

Print Management Strategies Team

Opportunities for Collaboration - Q2

April 25, 2017 – Quarterly Meeting

1500 Jefferson Street, Olympia – Presentation Room 1st Floor – Enterprise Services

Print Management Strategies Team Resources:

Judy Lorenzo, Business Resources Division

David Baker, Business Resources Division

Josh Klika, Contracts & Procurement

Jeff Kessler, Managed Print & Internal Use

1

Guest Presenter: Jamie Langford, Deputy Chief Financial Officer, DES

Today's Agenda

Time	Topic	
9:00 - 9:05	Welcome – Housekeeping for WebEx	
9:05 - 9:10	2016 Survey Results - Initial Discoveries	Information
9:10 - 9:20	Defining In-plant Print Operations	Action item
9:20 - 9:30	2016 Survey Results - Current Policy Status Highlights	Information
9:30 - 9:45	Calculating Your Agency Print Spend And Base Printing Costs	Information
9:45 - 9:55	Statewide Effort to Establish Uniform Cost Tracking Tools: Guest - Jamie Langford, Deputy Chief Financial Officer, DES	Information
9:55 - 10:05	Short Break	Action item
10:05 - 10:20	Overview Of DES' Print Management Policy Development	Information
10:20 - 10:30	Wrap Up and Next Steps for 2017 Status Report Survey	Action item



2016 Survey Results

2016 Print Management Status Report Survey:

- Completed
- Ready for Publishing
- Sent to OFM for Review

What are our initial discoveries?

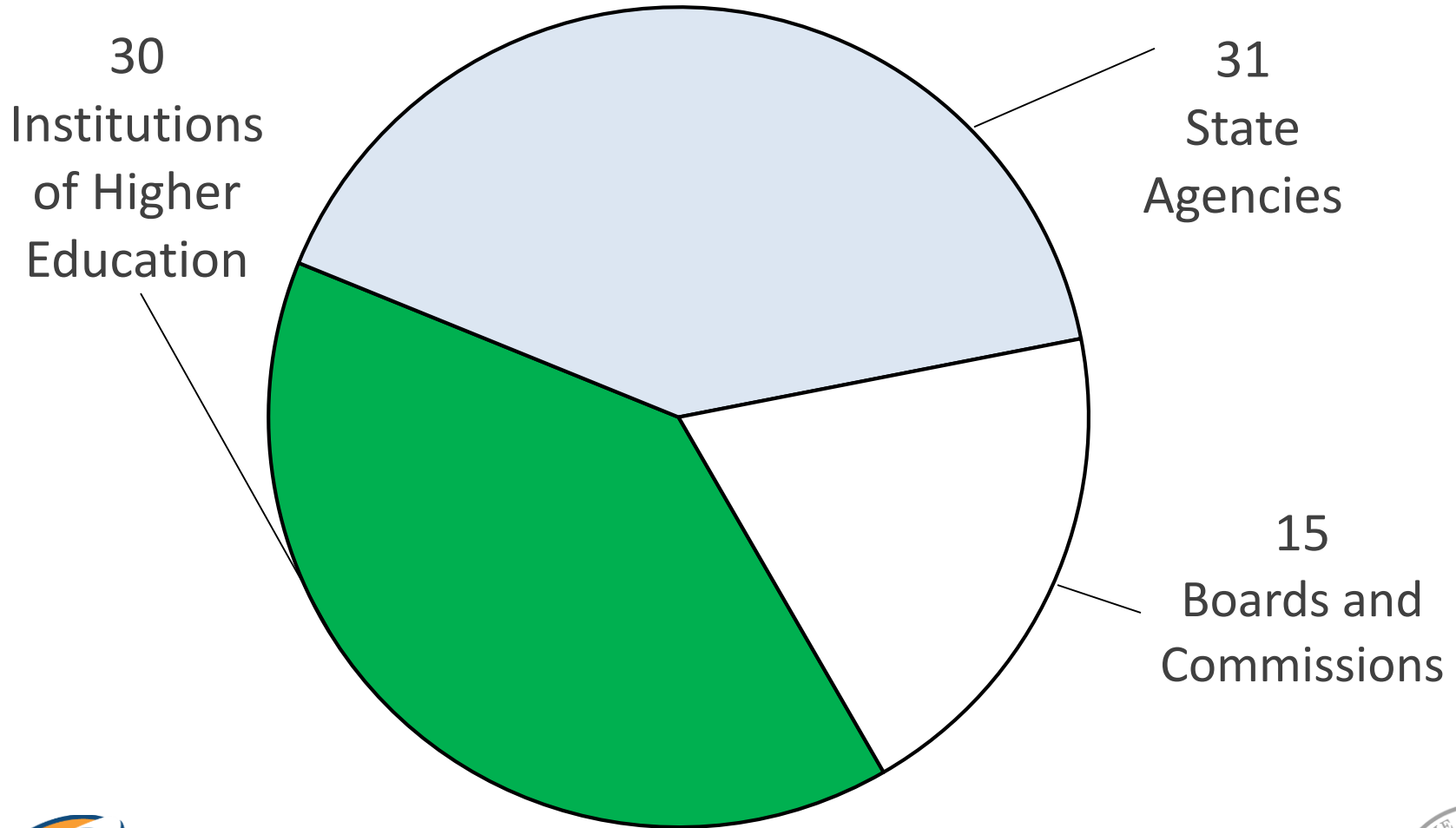


2016 Print Management Status Reports

- DES used a survey tool in 2016 to keep the reporting process simple.
- Participation was less than 50 entities.
- DES broadened its outreach
- The same survey was sent out again in February of 2017 to new agencies, increasing the response count to 76.



2016 Status Reports Submitted



2016 Status Reports - Observations

- Responses varied more than expected
- Many were follow-up questions that do not apply (i.e. If yes, please describe)
- Fill in the blank questions:
 - Allowed for flexibility for agency responses
 - Prevented clean comparisons
- Some answers are web addresses in some cases to intranet locations only accessible to the agency employees, data not visible to DES.
- Several questions had too few responses and may need modifying to avoid skipping.
- Some answers may not be accurate and require clarification with specific entity.



Print Management Policy

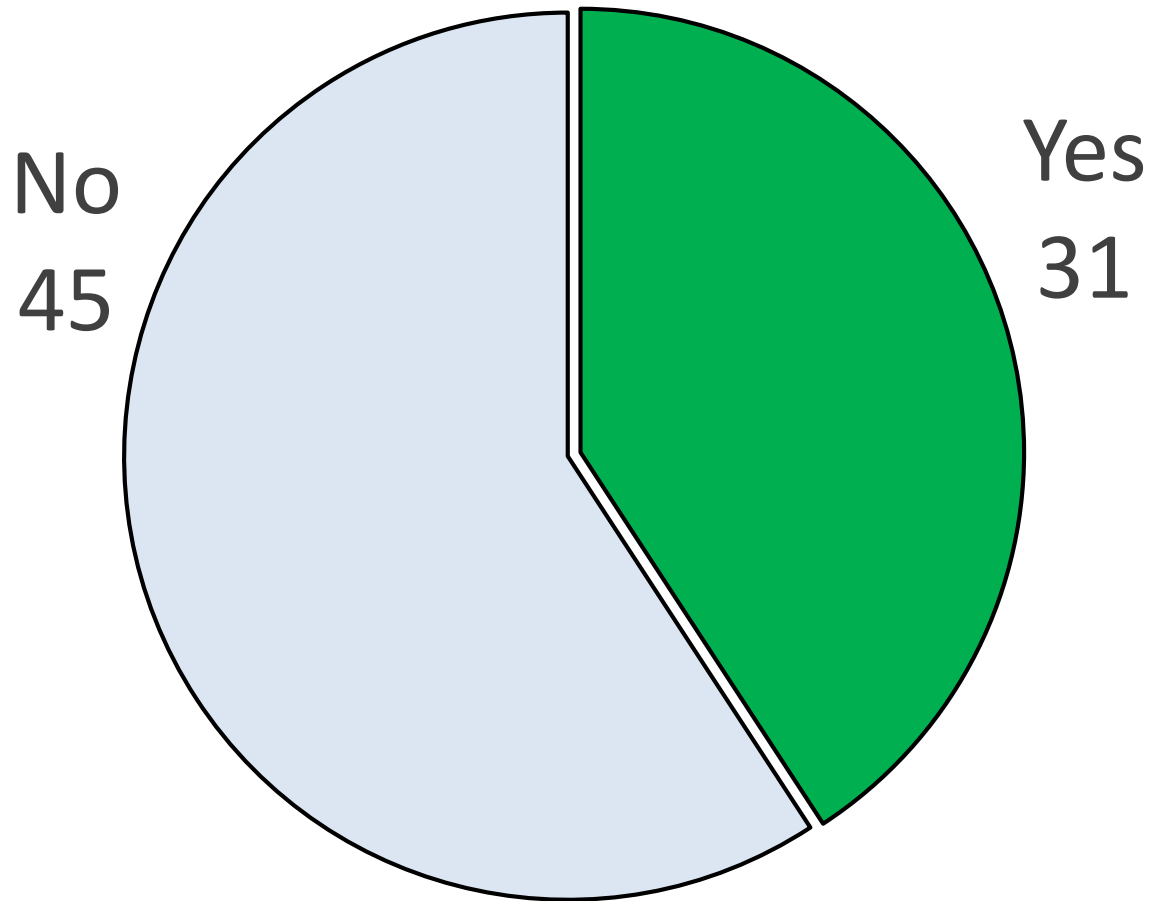
The overall framework of the policy defines goals and objectives of print procurement for your agency.

