



DEPARTMENT OF
GENERAL SERVICES

Internal Service Fund Rate Request
Report to JLARC
- Office of Graphic Communications -

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May 26, 2005



Graphic Communications

charges based on billable hours

- Small Graphic Design Office
- Assists State Agencies w/publications, brochures, etc.
 - Regular service to approximately 50 agencies and educational institutions
 - Typical Clients:
 - Department of Health
 - Virginia Retirement System
 - J. Sargeant Reynolds Community College
 - Department of Environmental Quality
- Five (5) Staff
- @ \$300,000-\$400,000 annual budget
 - Supports Staff Salaries, Overhead, and Direct Costs (production)
 - Average +/- 2 to 4% annual loss or profit
- Current Rate: \$60.00 per hour (approved 2003)
- Requested Rate: \$70.00 per hour covers:
 - State Employee Salary Increases:

| | |
|------------|--------|
| • FY03-04 | 2.5% |
| • FY04-05 | 3.0% |
| • FY 05-06 | @ 4.5% |
 - Employee benefit increases, rent, IT and other direct costs



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Graphic Communications

| | FY 01 | FY 02 | FY 03 | FY 04 | FY 05 est. |
|---------------|--------------|--------------|--------------|--------------|-------------------|
| Revenue | \$391,403 | \$372,302 | \$359,271 | \$416,598 | \$342,407 |
| Expense | 378,439 | 383,710 | 371,696 | 421,043 | 371,342 |
| Profit (Loss) | 12,964 | (11,408) | (12,425) | (4,445) | (28,935) |



Contracts Comparable State Agency-Private

- VDOT Contract: *Pulsar Communications*
 - Rates from \$110 per hour for Art Director to \$150 per hour for Principal
- VDH Contract: *Prospect Center*
 - Rates from \$100 per hour for Art Director to \$180 per hour for Creative Director
- DSS Contract: *Early Childhood Initiative* awarded to Carter Ryley Thomas
 - negotiated rates at \$130 and \$135 per hour
- Bids for recent DSS project from local vendors
 - Barber Martin negotiated rate - \$110 per hour
 - The King Agency - \$100 to \$125 per hour
 - The Ivy Group - \$120 per hour