



Specialized Purchasing Consultants

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2012-13 Annual Report

Year - End Photocopier Analysis

With projected costs for 2013-14

Jennifer Hall
Kittery Schools
200 Rogers Road
Kittery, ME 03904-1458



Specialized Purchasing Consultants Corp.
Serving Maine & New Hampshire since 1988

October 2013

Skip Tilton
President

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Jennifer Hall
Kittery Schools
200 Rogers Road
Kittery, ME 03904-1458

Dear Jennifer:

VISIT US ON THE WEB:
www.spccopypro.com

Once again the staff at SPC extends their appreciation to you for allowing us to provide beneficial services to you and your organization for the past *17 years*. We are thrilled with all that we have been able to accomplish on behalf of our clients for the past **25 years**, and we are even more excited about all that we are doing on your behalf in the upcoming year.

Our staff continues to look for new ways to improve our services. This year, we are establishing several money- and time-saving programs you will no doubt appreciate. First, we are now offering **SPC Star Doc**. Utilizing the latest technology, SPC has created, developed, and implemented this one-of-its kind program designed to put you in charge of your own budget by giving you predictive tools to determine your individual and building reprographic equipment usage in advance. Second, we now have a **Simplified Billing Program** that reduces paperwork and invoices and minimizes the impact of meter collection on your staff. Finally, we have **redesigned our website** to readily highlight the benefits and services provided by SPC.

This year's Annual Report provides you with an overview of your equipment usage and status for the past fiscal year. Recommendations are provided to address potential problem areas to avoid needless down time and improve equipment reliability for the years to come.

Thank you again for allowing SPC the opportunity to be of service. If you have any questions or are in need of more information, please let us know.

Sincerely,

Skip Tilton
President

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The SPC Team...

would like to personally thank you for your continued trust and confidence!



Skip Tilton, President

Billie Jo Tilton, Vice President

As co-founders of SPC, Billie Jo and I are very proud of our team of professionals. The concept of group purchasing to save millions has grown since 1988 into providing over 16 different managerial services that increase reliability and extend the life of your equipment. However, none of this would have been possible without the loyalty of over 87 clients (3,800+ machines with 1.6 billion prints over five years). Together, we have realized the lowest prices possible while improving the quality of your service and equipment.



Paul Garozzo

General Manager

As General Manager my goal is ensure our clients are pleased with our services and also provide solutions that are efficient, productive and reduce cost. With my 23 years in the copier industry, I will use my experiences to achieve this goal. In addition, I will be utilizing our new SPC STAR Doc system to further enhance SPC services. Clients will now have the benefit of visually seeing where all their devices are located and project future expenses. I could not be more excited to join the SPC team.

Glen Fortier

Auditor, Electronic Specialist & Equipment Implementation

With 24 years of experience in the electrical field, I look forward to continually meeting and helping all of you with your reprographic needs. It is my sincere commitment to ensure all machine changes are as smooth as possible.



Sue Penney

Administration & Finance Manager

SPC is committed to providing cost-effective and reliable reprographics platforms to our community of clients. My 20+ years of experience in corporate management will be key in strengthening the relationships between SPC's clients and vendors. I will be focused on responding to your inquiries with the goal of solving any issues that may arise in a timely and efficient manner. Providing quality customer service is my top priority.

Alex Webster

Director of Customer Relations

It is a great pleasure for me to join the SPC team. One of my responsibilities involves creating detailed maps of your copiers and printers and will be assisting the team in monitoring all of your equipment. My background as a Network Technician and my experience in Customer Service will allow me to give our clients the level of service that they have come to expect from SPC. It is my personal goal to aid in fulfilling each and every promise made to our valued clients.



The SPC Team Continued....



Robert B. Dutil

Director of Information Technology

I have been working with SPC since February 2000. SPC's honesty, work ethics and loyalty have made my experience with the company a pleasurable journey. SPC is constantly trying to improve their technology to better serve their clients. My goal has been to give our clients and associates the best tools available to allow them to be more productive. By doing this, our clientele has the ability to monitor their assets and keep their costs down. I am excited about what the future holds for SPC and our clients.

Rachel Guay

Accounting Coordinator

I am responsible for the majority of the accounting communications between SPC and its vendors and clients. I will rely upon my years of experience and my strong attention to detail to ensure our clients' needs are well served. It is my goal to work accurately and efficiently and to uphold the high standards of customer satisfaction that SPC has provided to their customers. I look forward to establishing a strong working relationship with each and every one of you.



Pam Weed

Client-Vendor Relations

SPC's clients are my Number One priority. When you have a question, concern, need, or problem related to equipment, service or billing, I am available to assist you in getting it resolved promptly. I am pleased to be able to act as liaison between our clients and vendors to ensure smooth transitions or quick resolutions.

Joel Heffernan

Field Representative – Client Relations

As Field Representative for SPC, I reach out to the customer to offer help as needed in and during the installation of equipment change over and in assisting in each event. Also, I bring to this company over forty years in the Copier/Printer industry. It is my goal to assure our clients a pleasant experience in using SPC's services.



Charles Baca

Operational Support

I feel privileged to join SPC and honored that I am able to work with such an amazing team. I'm here to help make sure that the SPC headquarters runs as smoothly as possible. That includes technical issues and networking matters. I also make sure that all of our clients' data are up to date and as accurate as possible. I love working at SPC because it's a challenging work environment committed to their clients.

Equipment Health Status

Total Number of Machines:	26
Total Black Photocopiers	20
Total Color Photocopiers (including MFP)	4
Total Low Cost of Operation Black Network Printers	0
Total Low Cost of Operation Color Network Printers	0
Total High-Speed Duplicators	0
Total Low-End Network Printers	0
Total Removed from Service:	2
# of Units OFF Warranty:	0
# of Units Approaching End of Warranty:	0
# of Units Overused:	1
# of Units Underused:	2
# of Units Connected to Network with Print and/or Scan	24
Commencement Date:	9/1/2011
# of Annual Payments Left on Lease	3
All Warranties and Service Contracts Expire:	6/30/2016
Print Management Software Loaded SPC's FM Audit is not Installed!	Yes
LENP Contract Signed	No

NOTE: When a machine goes off warranty, it does not mean that the service contract expires. It simply means that if a replacement machine becomes necessary, it may not be at "no charge."

Dear Jennifer,

It is amazing that we have done business for over 17 years at Kittery Schools!

As I see it your black & color volume is under control. But it would be good to know this in advance of your yearend meter reads. SPCSTAR Doc would greatly help.. I would like to upload FM Audit ASAP.

Also, there are a couple of locations that are being over and under used. It's good to keep an eye on these and if possible to shift your volume around.

Skip

Aging Equipment Summary

The following equipment is seven or more years from the date they were first offered for sale by the manufacturer. This is a major factor because availability of parts, cost of operation and warranties all become diminished at 10 years from the date of Intro. Usage, age, and service history need to be considered to see if they are due for replacement soon.

Building	Department	Make/Model	Serial #	Vendor ID	Intro Date
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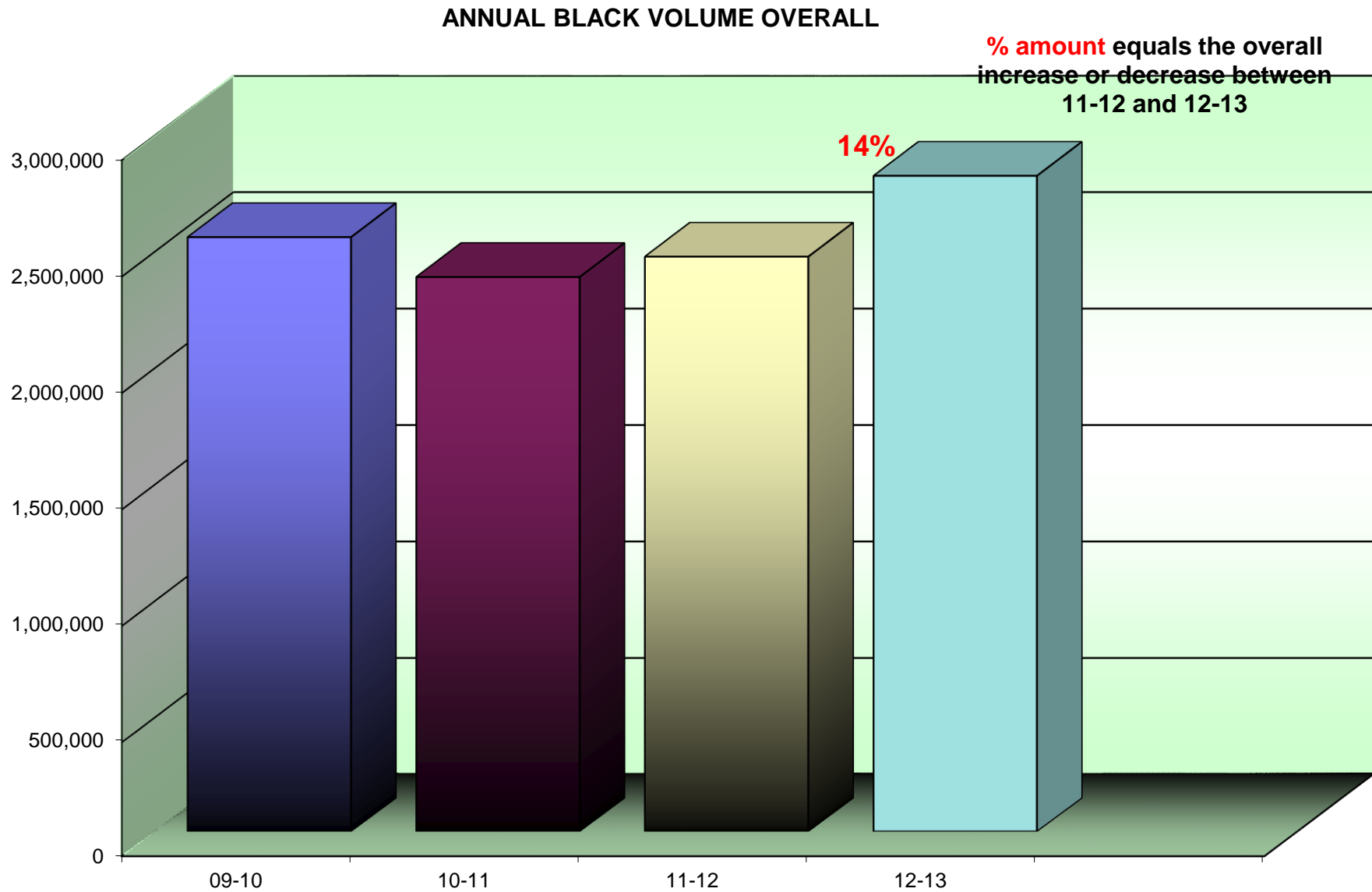
None at this time.

Expiring or Expired Xerox Service Contracts

The following Xerox solid-ink printers and/or multi-function units are under a pre-paid Service Contract that either has expired or will be expiring soon. Replacing these printers or purchasing a new service contract should be discussed.

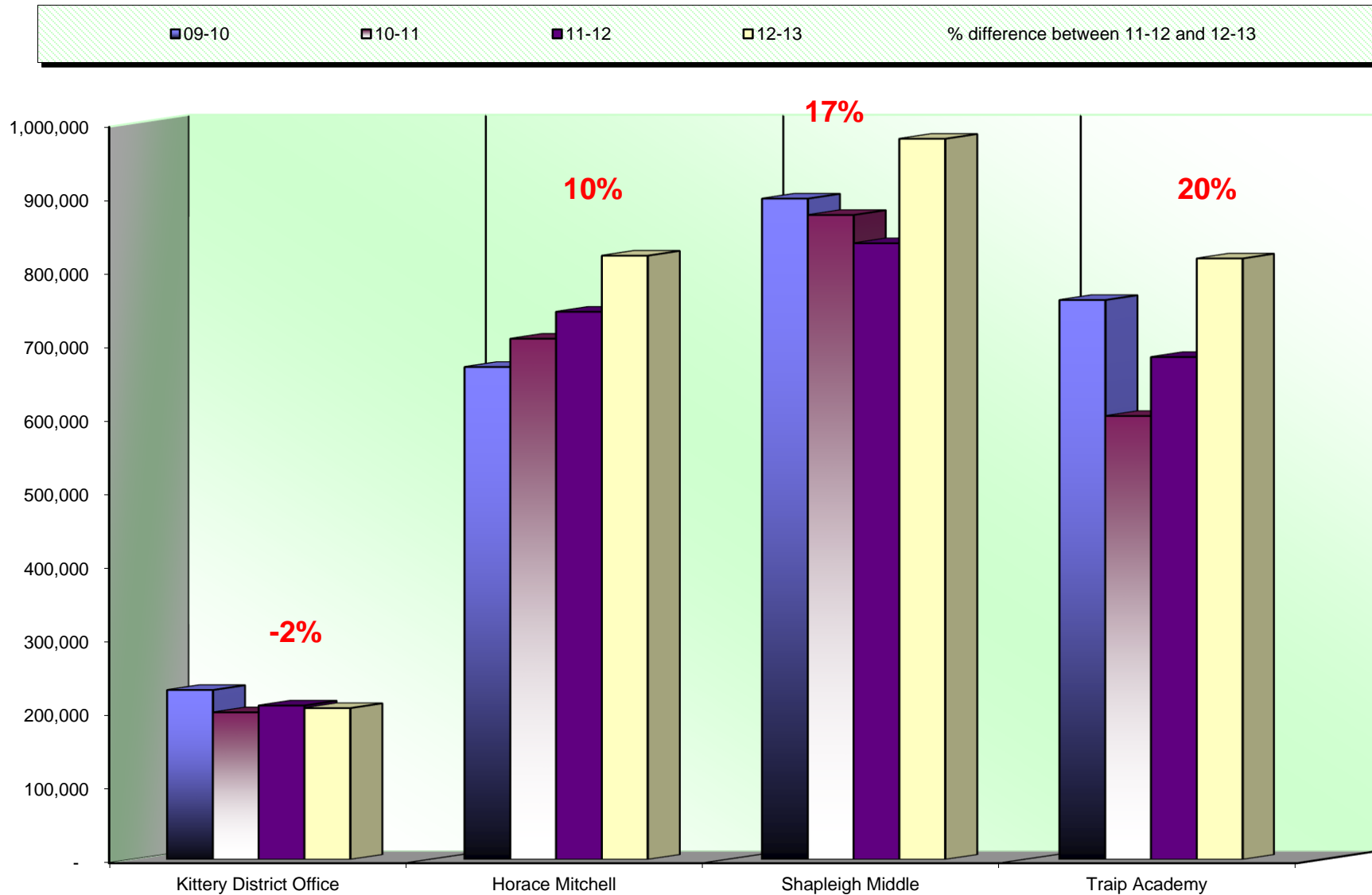
Building	Department	Make/Model	Serial #	Service Contract Expiration Date
None.				