- Why?
- What?
- How?

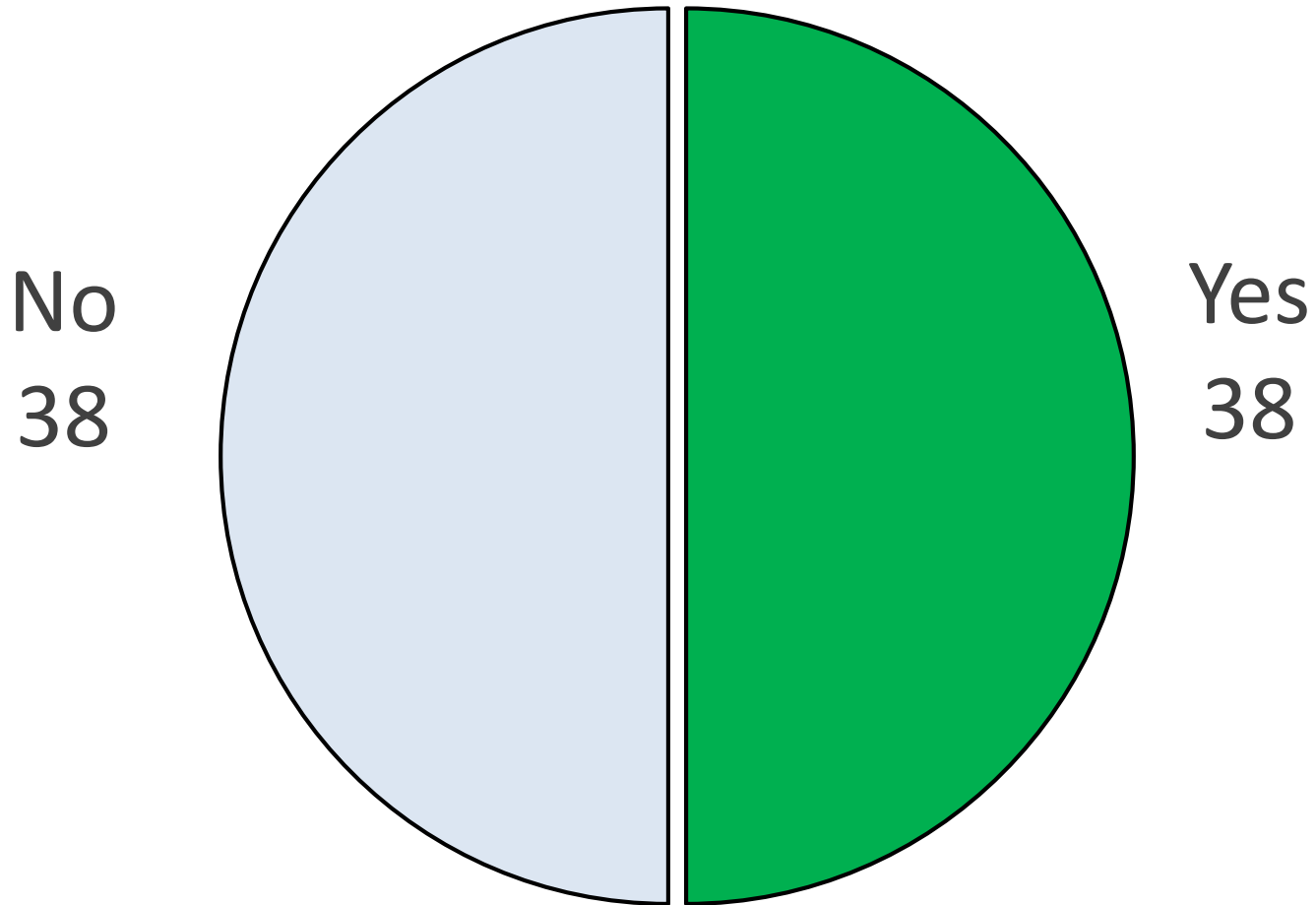
What is your context?



Q5: Are there specific Federal or State laws that require you to print and mail correspondence?



Q7: Does your agency have policies, executive orders or procedures that require printed information for distribution to customers to fulfill your agency's mission?

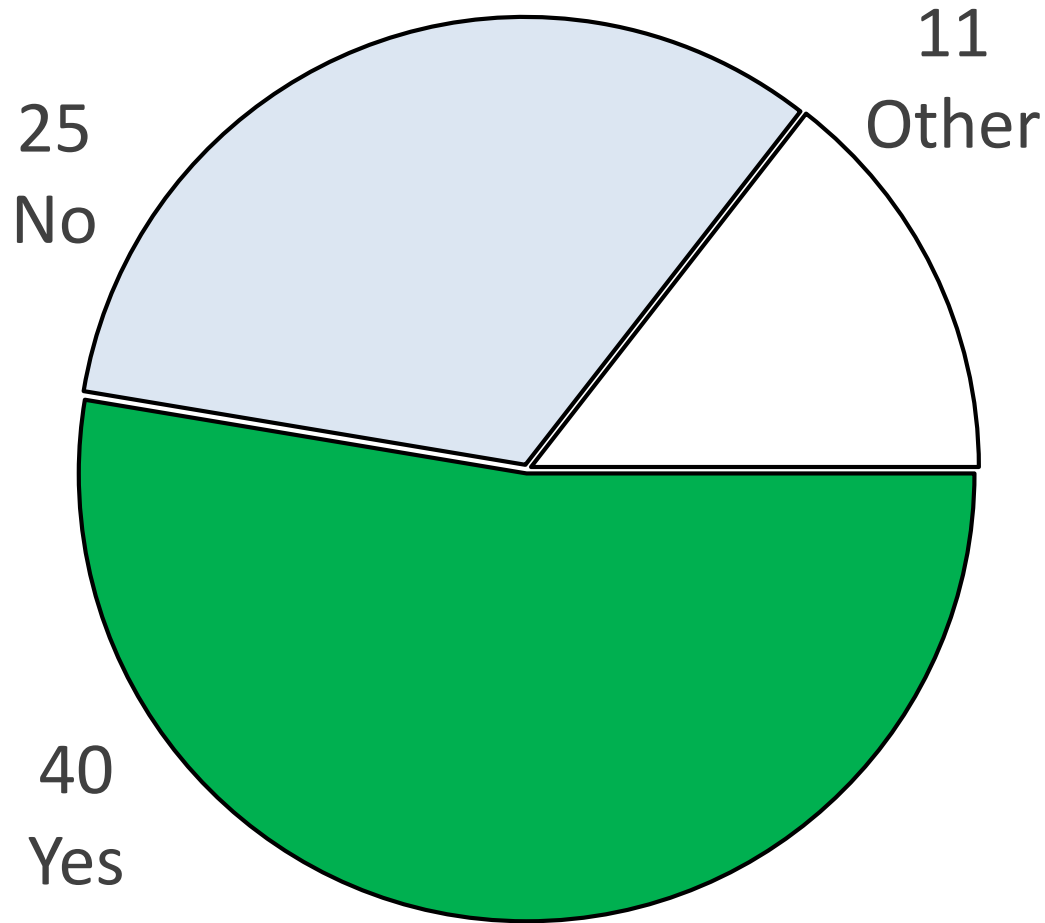


Why do we print?

- Legal Requirements
- Day-to-day Administrative Use
- Outreach & Marketing
- Operational Needs
- We Teach Printing
- Other



Q14: Does your agency operate "in-plant" printing operations?



"Other" includes general comments, plotter descriptions, copier contract information



Defining “In-plant” Printing Operations

At the January Team meeting the group requested that we define “In-plant printing operations”



DRAFT: In-plant Printing Operation Definition

An agency in-plant printing operation has dedicated paid staff and equipment producing a variety of products for internal and/or external use with a fee structure.

- Some operate at cost recovery and others with an allocation or appropriation.
- For some the majority of the work is for internal customers, while others produce products primarily for external customers, or a combination of both.



Centralized Copy Area (DES)



A centralized print location characterized by self-service use of multi-function devices and plotters shared by internal employees.



DRAFT In-plant Fact Sheet

Creating Print Efficiencies in Washington

The Department of Enterprise Services (DES) is guiding state agencies and higher education institutions in complying with new requirements to create economic and efficient print management while focusing on their core mission.

What is an In-plant printing operation?

- An agency in-plant printing operation has dedicated paid staff and equipment producing a variety of products for internal and/or external use with a fee structure.
- Some operate at cost recovery and others with an allocation or appropriation.
- The majority of this work is for internal customers

There are many specialized types of equipment performing unique functions. These act like different departments within the operation. For example, one machine may convert raw paper to templates, another may stack and fold a 50-page document and staple it to read like a book. Here are just a few examples of equipment used for different types of printing jobs.

This prints and cuts on rolls of paper that are 8 miles long—more than 100,000 8.5 x 11 equivalents! It cuts these rolls into two sheet widths and can perforate. Used to create templates such as vehicle titles. It can cut and print an entire roll in 1 hour. It has UV for instant dry time.



In-plant digital print shop

High volume printing
Fold, collate and saddle stitch
Up to 6,500 single sheets per hour
Prints on standard 8.5 x 11 to 11 x 17

Digital can also include **Variable Print** capability. This uses a template with each page having unique confidential information such as addresses.



Centralized print area for multiple users on a self-serve basis.

This is not an in-plant print operation



For More Information

Judy Lorenzo
Business Resources Division
(360) 664-4330
Judy.Lorenzo@des.wa.gov

David Baker
Business Resources Division
(360) 664-4380
David.Baker@des.wa.gov

Josh Klika
Contracts & Procurement
(360) 407-7939
Josh.Klika@des.wa.gov

Jeff Kessler
Internal Print Strategies
(360) 407-8258
Jeff.Kessler@des.wa.gov

Get started!

<http://des.wa.gov/services/printing-mail/printing-services/print-management>

Resources you can find on the web site include:

- WAC and RCW requirements
- Quarterly meeting materials
- Guidelines and Policy examples
- 2016 Print Management Status Reports
- Print Management invitation to Agency Directors to participate
- Calendar of upcoming opportunities to participate
- Customer service staff contacts to help your agency get the best print value
- **myPrint** for your agency printing need



In-plant Printing Operations (DES)



Paper rolls
manufactured on
a web press.



Envelope Manufacturing (DES)



In-plant Print Operations (DOC)



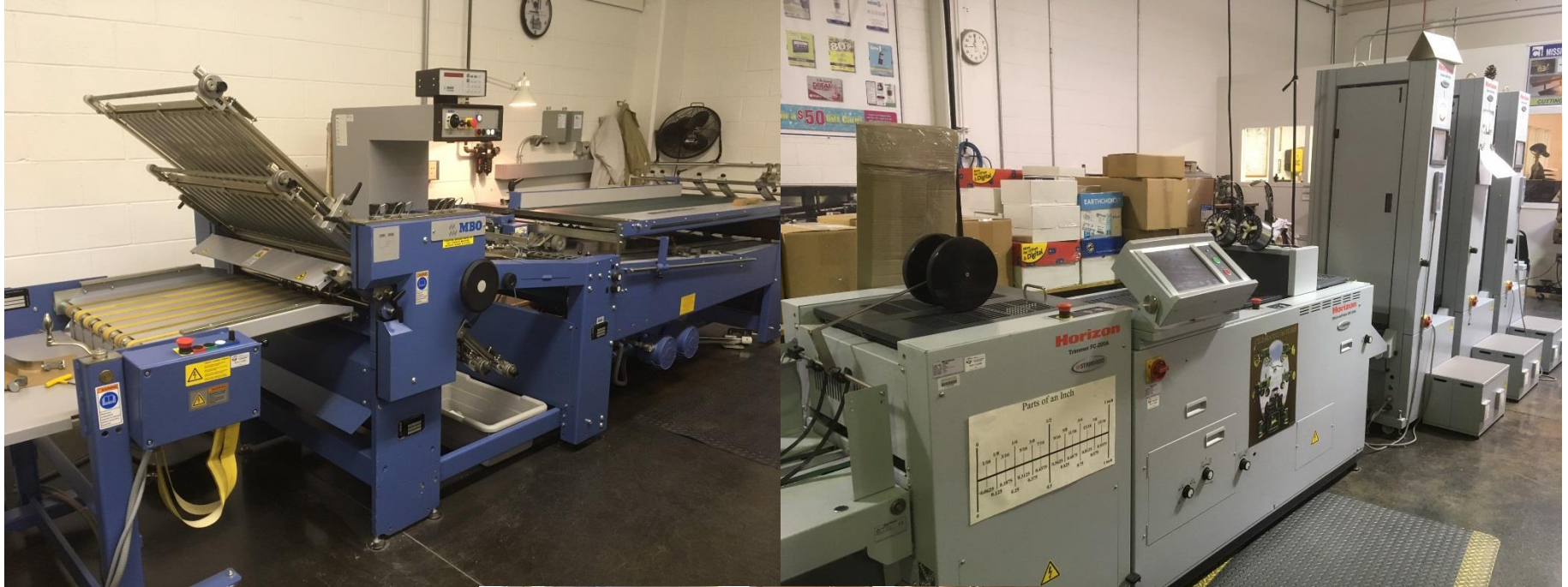
In-plant Print Operations (DES)



Offset
Press &
Bindery



In-plant Print Operations (DOC)



In-plant Digital Print Center (WSDOT)



In-plant Digital Print Center (DES)



In-plant Digital Print Center (OSPI)



In-plant Digital Print Center (ESD)



In-Plant The Yakima Valley Community College Print Shop



DRAFT:

In-plant Printing Operation Definition

An agency in-plant printing operation has dedicated paid staff and equipment producing a variety of products for internal and/or external use with a fee structure.

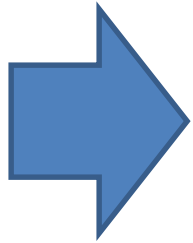
- Some operate at cost recovery and others with an allocation or appropriation.
- For some the majority of the work is for internal customers, while others produce products primarily for external customers, or a combination of both.



2016 Status Reports: Existing Print Management Policies - Highlights



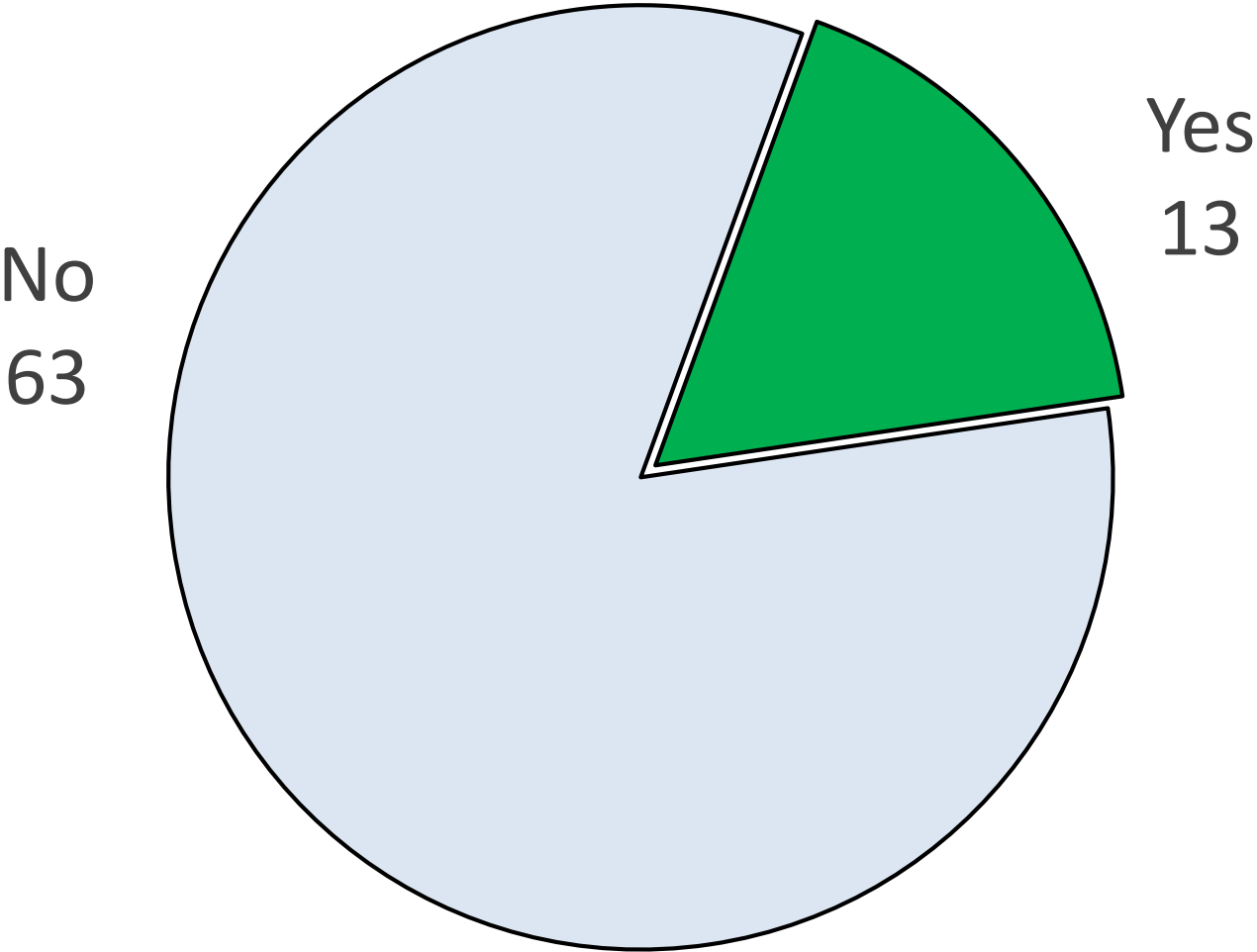
Print Management Requirements



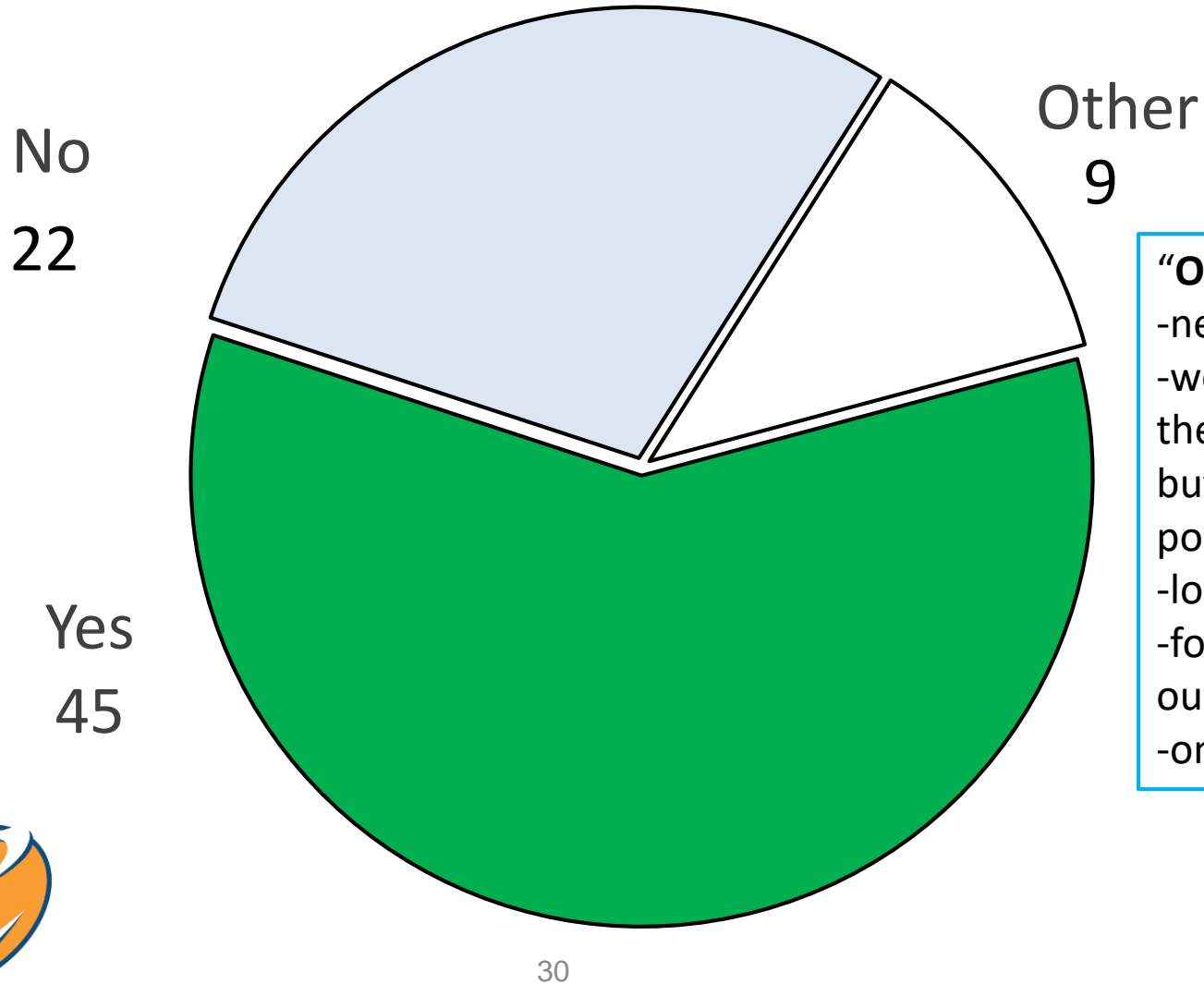
RCWs & WAC	State Agencies, Boards, Commissions	Institutions of Higher Education
RCW 43.19.742 DES to establish rules and guidelines for managing print operations	DES only	
WAC 200-380 Agencies must adopt a print policy, standards and procedures Determine baseline costs Annual reporting	✓	✓
RCW 43.19.733 Managed print required for agencies with 1,000+ employees	✓	✓
RCW 43.19.739 Agencies must consult with DES for printing and binding	✓	✓
RCW 43.19.745 Agency use of envelopes-Standardization	✓	✓
RCW 28B.10.029 Grants colleges independent authority to purchase materials, supplies and equipment		✓



Q16: Does your agency have an existing print management policy per WAC 200-380 guidelines?



Q22: Is your agency in the process of developing a print management policy?

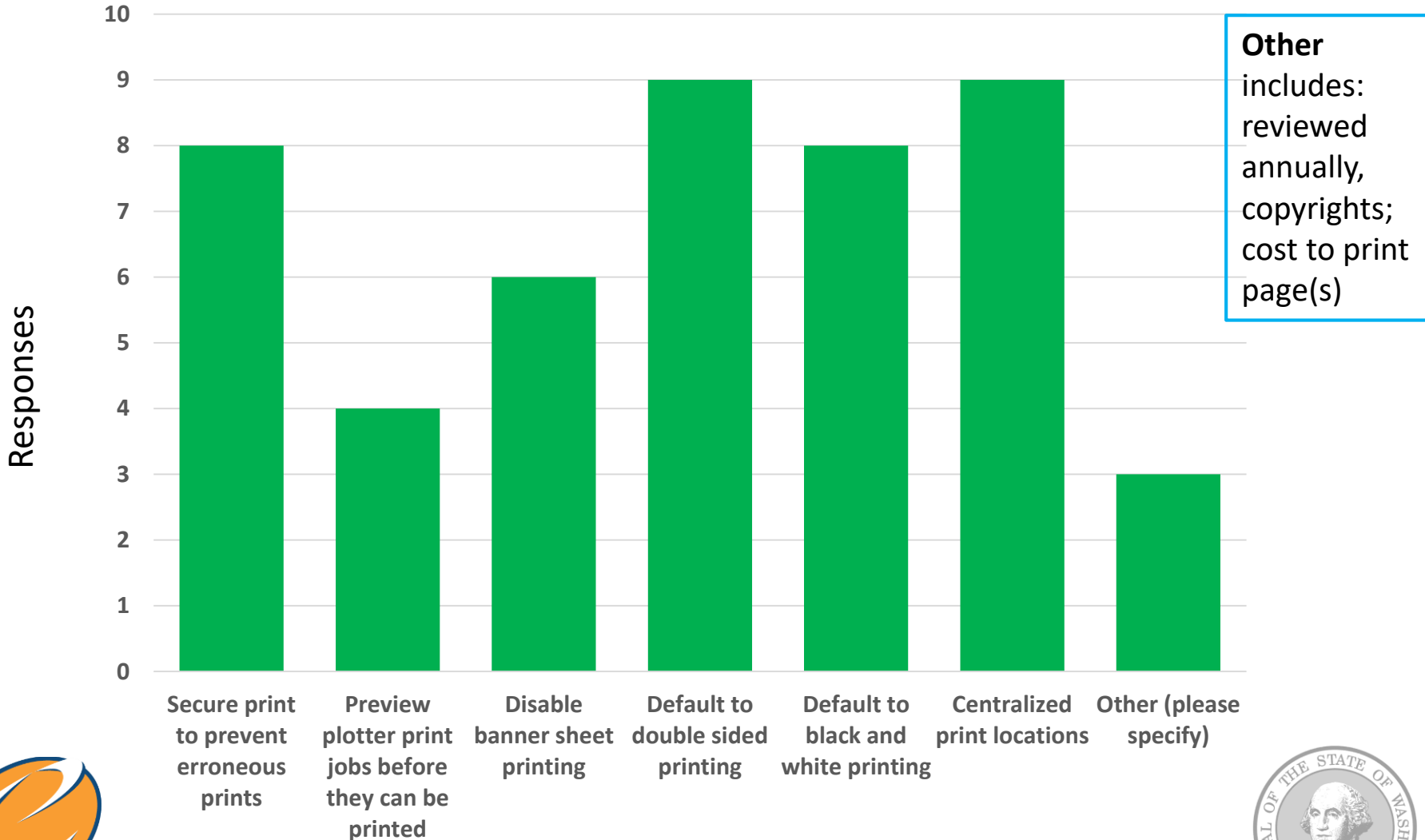


“Other” includes:

- needs updating
- we use many of these measures but do not have a policy
- looking into it
- for some parts of our agency
- ongoing

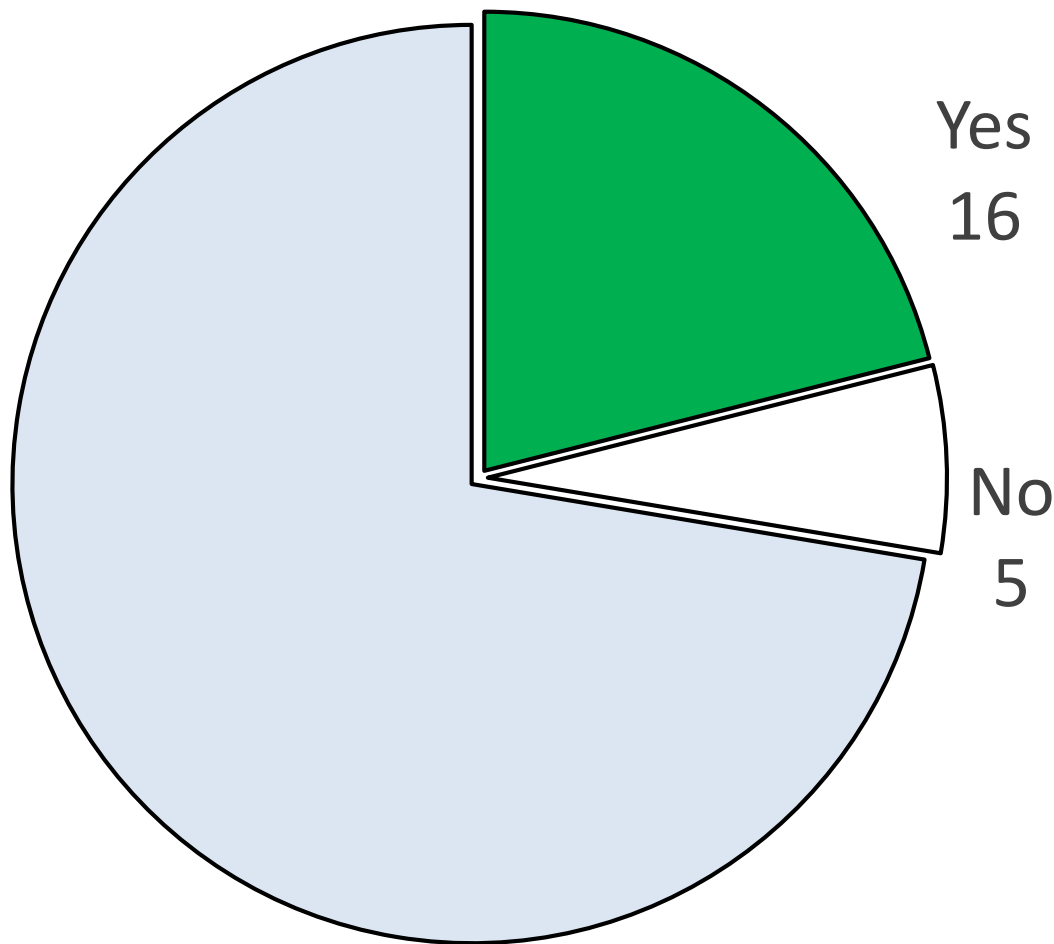


Q20: Does your print management policy consider and measure the impacts of strategies such as (choose all that apply)



Q9: If your agency has more than 1,000 FTEs, have you implemented managed print?

My agency
has fewer
than 1,000
FTEs
55



*Of the 76 responses, this requirement only applies to 18



Calculating Print Costs



Toner Scams

- Toner-phoner scams
- Not new but increasingly common

Federal Trade Commission, Xerox and others have published FAQs



Print Costs

1. Inventory the fleet
2. Collect meter reads from each device (1st of the month)
3. Compare invoices and verify usage costs
4. Coding for paper (blank, color, not the same as “office supplies”)
5. Include fax lines, floor space, electricity



Print Costs: Creating the Inventory

- Once you have cataloged your printer fleet, the next step is to remove any single function desktop printers that are non-networked.
- Create a spreadsheet of all leased/owned printers with their monthly lease costs and associated usage click charges.
- If in a managed print contract, your monthly usage fees ARE the lease and usage cost.
- Collect a meter read of each device at the first of every month. Add these totals to the lease cost if any and you will have the basic machine cost for the month.
- DES uses these figures to compare to the invoices received from our vendor community.



Print Costs: Creating the Inventory

- Add the cost for paper purchased for your printer fleet.
- Include specialty stocks like color and label material.
- Even preprinted letterhead is a paper cost for your MFD if you are running it through the printer.



Print Costs: Creating the Inventory

- If you have fax lines running to any of your MFDs, this is an associated cost to the MFD and should be considered.
- Any FTEs that are supporting the internal print infrastructure are a cost for your printer fleet.



Print Costs: Floor Space and Electricity

- These costs are a little harder to obtain but still contribute to the cost of your printer fleet.
- Floor space is a fixed cost based on square footage but electricity is variable due to idle time current draw versus run time current draw.
- For costing purposes, DES uses an average power consumption cost of \$27 per month per machine based on a per machine usage of 1920 watts at 5 hours per day @ \$0.0946/kWh.
- This rate is the commercial electricity rate for Olympia. This may be a little on the higher side of the average but accounts for the difference in machine types and run time.

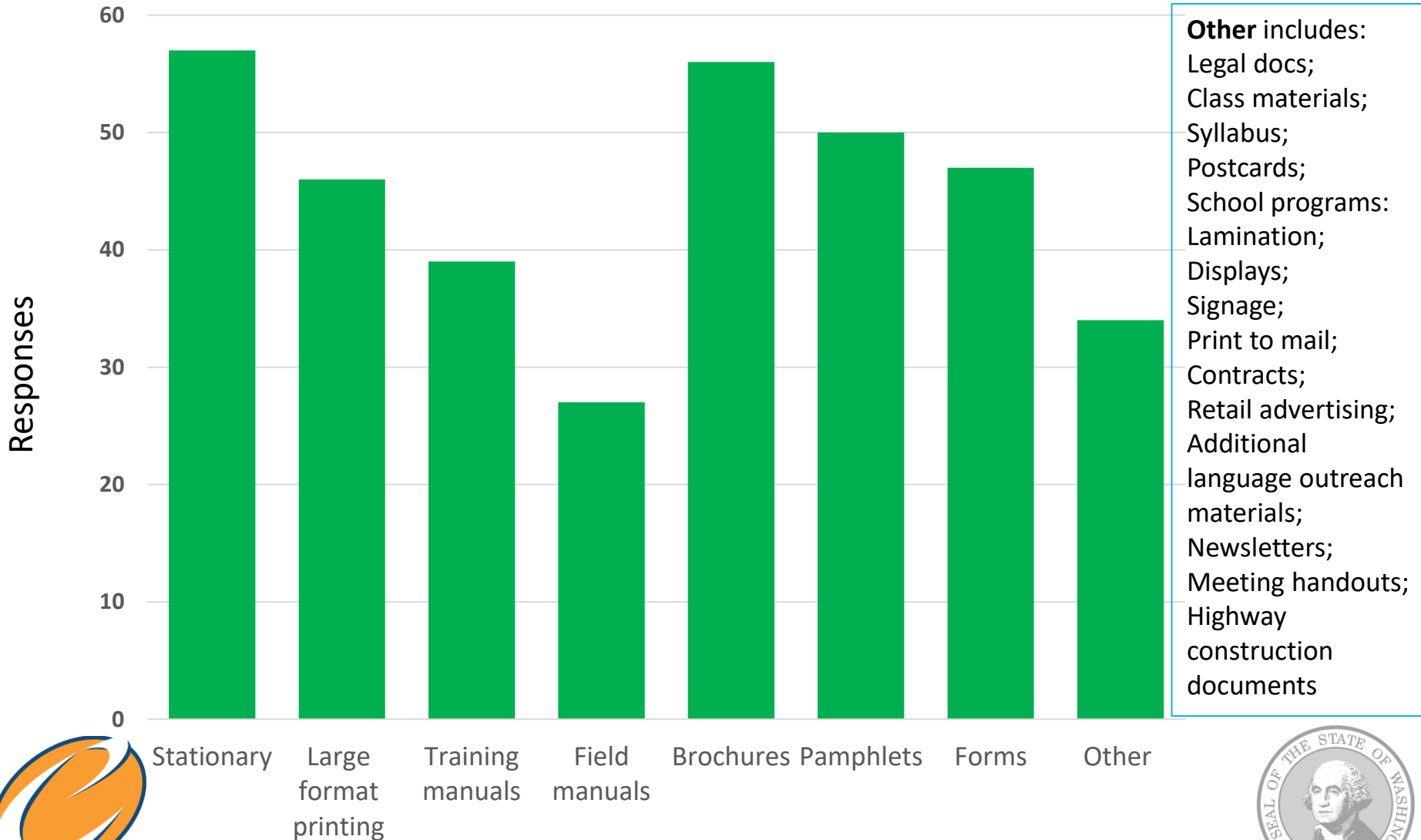


What do we print?

- Official documents
- Internal documents
- Outreach materials
- Forms, invoices, etc.



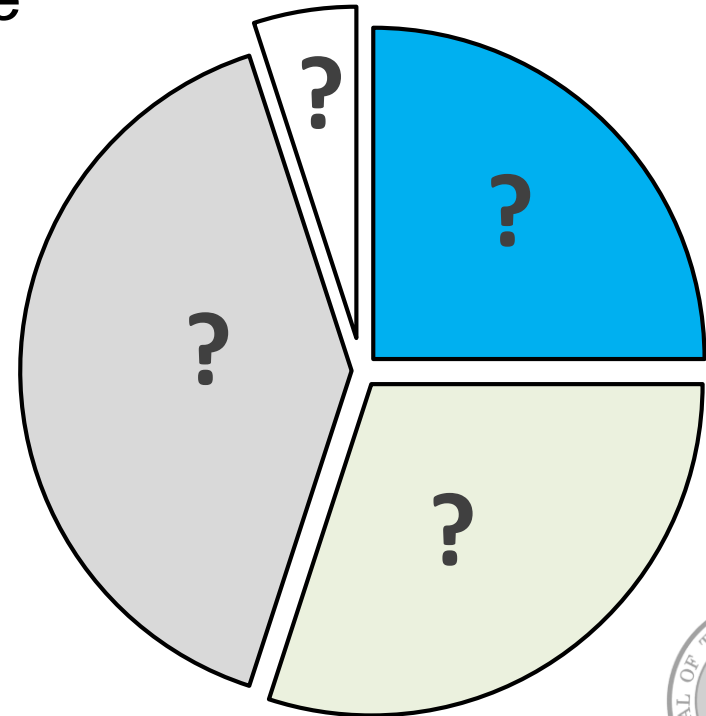
Q30: What are the types of printing your agency generally does as a normal course of business? (Check all that apply)



Defining Print Spend

What does your agency spend on printing?

- Outsourcing
- Contracting for services
- Admin/daily use
- Equipment rental/purchase
- Square footage
- Electricity
- Paper
- In-plant print operations
- other




Who pays for it?

Who tracks it?



Developing the Baseline Data

- Inventory of the fleet
 - MFDs, plotters, printers, copiers
- Procurement
- Contract management
- Supplies
- Types of use
- Volumes
- Print Spend
- Staff support
 - Order/manage supplies
 - IT personnel



Your agency has
this information!

Well,
some of it
anyway



Cost Tracking

ONE WASHINGTON

Enterprise Chart of Accounts Project

&

Impacts on Managed Print

Jamie Langford, Deputy Chief Financial Officer, DES



What is the One Washington Project?

Why is it needed?

- Managed by OFM, with active participation from state agencies
- Creating a strategy and action plan
- Refining the business case
- Assessing state agency readiness to replace the state's core financial systems with an Enterprise Resource Planning (ERP) solution.
- Applies to all state agencies, as well as Boards and Commissions who use AFRS.



ERP? Why is it important to me?

- AFRS (Agency Financial Reporting System)
 - Current state financial system
 - ~ 30 years old
 - Developers and IT support retiring (part of the silver tsunami)
- ERP (Enterprise Resource Planning)
 - Source of information that organizations need to successfully navigate the challenges they face.
 - Replacement of AFRS and agency unique systems with *Enterprise systems* within an ERP
 - Includes: Financials, Procurement, Budgeting, HR



Phases for One Washington

There are several phases in One Washington. We are currently in Phases 2 & 3, which are:

- Phase 2
 - Create draft statewide sub-sub object table
 - Develop Data Governance
- Phase 3
 - Migrate statewide agencies onto new statewide sub-sub object table
 - Deploy Data Governance



Sub-Subobject Reduction Example

SO Remap	New SSO	Count of Old SSOs	Sum of Value Biennium To-date
EB	Postage and Parcel	113	\$ 27,345,680
GD	In State Other Travel Expenses	83	\$ 1,378,844
GA	In State Meals and Lodging	75	\$ 16,570,639
GF	Out of State Meals and Lodging	62	\$ 1,675,670
EG	Training expenses	59	\$ 9,027,014
ER	Interpreter / Translation Services	59	\$ 7,627,204
EB	Phone Service	56	\$ 28,239,087
EE	Building Maintenance & Repair	55	\$ 9,612,569
SE	Goods and Other Services	55	\$ (5,663,005)
TA	Salaries and Wages	55	\$ 3,168,936
EF	Printing and Reproduction	50	\$ 5,744,993
ES	Outside Vehicle Maintenance and Repairs	47	\$ 27,362,514

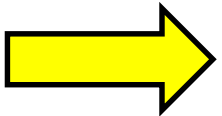
This example illustrates how the Pilot team was able to agree on consolidating 113 records with 31 unique titles into a single “Postage and Parcel” SSO!

Freight Charges (Outbound) Freight Services Transponder Postage Hdqtr Mailstop Postage Rmrs-Remote Meter Resetting Svc Distribu Freight In Freight Out Other Mail Services Express Or Special Mail Spec Msgr Serv Agreements Ob2-Usps PO Box Rental Ob2-Usps Post Due/Bus Rpy Ob2-Usps Postage Stamp Postage-Business Reply Mail Other Post Related Charge Ups/Private Blk Post Chg Postage Meter Purchases Postage Purchases Local Postage Fed Ex, Ups, Dhl Shipping - Ups, Fed-Ex, Etc Postage Expenses Presort Services (Sms, Smart Mail) Parcel Services (Ups, Fed Express) Postage (US Mail Services) Freight Postage & Other Mail Charges Postage Recovery Express Mail/Ups/Federal Express Postage Stamps Only Postage, Shipping



What does the One Washington / ERP Project have to do with Print Management?

RCWs & WAC	State Agencies, Boards, Commissions	Institutions of Higher Education
RCW 43.19.742 DES to establish rules and guidelines for managing print operations	DES only	
WAC 200-380 Agencies must adopt a print policy, standards and procedures Determine baseline costs Annual reporting	✓	✓
RCW 43.19.733 Managed print required for agencies with 1,000+ employees	✓	✓
RCW 43.19.739 Agencies must consult with DES for printing and binding	✓	✓
RCW 43.19.745 Agency use of envelopes-Standardization	✓	✓
RCW 28B.10.029 Grants colleges independent authority to purchase materials, supplies and equipment		✓



What does the One Washington/ ERP project have to do with Print Management? (cont.)

