



## Hamilton County Administrator's Office

### Interdepartmental Memorandum

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**To:** Managed Competition Committee

**From:** Patrick Thompson, County Administrator

A handwritten signature in black ink, appearing to read "P. Thompson".

**Date:** June 15, 2007

**Re:** County Printing Services

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The purpose of this memo is to provide a recommendation concerning managed competition for printing services. Attached you will find a completed business case review for printing services within the Hamilton County government. Staff has completed a thorough review of printing services and collected comparative information from public and private entities.

Staff has recommended the county retain printing services as an in-house operation and to replace aging printing equipment. While I am pleased with the extensive work completed by the Office of Budget and Strategic Initiatives and the Job and Family Services Department, I am recommending that we apply managed competition to printing services.

The county has completed five business case reviews which have helped refine the Gate Management process. Each review resulted in value-added improvements to increase efficiency and performance. Each review also recommended retaining the service in-house or revisiting managed competition after consolidation and efficiency efforts. The county is ready to move forward with a formal managed competition with printing services because there is an established private sector market for this type of service and county data concerning volume of work and costs are readily available.

By applying managed competition to printing services, we will build additional capacity to actually conduct true managed competition. Moving forward on a managed competition effort will also provide an opportunity to validate the business case review process developed over the past year.

My recommendation to apply managed competition to printing services is by no means a statement of lack of faith in the business case review process or the efforts and abilities of county staff. Quite the contrary, I believe applying managed competition to printing services will make us a better organization; even if the end result is that the most cost effective service delivery method is to retain printing services in-house.

Hamilton County, Ohio  
Business Case Report

# Printing Services

Competition and Efficiency Committee  
June 2007

## PURPOSE

The purpose of this business case is to identify the suitability of pursuing a managed competition effort for printing services in Hamilton County. This business case provides a description of the current state of printing services in Hamilton County and compares that state with information on comparable communities and private sector data to provide decision-makers with sufficient information to make a go/no-go decision on pursuing a formal managed competition. Development of the business case is an integral part of the Gate Management Process which is designed to ensure that rational decisions on whether to proceed with a managed competition effort are backed by facts and analysis. In addition, the business case seeks to identify additional efficiency efforts which may be initiated as it relates to county printing services operations.

This business case includes the following sections:

- I. Scope
- II. Summary Recommendations
- III. Current State
- IV. Analytical Approach
- V. Analysis
- VI. Detailed Recommendations

## I. SCOPE

Hamilton County's printing needs are handled by two printing operations (located in Hamilton County's Job and Family Services Department and the Board of Elections) and multiple outside vendors. Countywide printing costs totaled approximately \$1.3 million in 2006.

### 2006 Hamilton County Printing Costs

Job and Family Services Print Shop	\$539,320
Board of Elections Print Shop	\$534,905
Outside Vendors	\$234,000

The Hamilton County Job and Family Services (HCJFS) print shop provides the majority of printing necessary for the department. In addition, the shop supports many county departments with their printing needs. More detailed information of the HCJFS print shop and outside vendors is provided in the Current State section of this business case.

Due to the unique nature of printing performed by the Board of Elections print shop (time sensitive and complex elections related materials) their operations are excluded from this business case. Their equipment and software is specific to their operational needs and do not have practical application to other county agencies.

The major equipment necessary to maintain the HCJFS print shop is outdated and decisions need to be made on whether to replace the equipment or explore other alternatives. In light of this operational need, the main focus of this business case is printing needs currently handled by the HCJFS print shop and other printing activity across the County organization provided by outside vendors.

## II. SUMMARY RECOMMENDATIONS

Based on extensive comparison of costs and other printing operations in the public and private sector, the following recommendations are provided the CEC:

1. Maintain an in-house printing operation within HCJFS
2. Replace outdated equipment
3. Develop comprehensive performance standards and targets
4. Market HCJFS printing services to other county entities
5. Reduce number of contract vendors
6. Report back to the Board of County Commissioners in 12 months

Please see the Detailed Recommendation section of this report for a discussion concerning these recommendations.

## III. CURRENT STATE

This section provides a description of the services, equipment and budget concerning the HCJFS print shop as well as a summary of printing activity in other county agencies that do not use the HCJFS print shop.

Attachment 1 provides a complete list of current printing and duplication services provided by the HCJFS print shop. These include form design, tabs, newsletters, finishing services such tape binding and laminating, and copy service.

