

NORTH CAROLINA

**State Agency Purchases of  
Recycled Products**

July 1, 2003 – June 30, 2004

---

Tenth Annual Report

---

## ACKNOWLEDGMENTS

Published by the N.C. Division of Pollution Prevention and Environmental Assistance

Gary Hunt, Director  
Scott Mouw, Chief, Community and Business Assistance Section  
Rachel Eckert, Environmental Purchasing Coordinator

DPPEA would like to thank the agencies that diligently submit their reports to our office each year. Your hard work and dedication is very appreciated.



North Carolina Department of Environment and Natural Resources  
Division of Pollution Prevention and Environmental Assistance  
1639 Mail Service Center  
Raleigh, North Carolina 27699-1639

Phone: (919) 715-6500 or (800) 763-0163  
Fax: (919) 715-6794  
E-mail: [nowaste@p2pays.org](mailto:nowaste@p2pays.org)  
Web site: [www.p2pays.org](http://www.p2pays.org)

The Division of Pollution Prevention and Environmental Assistance provides free, nonregulatory technical assistance and training on methods to eliminate, reduce or recycle wastes before they become pollutants or require disposal. Contact DPPEA for more information about this document or waste reduction.

DPPEA-FY04-13. 0 copies of this public document were printed in an effort to conserve resources and money. The report can be viewed online at <http://www.p2pays.org/epp/stagencies.asp>. Hard copies are available upon request.

January 2005

## Introduction

State agencies are directed to use products containing recycled materials by state law and Executive Order. Executive Order 156 was signed in 1999 in support of N.C. Project Green, the state environmental sustainability initiative, and was an updating and strengthening of the original initiative of Executive Order 8, signed in 1993.<sup>1</sup> Purchasing recycled and other environmentally preferable products improves recycling markets, helps reduce environmental impacts from waste, and saves energy and natural resources. Many state agencies and local school districts help achieve these goals through thoughtful purchasing decisions and the use of recycled content products.

North Carolina state government has continued to make progress toward environmental sustainability by offering recycled and environmentally preferable products at affordable prices on state contract. Currently, there are more than 20 categories of products on term contract that offer products with recycled content materials, and several more products available offer some sort of environmentally preferable attribute, including recycled content packaging or energy efficiency. State agencies, and others who can buy from state term contract such as local governments, have a wide degree of choice in the purchase of high quality, cost-effective recycled products on term contract. The list of products can be seen at: [www.doa.state.nc.us/PandC/recycled.htm](http://www.doa.state.nc.us/PandC/recycled.htm).

This document summarizes the efforts of state agencies to purchase recycled products. It fulfills the reporting mandate of N.C. General Statute 143-58.2(f) for fiscal year 2004. It compiles purchasing reports required from 26 state government department and offices, 16 constituent institutions of the University of North Carolina, 57 community colleges and 96 local public school administrative units. In fiscal year 2003-2004, reports were received from 88 percent of agencies (195 out of 221), two percent more than the previous fiscal year. Most of the agencies that did not report have not complied with reporting requirements for at least the past four years. This data fluctuates somewhat each year. For example, twelve agencies that didn't report last year reported this year and eight agencies that usually report didn't report this year. All reporting was conducted online, saving paper and postage.

The N.C. Division of Pollution Prevention and Environmental Assistance is the agency charged with compiling data from agency reports and publishing this summary. Copies of this and past reports may be obtained on-line at [www.p2pays.org/epp](http://www.p2pays.org/epp) or by calling (919) 715-6505 or (800) 763-0136.

## Purchases of Recycled Products

**Paper and Paper Products.** Reported agency purchases of all office paper and paper products (recycled and non-recycled) in fiscal year 2004 totaled \$43,733,680. Last year's paper purchases were reported at \$41,284,807, which reflects a six percent increase in overall paper purchases from last year. Over the last five years, state paper consumption has maintained a steady rate, as electronic communication has grown and spending constraints have leveled off.

Recycled paper purchases were up three and a half percent from the previous fiscal year and totaled \$33,555,918. Recycled paper constituted 77 percent of total paper purchases reported, which is a two percent decrease from last year. While over the last several years, true purchases of recycled content paper and paper products may not have been reflected because some purchasers weren't aware that it was the only paper on state term contract. This year the decrease reflects the virgin paper that is now back on state term contract and available at a lower price. The recycled content paper is a little over a dollar more than virgin paper, but the current contract also includes a higher delivery charge for recycled content paper. Although this price difference could easily be neutralized with waste reduction techniques, such as double-sided printing and using one-sided pages for fax machines, this setback could prove to be significant in reaching goals set by Executive Order.