Overall Four-Year Trend – Black Usage



By Building Four-Year Trend – Black Usage

ANNUAL BLACK VOLUME BY BUILDING



Average Student to Copy Usage – Black Only

Using the projected costs by building as the basis, this table represents the projected average usage and cost per student for each building.

<i>Building Name</i>	<i>Student Population</i>	<i>Annual Volume</i>	<i>Total School Cost*</i>	<i>Annual Copies Per Student</i>	<i>Annual Cost Per Student</i>
Horace Mitchell Primary	396	820,701	\$17,507.98	2,072	\$44.21
Kittery District Office	0	208,274	\$4,569.77	0	\$0.00
Shapleigh Middle	404	978,912	\$21,003.44	2,423	\$51.99
Traip Academy	282	816,855	\$17,375.35	2,897	\$61.61
Totals	1,082	2,824,742	\$60,456.54	2,611	\$55.87

*Total School Cost refers to the cost of Service, Supplies, Paper, and Equipment.

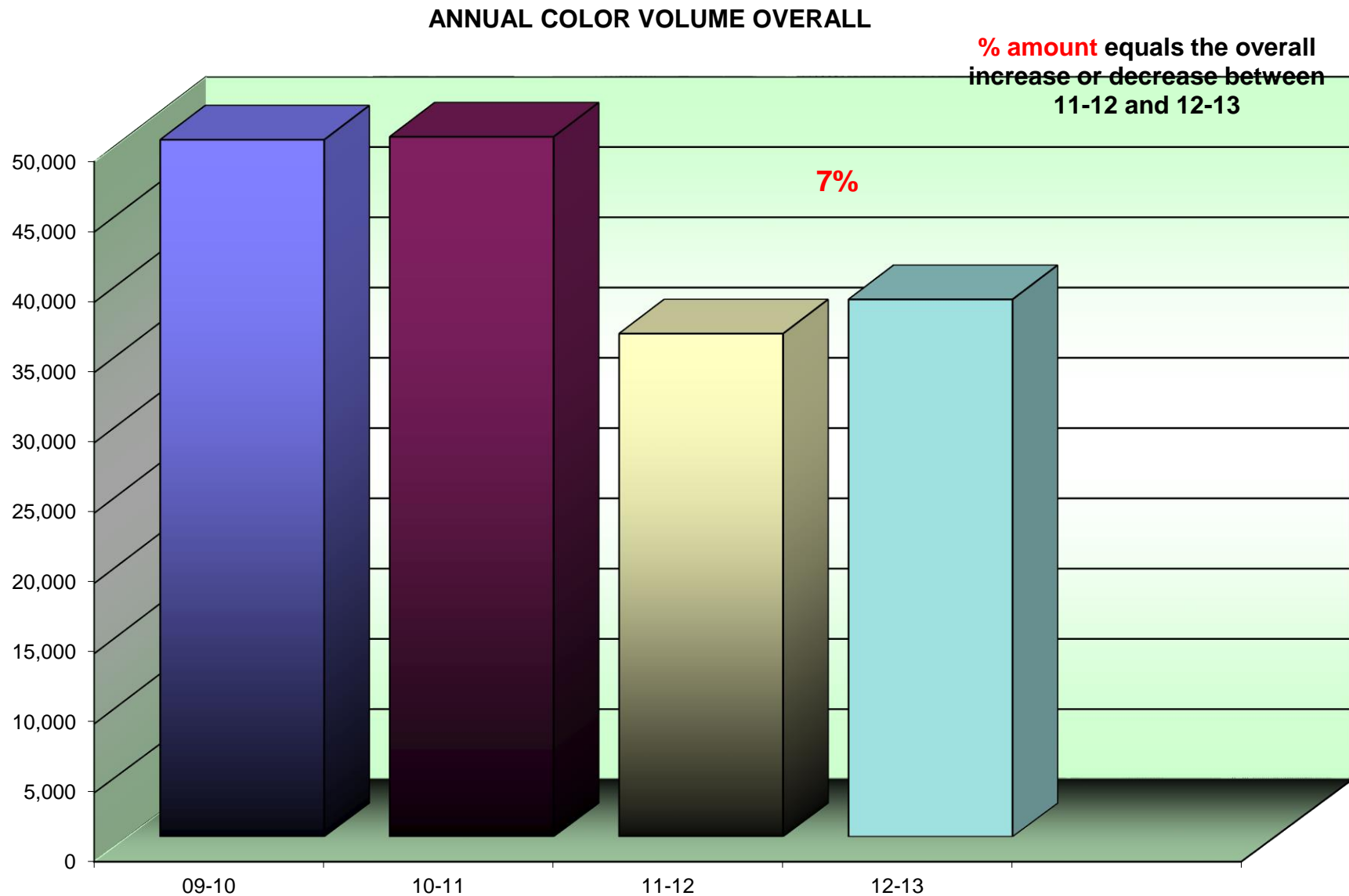
Cost Comparison Black Only

This is an SPC Comparison contrasting your district with 67 client school districts throughout the states of Maine, New Hampshire, and Vermont. By comparing to the Average Student to Copy Usage, this will help you to set up future budgets if student populations increase or decrease within the district or if you plan to build an addition or a new school.