During 2006, HCJFS received 5,292 work orders resulting in an 11,980,000 page volume. Table I provides a breakout of HCJFS specific work versus other county agencies using HCJFS.

*Table I – 2006 HCJFS Printing Services Profile*

	<b>Requests</b>	<b>Pages Produced</b>	<b>Cost of Produce</b>	<b>Cost / Page</b>
HCJFS	5,035	10,600,000	\$ 485,008	\$ 0.0458
Other County Agencies	<u>257</u>	<u>1,380,232</u>	<u>\$ 54,312</u>	<u>\$ 0.0393</u>
Total	5,292	11,980,232	\$ 539,320	\$ 0.0450

Approximately 88% of the HCJFS printing volume supports internal HCJFS operations. In addition to HCJFS printing needs, Table II details the services and volume of work performed for other county agencies.

*Table II – 2006 HCJFS Printing Services for Other Agencies*

<b>Department</b>	<b>Volume</b>
Administrative Services	6,770
Adult Probation	70,300
Auditor	25
Clerk of the Courts	70,200
Community Development	2,000
Council on Aging	2,000
County Facilities	3,500
Personnel	15,448
Buildings & Inspections	2,070
Regional Planning	3,606
River City Correctional Center	285,260
Sheriff Corrections	856,143
Sheriff EMU	25,000
Sheriff Other	20,810
SW Regional Training	11,100
Treasurer	<u>6,000</u>
<b>Total</b>	<b>1,380,232</b>

Note: Federal and State law does not permit HCJFS to profit from services provided to other departments. Therefore, all services are provided based on the actual cost.

*Table III – 2006 HCJFS Printing Service Costs*

Personnel	\$ 193,820
Equipments & Supplies	293,000
Occupancy/Overhead	9,500
Contract Printing	<u>43,000</u>
<b>Total</b>	<b>\$ 539,320</b>
Revenue	\$ 54,312
Net Cost to HCJFS	\$ 485,008

The 2006 cost data is fully loaded and accounts for employee benefits, facility costs, and administrative overhead.

The HCJFS print shop has a staff of four and a personnel budget of \$193,820. These employees include:

1. Document Manager – supervises staff, designs and edits forms, brochures, booklets, templates, etc. Maintains a central repository of agency documents. Works with policy development personnel to assure forms are created, maintained and readily accessible to both print shop staff and caseload staff.
2. Reproduction Machine Operator – operates Xerox 6180 and finishing equipment, handles billing for county orders outside of HCJFS.
3. Printer – operates printing press and finishing equipment and makes deliveries.
4. Bindery Operator – operates bindery machine and finishing equipment and makes deliveries.

The following table provides an assessment of current HCJFS print shop equipment. The 15 year old offset printing press is in poor condition and in need of replacement to continue operations.

*Table IV – HCJFS Printing Service Equipment Listing*

<b>Equipment Description</b>	<b>Quantity</b>	<b>Age</b>	<b>Condition</b>
Multigraphics Model 1120 Offset Printing Press	1	15 years	Poor Condition
Multigraphics Model 1360 duplicator	1	15 years	Poor Condition
Copy binder 24 system collator	1	13 years	Poor Condition
VRA 2500 Platemaker	1	15 years	Poor Condition
Model 193 Diamond paper cutter	1	15 years	Poor Condition
T. Baum Ultra Fold XL	1	2 years	Good Condition
Drill Press	1	10 years	Good Condition
Paddywagons	1	10 years	Good Condition
Xerox DocuColor 12 – Fiery	1	5 years	Good Condition
Xerox DocuTech 6180 w/DocuShare	1	2 years	Excellent Condition
Xerox DocuImage 665 scanner	1	2 years	Excellent Condition
Ultima 65 laminator	1	1 years	Excellent Condition
SUN DocuSP PC	1	2 years	Excellent Condition
DigiPC4 PC	3	2 years	Excellent Condition

It is important to note that the HCJFS print shop is fully integrated into the operations of HCJFS. The print shop maintains document control of all forms and publications. Changes to forms and publications are coordinated by the print shop. This content management responsibility differs from a typical local government print shop, but is consistent with the approach and capabilities of print shop operations in larger private sector organizations. Please see the Approach and Analysis sections of this report for comparative information concerning print shop operations.

