the same style as heretofore. Said journals and reports shall be printed in such form as the senate and house of representatives and the various state officers, commissions, boards, and institutions shall respectively provide.

**THIRD CLASS.** The third class shall consist of all reports, communications, and all other documents that may be ordered printed in book form by the legislature

or either branch thereof, and all reports, and other like matter printed in book form by all state officers, boards, commissions shall be printed in such form and of such size type, and printed on such paper as may be desired by the state officer, board, or institution ordering them, and which shall best serve the purpose for which intended.

**FOURTH CLASS.** The fourth class shall consist of the session laws, and shall be printed in such form as the statute law committee shall determine.

**FIFTH CLASS.** The fifth class shall consist of printing of all stationery blanks, records, circulars, and all printing and binding required by respective state officers, boards, commissions, and institutions not covered by classes one through four. [1972 ex.s. c 1 § 1; 1969 c 6 § 1; 1965 c 8 § 43.78.080. Prior: 1955 c 16 § 1; 1943 c 130 § 1; 1919 c 37 § 1; 1917 c 129 § 1; RRS § 10329.]

**RCW 43.78.090 Reprinting.** When a bill or law is printed by the legislature or by any state commission, or institution the public printer shall use the type used in printing any matter of the first, second, third, and fourth class, and the period not exceeding sixty days for use of the matter. [1965 c 8 § 43.78.090. Prior: 1919 c 37 § 2; 1907 c 174 § 1; RRS § 10330.]

**RCW 43.78.100 Stock to be furnished.** The public printer shall furnish all paper, stock, and materials required in all public work, and the cost shall be the same to the state, as it is actually used, plus price at which it was purchased plus waste, insurance, storage, and handling. [1965 c 8 § 43.78.100. Prior: 1917 c 129 § 5; 1905 c 10333.]

**RCW 43.78.110 Printer may furnish from private sources.** Whenever in the judgment of the public printer printing, ruling, binding, or supplies cannot be obtained from private sources more economically than by the state work or preparing the supplies in the state printing plant, he may obtain such work or supplies from private sources.

In event any work or supplies are secured by the state under this section the state printer shall be entitled to add up to five percent to the cost of the work to cover the handling of the orders which shall be charged to the respective state officers, boards, commissions, and institutions for the work or supplies. [1969 c 79 § 1; 1965 c 8 § 43.78.110. Prior: 1935 c 130 § 3; RRS § 10331.]

Appendix D

State of Washington  
Copy Center Rates  
and  
Copy Center Request Form



STATE OF  
WASHINGTON

Dixy Lee Ray  
Governor

DEPARTMENT OF GENERAL ADMINISTRATION

218 General Administration Building, Olympia, Washington 98504

TO: All State Agencies & Educational Institutions

FROM: James H. Hanson, Coordinator *JH*  
Printing-Duplicating & Forms Management Division

SUBJECT: Copier Information

DATE: September 15, 1978

The attached charts have been prepared to provide state agencies with cost comparative data for all copiers on state contract. Copiers not appearing on charts are not available for acquisition by state agencies.

Included in this distribution are the revised Cost Comparison Charts (pink color sheets) and an addendum to the April 1978 publication of the Cost Comparison Chart (Gen. P&D-006). This publication of the Cost Comparison Chart reflects current copier and supply costs and supercedes all previous cost charts. If you should need additional copies of any of the charts, please contact this office (753-4488, SCAN 234-4488).

COST COMPARISON CHARTS

Definitions of Abbreviations

Abbreviations on the Cost Comparison Chart refer to specific pricing plans. The two basic plans are Monthly Rental and Fiscal Annual Rental. The addition of a number or letters to the basic plan abbreviation is a vendor code for a particular plan.

Basic Plans

M - Monthly Rental (30 day cancellation clause)  
FA - Fiscal Annual Rental (commitment to end of fiscal year)

### Basic Plan plus Vendor Code

LM - Low Volume Monthly Rental  
LMFA - Low Volume Fiscal Annual  
HM - High Volume Monthly  
HMFA - High Volume Fiscal Annual  
M2 - Plan #2 Monthly  
M3FA - Plan #3 Fiscal Annual  
M4FA - Plan #4 Fiscal Annual  
B - Plan B Monthly  
BFA - Plan B Fiscal Annual

DM - Plan D Monthly  
DFA - Plan D Fiscal Annual  
EM - Plan E Monthly  
EFA - Plan E Fiscal Annual

plans, such as long term commitments or duplicating plans based on run lengths, available on state contract. However, due to the complexity of presenting that additional information, it is not included on these charts. If you need assistance in this area, please contact PDMC.

### Volume Ranges

Cost Comparison Charts are separated into four volume ranges. The ranges were designed to cover basic need copying requirements for low, medium, high and copier-feeder (very high) volumes. Minimum copier qualifications are described for each range. Special need copiers, such as those offering sorting or reduction, are included on the chart, but are usually the most expensive in each category. Medium and High volume charts appear on the pink-colored sheet; the copier-feeder chart appears on the buff-colored sheet.

#### Low

Volumes:	1,000 to 7,000 copies per month
Machine Speed:	Minimum of 10 copies per minute
Capabilities:	Copier to copy from bound documents, stream feed, or a combination of both features.
Copier Capacity:	Minimum of 150 sheets
Cost:	4.1¢ to 3.7¢ per copy including supplies

#### Medium

Volumes:	7,000 to 20,000 copies per month
Machine Speed:	Minimum of 15 copies per minute
Capabilities:	Copier must be able to copy from bound documents. Automatic feed device or stream feed are desirable, but not essential.
Copier Capacity:	Minimum 250 sheets
Cost:	3.7¢ to 3.3¢ per copy including supplies

### High

Volumes:	20,000 to 50,000 copies per month
Machine Speed:	Minimum 20 copies per minute
Capabilities:	Copier must be able to copy from bound documents. Automatic feed device or stream feed are desirable, but not essential.
Paper Capacity:	Minimum of 500 sheets
Cost:	3.3¢ to 2.7¢ per copy including supplies

### Copier-Duplicator

Volumes:	50,000 copies + per month
Machine Speed:	Minimum 60 copies per minute
Capabilities:	Copier must be able to copy from bound documents. Automatic feed devices are highly desirable, although the lack of a device does not preclude a copier's use in the copier-duplicator range.
Paper Capacity:	Minimum of 1,000 sheets
Cost:	2.7¢ to 2.0¢ per copy including supplies

### Selecting a Copier

The Maximum Allowed Cost per Copy Column designates cost limitations at each level within the individual Volume Ranges. In some instances, it will be the case that the cost of a particular model exceeds the allowable rate. This addition is included for comparative purposes only and does not mean that the copier is an acceptable choice for that level.

When selecting a basic needs copier for a particular volume level, the five copiers must be considered first. If, after agency evaluation, they are not acceptable, the reason for their rejection must be clearly stated in the request. Failure to consider lowest cost alternatives first or to state reasons for rejection will result in the copier request being returned to the agency for further review. Requirement for a special needs copier may be a higher cost per copy copier is needed, or even one in the next volume range. Special needs must be clearly justified in the request.

The dollar amounts shown in the column under each copier model are representative monthly costs for the corresponding monthly volumes. These are based on machine rental, meter charges and include a cost estimate for supplies (toner and developer). Where indicated, sorting capability is included in the calculations. Tax is not included in these figures.

### COMPARATIVE DATA CHART (GEN P&D-006)

The Comparative Data Chart is to be used in conjunction with the Cost Charts. After locating the monthly volume on the Cost Chart, the Comparative Data Chart can be referred to for information on the copiers available. Features, specifications, special features, accessories and general information are provided for each copier.

Please note that the column entitled "Acceptable Copy Range", which is from the April 1978 publication of this chart, is no longer valid. Please refer to the discussion on Volume Ranges for up to date information.