---

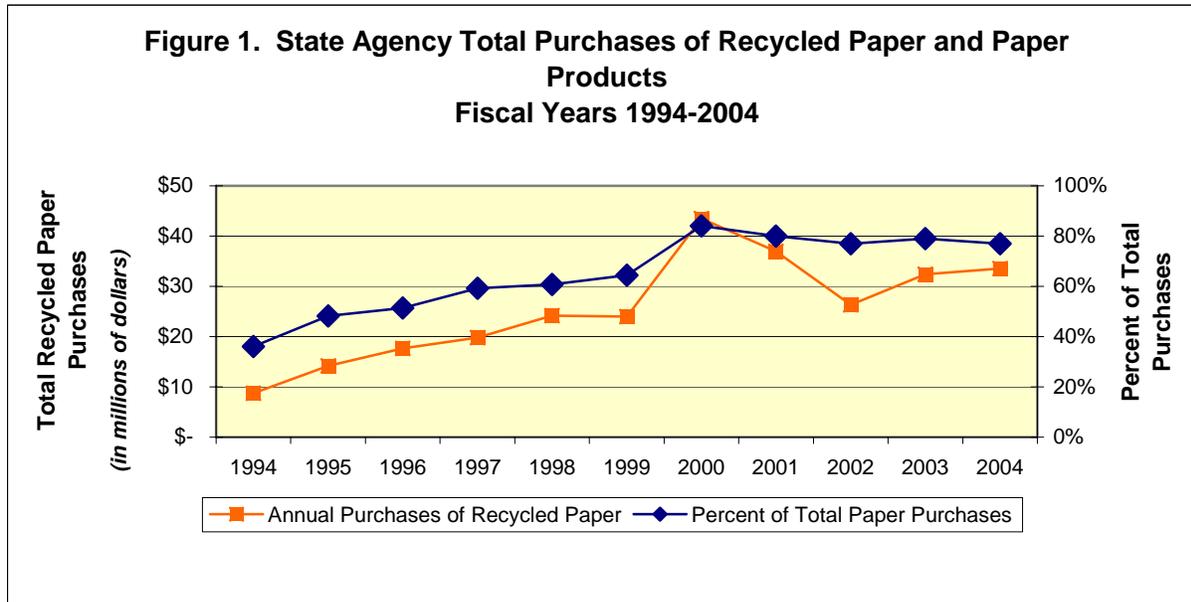
<sup>1</sup> Full text of No. 156 is available online at [www.p2pays.org/epp/reports.asp](http://www.p2pays.org/epp/reports.asp).

This is the third year in which agencies failed to meet the goal set forth by Executive Order 156<sup>2</sup> “State agencies shall attempt to meet the goal that, as of Fiscal Year 2000-01, 100 percent of the total dollar value of expenditures for paper and paper products be toward purchases of paper and paper products with recycled content.” Unfortunately, due to some of the issues discussed, recycled content office paper only represented 79 percent of the total office paper purchases, which is a five percent decrease from last year.

More than half of the miscellaneous paper purchased, including items such as legal pads, file folders, labels and continuous feed forms were purchased containing recycled content materials. This is a category that has remained consistent for the last seven years and could easily be improved with education, especially considering many of these products are available on term contracts with recycled content. More positively, towel/tissue paper achieved an exceptionally high percentage of 91 percent containing recycled content, which is a three percent increase from last year.

Twenty-seven agencies succeeded in reaching the 100 percent goal this fiscal year for all paper purchases, four more than last year. This is a slowly climbing number that hopefully represents an overall effort to reach compliance under the Executive Order. Another 33 agencies achieved a recycled content paper purchasing rate of 95 percent or higher, and 45 percent of all agencies reporting bought recycled paper for 90 percent of their paper usage needs. About a quarter of reporting agencies purchased all their office paper with recycled content, and more than a third bought all recycled content towel and tissue products.

As another element of recycled paper usage, agencies also report on their specification of recycled content products in contracted work. Only about 56 percent of agencies consistently specified recycled content in contracted services in fiscal year 2004. Reported spending on outside print orders was \$15,161,323, which is a two percent increase from the previous year. Of the reported total, 51 percent was done on recycled paper, down from 65 percent last year. This decrease in recycled content paper used on print jobs could reflect the cost differential from recycled content to virgin paper.



**Figure 1** illustrates the trend in overall dollar amounts and percentages of recycled paper purchases over the past 11 fiscal years, including this year’s increase in overall recycled content paper purchases. The data indicates a need to enhance efforts to achieve the 100 percent goal across all agencies. The accomplishment of the goal would be helped by a renewed emphasis and commitment from top

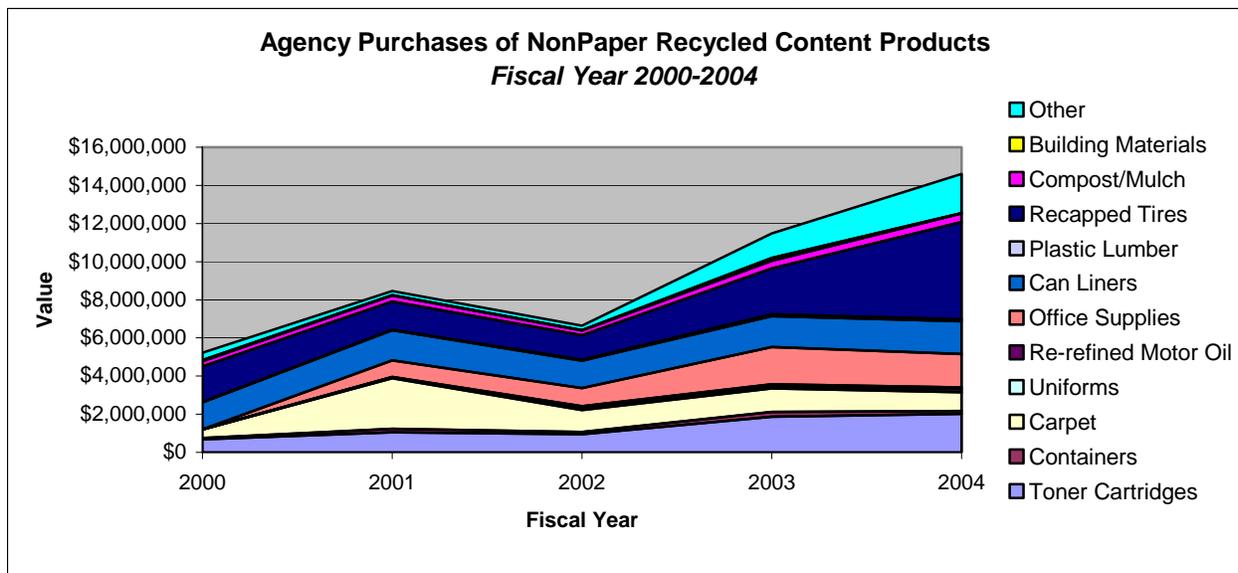
<sup>2</sup> G.S. 143-58.3 established a goal that at least 50 percent of all agency expenditures for paper and paper products be comprised of recycled product purchases. Executive Order No. 8 set a goal for agency expenditures of recycled paper and paper products of 65 percent in Fiscal Year 1998. Executive Order No. 156 reestablished the goal at 100 percent by the Year 2001.

management in directing agencies to meet the statutory and executive goals. A targeted campaign of outreach to agencies with a high level of virgin paper purchasing is also warranted.

**Policy and Administrative Support.** This year, agencies were again asked to report if they had buy recycled policies or goals in place. A mere 38 percent of the reporting agencies responded positively to this question, which reflects a slight increase from last year, perhaps from the new agencies that reported. Agencies are also reporting that fewer administrators are communicating the importance of purchasing recycled content products. Consistent with past year's data, only slightly more than half of the agencies report receiving this message, and this percentage is on a continual decrease since 1997. Lead coordinators for buy recycled efforts hold steady at less than half of the reporting agencies having this kind of administrative support. While agencies are not required to develop a policy by the General Statutes or Executive Order, it could be the first step to improving our state's efficiency in recycled content product purchases. Agencies are specifically charged with the responsibility of purchasing recycled content products, as well as designating a lead coordinator. Executive Order 156 requires administrator encouragement, which is a key component to a successful recycled content procurement program. These factors should be examined as a way to significantly increase participation.