The HCJFS print shop measures its customer service with the following categories:

- Completion of requested work in a timely manner,
- Open communication between the customer and print shop staff,
- Courteous and respectful interaction with customers, and
- Assurance that the delivered product will meet the expectations for clarity and the agreed-to-standards for presentation.

To measure customer satisfaction, a survey was distributed to all external customers and internal staff identified as frequent print shop users. The survey was distributed electronically via a web-based tool to ensure anonymity for all respondents. The responses to the survey are overwhelmingly positive. Over 95% of the respondents provided positive feedback on the services available and the quality of the product produced. Included in Attachment 2 are additional comments provided by 30 of the 77 survey respondents.

The following paragraphs describe the recent efforts of HCJFS to improve content management.

In June 2006, the Project Management Office and the Print Shop personnel were assigned responsibility for development and implementation of a plan to standardize the process for creation, maintenance and storage of documents (policies, forms and templates) across all divisions of HCJFS. Key activities in this effort included:

- All documents were inventoried, evaluated, categorized and cataloged.
- Policies, procedures and workflows were created to guide HCJFS in managing documents.
- Work processes and automated tools were reviewed, evaluated and modified as necessary to meet the goals of the initiative.
- Position descriptions were reviewed to determine where control and management of documents was most appropriate. The positions were then assigned specific roles and responsibilities to support improved document management.

By November 2006, the project team completed the project and implemented a working solution with the following results.

- All currently active forms, templates and policies (2,000+) were identified, cataloged and stored within a central repository. All outdated or duplicate forms were deleted.
- New policies, processes and workflows were created, distributed and training was provided to affected personnel.
- A robust, electronic, content management tool was implemented and distributed to designated document managers.
- Improved business processes and the associated automated tools to manage documents has decreased the time to delivery, improved the quality of the service delivered to the client and has resulted in a reduction in cost to produce.

In addition to the top to bottom review of content management, HCJFS has begun to use the HCJFS print shop as a workforce development opportunity. In March 2007, the HCJFS print shop in collaboration with the Family and Adult Assistance section began using HCJFS clients to coordinate the assembling, stuffing, labeling and organizing documents for distribution. Although one outcome will be a cost savings to the

County, the ultimate goal of this Work Experience Program (WEP) is to develop marketable work skills for HCJFS clients. This WEP initiative will:

- Provide WEP participants with needed training and marketable work skills.
- Save the agency sources by acquiring state forms from the state (free of charge) instead of printing them in-house.
- Free up HCJFS clerical staff for other more critical jobs.
- Route some of the printing jobs currently being done by clerical staff on local copiers to the Print Shop.
- Allow more versatility in how time and resources are utilized in both the print shop and in units directly serving our clientele.

Example: The HCJFS Print Shop was previously printing about 4,000 – 5,000 copies per month of a specific packet. The packet contains eighteen different forms; eight of the forms are available from ODJFS. With the addition of WEP staff to assemble the packets, it is no longer necessary to print the state forms locally. State forms will be ordered electronically from ODJFS, shipped to HCJFS, and the packets hand assembled by WEP participants.

In addition to HCJFS print shop operations, other departments contract for printing services. While the following paragraphs describe the vendors and expenditures for these other printing services, it is not possible to determine if these services would have been contracted even if the work was coordinated by the HCJFS print shop.

For the purposes of summarizing the non-HCJFS printing activity, 2006 information was collected by commodity title. The commodity title is used to classify all county non-personnel expenditures. Table V lists the commodity titles used related to printing services.

*Table V – Printing Services Commodity Titles*

BLUE PRINTING SERVICES	741
CONTINUOUS FORM BINDERS AND FOLDERS	21,544
CONTINUOUS FORM LABELS, PRESSURE SENSITIVE	4,596
CONTINUOUS FORMS, COMPUTER PAPER	6,800
CONTINUOUS FORMS, CUSTOM	1,678
COPYING SERVICES (REPRODUCTION)	58,304
ENGRAVING SERVICES	1,143
ENVELOPES, PLAIN (STOCK)	1,652
ENVELOPES,# 10 PRINTED	1,141
ENVELOPES,MANILLA CLASP	3,776
PRINTING BROCHURE	28,676
PRINTING FILE FOLDER	686
PRINTING MISC	37,484
PRINTING OF BUSINESS CARDS	1,483
PRINTING OF DECALS	6,999
PRINTING OF ENVELOPES	753
PRINTING OF FORMS	2,091
PRINTING OF LETTERHEADS	2,567
PRINTING OF TAX BILLS	51,408
PRINTING OF TICKETS, LABELS, TAPES (SPECIAL)	996
PRINTING POSTER	93
Grand Total	234,612