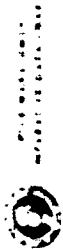




VOLUME	MAXIMUM C/COPY	COST										COST										COST		MONTHLY VOLUME	MAXIMUM C/COPY
		BM	BFA	DM	DFA	EM	EFA	BM	BFA	DM	DFA	EM	EFA	BM	BFA	DM	DFA	EM	EFA	X-1600-1	X-1600-1				
50,000	2.7	2096.	2971.	3760.	3485.	3269.	3164.	3796.	3165.	3760.	3660.	3669.	3119.	3562.	3361.	4160.	3860.	3719.	3519	1104.	1181.				
60,000	2.6	2096.	2971.	3760.	3485.	3269.	3164.	3796.	3165.	3760.	3660.	3669.	3119.	3562.	3361.	4160.	3860.	3719.	3519	1104.	1181.				
70,000	2.5	2096.	2971.	3760.	3485.	3269.	3164.	3796.	3165.	3760.	3660.	3669.	3119.	3562.	3361.	4160.	3860.	3719.	3519	1104.	1181.				
80,000	2.5	2096.	2971.	3760.	3485.	3269.	3164.	3796.	3165.	3760.	3660.	3669.	3119.	3562.	3361.	4160.	3860.	3719.	3519	1104.	1181.				
90,000	2.5	2096.	2971.	3760.	3485.	3269.	3164.	3796.	3165.	3760.	3660.	3669.	3119.	3562.	3361.	4160.	3860.	3719.	3519	1104.	1181.				
100,000	2.4	2096.	2971.	3760.	3485.	3269.	3164.	3796.	3165.	3760.	3660.	3669.	3119.	3562.	3361.	4160.	3860.	3719.	3519	1104.	1181.				
110,000	2.3	2096.	2971.	3760.	3485.	3269.	3164.	3796.	3165.	3760.	3660.	3669.	3119.	3562.	3361.	4160.	3860.	3719.	3519	1104.	1181.				
120,000	2.2	2096.	2971.	3760.	3485.	3269.	3164.	3796.	3165.	3760.	3660.	3669.	3119.	3562.	3361.	4160.	3860.	3719.	3519	1104.	1181.				
130,000	2.2	2096.	2971.	3760.	3485.	3269.	3164.	3796.	3165.	3760.	3660.	3669.	3119.	3562.	3361.	4160.	3860.	3719.	3519	1104.	1181.				
140,000	2.1	2096.	2971.	3760.	3485.	3269.	3164.	3796.	3165.	3760.	3660.	3669.	3119.	3562.	3361.	4160.	3860.	3719.	3519	1104.	1181.				
150,000	2.1	2096.	2971.	3760.	3485.	3269.	3164.	3796.	3165.	3760.	3660.	3669.	3119.	3562.	3361.	4160.	3860.	3719.	3519	1104.	1181.				
160,000	2.0	2096.	2971.	3760.	3485.	3269.	3164.	3796.	3165.	3760.	3660.	3669.	3119.	3562.	3361.	4160.	3860.	3719.	3519	1104.	1181.				
170,000	2.0	2096.	2971.	3760.	3485.	3269.	3164.	3796.	3165.	3760.	3660.	3669.	3119.	3562.	3361.	4160.	3860.	3719.	3519	1104.	1181.				
180,000	1.9	2096.	2971.	3760.	3485.	3269.	3164.	3796.	3165.	3760.	3660.	3669.	3119.	3562.	3361.	4160.	3860.	3719.	3519	1104.	1181.				
190,000	1.9	2096.	2971.	3760.	3485.	3269.	3164.	3796.	3165.	3760.	3660.	3669.	3119.	3562.	3361.	4160.	3860.	3719.	3519	1104.	1181.				
200,000	1.8	2096.	2971.	3760.	3485.	3269.	3164.	3796.	3165.	3760.	3660.	3669.	3119.	3562.	3361.	4160.	3860.	3719.	3519	1104.	1181.				

