GUIDELINES FOR STATE PROCUREMENT OF PRINTING

OFFICE OF MANAGEMENT AND BUDGET

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GUIDELINES TO PROCUREMENT OF PRINTING

These guidelines are intended to provide state employees who purchase printing with information about the state laws, rules, and Office of Management and Budget (OMB) guidelines related to the procurement of printing. 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. 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 701-328-2740 or infospo@state.nd.us if you have any questions or suggestions for the improvement of these guidelines.

1. Printing Classes

State law divides printing into the following classes (ref. 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 (ref. N.D.C.C. § 46-02-05).
2. Central Duplicating Services and Agency In-plant Print Shops.

State law gives the OMB responsibility to operate a central duplicating service [N.D.C.C. § 54-44-04(21)]. Central Duplicating Services (CDS) is located in the basement of the Judicial Wing in the State Capitol. In addition to printing and duplicating, CSD offers many other services including graphic design and layout, finishing, mailing, document shredding, and media destruction.

State law prohibits CDS and state agencies from doing certain types of printing (ref. N.D.C.C. § 46-02-20). This printing must be obtained through the procurement process:

- Printing or duplicating of all coated stock;
- Continuous forms;
- Snap-out forms;
- Envelopes over twenty thousand;
- Process color, except for jobs generated on computer printers which do not exceed eleven inches [27.94 centimeters] by seventeen inches [43.18 centimeters] and five hundred total image pages;
- Print or duplicate paper larger than eleven inches [27.94 centimeters] by seventeen inches [43.18 centimeters], excluding work done on plotters.

3. Purchase Authority for Printing

State law gives the OMB the authority to purchase and supervise all printing for all state agencies. OMB must purchase all third class and sixth class printing, unless the work is done by OMB Central Duplicating Services or OMB delegates purchase authority to state agencies (ref. N.D.C.C. §§ 46-01-01, 46-02-01, 46-02-09). The OMB Delegated Authority memorandum granted all agencies some purchase authority for printing:

- Agencies and institutions may purchase printing from OMB Central Duplicating Services and OMB state contracts for printing, regardless of the dollar amount.
- Agencies and institutions are delegated authority by OMB to purchase class 3 and class 6 printing not done by OMB Central Duplicating services under $5,000.

4. Bidding Requirements – Third Class and Sixth Class Printing

All printing not done by OMB Central Duplicating Services is subject to the following:

Printing under $5,000: Agencies may purchase printing under $5,000 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. § 4-12-08-02). Because printing costs may vary significantly from job to job and from printer to printer, obtaining bids on even small printing jobs may result in cost savings.

Printing $5,000 and over: Agencies must submit a Purchase Request to the OMB State Procurement Office for any printing over $5,000. Agencies with reoccurring printing requirements may ask the SPO to establish a state contract. Visit the OMB State Procurement Online website to access the Procurement Office Work Request System.

The OMB State Procurement Office will obtain informal or formal bids, based upon the estimated purchase price of the printing purchase request.
5. Preference Laws for Resident North Dakota Bidders

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

a. **Printing Preference Law.** N.D.C.C. § 46-02-15 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. § 44-08-02.” A resident North Dakota bidder, offeror, seller, 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 (ref. N.D.C.C. § 44-08-02). 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. § 4-12-16). 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.

b. **Reciprocal Preference:** When evaluating any bid prices received from a nonresident bidder, you must also apply N.D.C.C. § 44-08-01. This law requires the amount of preference given to a resident North Dakota bidder to be equal to the preference given or required by the state of the nonresident bidder. If the nonresident bidder’s state of residence has a preference law for vendors resident in that state, the nonresident’s bid price must be increased by the same percentage of preference.

See [OMB Guidelines to North Dakota Purchasing Preference Laws](http://example.com) on the OMB State Procurement Office website for a list of preference laws of all the states. For assistance, call the OMB State Procurement Office at 701-328-2740.

6. **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 $5,000. For example, a contract for services to design, develop artwork, and print brochures is primarily a printing contract.

7. **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. § 54-24-09).

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.

8. **Printing Specifications**

When purchasing printing, you must prepare a solicitation that includes detailed specifications. See the [Printing Specification template](http://example.com) on the OMB website.
9. **Recycled Paper**
OMB and state agencies are required to ensure that at least twenty percent of the total volume of paper and paper products being purchased for state agencies and institutions contain at least twenty-five percent recycled material. When requesting bids for paper products, OMB must request information on recycled content. OMB must also track compliance with this requirement (ref. N.D.C.C. §§ 54-44.4-07, 54-44.4-08).

10. **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.

11. **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. § 54-44.4-07).

12. **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. § 46-02-17).

13. **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. § 4-12-11-04).

Any or all bids may be rejected if determined to be in the best interest of the State (ref. N.D.C.C. § 46-02-07). 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 sample rejection letter template.

14. **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. § 46-02-12). 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 infospo@nd.gov.
15. Legal Notice Rates
OMB computes the standard price on legal notices (ref. N.D.C.C. § 46-05-03). 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. § 46-05-03 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. § 46-05-04).

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. §§ 46-05-01, 46-05-03). All the qualified newspapers can be accessed along with their rates on the North Dakota Newspaper Association website (http://www.ndna.com/) or through the North Dakota State Procurement Office website.