Less JFS Contracted Service      142,940

Not including HCJFS contracted printing services, there was an estimated \$143,000 spent by other county departments for printing services. Of this amount, approximately \$51,400 was for printing and mailing of tax bills in the Treasurer's Office. Based on this cursory review, it appears that HCJFS captures most of the traditional printing services in the County, with other departments using vendors for specialty printing services specific to their operational needs (i.e., decals, etc.). A 2006 vendor list for expenditures matching the commodity titles in Table V is provided in Attachment 3.

#### IV. ANALYTICAL APPROACH

The Competition and Efficiency Committee (CEC) developed the Gate Management process in early 2006 to provide a structured approach to assessing whether a service should be considered for managed competition. The Gate Management process calls for the development of a business case for each service area being considered for managed competition.

Printing services was identified in early 2006 for possible managed competition. This service has been under review for nearly 12-months. The delay is due to a change in direction mid-stream to focus on completing business cases for other services (i.e., fleet services and facility management). The Gate Management process and business case format were refined during this period. This section will describe a number of different assessments over the past year concerning printing services that in their totality provide a very thorough assessment of printing services in relation to other Ohio urban county government printing operations as well as the private sector.

##### Request for Information

In June 2006, a request for information was sent directly to known printing firms and published on Onvia/DemandStar. Onvia/DemandStar is an e-procurement tool that permits the County to interact with vendors on-line using the Internet and reaches thousands of vendors instantly. The purpose of the RFI process was to solicit from the vendor community suggestions for improvement and alternative approaches to providing printing services. The RFI included a profile (equipment, capability, and volume) of the County's printing services. On June 26, 2006 a vendor information session was held at the County Administration Building. The RFI and vendor responses are included in Attachments 8-14.

The RFI process informed the County as to vendor capabilities and trends in printing/duplication services as well as document control. Key messages from the vendor community were:

- Upgrade aging equipment;
- Institute digital document repository; and
- Develop web-based work order capability.

The need to upgrade equipment has been known for some time, but its replacement was deferred to allow the Gate Management business case development process to conclude. As described earlier in this report, the department already has an established document control process to insure version control of forms as well as protect the privacy of clients. JFS has been exploring a web-based work order system since the RFI was completed.

Table VI summarizes the RFI responses.

Table VI – Printing Services RFI Responses

Vendor RFI Responses –Recommendations	
Vendor Name (Comments)	Recommendation
<p><b>Office Max</b> International organization with full range of services and tools available.</p> <ul style="list-style-type: none"> <li>RFI response appears to be a customizable sales brochure of their services and tools with Hamilton County inserted in the appropriate places.</li> </ul>	<ul style="list-style-type: none"> <li>Contract with Office Max to complete a business process review to allow OfficeMax to gain a better understanding of the County needs.</li> </ul>
<p><b>Print Management</b> Small privately held local company.</p> <ul style="list-style-type: none"> <li>RFI response goes immediately to development of a web-based environment. However, the proposed process makes more sense since it outlines a BPR as step 1.</li> </ul>	<ul style="list-style-type: none"> <li>Print Management will build a web-based environment to support customer interaction.</li> <li>Design and build each county site, its supporting database based on the customer's goals.</li> </ul>
<p><b>Prograde</b> Very brief RFI response that directs the County to sit down and discuss objective and requirements.</p>	<ul style="list-style-type: none"> <li>Meet with Hamilton County Printing Services Analysis team to discuss requirements, strategies, etc and then provide additional information.</li> </ul>
<p><b>United Graphics Printing Group (Louisville, Ky)</b> All references are United Graphics work with BOE in other counties/states.</p>	<ul style="list-style-type: none"> <li>It is their recommendation that Hamilton County use their services for all off-set printing.</li> <li>Sell all existing equipment on the open market, or possibly United Graphics will purchase.</li> <li>Hamilton County should walk away from all leases and financial obligations associated with the equipment.</li> </ul>
<p><b>Xerox Corporation</b> The response addressed support for both Board of Elections and Job and Family Services, it therefore included issues related to:</p> <ul style="list-style-type: none"> <li>Maintenance &amp; cost of duplicate equipment, management of multiple sites, and staffing requirements.</li> </ul>	<ul style="list-style-type: none"> <li>Bring in a dedicated team that understands document flow, production and distribution processes.</li> <li>Identify process improvements resulting in measurable cost reductions</li> <li>Replace existing outdated equipment</li> <li>Implement technology upgrades to improve speed and decrease cost</li> <li>Implement Xerox World-class software and digital production technologies</li> <li>Review managed solutions for all or partial outsourced options</li> <li>Evaluate operational improvements via Professional Consulting services</li> </ul>

Based on the vendor comments, an invitation to bid (ITB) was developed to determine the cost to replace aging equipment and to add functionality. Once the ITB was complete, a recommendation to procure the replacement equipment was presented to the CEC while the business case was still being developed. This approach was recommended for three reasons:

1. The administration felt that there was greater flexibility in attracting and changing vendors if the County provided the equipment.
2. The equipment would be paid with state social services funding via the JFS department and there would be no financing costs.
3. There was an immediate need to replace aging equipment.

The CEC decided not to move forward on the equipment upgrade until the entire business case process was completed.

Internal & External Data Collection

This section will describe the data collection approach and methods used in this business case. The results are included in the analysis section of this business case.

As with the other completed business cases, the administration collected internal and external data for comparative purposes. The County collected detailed information on printing services activities for JFS and

BOE. The County also identified the vendor volume for agencies not using JFS. A description of the County's printing environment is provided in the Current State section of this business case. The inability to get detailed descriptions of other agency printing was primarily due to these agencies not keeping historical records. Additionally, there is a wide range of printing services, from traditional bulk copying to brochure design and lamination.

The County contacted the four other Ohio urban counties to determine their printing services budgets, staffing, equipment, internal capabilities, etc. These included:

- Lucas County (Toledo);
- Cuyahoga County (Cleveland);
- Franklin County (Columbus); and
- Montgomery County (Dayton).

It was apparent from contacting these counties that direct comparisons would not be possible. This was primarily due to these counties not having work order systems to provide details of volume by type of service and having differing internal capabilities (i.e., binding, color offset printing, etc.). For all four counties, there was a central print shop that serviced the entire county with select activities contracted. The organizational placement of these printing shops was within some administrative services type department, not within an operating department such as JFS in Hamilton County.

Parallel to this effort, the JFS contacted each JFS department in all 88 counties to determine how printing services were provided. The County received responses from 19 counties. A copy of the survey and a summary of the results can be found in Attachment 7.

Because of the inability to get detailed operational and performance information from other counties, the County contacted four large local companies and the City of Cincinnati to obtain printing services information. The companies included:

- Ohio National Insurance;
- Fifth Third;
- Great American Insurance; and
- Procter & Gamble.

Fifth Third and Procter & Gamble contract with Standard Register and Oscar Robinson Document Services, respectively for printing services. The County was unable to get performance or volume information from these companies. Table VI that follows provides capabilities, volume, and cost information for the City of Cincinnati, Ohio National Insurance and Great American Insurance.