- Beginning 7/1/17 (FY 2018), agencies will have *limited* choices for coding printing supplies, services, leases, etc.
- This means that *all agency* data should be apples to apples.
- DES is working with their representative on the Governance committee to ensure there are sufficient codes for when agencies submit their annual print management strategy to DES.



Draft coding options in Enterprise Chart of Accounts Sub-subobject Table

- **EE-XXXX IT Equipment**
- **EF-XXXX Forms, Publications (guides, brochures) training materials, Fusion Stamps (cigarette tax stamps)**
- **EH-XXXX Managed Print Services (MPS)**
- **EH-XXXX Managed Print Services (MPS) Overages**
- **EH-XXXX Multi Function Device Lease Long Term**
- **EH-XXXX Multi Function Device Lease Short Term**
- **EK-XXXX Mainframe Print Services**
- **FY Production Printing**



Pilot Agencies

The vision for the pilot agency group was to ensure an adequate mix of agencies that reflect all aspects of statewide government including attributes such as:

- Agency size
- Internal service
- Separately elected
- Diverse budgets
- Diverse allocation and funding sources
- Diverse spend across all objects
- Other considerations

Agency	Project Liaisons
CTS	Wendy Armstrong
DES	Jamie Langford*
DNR	Leah Fenner*
DOC	Dianne Doonan
DOH	Claudia Regan
DOT	Bev Runion
DSHS	Mariann Schols*
DVA	Terri Goddard
MIL	Gayle Schuler
OSPI	Mike Woods



Data Governance - Roles

ROLES & RESPONSIBILITIES

Business Owner

This is someone in a role who needs information and believes an SSO is necessary to track it.

Responsible for reaching out to the agency lead to articulate and document the SSO request.

Agency COA Lead

This is a CFO delegate with authority to communicate SSO requests on behalf of an agency.

Responsible for ensuring a complete, accurate, and relevant SSO form. Submits SSO form to SWA consultant.

Statewide Accounting (SWA) Consultant

This is the statewide consultant assigned to a given agency.

Responsible for reviewing SSO form submitted by an Agency Lead for completeness and accuracy. Ensures all relevant information is documented and ready for board decision.

DG Advisory Board

Led by the OFM Assistant Director of Accounting (aka 'COA Czar'), this is a group of accounting and business leaders from several agencies.

The board is responsible for reviewing and making recommendations on SSO requests.

The OFM Assistant Director of Accounting is responsible for deciding each request.

That Agency COA Lead role is critical to ensuring requests are consistent and CFO approved



Data Governance - Form

OFM SSO Change Request Form

- Agencies will need to document their SSO requirements via a form
- The Agency COA Lead will serve as the requestor on behalf of the agency's CFO
- Need to detail the business justification, relevant stakeholders, and any potential systems impacts



Office of Financial Management
One Washington & Statewide Accounting

SUB-SUB-OBJECT CODE STANDARDIZATION Change Request Form

1. Agency Name															
2. Contact Name	3. Contact E-mail														
4. Contact Title	5. Contact Phone Number														
6. Impact to agency if request is not approved: <input type="checkbox"/> Expenditure Reporting <input type="checkbox"/> Business System Impact - Names of System(s): <input type="checkbox"/> Other - Please explain:															
7. Impact Statement (Please provide a brief summary description and relevant content per matrix below)															
<table border="1"> <thead> <tr> <th>SPECIFIC AREAS OF DETAILED IMPACT</th> <th>STATEMENT</th> </tr> </thead> <tbody> <tr> <td>Internal Stakeholders impacted</td> <td></td> </tr> <tr> <td>External Stakeholders impacted</td> <td></td> </tr> <tr> <td>Business Management functional impact</td> <td></td> </tr> <tr> <td>System Remediation Effort (man-hours)</td> <td></td> </tr> <tr> <td>Timeline concerns</td> <td></td> </tr> <tr> <td>Internal Project Impacts</td> <td></td> </tr> </tbody> </table>		SPECIFIC AREAS OF DETAILED IMPACT	STATEMENT	Internal Stakeholders impacted		External Stakeholders impacted		Business Management functional impact		System Remediation Effort (man-hours)		Timeline concerns		Internal Project Impacts	
SPECIFIC AREAS OF DETAILED IMPACT	STATEMENT														
Internal Stakeholders impacted															
External Stakeholders impacted															
Business Management functional impact															
System Remediation Effort (man-hours)															
Timeline concerns															
Internal Project Impacts															

Agencies need to formally document SSO related impacts and requests in a consistent manner so OFM can properly manage the data governance process



Short Break

For those on the phone, please keep your phone on mute.

Please do not put your phone on hold-
This often plays music over the WebEx and cannot be muted.

