

0510.45 Purchase of Printing Services

Issued February 17, 2011

SUBJECT: Purchase of Printing Services – Pre-Award

APPLICATION: Executive branch departments and sub-units.

PURPOSE: To prescribe the policies and procedures by which Executive Branch Departments shall procure Printing services.

CONTACT AGENCY: Department of Technology, Management and Budget (DTMB)
Procurement and Real Estate Services Administration
Purchasing Operations (PurchOps)

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SUMMARY: Delegated purchasing authority for ALL printing projects is \$500.00 to allow the State to maximize the use of equipment owned by the State. ALL printing projects exceeding \$500.00 MUST be submitted to DTMB Print and Graphics Consulting Services. Exception: The Department of Corrections, Michigan State Industries projects.

DTMB Print and Graphics Consulting Services is charged with managing the completion of print projects in the most timely and cost effective manner. This may include doing the work in-house or subcontracting the work to a private print company based on a pre-qualified bid process. Print and Graphics Consulting Services has a program in place to handle projects between \$500.00 and \$100,000.00 in an expedited manner if the project will not be produced in-house. MAIN was modified to facilitate resulting changes to delegated authority.

This process does not apply to Rapid Copy orders. Agencies in the Lansing area are reminded to obtain all copying services from DTMB Rapid Copy Centers. Agencies should continue to utilize w3.michigan.gov/rapidcopy for submission of these projects.

Delegated purchasing authority for Print Services is \$500.00. This includes the following types of print services:

Bound Booklets	Envelopes	Mail Merges
Brochures	Forms	Manuals
Bulletins	Interior Signage	Newsletters
Business Cards	Letterhead	Posters
Composition/Design		
Copying (excluding FOIA)		

ALL printing projects that exceed \$500.00 MUST be submitted to DTMB Print and Graphics Consulting Services (P&GCS) and they will manage getting the project completed in the most timely and cost effective manner. This may include doing the work in-house and billing the agency or subcontracting the work to a private print company based on a bid process and billing the agency.

A program is established and approved for use on print projects that have an estimated value between \$500.00 and \$100,000.00 (except those that are

already handled through an agency specific contract currently in place). A pre-qualified list of vendors is established by DTMB Purchasing Operations through a formal certification process. The State Administrative Board approves the program's pre-qualified suppliers and estimated program value so each individual print project does not need to be submitted to the Board for approval. Appropriate approval paths are incorporated into MAIN and iTRAC.

This Administrative Guide Procedure supersedes Acquisition Services Policy Letter 121.

All procurements under this procedure are subject to audit by DTMB.

APPLICABLE FORMS: DTMB Purchase Request Form (PRF)
iTRAC Request
Civil Service Annual Disclosure

DTMB PurchOps procedures & policy letters:

- Service Level Agreement Letter (SLA) for solicitations, and amendments
- Signature Authority Letter
- Procedures for Quotes, Invitations to Bid (ITB), and Requests for Proposal (RFP)
- Contract Management Toolkit (Mandatory for over \$25,000, optional at or below \$25,000).
 - Project Assessment of Risk (PAR)
 - Project Plan
- Procurement Definitions Document

Procurement Documentation:

- iTRAC System:
 - Status updates, tracking, comments and attachments.
- MAIN Electronic Documents & Processes:
 - Requisition Header-REQ (PCHL2100)
 - Contractual Services Request-CS-138 (PCHL2117)
 - Direct Purchase Order DPO (PCHL2360)
 - Purchase Order PO (PCHL 2340)
 - Blanket Purchase Orders BPO (PCHL2342)
 - Advice of Change AOC (PCHL8010)
- Bid4Michigan Processes:
 - Solicitation Notice
 - Attachments
 - Addendums
 - Responses
 - Notice of Recommendation
 - Notice of Award/Award
 - Posted Comments
- Developed outside of Bid4Michigan:
 - Solicitation Attachments (RFQ/ITB/RFP)
 - Solicitation Responses (if hardcopy response allowed) (Quotes, Bids, Proposals)
 - Confidentiality Statements

APPROVALS: Services: The disbursement of funds to pay for services performed by an independent contractor must have the prior approval of the Civil Service Commission pursuant to the CS-138 process (PCHL2117). See the Department of Civil Service Website at www.michigan.gov/mdcs.

