

Notice of Adoption of a Policy Statement

Title of Statement: Managed Print Services Contracting

Issuing Entity: Washington State Department of General Administration

Subject Matter: Explanation of agency purchasing authority and use of that authority to cooperatively work with other purchasing agencies to provide managed print services to Washington State customers, which include public entities.

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Purpose:

The intent of this policy statement is to clarify the Department of General Administration's (GA) role in the implementation of Managed Print Services contracting for the State of Washington.

Background:

GA has contracted for the purchase, rental, or lease of copiers, fax machines, and multi-function devices for many years, under the purchase authority of RCW 43.19 for goods and services. These contracts have included service capabilities, such as installation, maintenance, and print assessments. In late 2006 and early 2007, GA competitively bid and awarded a multi-function devices contract to multiple vendors. Those vendors currently on contract are Konica-Minolta, Ricoh, Sharp, Xerox, and Canon. GA's contract is for multi-function devices with a processing capacity of 11 copies per minute and higher. The initial contract term was from April 2, 2007 through April 1, 2009. The contract contains an option to extend the contract for additional terms, with a maximum contract term of six years. The contract was recently extended through April 1, 2011.

The Department of Information Services (DIS) offers contracts for printers, copiers, and multi-function devices, under the purchase authority of RCW 43.105. The contracts have included service capabilities, such as installation, maintenance, and print assessments.

The Department of Printing (PRT) has authority to procure personal services for print assessment services and provide recommendations on how state agencies can best meet the printing and copying needs of a particular agency, through delegated authority from the Office of Financial Management (OFM), under RCW 39.29.

As technology has advanced in the last several years, the products and services available from GA, DIS, and PRT have overlapped. Managed Print Services is not available on any current GA, DIS, or PRT contract. GA will support a joint effort of the three agencies, GA, DIS, and PRT, to offer an extra service, Managed Print Services, which is of interest for state of Washington customers.

The three agencies have defined Managed Print Services as follows:

The management discipline of understanding total cost of ownership for an organization's entire scope of printing resources and using that knowledge to make informed decisions and effective use of all printing resources which includes but is not limited to copiers, printers, faxes, and off-site commercial printing. It is the management of these resources as an asset and employing best practices.

As a service, Managed Print Services is a model in which office printing capability is provided at a fixed cost per copy. This is not an equipment-based contract, but rather a service in which the provider is fully responsible for the required printing functionality.

The provider has control over placement of devices and make/model mix, which encourages the least number of devices, as well as the most cost-effective mix of devices. The provider is responsible for preventable downtime such as "toner out", which ensures peak performance of the print equipment.

The three agencies have also jointly defined office printing capability as a service:

- *With products printed on-site in close proximity to originating office*
- *With provider-owned print devices, both networked and standalone*
- *Including office class devices rated less than 125 pages per minute*
- *Using cut sheet paper only*
- *Not requiring dedicated staff as operators*
- *Not to include offset printing*
- *Providing on-demand convenience printing for the office environment*
- *Providing both black and white, and color documents*
- *As opposed to equipment purchase*

Authority:

This policy statement outlines GA's authority for the purchase, rental, and lease of copiers, fax machines, and multi-function devices.

RCW 43.19.190 authorizes the Director of GA, through the state purchasing and control director, to purchase all materials, supplies, services, and equipment needed for the support, maintenance, and use of all state institutions, colleges, community colleges, technical colleges, college districts, and universities, the offices of the elective state officers, the supreme court, the court of appeals, the administrative and other departments of state government, and the offices of all appointive officers of the state.

WAC 236-48 sets forth rules and regulations applicable to the purchase or sale of goods and services by, through, or under authority delegated by, the Department of General Administration, Office of State Procurement.

WAC 236-49 outlines the purchasing structure within the state of Washington and to identify the responsibilities of, and relationships between, those purchasing activities.

Policy Statement:

This policy statement outlines GA's approach to implementing its statutory purchasing authority to assist in the acquisition of Managed Print Services for Washington State customers. This policy statement is intended to advise Washington State customers who may want to contract for Managed Print Services, vendors who may want to provide those services, and the public generally of GA's intended course of action. This policy statement is advisory only.

It is GA's intention to take or assist with the following actions cooperatively with DIS and PRT:

