

Office of Management and Budget

Guidelines to Print Procurement

N O R T H Dakota

Be Legendary.

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1. INTRODUCTION

This manual is intended to provide information regarding state laws, rules, and Office of Management and Budget (OMB) guidelines related to printing operations and print procurement. Printing is the reproduction of printed material and may include documents reproduced using printing presses, photocopiers, printers, and multi-functional devices. Please contact the OMB State Procurement Office (SPO) at 701-328-1728 or <u>infospo@nd.gov</u> if you have any questions or suggestions for the improvement of these guidelines.

2. PRINTING CLASSES

State law divides printing into the following classes (N.D.C.C. § 46-02-04):

- First Class Printing of bills and resolutions of the legislative assembly
- **Second Class** Printing and binding of the journals of the Senate and House of Representatives.
- **Third Class** Printing and binding of the governmental biennial reports (excluding the official budget report).
- Fourth Class Printing and binding of volumes of laws and legislative resolutions.
- Sixth Class All printing not otherwise classified.

State law requires the OMB State Procurement Office to invite sealed bids for printing classes 1, 2, and 4 at least two months preceding each regular session of the legislative assembly (N.D.C.C. § <u>46-02-05</u>).

3. CENTRAL PRINTING AND MAILING SERVICES

Centralizing the State's printing and mailing functions saves time and money. State law gives the OMB responsibility to operate a central duplicating service and central mechanical or electronic data processing facilities [N.D.C.C. § 54-44-04(21)]. OMB Central Printing and Mailing offers full-service printing, graphic design and layout, finishing, and mailing services. Central Printing and Mailing is in the basement of the Judicial Wing in the State Capitol. Many state agencies rely upon OMB for daily printing and mailing of important documents to North Dakota citizens and businesses.

Effective August 1, 2023, the laws restricting in-plant print shops from doing certain types of printing (N.D.C.C. § <u>46-02-20</u>) was repealed.

4. DELEGATED PURCHASE AUTHORITY FOR PRINTING

State law gives the OMB the authority to purchase and supervise all printing for all state agencies and delegate purchase authority (N.D.C.C. § <u>46-01-01</u>, <u>46-02-01</u>, <u>46-02-09</u>).

Purchasing printing can be challenging, and it is helpful to have a basic understanding of the printing industry when writing printing specifications and conducting the procurement process.

Effective August 1, 2023, the Office of Management and Budget delegates the following purchase authority to state agencies in the executive branch of government, excluding institutions under the jurisdiction of the State Board of Higher Education:

• Agencies may purchase printing from OMB Central Duplicating and OMB state contracts for printing, regardless of the dollar amount. Agencies may also use agency printers for classifications 3 and 6 printing if determined to be most cost-effective or advantageous to meet the identified printing needs of the agency. (N.D.C.C. § <u>46-02-09</u> was amended effective August 1, 2023)

• Effective August 1, 2023, state agencies and institutions are delegated authority by OMB to purchase class 3 and class 6 printing less than \$10,000 purchased from commercial printers. Agencies may purchase printing from OMB Central Duplicating regardless of the dollar amount.

5. BIDDING REQUIREMENTS – THIRD CLASS AND SIXTH CLASS PRINTING

Any printing not done using OMB Central Duplicating, State Contracts, or using agency equipment is subject to the State Procurement <u>Competition Thresholds</u>.

- Printing under \$10,000 Agencies may submit a Purchasing Request to have OMB obtain bids. Agencies may purchase printing under \$10,000 using small purchase procedures to ensure the pricing is fair and reasonable, including soliciting one quote. Procurement rules require that bidders solicited be rotated on an equitable basis (ref. N.D.A.C. § <u>4-12-08-02</u>). Because printing costs may vary quite significantly from job to job and from printer to printer, obtaining bids on even small printing jobs may result in cost savings. Follow Level 2 procedures if competition is obtained.
- **Printing \$10,000 and over** Agencies must submit a Purchase Request to the OMB State Procurement Office for any printing over \$10,000. Agencies with reoccurring printing requirements may ask the SPO to establish a state contract. Visit the OMB State Procurement Online website to access the <u>SPO Work Request System</u>.

The OMB State Procurement Office will obtain informal or formal bids, based upon the estimated purchase price of the printing purchase request.

Contact the State Print Procurement Officer at <u>csd@nd.gov</u> or 701-328-3346 with questions regarding printing procurement procedures.

6. PREFERENCE LAWS FOR RESIDENT NORTH DAKOTA BIDDERS

There are two preference laws that must be applied when purchasing printing.

- Printing Preference Law N.D.C.C. § <u>46-02-15</u> requires, "If practicable, all state, county, and other political subdivision public printing, binding, and blank book manufacturing, blanks, and other printed stationery must be awarded to a resident North Dakota bidder as defined in section N.D.C.C. § <u>44-08-02</u>."
- A "resident North Dakota bidder, seller, vendor, offeror, or contractor" is one who has maintained a bona fide place of business within North Dakota for at least one year prior to the date on which a contract was awarded (N.D.C.C. § <u>44-08-02</u>).
- You can only award printing contracts to a nonresident bidder if you make a written determination that it is "not practicable" to make an award to a resident North Dakota bidder (ref. N.D.A.C. § <u>4-12-16</u>). These circumstances include:
 - When North Dakota bidders cannot provide the printing at a reasonable price.
 - When North Dakota bidders cannot meet the required delivery schedule.
 - When there is a lack of North Dakota bidders providing specialized printing services.