Agency & PurchOps: Internal approvals must be obtained and documented according to agency policies and procedures, including provisions surrounding delegated and signature authority.

PROCEDURES:

Agency:

- Determines a need.
- Must follow their department's internal procurement policies and procedures, recognizing that the policies and procedures of the delegating authority supersede those of the department in the event of a conflict.
- Completes a PRF in iTRAC for required Printing services.
- Enters the request iTRAC and attaches all approval documents along with the statement of work and any other solicitation attachments, for internal routing and approvals in accordance with Administrative Guide Policy and Procedures 0330.01-0330.05 for printing.
- Completes the purchase in accordance with DTMB Purchasing Operations, Print and Graphics Services, and/or Budget Office of Financial Management policies and procedures outlined for the selected award type. **Process is outlined as follows:**
 - i. **Agency Submittal** - Agency creates Requisition in MAIN using the following:
 - a) Commodity code from the 966 series
 - b) Vendor ID 2386000134 mail code 881 for DTMB P&GCS
 - c) 'OS' document type (agencies should verify user security profiles and document approval paths for this program)
 - d) Description of printing that is needed
 - e) Government estimated cost (can be based on historical or industry information, or the agency can work with DTMB P&GCS)
 - f) Agencies can still use the Print Order Form DMB-598 instead of the above requisition process. This form is available online at www.michigan.gov/documents/DMB-598e_62368_7.doc . The form can then be sent to DTMB P&GCS by fax at (517) 322-5968 or by ID mail at General Services Building, State Secondary Complex.
 - ii. **Agency Justification** - Agency must indicate which of the following criteria the print project meets (for projects under \$25,000.00, use the notepad of the requisition; for projects over \$25,000.00, submit a properly executed PRF to DTMB P&GCS):
 - a) Legal mandate, court order, or for law enforcement purposes
 - b) To protect health or safety of Michigan citizens or visitors
 - c) To provide for the basic living requirements of residents in state institutions or facilities, including but not limited to food, clothing, and prescription drugs
 - d) To produce budgetary savings or increased state revenue, including the prevention of the loss of Federal funds, and to secure additional funds
 - e) Exemption by State Budget Director (services only - per 2003-5)
 - iii. **Routing** - Upon posting by the agency, the Requisition will route to DTMB P&GCS at mailbox 07112900, level 150.
 - iv. **Submittal of Attachments** - Attachments to Requisitions (i.e. copy of the document to be printed) can be sent to DTMB P&GCS the following ways (make sure the Requisition number is referenced):
 - a) Larger files can be uploaded to DTMB P&GCS' FTP site (please contact them at 322-1889 for instructions).
 - b) Smaller files can be either:
 1. E-mailed to DTMB P&GCS at DMB-PGS-Elec_Files@michigan.gov.
 2. Sent to DTMB P&GCS through ID Mail at the General Services Building, State Secondary Complex
- Places all documentation of the Bid process in the appropriate bid folder/contract folder for future reference and use.

DTMB - Purchasing Operations:

- In the event agency has routed the request to PurchOps using the “OP” doc type or the request exceeds agency delegated authority:
- Conducts the solicitation process in Bid4Michigan in accordance with Administrative Guide Procedures for Purchasing 0510.30-38 and Printing 0330.01-05; updating iTRAC with status changes and notes throughout the process. **DTMB Print and Graphics Services process is outlined as follows:**
 - i. **DTMB P&G Assignment** - The Requisition will be reviewed and assigned to a consultant. Once assigned, the consultant’s name and phone number will be entered into the notepad and the Requisition will be moved to mailbox 07112900, level 200. The Requisition will remain in this mailbox in an ‘approved’ status (not posted) until the print project is completed.
 - ii. **In-House Production Process** - If it is determined that DTMB P&GCS does have the capacity and capability to produce the document needed and can deliver within the time frame required by the agency, the materials will be produced in-house. DTMB P&GCS will work with the requesting agency on final production of the documents and establishing the price. Once the project is completed, the documents will be delivered as instructed by the agency and the Requisition will be posted by DTMB P&GCS. The agency will then be invoiced using an R*Stars Interface Billing (inter-agency billing) for the cost of the print project, including the appropriate DTMB rate.
 - a) The requesting agency will then need to enter a document cancellation (screen 8500) in order to release any pre-encumbered funds.
 - iii. **Outsourcing Process** - If it is determined that DTMB P&GCS **does not** have the capacity or capability to produce the document needed or cannot deliver within the time frame required by the agency, the production of the materials will be outsourced to a private print company. DTMB P&GCS will manage the informal bid process as follows:
 - a) Send the requirements out to all vendors on the pre-qualified list for the category of product needed.
 - b) Vendors are to respond electronically within 48 hours (in most cases).
 - c) DTMB P&GCS determines which vendor can meet the requirements and offers the best price.
 - d) DTMB P&GCS issues a purchase order (through DTMB Procurement) to the vendor selected.
 - e) Once the project is completed, the documents will be delivered as instructed by the agency and the Requisition will be posted by DTMB P&GCS.
 - f) The agency will then be invoiced using an R*Stars Interface Billing (inter-agency billing) for the cost of the print project, including the appropriate DTMB rate.
 - g) The requesting agency will then need to enter a document cancellation (screen 8500) in order to change the requisition status to close and release any pre-encumbered funds.
 - h) If the bids received are considered excessive (greatly exceeding market rates), DTMB P&GCS can choose to not make an award and handle the project in-house, if they can offer the agency considerably better pricing. In this case, the decision will be discussed with the agency and the bidders will also be notified.
 - iv. **Cost Over Approval** - If the award amount of a project exceeds the agency estimate included on the Requisition but is considered reasonable, DTMB P&GCS will contact the agency for approval to proceed. The requisition will then be rejected so the agency can revise the amount and resubmit (to demonstrate their approval of the award).

- v. **Quantity Increase** - If the agency needs to increase the quantity after issuance of the purchase order; a new requisition will need to be submitted (referencing the original order).

If the agency needs to revise the quantity prior to award, DTMB P&GCS can reject the requisition so the agency can update the quantity and resubmit.

vi. **Exceptions to this Program**

- a) If DTMB P&GCS reviews a Requisition with an estimated value between \$500.00 and \$100,000.00 and determines that the project should be handled by Purchasing Operations, the Requisition will be rejected back to the agency initiator. The agency will be instructed to resubmit the Requisition using the 'RA' document type which will route the Requisition to Purchasing Operations. Purchasing Operations will issue an ITB for the project.
 - b) A purchase order or multiple year contract may be issued, depending on what is determined to be in the best interest of the State. If an agency specific contract is established, releases against the contract will be able to be issued without routing through DTMB Purchasing Operations.
 - c) Also, please note that **Printing Projects with an estimated value that exceeds \$100,000.00 are not part of the above program.** Those Requisitions will automatically route to Purchasing Operations. A formal ITB may be issued and State Administrative Board approval may be required for each project.
 - d) Agency has an exception letter signed by the DTMB Purchasing Operations Director (possible example: Department of Corrections Michigan State Industries).
- Obtains required agency approvals, PurchOps internal approvals, DTMB Print and Graphics Services approvals and administrative approvals including the State Administrative Board. (See procedure 0510.36 State Administrative Board and Award, and the Department of Civil Rights procedure 1630.01 Bidder's and Contractor's Certificates).
 - According to signature authority, obtains the State's signature on the final contract agreement signed by the vendor, or if the approved recommendation is for a purchase order, issues the purchase order.
 - Enters award number for (PO) or (BPO) in Bid4Michigan and iTRAC.
 - Places all documentation of the Bid process in the appropriate bid folder/contract folder for future reference and use.
 - Runs periodic reports to review purchases made by agencies for appropriate use and policy compliance.

AUTHORITY: Relevant Acts & Policy Letters:

- Public Act 431, of 1984 as amended (Governing Authority)
- Public Act 91, of 2005 (Service Disabled Vet Preference)
- Public Act 237 of 1988 (Reciprocal Preference Table)
- Public Act 112 of 1988 (Persons with Disabilities)
- Public Act 124, of 1999 (Requirement to post all requests estimated at over \$50,000 on a public Website)
- Acquisition Services Letter No. 121

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