	<i>Total Student Population</i>	<i>Total Annual Volume</i>	<i>Total District Cost*</i>	<i>Annual Copies Per Student</i>	<i>Annual Cost Per Student</i>
All Schools w/student populations	124,080	299,577,130	\$5,426,271.25	2,414	\$43.73

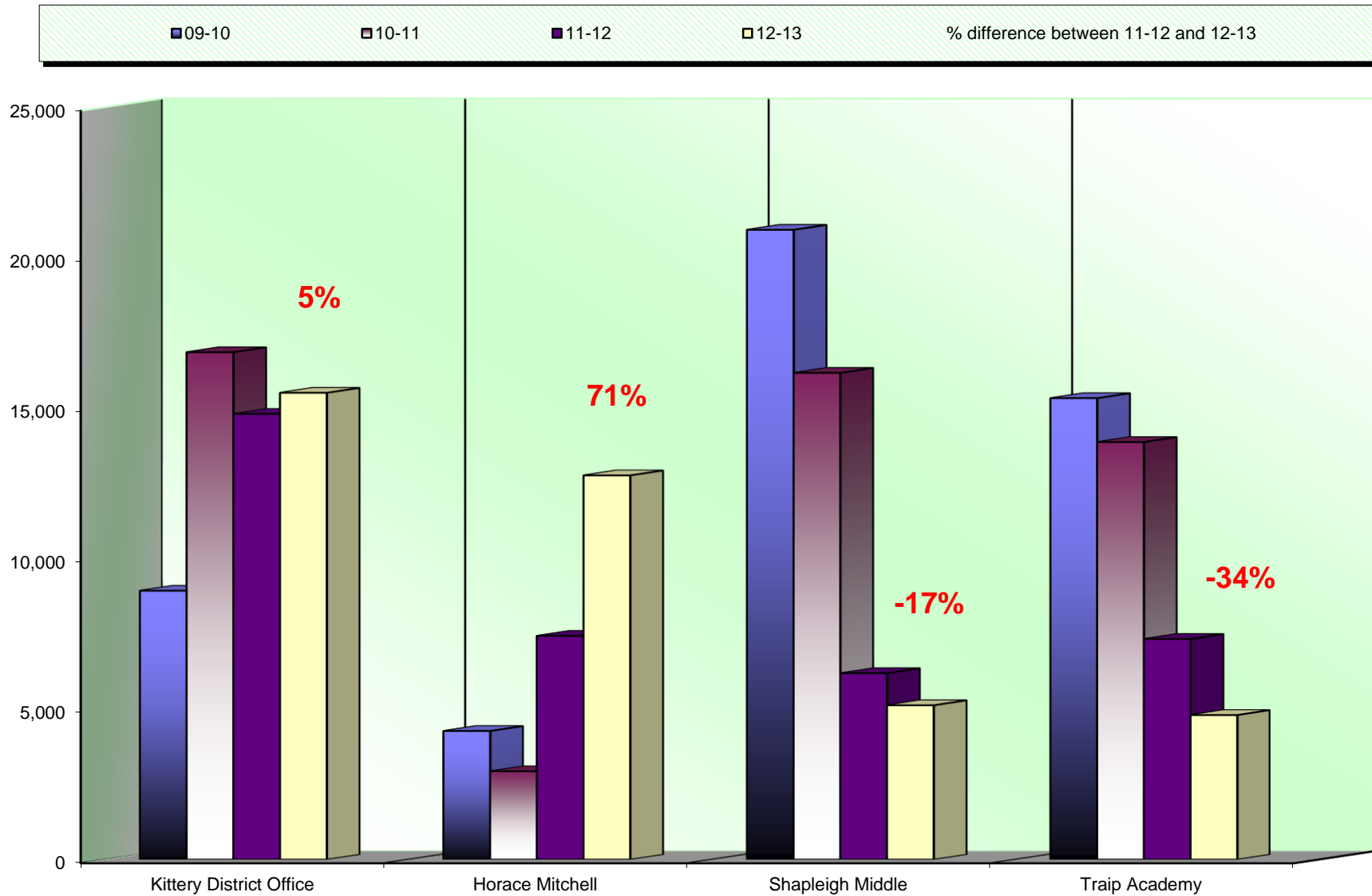
*Total District Cost refers to the cost of Service, Supplies, Paper, and Equipment.