Thank you

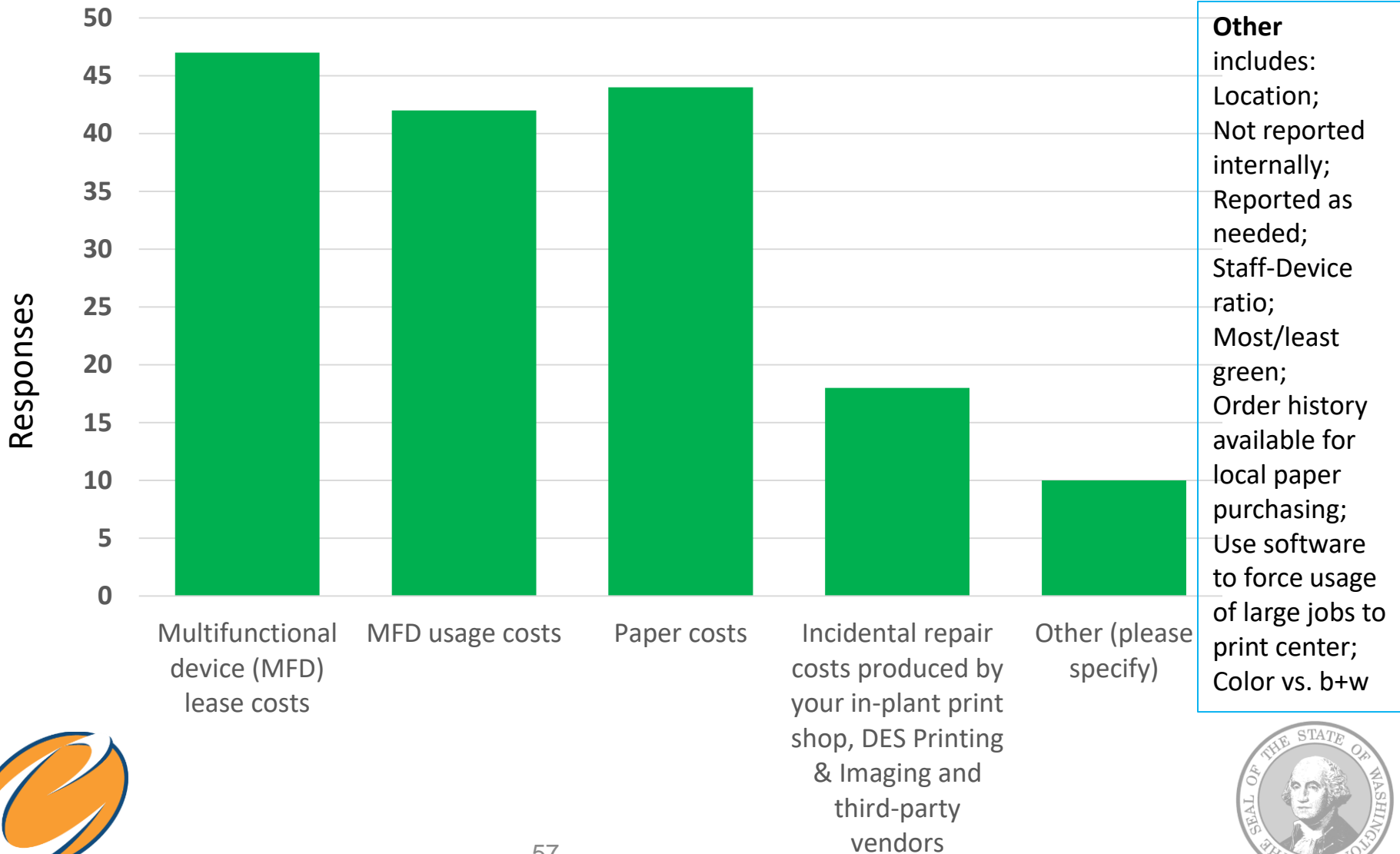


2016 Status Reports

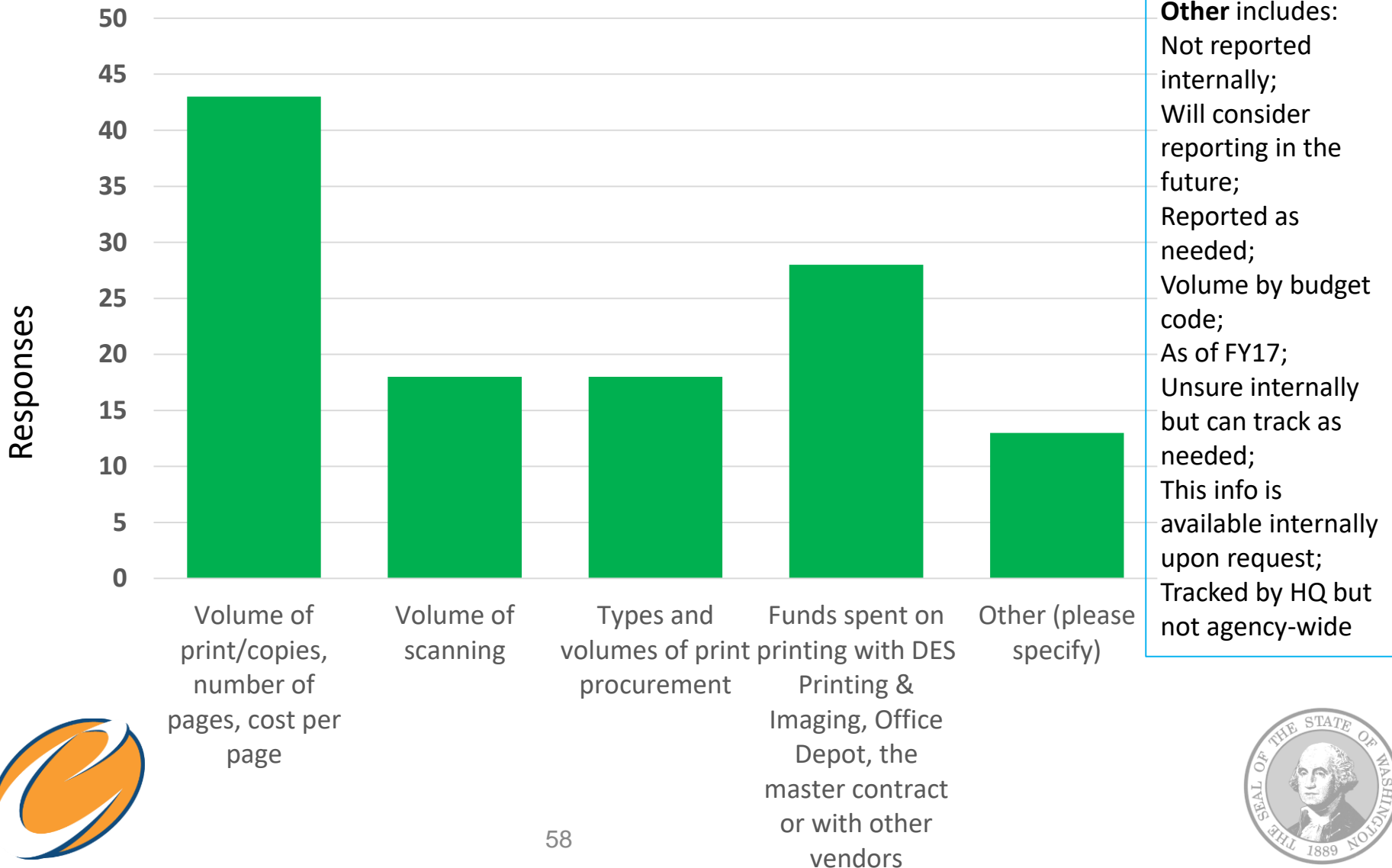
Just a little more info



Q31: Which of the following additional expenditures/metrics do you incur and report on internally? (Check all that apply)



Q29: Please check every metric your agency reports internally.



Print Management Policy Development Process

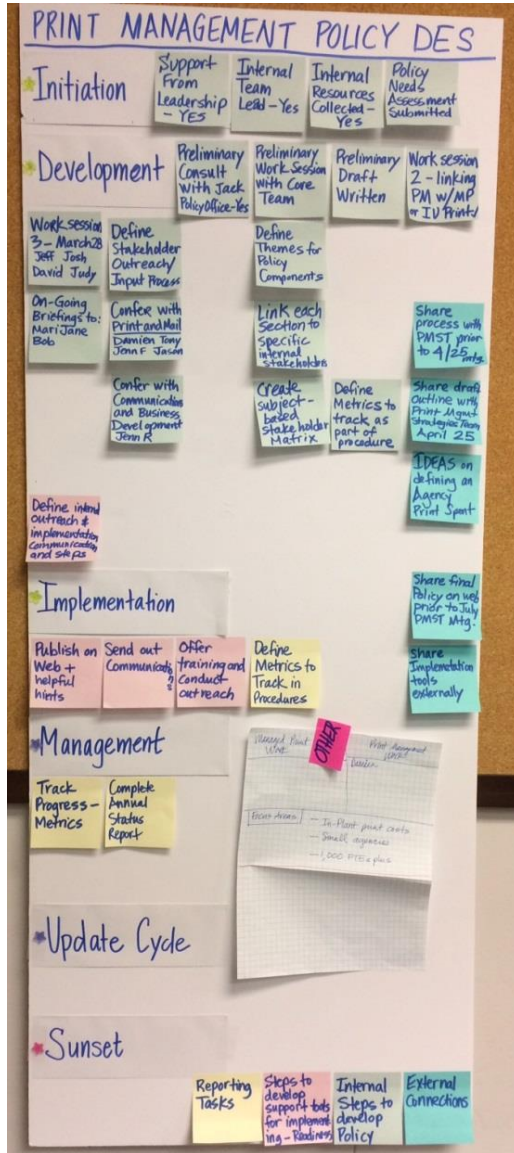


IDEAS:

1. In the context of your agency mission get the right people together
2. Become familiar with the print management requirements and your agency's process
3. Map the current state of your print procurement practices- this includes documenting your efforts to increase efficiency
4. Determine your Base Printing Costs and inventory your printer fleet
5. Define a Plan for Achieving Increased Progress in the Context of Your Agency Mission



Developing a Policy at DES



- Initiation
- Development
- Implementation
- Management
- Update Cycle
- Sunset



DES DRAFT Print Management Policy

Purpose:

- Direct economical and efficient print practices at DES with potential to minimize costs and increase efficiencies.
- Increase staff capacity to focus on DES core mission
- Provide the most cost effective, highest value solutions as an In-Plant for DES/other agencies.
- Encourage and support all entities (agencies, boards, commissions, and institutions of higher education to achieve the same.



DES DRAFT Print Management Policy Themes

DRAFT Themes

Print Procurement

- Consultation with DES Print & Mail
- Use of Digital Store Front for print ordering – myPrint or Successor
- Development of Standards
- Development of Procedures
- Deployment of Internal Training

Internal Use Printing - Managed Print Policy

In-Plant Operations

Continue to operate to ensure financial health, including strategic use of Farmout and other in-plants to achieve economical and efficient print solutions. (Best time, value and price)

DES Role in Statewide Implementation

Print Management Strategies Team
Statewide Outreach
Annual Reporting & Publishing



Print Management Policy Implementation

Agency Workforce

Policy Implementation – Training – Annual Reporting

- A. What changes have you already implemented without a “policy”?
- B. What tools do you currently use?
- C. If the “policy” defines changes to existing decision making protocols, how will your agency deploy and engage the workforce?
- D. What training will be needed?

E. How will you define progress?

F. How will you measure success?



Meeting Wrap Up and Next Steps

What we agreed to today:

1. Add hyperlink to OFM Chart of Accounts information (slide 44) and identify potential amendments
2. Finalize definition of In-plant operation
3. Post this presentation online
4. Develop additional fact sheets



Next Steps for 2017

2017 Survey Schedule:

- Notice the Survey is Open: June 1, 2017
- Status Report Surveys Due to DES:
 - August 1, 2017
 - DES Publishes Consolidated Reports: September 30, 2017

Upcoming PMST quarterly meetings:

- July 26th
- October 24th



Thank you!

Judy.Lorenzo@des.wa.gov

David.Baker@des.wa.gov

Josh.Klika@des.wa.gov

Jeff.Kessler@des.wa.gov

Jamie.Langford@des.wa.gov

Print Management resources online:

<http://des.wa.gov/services/printing-mail/printing-services/print-management>