Table VI – Printing Services Company Comparison

Print Shop Comparisons			
HCJFS	RCC	OHIO NATIONAL	GREAT AMERICAN
<b>Ann. budget:</b>	<b>Ann. budget:</b>	<b>Ann. budget:</b>	<b>Ann. budget:</b>
\$539,320	\$2.7 million	\$2.2 million	\$1.2 million
<b>Cost of print:</b>	<b>Cost of print:</b>	<b>Cost of print:</b>	<b>Cost of print:</b>
\$496,320	\$1 million	\$2 million	\$900,000
<b>Out. vendor cost</b>	<b>Out vendor cost:</b>	<b>Out vendor cost:</b>	<b>Out vendor cost:</b>
\$43,000 15%	\$300,000 30%	\$685,800 34%	\$270,000 30%
<b>Equipment: Lease/Purch</b>	<b>Equipment: Purchased</b>	<b>Equipment: Lease/Purch</b>	<b>Equipment: Purchased</b>
(1) Xerox DocuTech 6180 (B&W)	(2) Xerox Nuvera 120 (B&W)	(1) Xerox DocuTech 135 (B&W)	(1) Xerox DocuTech 6135 (B&W)
(1) Xerox DocuColor 12(color)	(1) Xerox DocuColor 5252 (color)	(1) Xerox DocuTech 180 (color)	(1) Xerox DocuTech 6060 (color)
(1) Xerox DocuImage Scanner	(1) Xerox large format (plans)	(1) Xerox DocuColor 2060	(1) HP large format (leased) (plans)
(1) Offset 2 color Print Press	(3) Offset 2 color Print Press	(2) Offset 2 color Print Press	(1) FreeFlow scanner
DocuShare	DigiPath	Digipath	(2) Offset 2 color Print Press
Fiery x-12	I-way		WebCD
<b>Services:</b>	<b>Services:</b>	<b>Services:</b>	<b>Services:</b>
Forms design	Graphic design	Digital print	Digital print
Digital print	Digital print	Offset print	Offset print
Offset print	Offset print	Bindery	Bindery (heavy volume of manuals)
Bindery	Bindery	Office supplies	Promotional & Office supplies
Document repository	Office supplies	Mailroom	Shipping
Color copying	Full color	Mainframe print	Marketing and forms design
	Mailroom		
<b>Staff:</b>	<b>Staff:</b>	<b>Staff:</b>	<b>Staff:</b>
4	8	23	8 + 2 (temps)
<b>Volume:</b>	<b>Volume:</b>	<b>Volume:</b>	<b>Volume:</b>
Digital: 10.8 Mill. ann.	Digital: 13 Mill. ann.	Digital: 15.6 Mill. ann.	Digital: 7.1 Mill. ann.
Offset: 1.1 Mill. ann.	Offset: 2 Mill. ann.	Offset: 5.4 Mill. ann.	Offset: 2.2 Mill. ann.
<b>Outsource criteria:</b>	<b>Outsource criteria:</b>	<b>Outsource criteria:</b>	<b>Outsource criteria:</b>
Offset print, full color	Type of request; volume, lowest bidder	Offset print, full color, 25,000 + images	Offset print, full color, 2,500 + images, Business cards, Folders, Die cut
<b>Turnaround:</b>	<b>Turnaround:</b>	<b>Turnaround:</b>	<b>Turnaround:</b>
Digital: Same day	Digital: Same day	Digital: Same day	Digital: 5 days
Offset: 3 days	Offset: 5 – 7 days	Offset: 5 days	Offset: 5 days

Believing that there was still too little information to make informed comparisons to printing operations, the County administration developed an alternative approach that relied on comparing costs for specific common print orders. This “market basket” approach was applied for both the public and private sector. The market basket included typical county printing services requests. The CEC approved this approach to gain a greater comparative insight to the County printing operation.

The table that follows details the market basket used to obtain quotes from private sector printing vendors and other Ohio urban county governments. It was recognized that the cost for these specific, one-time printing requests may be higher than if the vendor was providing all of the County’s printing services; however, this concern is mitigated by selecting larger, full service printing services vendors that have a similar wide range of client needs.

*Table VII – Common Print Orders Comparison*

	500 Business Cards (2 color & Thermograph)	500 Business Cards (2 color)	1,000 Letterhead	1,000 2 part NCR Forms	1,000 4 part NCR Forms	1,000 tri-fold brochures (4 color)
HCJFS	No Bid	No Bid	No Bid	\$ 134	\$ 329	No Bid
Prograde, Inc.	\$25	\$25	\$88	\$178	\$247	\$317
The Clermont Sun	\$75	\$75	\$100	\$200	No Bid	\$490
Print Source Consulting	\$31	\$31	\$124	\$156	\$180	\$453
United Graphics Printing	\$45	\$45	\$98	\$217	\$247	\$380
Digital Xpress	No Bid	\$25	\$130	\$342	\$490	\$290
Kahny Printing	\$47	\$47	\$136	\$295	\$380	\$820
Cuyahoga County	\$28	\$45	\$126	\$174	\$295	\$360
Franklin County	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid
Lucas County	No Bid	No Bid	No Bid	No Bid	No Bid	No Bid
Montgomery County	\$25	\$25	\$150	\$170	\$310	\$455

In addition to these comparisons by the Office of Budget and Strategic Initiatives, HCJFS conducted a separate independent comparison of costs for selected print orders. HCJFS compared themselves to Kinkos. The results are listed in Table VIII.