Overall Four-Year Trend – Color Usage



By Building Four-Year Trend – Color Usage

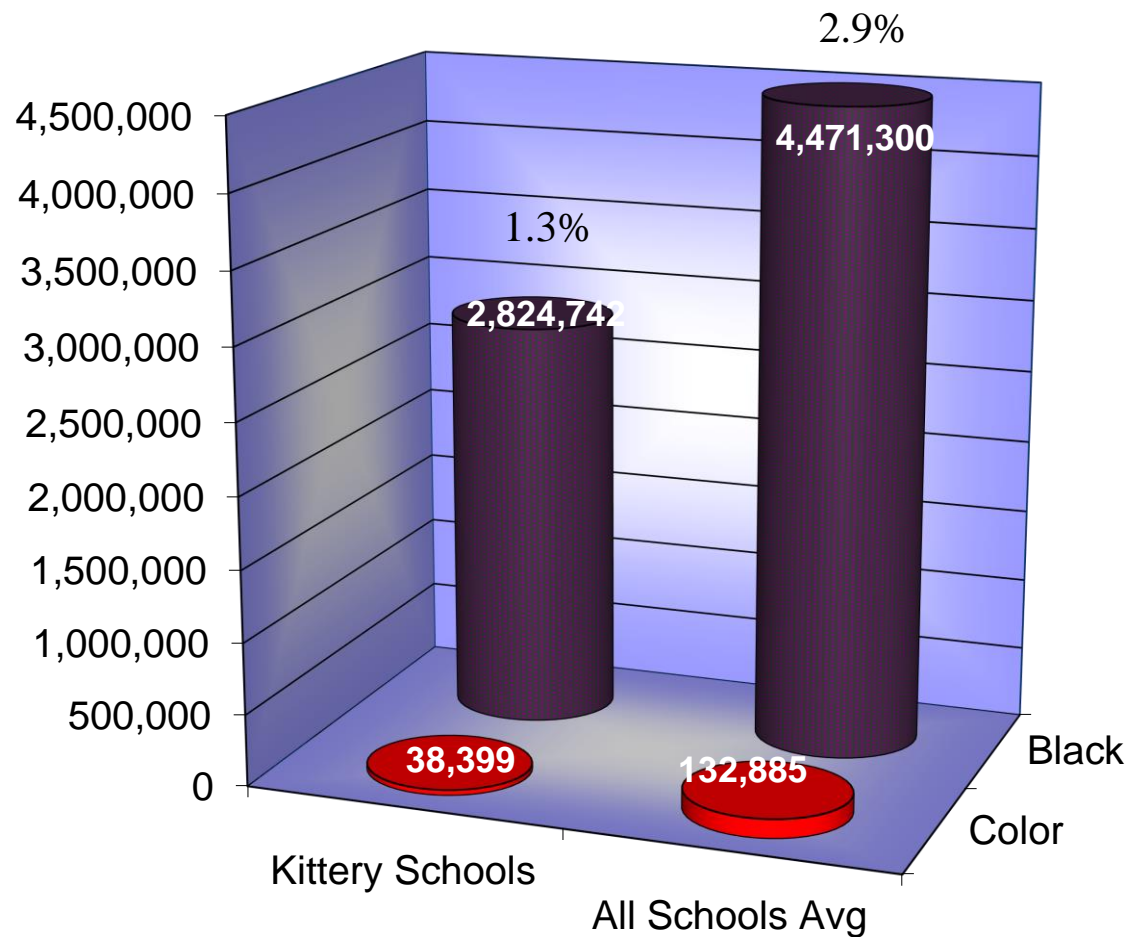
ANNUAL COLOR VOLUME BY BUILDING



Black & Color Usage Comparisons

This chart compares your current usage ratios to the average of all SPC client school districts.

Color to Total Volume Percentage



Average Student to Copy Usage – Color Only

Using the projected costs by building as the basis, this table represents the projected average usage and cost per student for each building.

<i>Building Name</i>	<i>Student Population</i>	<i>Annual Volume</i>	<i>Total School Cost*</i>	<i>Annual Copies Per Student</i>	<i>Annual Cost Per Student</i>
Horace Mitchell Primary	396	12,803	\$709.44	32	\$1.79
Kittery District Office	0	15,538	\$923.92	0	\$0.00
Shapleigh Middle	404	5,191	\$285.05	13	\$0.71
Traip Academy	282	4,867	\$269.93	17	\$0.96
Totals	1,082	38,399	\$2,188.34	35	\$2.02

*Total School Cost refers to the cost of Service & Supplies only. Paper and Equipment Lease costs are not figured into color averages.

Cost Comparison – Color Only

This is an SPC Comparison contrasting your district with 67 client school districts throughout the states of Maine, New Hampshire, and Vermont. By comparing to the Average Student to Copy Usage, this will help you to set up future budgets if student populations increase or decrease within the district or if you plan to build an addition or a new school.

	<i>Total Student Population</i>	<i>Total Annual Volume</i>	<i>Total District Cost*</i>	<i>Annual Copies Per Student</i>	<i>Annual Cost Per Student</i>
All Schools w/student populations	124,080	8,903,272	\$574,617.58	72	\$4.63

*Total District Cost refers to the cost of Service, Supplies and Paper. Equipment is calculated only into the Black Volume.

Usage Profile for Service & Supplies

The usage analysis shown here provides an overview of the usage of each piece of equipment currently under contract and monitored by SPC. Projected Volume comparison is based on projected volume figured on your most recent Five-Year Equipment Replacement Schedule.

Date of Last Upgrade: 9/1/2011

<i>Make-Model / Speed</i> <i>Serial Number / Vendor ID</i> <i>Life / Intro Date</i> <i>Connectivity / Printer Exp Date</i> <i>Vendor</i>	<i>7/1/2012</i> <i>Meter</i>	<i>6/30/2013</i> <i>Meter</i>	<i>2012-13</i> <i>Annual</i> <i>Volume</i>	<i>Cost/Copy</i> <i>Annual Cost</i>	<i>Recommendation</i>
Horace Mitchell Primary					
3rd Grade Wing 1st Floor					
Canon IR3245i 45 CPM	80,502	249,466	168,964	\$0.003000	None at this time.
DHK16466 / GAAPC				\$506.89	
1,000,000 / 07/2008	0	0	0	\$0.00000	
Black Photocopier				\$0.00	
Connected					
OCE ME					
3rd Grade Wing 2nd Floor					
Canon IR3235i 35 CPM	82,466	246,316	163,850	\$0.003000	None at this time.
DGA27685 / GAAKX				\$491.55	
750,000 / 07/2008	0	0	0	\$0.00000	
Black Photocopier				\$0.00	
Connected					
OCE ME					
Computer Lab					
Oce VL3200x 32 CPM	8,737	26,096	17,359	\$0.004000	None at this time.
01080158 / GAASR				\$69.44	
750,000 / 08/2010	0	0	0	\$0.00000	
Black Photocopier				\$0.00	
Connected					
OCE ME					

Kittery Schools

Date of Last Upgrade: 9/1/2011

<i>Make-Model / Speed Serial Number / Vendor ID Life / Intro Date Connectivity / Printer Exp Date Vendor</i>	<i>7/1/2012 Meter</i>	<i>6/30/2013 Meter</i>	<i>2012-13 Annual Volume</i>	<i>Cost/Copy Annual Cost</i>	<i>Recommendation</i>
Horace Mitchell Primary					
Principal's Office					
Canon IRC5045	42,394	140,604	98,210	\$0.003900	None at this time.
GPQ56917 / GAAPG				\$383.02	
1,000,000 / 10/2009	2,927	15,730	12,803	\$0.04995	
Color Photocopier				\$639.51	
Connected					
OCE ME					
Teachers' Room					
Canon IR6075	154,497	508,742	354,245	\$0.003000	None at this time.
HTK13034 / GAAOF				\$1,062.74	
4,000,000 / 10/2010	0	0	0	\$0.00000	
Black Photocopier				\$0.00	
Connected					
OCE ME					
Teachers' Room 2nd Floor					
Oce VL3200x 32 CPM	11,361	29,434	18,073	\$0.004000	None at this time.
01080042 / GAAST				\$72.29	
750,000 / 08/2010	0	0	0	\$0.00000	
Black Photocopier				\$0.00	
Connected					
OCE ME					
	Subtotals B&W		820,701	\$2,585.92	
	Subtotals Color		12,803	\$639.51	

Kittery Schools

Date of Last Upgrade: 9/1/2011

<i>Make-Model / Speed Serial Number / Vendor ID Life / Intro Date Connectivity / Printer Exp Date Vendor</i>	<i>7/1/2012 Meter</i>	<i>6/30/2013 Meter</i>	<i>2012-13 Annual Volume</i>	<i>Cost/Copy Annual Cost</i>	<i>Recommendation</i>
Kittery District Office					
Copy/Storage Room					
Canon IR3235i 35 CPM	43,510	77,684	34,174	\$0.003000	None at this time.
DGA25719 / GAAOI				\$102.52	
750,000 / 07/2008	0	0	0	\$0.00000	
Black Photocopier				\$0.00	
Connected					
OCE ME					
Main Office					
Canon IRC5051	70,666	244,766	174,100	\$0.003900	None at this time.
GQM57214 / GAAPU				\$678.99	
3,000,000 / 10/2009	8,513	24,051	15,538	\$0.04995	
Color Photocopier				\$776.12	
Connected					
OCE ME					
	Subtotals B&W		208,274	\$781.51	
	Subtotals Color		15,538	\$776.12	