- Model requires 220V wiring
- Sorting capability is included
- Model requires 220V wiring and has sorting capability included

PMAC (Rev. 8/78)



U.S. NAVY  
OFFICE OF THE SECRETARY

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Savin 755	—	—	0.5	3.8	15	10" x 14"	8 1/2" x 11"	S	P	16-250	250	W	1-20	X	115	15"	31"-33"	3' 45"	3' 45"	X	X	X	X	X	X	1976	ALL 3	Pre-avg						
Savin 760	—	—	5	2	28	11" x 17"	8" x 10"	S	P	16-250	250	W	1-20	X	115	15"	31"-33"	3' 45"	3' 45"	X	X	X	X	X	X	1977	ALL 3	Pre-avg						
3M Secretary III	—	—	4	2.3	25	8 1/2" x 14"	5" x 5 1/2"	S	P	16-20	500	D	1-20	X	120	30"	31"-33"	6' 46"	6' 46"	X	X	X	X	X	X	1977	ALL 4	Pre-avg						
Savin 3400	—	—	0.58	2.1	26	8 1/2" x 14"	8" x 10"	S	P	16-24	1000	D	1-99	X	110	30"	31"-33"	7' 49"	7' 49"	X	X	X	X	X	X	1977	ALL 2	Pre-avg						
Savin 3400	—	—	7	1.2	45	8 1/2" x 14"	8" x 10"	S	P	16-24	300	D	1-99	X	110	30"	31"-33"	7' 49"	7' 49"	X	X	X	X	X	X	1977	ALL 2	Pre-avg						

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# STANDING COMMITTEE REPORT

February 12 19.95

MR. PRESIDENT

We, your committee on **STATE ADMINISTRATION**

having had under consideration **SENATE BILL** No. **251**

**first** reading copy ( **white** )  
color

**EXEMPT PROJECTS NOT GUARANTEED BY ECON. DEVELOPMENT BD. FROM  
CERTAIN LIMITS**

Respectfully report as follows: That **SENATE BILL** No. **251**

DO PASS

**DO PASS**

Chairman.

(This sheet to be used by those testifying on a bill.)

Committee  
SP-251  
2-12-85

NAME: PAT GIBLIN DATE: 2-12-85

ADDRESS: SUITE 305, THE GRAND BLDG., BILLINGS MT 59101

PHONE: 406-248-7000

REPRESENTING WHOM? DOUGHERTY, DAWKINS, STRAND-YOST, Inc.

APPEARING ON WHICH PROPOSAL: SB 251

DO YOU: SUPPORT? ☒ AMEND? ☐ OPPOSE? ☐

COMMENT:

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

(This sheet to be used by those testifying on a bill.)

Against SB  
SB 251  
2-12-85

NAME: Dale A. Hanes DATE: \_\_\_\_\_

ADDRESS: Montana Economic Development Board

PHONE: 444-2090

REPRESENTING WHOM? Board

APPEARING ON WHICH PROPOSAL: SB 251

DO YOU: SUPPORT? ✓ AMEND? \_\_\_\_\_ OPPOSE? \_\_\_\_\_

COMMENT: \_\_\_\_\_

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

(This sheet to be used by those testifying on a bill.)

NAME:

*Mary Lou Garrett*

DATE:

*2-12-85*

*SB-247  
2-12-85*

ADDRESS:

*Helena*

PHONE:

*444-5433*

REPRESENTING WHOM?

*ICCW*

APPEARING ON WHICH PROPOSAL:

*SB 247*

DO YOU:

SUPPORT?

*X*

AMEND?

OPPOSE?

COMMENT:

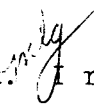
PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.



TESTIMONY

S.B. 247

STATE ADMINISTRATION

My name is Mary Lou Garrett.  I represent the Interdepartmental Coordinating Committee for Women, known as the ICCW.

The ICCW endorses S.B. 247 as it sets a uniform contribution for members of retirement systems and provides a means of increased take home pay in a time of restricted budgets and continued inflation.