*Table VIII – HCJFS Common Print Orders Comparison*

Document Description	Number of Copies	Commercial Print Cost	HCJFS Cost	Amount Saved % Increase
Form - 2 sided, 2 pages, letter size, stapled	1,000	\$266.00	\$134.75	\$131.25 97.4%
Booklet – single sided, 106 pages, bound	200	\$1,168.20	\$805.23	\$362.97 45.1%
Form - 2 sided, 2 pages, letter size, stapled	100	\$36.00	\$13.48	\$22.52 167.1%
Packet – single sided, 106 pages, stapled	200	\$889.20	\$759.53	\$129.67 17.1%
Form - 2 sided, 1 page, letter size, stapled	1,000	\$150.00	\$66.63	\$83.37 125.1%

## V. ANALYSIS

The previous section provides several approaches to comparing costs of printing operations from the macro level to specific printing work orders. From a cost perspective, it does not appear likely that submitting printing services to managed competition would result in savings of at least 5% as called for in the current policy concerning savings threshold for managed competition. This observation is based on HCJFS continuing to use outdated equipment. HCJFS does not anticipate an increase in the cost of services when the aging equipment is replaced. In addition, HCJFS does anticipate having additional printing capacity to provide additional services to other county departments. Furthermore, if the HCJFS print shop were outsourced, HCJFS would still require a document control coordinator for the department and a printing services contract monitor. It is anticipated that the existing Document Manager would fulfill both of these roles. The incumbent is currently working as a supervisor and makes up one of the four positions in the HCJFS print shop. This cost would not go away if the service were contracted.

The analysis factors include non-financial parameters including performance, security/privacy, location, and service continuity. Based on the previously mentioned customer satisfaction survey, 95% of respondents were satisfied with their HCJFS experience. A majority of HCJFS' work pertains to internal printing needs for HCJFS. HCJFS has unique privacy concerns given the many social services it provides (i.e., child support enforcement, foster care administration, income maintenance). While there are other equally important security concerns in the banking industry and Fifth Third has a contracted printing operation, a contracted printing operation in a local government was not identified in any of the other four Ohio urban counties.

As an additional comparison, the County contacted the leading managed competition counties of Maricopa (Phoenix, AZ), Marion (Indianapolis, IN) and Mecklenburg (Charlotte, NC) to determine the service method for printing operations. In Maricopa and Marion counties there are internal print shops with select specialty services contracted. In Mecklenburg, the entire printing function is contracted with ICON.

The HCJFS printing shop is located in the main HCJFS administration building (the Alms & Dopke building). This building is located conveniently adjacent to the County Administration Building, the Justice Center, the Court House and other county offices in the downtown campus. Several of RFI responders (OfficeMax and United Graphics) recommended using their own printing operations in either other parts of the greater Cincinnati area or other cities outside of the area. These arrangements would probably not meet the convenience of the current location without added transportation costs.

## VI. DETAILED RECOMMENDATIONS

1. Maintain an in-house printing operation within HCJFS

The comparative analysis indicated that the most cost effective service delivery method for county printing services is an in-house print shop with HCJFS. This is not to say that additional efficiencies can not be realized within the HCJFS print shop, just that the other alternatives considered do not provide a cost effective or operationally improved service.

2. Replace outdated equipment

Using existing available state funding sources, HCJFS should replace aging equipment and thereby reduce operating costs, eliminate unanticipated service disruptions, and add functionality.

3. Develop comprehensive performance standards and targets

The HCJF print shop should develop a regular customer satisfaction data collection process. Additionally, the HCJFS should set and monitor annual targets for unit costs, on-time completion, market development, customer satisfaction, etc.

4. Market HCJFS printing services to other county entities

While HCJFS cannot “make a profit” on printing services it can grow its operations to reduce operating costs with greater volumes.

5. Reduce number of contract vendors

In conjunction with the Purchasing Division, all printing, design, binding, and other duplication and finishing services should be coordinated in a limited number of contracts to increase buying power for the County.

6. Report back to the Board of County Commissioners in 12 months

In 12 months HCJFS should report by the Board of County Commissioners on the following parameters:

- Reduction in operating costs resulting from new equipment.
- Results from marketing efforts to other county entities.
- Vendor and spend profile for county-wide printing services.