Kittery Schools

Date of Last Upgrade: 9/1/2011

<i>Make-Model / Speed</i> <i>Serial Number / Vendor ID</i> <i>Life / Intro Date</i> <i>Connectivity / Printer Exp Date</i> <i>Vendor</i>	<i>7/1/2012</i> <i>Meter</i>	<i>6/30/2013</i> <i>Meter</i>	<i>2012-13</i> <i>Annual</i> <i>Volume</i>	<i>Cost/Copy</i> <i>Annual Cost</i>	<i>Recommendation</i>
Shapleigh Middle					
4th Grade Wing					
Oce VL3200x 32 CPM	9,036	55,821	46,785	\$0.004000	None at this time.
01090436 / GAAVC				\$187.14	
750,000 / 08/2010	0	0	0	\$0.00000	
Black Photocopier				\$0.00	
Connected					
OCE ME					
5th Grade Wing					
Oce VL3200x 32 CPM	11,324	31,236	19,912	\$0.004000	None at this time.
01080155 / GAASO				\$79.65	
750,000 / 08/2010	0	0	0	\$0.00000	
Black Photocopier				\$0.00	
Connected					
OCE ME					
7th & 8th Grade Stairwell					
Oce VL3200x 32 CPM	25,507	56,021	30,514	\$0.004000	None at this time.
01080154 / GAASU				\$122.06	
750,000 / 08/2010	0	0	0	\$0.00000	
Black Photocopier				\$0.00	
Connected					
OCE ME					

Kittery Schools

Date of Last Upgrade: 9/1/2011

<i>Make-Model / Speed Serial Number / Vendor ID Life / Intro Date Connectivity / Printer Exp Date Vendor</i>	<i>7/1/2012 Meter</i>	<i>6/30/2013 Meter</i>	<i>2012-13 Annual Volume</i>	<i>Cost/Copy Annual Cost</i>	<i>Recommendation</i>
Shapleigh Middle					
Library					
Oce VL3200x 32 CPM	18,644	54,004	35,360	\$0.004000	None at this time.
01080034 / GAASN				\$141.44	
750,000 / 08/2010	0	0	0	\$0.00000	
Black Photocopier				\$0.00	
Connected					
OCE ME					
Main Office					
Canon IRC5051	64,577	213,741	149,164	\$0.003900	None at this time.
GQM56120 / GAAOO				\$581.74	
3,000,000 / 10/2009	686	5,877	5,191	\$0.04995	
Color Photocopier				\$259.29	
Connected					
OCE ME					
Teachers' Room 1st Floor					
Canon IR8085 85 CPM	168,722	524,499	355,777	\$0.003000	None at this time.
HNG10128 / GAANY				\$1,067.33	
5,000,000 / 06/2010	0	0	0	\$0.00000	
Black Photocopier				\$0.00	
Connected					
OCE ME					

Kittery Schools

Date of Last Upgrade: 9/1/2011

Make-Model / Speed

Serial Number / Vendor ID

Life / Intro Date

Connectivity / Printer Exp Date

Vendor

7/1/2012
Meter

6/30/2013
Meter

2012-13

*Annual
Volume*

Cost/Copy
Annual Cost

Recommendation

Shapleigh Middle

Teachers' Room 2nd Floor

Canon IR6075

174,579

515,979

341,400

\$0.003000

None at this time.

HTK13023 / GAAOA

4,000,000 / 10/2010

0

0

0

\$1,024.20

Black Photocopier

\$0.00

Connected

OCE ME

Subtotals B&W

978,912

\$3,203.55

Subtotals Color

5,191

\$259.29

Kittery Schools

Date of Last Upgrade: 9/1/2011

<i>Make-Model / Speed</i> <i>Serial Number / Vendor ID</i> <i>Life / Intro Date</i> <i>Connectivity / Printer Exp Date</i> <i>Vendor</i>	<i>7/1/2012</i> <i>Meter</i>	<i>6/30/2013</i> <i>Meter</i>	<i>2012-13</i> <i>Annual</i> <i>Volume</i>	<i>Cost/Copy</i> <i>Annual Cost</i>	<i>Recommendation</i>
Traip Academy					
Adult Education Hall					
Canon IR3235i 35 CPM	24,103	74,286	50,183	\$0.003000	None at this time.
DGA25720 / GAANZ				\$150.55	
750,000 / 07/2008	0	0	0	\$0.00000	
Black Photocopier				\$0.00	
Connected					
OCE ME					
Cook Hallway 2nd Floor					
Canon IR3235i 35 CPM	40,733	241,944	201,211	\$0.003000	Overused!
DGA25721 / GAAOB				\$603.63	
750,000 / 07/2008	0	0	0	\$0.00000	
Black Photocopier				\$0.00	
Connected					
OCE ME					
Guidance Office					
Canon IR3245i 45 CPM	29,363	55,776	26,413	\$0.003000	None at this time.
DHK16463 / GAAOK				\$79.24	
1,000,000 / 07/2008	0	0	0	\$0.00000	
Black Photocopier				\$0.00	
Connected					
OCE ME					

Kittery Schools

Date of Last Upgrade: 9/1/2011

Make-Model / Speed Serial Number / Vendor ID Life / Intro Date Connectivity / Printer Exp Date Vendor	7/1/2012 Meter	6/30/2013 Meter	2012-13 Annual Volume	Cost/Copy Annual Cost	Recommendation
Traip Academy					
Library Hall					
Canon IR3235i 35 CPM	105,889	130,271	24,382	\$0.004000	Warranty replacement.
DGA05844 / GACDQ				\$97.53	
750,000 / 07/2008	0	0	0	\$0.00000	
Black Photocopier				\$0.00	
Connected					
OCE ME					
Oce VL3200x 32 CPM	16,941	17,136	195	\$0.004000	Replaced under warranty.
01080159 / GAASW				\$0.78	
750,000 / 08/2010	0	0	0	\$0.00000	
Black Photocopier				\$0.00	
Connected					
OCE ME					
Principal's Office					
Canon IR6075	75,469	226,529	151,060	\$0.003000	Underused!
HTK12634 / GAAOE				\$453.18	
4,000,000 / 10/2010	0	0	0	\$0.00000	
Black Photocopier				\$0.00	
Connected					
OCE ME					
Canon IRC5035 35 CPM	18,172	39,336	21,164	\$0.003900	None at this time.
GNW57848 / GAAKW				\$82.54	
750,000 / 10/2009	790	5,657	4,867	\$0.04995	
Color Photocopier				\$243.11	
Connected					
OCE ME					