**Non-Paper Products.** Agencies reported spending \$14,593,230 on non-paper recycled products in fiscal year 2003-2004, up 27 percent from the previous year's expenditures. This number continues to increase as purchasers become more educated about the products they buy, and as the array of recycled products increase and become more available on term contracts and through vendors. Examples include remanufactured laser toner cartridges, plastic can liners, recapped tires, plastic lumber, compost and mulch, re-refined motor oil, carpet and uniforms.

Total expenditures of the recycled non-paper products reflect similar numbers as last year and are illustrated below in **Figure 2**. The size of the colored categories represent the total dollars of purchases in that category and the height in that fiscal year represents total purchases of non-paper recycled products. Reports revealed minor fluctuations in most categories with the exception of building materials, which decreased from \$150,296 last year to \$32,414 this year. There was nearly a 60 percent increase in the "other" category though, which may reflect some of these expenditures. Re-refined motor oil purchases were also down by 34 percent, which could be a result of some changes over the past fiscal year in the contract. This contract is going out for bid again in FY 05 and will hopefully yield a stable, cost efficient, reliable vendor that can maintain the contract for a more significant time.



**Other Environmental Purchasing Efforts.** Some state agencies have excelled beyond buying recycled, and have begun to tackle more sustainable purchasing issues like environmentally preferable purchasing.

EPP, or green purchasing, includes a host of attributes that can be considered to decrease the impact of our purchases on the environment.

For example, many agencies, including the University of North Carolina Chapel Hill, North Carolina State University, Fayetteville Technical Community College and the Department of Transportation have started green building initiatives for new facilities or have begun greening energy and water elements in older buildings. Green buildings require architects and contracts to consider many things from building placement, water and energy use and more environmentally friendly products.

Other initiatives in state government include the vast efforts of Motor Fleet Management to green up their operations. Of Motor Fleet's nearly 8,000 vehicles, more than 3,300 vehicles are alternative fuel cars, and 46 are hybrid cars. Along with the E85 (a mixture of ethanol and gasoline for the alternative fueled cars), Motor Fleet purchases compressed natural gas and propane and uses re-refined motor oil in all fleet vehicles.

### **Conclusion**

The purchase of recycled content products is a well-established practice in state government, supported by statutory and executive order requirements, as well as state term contracts that offer high quality, affordable recycled content choices for state purchasers. Still, progress must be made to bring agencies to full compliance with the 100 percent recycled content paper goal. The accomplishment or near accomplishment of the goal by nearly half of the reporting agencies indicates that it is feasible, given top management support and increased overall awareness of requirements and products.

Several key agencies could, with a few significant purchasing decisions, substantially increase the overall performance of state government in recycled paper purchasing. Converting the current \$10.2 million in virgin paper purchases to recycled paper will allow North Carolina state government to contribute substantially to the strength of recycling markets. As a major player in the collection of paper for recycling, state government stands to benefit directly from improved markets. The use of recycled products will also help North Carolina achieve its environmental goals by reducing natural resource, energy and water usage, and preventing air and water pollution. In the case of a product like re-refined motor oil – which meets the exact specifications of virgin oil, is supported for use by engine manufacturers and is on state contract at comparable cost to virgin oil – agency purchases of the product should be automatic.

The following recommendations may help to increase recycled content purchasing in the future and help state government meet goals set forth both in Executive Order 156 and General Statutes.

### **Recommendations**

**I. Reinvalidate Executive Order 156.** While Executive Order 156 continues to carry weight with most state agencies, a reissuance will provide a new focus and create additional support for recycled content purchasing. It will also strengthen the ability for DPPEA to collect and manage data related to state agency purchases. Strong and active gubernatorial support can help the state successfully meet executive and legislatively mandated goals.