With information provided by the Department of Administration and previous proponents, the ICCW agrees with the prior testimony and asks your support in passing S.B. 247 .

(This sheet to be used by those testifying on a bill.)

Exhibit 111  
SB-247  
2-12-85

NAME: Nadlean Jensen DATE: 2-12-85

ADDRESS: P.O. Box 5356, 789 Carter Dr., Helena 59604

PHONE: 442-1192

REPRESENTING WHOM? AFSCME

APPEARING ON WHICH PROPOSAL: SB 247

DO YOU: SUPPORT? X AMEND? \_\_\_\_\_ OPPOSE? \_\_\_\_\_

COMMENT: \_\_\_\_\_

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

(This sheet to be used by those testifying on a bill.)

SB-247

2-12-85

NAME:

Paul K. ...

DATE:

2/12/85

ADDRESS:

23 E. LaPlata, Suite

PHONE:

82-2517

REPRESENTING WHOM?

Local 971 AISCME Boulder

APPEARING ON WHICH PROPOSAL:

SB 247

DO YOU:

SUPPORT?

✓

AMEND?

OPPOSE?

COMMENT:

I am here to support SB 247

as it is one of the provisions needed

to in Local 971's tentative agreement

with the Team of Administration

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

Legislative 75  
SB-247  
2-12-85

SENATE BILL 247  
"Pick Up and Pay"

1. What is the "pick up and pay" concept?

"Pick up and pay" is basically a deferred income plan which permits the employer to pay the 6% employee contribution to the retirement system with before tax dollars. Currently, public employees pay federal and state tax on their PERS contributions at the time the contributions are made.

2. What is the benefit to the employees?

In effect, this change will increase the employee take home pay by the amount of tax liability the employee currently incurs on his 6% PERS contribution. Typically this change will provide a 1.5 to 2.5% increase to the average employee, depending on the individual's income tax rate.

3. Who is covered under this proposal?

All state, local and school employees, except members of the Judges' Retirement System (who requested that they not be included), and six locally administered police retirement systems.

4. Will employees have any choice on whether or not they participate?

No, under the Internal Revenue Code 414(h)(2), all members of any given retirement system must be covered under the pick up to prevent discrimination.

5. What will be the immediate impact on employees?

Under our examples, a married employee with 4 exemptions making \$27,000 would take home approximately \$442 more per year. A married employee with 4 exemptions making \$18,000 would take home approximately \$208 more per year. A married employee with 4 exemptions making \$14,000 would take home approximately \$130 more per year.

6. Is this in effect a pay raise?

No. Employees will simply be deferring payment of federal and state taxes on a portion of their income. However, most public employees on retirement have a lesser taxable income than they did while they were employed and, therefore, should pay less taxes on these contributions.

7. What benefit is this to state and local government?

Public employers can increase the take home pay of their employees without increasing their payroll costs because gross salary is not effected.

8. Are other states doing this?

Yes, currently about 20 other states have adopted the "pick up and pay" concept.

9. What effect will this have on current retirees?

None. This proposal will only apply to contributions on salaries earned after July 1, 1985.

10. What effect will this have on future retirees?

Employees retiring after July 1, 1985, will not have to pay taxes on the contributions on which they've already paid taxes prior to July 1, 1985. Once employee contributions have been recovered, however, the retiree, as usual, will pay federal taxes on benefits. Retirees will never pay state taxes on these amounts.

11. What is the tax liability of an employee who terminates his employment and withdraws his contributions in a lump sum?

The bill does not change the current tax liability for refunds, except for those contributions paid after July 1, 1985, upon which no taxes have been paid.

12. Can an employee avoid or reduce taxes upon termination and withdrawal?

Yes. Under current tax regulations, the taxable portion of such lump sum payments may be rolled over into IRA's or available income tax averaging used for further deferral.

13. What is the effect on local government and school revenues?

None. *to local government. School foundation revenue is decreased about \$500,000 per year.*

14. Will this effect collective bargaining agreements?

No. Retirement benefits are not a negotiated item.