Kittery Schools

Date of Last Upgrade: 9/1/2011

<i>Make-Model / Speed</i>					
<i>Serial Number / Vendor ID</i>					
<i>Life / Intro Date</i>					
<i>Connectivity / Printer Exp Date</i>					
<i>Vendor</i>	<i>7/1/2012 Meter</i>	<i>6/30/2013 Meter</i>	<i>2012-13 Annual Volume</i>	<i>Cost/Copy Annual Cost</i>	<i>Recommendation</i>
Traip Academy					
Science Hall					
Canon IR3235i 35 CPM	63,976	190,610	126,634	\$0.003000	None at this time.
DGA27504 / GAAOT				\$379.90	
750,000 / 07/2008	0	0	0	\$0.00000	
Black Photocopier				\$0.00	
Connected					
OCE ME					
Server Room Hall					
Canon IR3235i 35 CPM	387,322	416,547	29,225	\$0.004000	Warranty replacement.
DGA02678 / GACDP				\$116.90	
750,000 / 07/2008	0	0	0	\$0.00000	
Black Photocopier				\$0.00	
Connected					
OCE ME					
Oce VL3200x 32 CPM	8,751	9,134	383	\$0.004000	Replaced under warranty.
01080157 / GAASV				\$1.53	
750,000 / 08/2010	0	0	0	\$0.00000	
Black Photocopier				\$0.00	
Connected					
OCE ME					

Kittery Schools

Date of Last Upgrade: 9/1/2011

Make-Model / Speed

Serial Number / Vendor ID

Life / Intro Date

Connectivity / Printer Exp Date

7/1/2012
Meter

6/30/2013
Meter

**2012-13
Annual
Volume**

Cost/Copy
Annual Cost

Recommendation

Traip Academy

Teachers' Room 2nd Floor

Canon IR6075

130,246

316,251

186,005

\$0.003000

Underused!

HTK13248 / GAAOG

4,000,000 / 10/2010

0

0

0

\$0.00000

Black Photocopier

\$0.00

Connected

OCE ME

Subtotals B&W

816,855

\$2,523.80

Subtotals Color

4,867

\$243.11

District Wide Black Totals

2,824,742

\$9,094.79

District Wide Color Totals

38,399

\$1,918.03

Recent Upgrade Comparison

This form reflects the Compare report prepared at your last upgrade.

Five-Year Basis beginning with the 2010/2011 Fiscal Year

Copies-per-Year: 2,748,870

Present vs. Proposed Recommendations as of 9/01/2011

PRESENT SITUATION

- 1) Guarantees on Photocopiers...**One Year**
- 2) Annual Price Ceilings Left...**One Year**
- 3) High Volume Console Units...**Ten**
- 4) Units to be Traded...**Twenty-Three**
- 5) Photocopiers...**Twenty-Three**
Computer Interfaced...**Seven**
- 6) Network Printers....**One**
- 7) Color Photocopiers Networked ...**Five**
- 8) High Speed Duplicator(s)...**None**
Total number of Units...**Twenty-Four**
- 9) Duplex's...**Twenty-Four**
- 10) Sorter's... **Twenty-Four**
- 11) Finisher's...**Eighteen**...Fourteen w/3-Hole Punch

PROPOSED SITUATION

- 1) Guarantees for both New, Recons & Used Photo's...**Five+ Years**
- 2) 5% or CPI Annual Ceilings, whichever is less...**Five+ Years**
- 3) High Volume Console Units with 3 Million plus...**Ten**
- 4) Replaced by **Twenty-Four New** Units
- 5) Photocopiers...**Twenty-Four**
Computer Interfaced...**Twenty-Four** with Print &-Or Color Scan
- 6) Low Operational Cost Network Printers...**None**
- 7) Low Cost Color Photocopiers Networked...**Four**
- 8) High Speed Duplicator (s)...**None**
Total number of Units...**Twenty-Four**
- 9) Duplex's... **Twenty-Four**
- 10) Sorter's... **Twenty-Four**
- 11) Finisher's... **Seventeen**

Overall Description of Equipment Fleet:

Presently, you have **Twenty-Three** machines that would be traded out or Returned ... for **Twenty-Four New** units... all with Five Year warranties. In addition, most if not all of your entire fleet with have confidential print.

Capital:

Presently, you have **one** municipal lease that will be paid off. This will prevent an overlapping effect which causes major fluctuations from year to year. With the new arrangement, you will again have **one** 'municipal' master lease at **3.49%** interest. Your first of five annual lease payments will be due on August 1st 2012. A legal opinion from SPC's bond counsel (John Larouche in Augusta ME) will be done on this lease transaction. This will assure that all documents are prepared correctly and signed by the appropriate school and bank officials, and that the lease purchase is a tax-exempt obligation with no premium payable by the school district for prepayment. At your own expense, you can have your own bond counsel also review the documents which would simply duplicate this service.

Service & Supplies:

Considering all of your consumable cost centers including service you are averaging **\$0.007061 for black and \$0.08769 for Color**. The new contract will come in at a CPC of **\$0.003249 for Black and \$0.04995 for Color**.

Vendor Packages:

SPC has brought to you **Four** different vendor combinations, matching up the best technology available to meet your needs. We would like to highlight the most qualified bid combination, which is **Oce (Canon) Best Bid**.

<u>Cost Center</u>	<u>Present</u>	<u>Proposed</u>
1.Service & Supplies Color Photo only	\$4,363.63	\$1,954.14>> Invoiced Quarterly in Arrears
2.Service & Supplies Black Photo only	\$14,053.58	\$8,050.48>> Invoiced Annually 80% of projected-Reconciled End of Year
3. In House Printing (Volume shifted to copiers)	\$6,562.57	\$881.26>> Invoiced Annually 80% of projected-Reconciled End of Year
4.Annual Muni Lease	\$40,055.22	\$37,253.99
5.Forced Upgrade	\$7,650.00	\$00.00
Totals	\$72,685.00	\$48,139.87
Annual Cost Savings		\$24,545.13
Five Year Cost Savings		\$122,725.65

The successful bidders will have a blanket servicing contract that includes all consumables excluding only staples and paper for all of the equipment that is under their factory authorized ability to service. They will provide one easy 'Cost per Copy' billing plan done once a year in June-July. Your service contract will be fixed through **June 30th 2012**. A contract extension has been negotiated for four more years, which will have an annual price ceiling of five percent or CPI, whichever is less. You however, only commit funds for one-year at a time to the servicing vendor. And even this scenario allows you to upgrade, lowering the service costs, if it is to your advantage to go out to bid at any time. SPC will set up both the service- supply contracts and the warranty cards with the successful bidding vendors.