**II. Increase administrative support and educational programs.** Disparity among agencies in the degree of support and routine communication received from top management may be the most significant barrier to increased agency participation in recycling and recycled content product procurement. Administrative support is crucial also to the successful implementation of agency sustainability plans under N.C. Project Green that incorporate waste reduction, recycling and environmentally preferable procurement. For those agencies that have not yet prioritized waste reduction and buying recycled, it is recommended that they:

- Implement and adhere to the goals of Executive Order 156, which states that all paper purchased will have a minimum of 30 percent post-consumer content by fiscal year 2000-2001.
- Issue and enforce internal policies, official memoranda and formal declarations that demonstrate administrative leadership and support for buying recycled and Executive Order 156.

- Develop and implement ongoing outreach and education programs for employees and visitors, and take advantage of the assistance DPPEA can offer.
- Commit to N.C. Project Green by participating in their monthly meetings and pledging to achieve its goals as part of their overall commitment to environmental sustainability.

**III. Increase Procurement of Non-Paper Recycled Content Products.** Outright expenditures for non-paper recycled products continue to lag behind those of paper purchases. A vast variety of products are available with recycled content materials, which is apparent from the federal governments purchasing regulations under Executive Order 13101. Their *Comprehensive Procurement Guidelines* features more than 50 items in eight categories, including paper, non-paper office, construction, landscaping, park and recreational, transportation, vehicles and miscellaneous products (visit <http://www.epa.gov/cpg/> for more information). Purchasing a diverse array of recycled content products not only strengthens recycling and job markets in North Carolina, it also helps agencies fulfill their obligation to become more environmentally sustainable. To improve overall buy recycled efforts, state agencies should:

- Expand the quantity and variety of non-paper recycled products purchased through agency convenience contracts and state term contracts.
- Enforce purchasing rules that mandate buying from state term contract above in-house delegations.
- Establish or upgrade electronic tracking systems for all recycled product purchases.
- Specify or encourage the use of recycled materials and supplies by contracted services, especially in construction, housekeeping and printing.

**IV. Make Purchasing Decisions Based On Full Environmental Impact Versus One-Time Cost.** To determine the full environmental impact of a product or service, it is important to look at the full life cycle analysis of a product. By doing so, state agencies can begin to make purchasing decisions that will be of benefit in both the short and long term.

- Begin looking at products in terms of broad environmental impacts including: durability, energy efficiency, performance, recycled content and recyclability, toxicity, biodegradability, location of manufacturer (local availability) and packaging. Utilize government programs, nonprofit organizations and third party certifiers for assistance, including EPA ([www.epa.gov/opptintr/epp/index.htm](http://www.epa.gov/opptintr/epp/index.htm)), Green Seal ([www.greenseal.org](http://www.greenseal.org)), Energy Star ([www.energystar.gov](http://www.energystar.gov)), and American Forest and Paper Associations ([www.afandpa.org](http://www.afandpa.org)), for example.
- Develop guidelines and checklists for purchasing and contractual services that take into account environmental impact.
- Reassess accounting procedures so that agencies can receive credit for environmental purchasing.

---

#### Agencies that Purchased 100 Percent Recycled Paper in FY 04

Alamance Community College  
Alexander County Schools  
Appalachian State University  
Ashe County Board of Education  
Asheboro City Schools  
Carteret County Schools  
Central Piedmont Community College  
Edenton-Chowan Schools  
Fayetteville Tech Community College  
Franklin County Schools  
Guilford County Schools  
Johnston County Schools  
Mitchell County Schools  
Northampton County Schools

Pamlico Community College  
Pamlico County Schools  
Pembroke State University  
Pender County Schools  
Piedmont Community College  
Roanoke Rapids City Schools  
Sampson County Schools  
UNC Charlotte  
UNC Greensboro  
Wake Technical Community College  
Wilkes County Schools  
Wilson Technical Community College  
Winston-Salem State University

**Agencies that Failed to Report Data for FY 04**

Administrative Office of the Courts  
Alleghany County Board of Education  
Avery County Schools  
Bertie County Schools  
Catawba County Schools  
Cherokee County Schools  
Clay County Board of Education  
Clinton City Schools  
Columbus County Schools  
Dare County Schools  
Edgecombe Community College  
Elizabeth City State University  
Harnett County Schools

Hoke County Board of Education  
Kannapolis City Schools  
Kings Mountain District Schools  
Lenoir County Public Schools  
Madison County Schools  
Orange County Schools  
Pasquotank County Schools  
Pitt County Schools  
Robeson County Public Schools  
Thomasville City Schools  
UNC Hospitals  
Warren County Schools