In the event of a tie bid, preference must be given to a resident North Dakota bidder, seller, vendor, offeror, or contractor as defined in N.D.C.C. § <u>44-08-02</u>. (N.D.C.C. § <u>54-44.4-05.1</u>)

7. CONTRACTS INCLUDING INCIDENTAL PRINTING

An agency may enter into a contract with a vendor to provide all the services and commodities needed to accomplish the scope of work, including incidental printing. For example, an agency may contract for a trainer

to teach a class and provide all the related printed materials. If the primary purpose of the contract is printing, then the agency only has purchase authority under \$10,000. For example, a contract for services to design, develop artwork, and print brochures is primarily a printing contract.

8. QUANTITIES OF PRINTED MATERIALS

Agencies are reminded to deposit with the ND State Library eight copies of all publications issued by all executive, legislative, and judicial agencies of state government not intended solely for their internal use (ref. N.D.C.C. § <u>54-24-09</u>.

Unless otherwise specified in the bid document, bidders must supply the exact counts as requested. Overages will not be paid for and underages will not be accepted.

9. PRINTING SPECIFICATIONS

When purchasing printing, you must prepare a solicitation that includes detailed specifications. See the <u>Printing</u> <u>Specification template</u> on the OMB website.

10. RECYCLED PAPER

North Dakota laws encourages OMB, institutions under the jurisdiction of Higher Education, state agencies and institutions to purchase environmentally preferable products. When practicable, OMB and any state agency and institution should specify that paper and paper products contain at least twenty percent recycled material. (N.D.C.C. §§ <u>54-44.4-07</u>, <u>54-44.4-08</u>). See <u>Guidelines to Green Procurement of Environmentally Preferable</u> <u>Products</u>.

11. WORK PRODUCTS, ARTWORK, NEGATIVES

In writing specifications, indicate that any artwork, negatives, or electronic files developed by a design agency, a printer, or a state agency are property of the agency and must be returned by the printer to the agency upon completion of the print job.

12. INK

Whenever possible specify soybean-based ink when purchasing newsprint printing services. The State Procurement Office has responsibility for locating suppliers of soybean-based inks and collecting data on the purchase of soybean-based inks, with assistance from the North Dakota Soybean Council and Agriculture Commissioner (ref. N.D.C.C. § <u>54-44.4-07</u>).

13. SERIAL NUMBERING FORMS

All printed forms for acknowledging the receipt of cash, for warrants, checks, or other orders for the payment or disbursement of funds supplied to municipalities, must be serially numbered by the printer, and no printer may furnish any unnumbered copies of said forms to any municipality. Any person violating this is guilty of a class A misdemeanor (ref. N.D.C.C. § <u>46-02-17</u>).

14. REJECTION OF BIDS

The State may reject any bid for class 1, 2, and 4 printing made by anyone other than a regularly established and thoroughly competent printer. If a bidder is determined to be not responsible for award, that bidder may be suspended or debarred from the state bidders list (ref. N.D.A.C. § <u>4-12-11-04</u>).

Any or all bids may be rejected if determined to be in the best interest of the State (ref. N.D.C.C. § <u>46-02-07</u>). A written letter of rejection must be sent to the rejected bidder that includes the reason for the rejection. See the OMB State Procurement Office website for a <u>sample rejection letter</u> template.

15. INFERIOR PRINTING

Printers provide proofs of the print job for review by the agency. Agencies must review and accept or reject the proof. All printing that is not done in a workmanlike manner or with good material and with ordinary promptness is considered inferior and may be rejected. Only good, clean, and satisfactory work may be accepted, and it must be done within a reasonable time (ref. N.D.C.C. § <u>46-02-12</u>). Logos or company names of the printer must not be printed anywhere on the finished product.

Promptly notify the printer of any problems. The procurement officer will work with the printer to resolve the problem and agree upon a remedy, such as a reprinting the project at no cost or a price discount time requirements do not permit reprinting. Report problems to the State Procurement Office using the SPO Work Request System or email to <u>infospo@nd.gov</u>.

16. LEGAL NOTICE RATES

OMB computes the standard price on legal notices (ref. N.D.C.C. § <u>46-05-03</u>). OMB reviews the rates biennially and makes any necessary adjustments to reflect changes in economic conditions within the newspaper industry and the general economy. Such adjustments will be made in consultation with representatives of the daily and weekly newspaper industry (North Dakota Newspaper Association) and with representatives of state and local government. Those adjustments become effective on the first of July following the review. These changes may be percentage increases or decreases in the base rates, and they may incorporate revisions in the base rate structure.

The rates or compensation and the method of calculating the same provided for in N.D.C.C. § <u>46-05-03</u> applies in all cases where publication of legal notices of any kind, such as ballots, insurance statements, official proclamations, proceedings of the board of county commissioners, reports, election returns, and other publications and reports which are required and allowed by law (ref. N.D.C.C. § <u>46-05-04</u>).

All newspapers qualified to publish legal notices must use the rates, type size, and column width as shown on its legal notice rate certification issued by the Office of Management and Budget (ref. N.D.C.C. §§ <u>46-05-01</u>, <u>46-05-03</u>). All the qualified newspapers can be accessed along with their rates on the <u>North Dakota</u> <u>Newspaper Association website</u> or through the <u>North Dakota State Procurement Office website</u>.