15. Will this effect social security or retirement benefits?

No. This plan does not effect the employee base salary for calculation of social security or retirement benefits.

16. How will the retirement systems keep straight which contributions have been taxed and which haven't?

By simply freezing the present contributions at July 1, 1985, through their computer system and accounting for future contributions separately.

17. How will a person know the amount of payment that is taxable upon withdrawal or retirement?

In the case where an employee takes a lump sum payment, the retirement system sends out a 1099 form showing the breakout of the taxable portion.

At the time an employee retires, the retirement system provides the necessary information to complete the tax forms. Thereafter, at the end of each year, the system provides a W-2P form which shows the amount of benefits received within the calendar year.

18. Will PERS withhold more taxes on taxable amounts?

Yes. Currently the retirement system withholds federal income tax on all benefit payments based on the federal withholding schedule or any amount that a retiree would request.

19. How would the proposal effect regular deferred compensation plans?

This plan would reduce the compensation that may be used for deferred compensation purposes under Internal Revenue Code Section 457; however, it does not effect the IRA maximums.

*Amiel*  
SB-247  
2-12-85

Grade 8, step 6

	<u>Present</u>		<u>Pick-Up</u>	
	<u>SINGLE EMPLOYEE</u>	<u>MARRIED*</u>	<u>SINGLE EMPLOYEE</u>	<u>MARRIED*</u>
GROSS	545	545	545	545
PICK-UP	<u>0</u>	<u>0</u>	<u>33</u>	<u>33</u>
TAXABLE	545	545	512	512
FICA	38	38	38	38
PERS	33	33	0	0
SIT	15	9	15	8
FIT	<u>70</u>	<u>35</u>	<u>63</u>	<u>31</u>
TAKE HOME	389	430	396	435
ANNUAL INCREASE OVER PRESENT			182	130
% INCREASE IN TAKE HOME PAY			1.80	1.15

Grade 8

\* 10% of all classified employees are at grade 8, 20% are below and 70% are above.

\* Spouse not working with 4 exemptions

Grade 11, step 6

	<u>Present</u>		<u>Pick-Up</u>	
	<u>SINGLE EMPLOYEE</u>	<u>MARRIED *</u>	<u>SINGLE EMPLOYEE</u>	<u>MARRIED *</u>
GROSS	680	680	680	680
PICK-UP	<u>0</u>	<u>0</u>	<u>41</u>	<u>41</u>
TAXABLE	680	680	639	639
FICA	48	48	48	48
PERS	41	41	0	0
SIT	21	14	20	12
FIT	<u>99</u>	<u>57</u>	<u>88</u>	<u>51</u>
TAKE HOME	471	520	483	528
ANNUAL INCREASE OVER PRESENT			312	208
% INCREASE IN TAKE HOME PAY			2.55	1.54

Grade 11

\* 9% of all classified employees are at grade 11, 46% are below and 45% are above.

\*Spouse not working with 4 exemptions



Grade 16, step 6

	<u>Present</u>		<u>Pick-Up</u>	
	<u>SINGLE EMPLOYEE</u>	<u>MARRIED *</u>	<u>SINGLE EMPLOYEE</u>	<u>MARRIED *</u>
GROSS	1,029	1,029	1,029	1,029
PICK-UP	<u>0</u>	<u>0</u>	<u>62</u>	<u>62</u>
TAXABLE	1,029	1,029	967	967
FICA	73	73	73	73
PERS	62	62	0	0
SIT	39	30	35	27
FIT	<u>191</u>	<u>122</u>	<u>173</u>	<u>108</u>
TAKE HOME	664	742	686	759
ANNUAL INCREASE OVER PRESENT			572	442
% INCREASE IN TAKE HOME PAY			3.31	2.29

Grade 16

\* 4% of all classified employees are at grade 16, 91% are below and 5% are above.

\*Spouse not working with 4 exemptions