Security package: Wiping out old data on trade out units and adding overwrite software are included in this package.

SPC Service & Supply Cost Savings

These tables compare your equipment cost per copy for service and supplies (black prints or copies only) before becoming an SPC client on 12/1/1996 with your projected cost per copy for the new fiscal year through SPC. Annual Volume represents actual 2012-13 fiscal year black print usage. The second table represents your annual and five-year cost savings compared to your previous cost per copy rate.

BEFORE SPC

Current Annual Volume	Average Prior CPC	Average Annual Charges
2,824,742	\$.01240	\$35,026.80

CURRENTLY WITH SPC

Current Annual Volume	Current CPC (new year)	Average Annual Charges	Average Annual Cost Savings	Average 5-Year Cost Savings
2,824,742	\$.00325	\$9,180.41	\$25,846.39	\$129,231.95

***Today the Cooperative Buying of SPC has netted annual cost savings,
on average, of \$25,846.39 x 17 years as a Client
= \$439,388.63 Cost Savings!***

Projected Equipment Costs by Building - Black

This table represents projected expenses for BLACK prints or copies by building based on recent activity. Approximate current paper case costs and averaged current annual lease payment are figured in to provide budget information for the upcoming fiscal year.

<i>Building</i>	<i>2013-14 Projected Black Volume</i>	<i>2013-14 Projected Black Usage Cost</i>	<i>Approx. Paper Cost 24.81/Case</i>	<i>Average Annual Equipment Cost</i>	<i>Total Projected Black Usage Cost</i>
Horace Mitchell Primary	820,701	\$2,611.88	\$4,072.32	\$10,823.78	\$17,507.98
Kittery District Office	208,274	\$789.50	\$1,033.46	\$2,746.81	\$4,569.77
Shapleigh Middle	978,912	\$3,235.74	\$4,857.36	\$12,910.34	\$21,003.44
Traip Academy	816,855	\$2,549.06	\$4,053.23	\$10,773.06	\$17,375.35
<i>Totals</i>	<i>2,824,742</i>	<i>\$9,186.18</i>	<i>\$14,016.37</i>	<i>\$37,253.99</i>	<i>\$60,456.54</i>

SPC Equipment Bids:

Presently our Bids are coming in at 12.5% to 22% of Retail while the current Salesman's Cost is 50% of Retail. Example: Currently our bids for a Xerox 5890PT RADF Duplex Finisher 3-Hole Punch CIF-Print-Color Scan-Hard Drive for Secure Print-Fax 90 Copies per Minute are coming in at \$6,142 with a Retail Cost of \$49,040....12.5% of Retail!

Service & Supply Usage Profile by Vendor - Black

This table represents actual expenses for BLACK prints or copies by vendor for the current year along with projected service & supply expenses for the upcoming fiscal year. Under SPC's **new Simplified Billing Program**, SPC will invoice you directly for 50% of the Projected Annual Volume in July and January, and then reconcile based on actual usage in June. Cost per copy typically increases by 5% or CPI annually, whichever is less. **Current year's increase is 1.1%.**

<i>Vendor</i>	<i>Equipment Type</i>	<i>2012-13 Annual Volume</i>	<i>2012-13 Cost Per Copy</i>	<i>2012-13 Total Cost</i>	<i>2013-14 Cost Per Copy</i>	<i>2013-14 Projected Cost</i>
Canon Solutions	Color Photocopier	442,638	\$0.00390	\$1,726.29	\$0.00394	\$1,743.99
Canon Solutions	Black Photocopier	222,188	\$0.00400	\$888.75	\$0.00404	\$897.64
Canon Solutions	Black Photocopier	2,159,916	\$0.00300	\$6,479.75	\$0.00303	\$6,544.55
<i>Totals and Averages</i>		<i>2,824,742</i>	<i>\$0.00322</i>	<i>\$9,094.79</i>	<i>\$0.00325</i>	<i>\$9,186.18</i>

Projected Equipment Costs by Building - Color

This table represents projected expenses for COLOR prints or copies by building based on recent activity. Approximate current paper costs are figured in to provide budget information for the upcoming fiscal year. Annual Equipment Lease payment is not calculated with color usage.

Building	Projected Volume	Service & Supply Cost
Horace Mitchell Primary	12,803	\$645.91
Kittery District Office	15,538	\$846.82
Shapleigh Middle	5,191	\$259.29
Traip Academy	4,867	\$245.78
<i>Totals</i>	38,399	\$1,997.81

Service & Supply Usage Profile by Vendor - Color

This table represents actual and projected expenses for COLOR prints or copies by vendor for the current and next fiscal year. Under SPC's **new Simplified Billing Program**, SPC will invoice you directly for 50% of the Projected Annual Volume in July and January, and then reconcile based on actual usage in June. Cost per copy typically increases by 5% or CPI annually, whichever is less. **Current year's increase is 1.1%.**

<i>Vendor</i>	<i>Equipment Type</i>	<i>2012-13 Annual</i>	<i>2012-13 Cost Per Copy</i>	<i>2012-13 Actual Cost</i>	<i>2013-14 Cost Per Copy</i>	<i>2013-14 Projected Cost</i>
Canon Solutions	Color Photocopier	15,538	\$0.04995	\$776.12	\$0.05450	\$846.82
Canon Solutions	Color Photocopier	4,867	\$0.04995	\$243.11	\$0.05050	\$245.78
Canon Solutions	Color Photocopier	12,803	\$0.04995	\$639.51	\$0.05045	\$645.91
Canon Solutions	Color Photocopier	5,191	\$0.04995	\$259.29	\$0.04995	\$259.29
<i>Totals and Averages</i>		38,399	\$0.04995	\$1,918.03	\$0.05203	\$1,997.81

Reprographic Equipment Assessment

This chart provides the status of your equipment and details of your current lease, if any. *

Total # of Units	24
# of Units on Lease	24
# of Units Owned	0
Lease Company	Norway Savings Bank
Lease Start Date	9/1/2011
Lease End Date	8/1/2016
Term	5 Annual
Annual Payment usually due on 8/1	\$37,253.99
Remaining Payments	3

**The determination on the lease has no bearing on Service & Supply and Warranty Contracts.*

Leased Equipment

Building	Make	Model	Serial #
Horace Mitchell Primary	Canon	IR3235i	DGA27685
Horace Mitchell Primary	Canon	IR3245i	DHK16466
Horace Mitchell Primary	Canon	IRC5045	GPQ56917
Horace Mitchell Primary	Canon	IR6075	HTK13034
Horace Mitchell Primary	Oce	VL3200x	01080158
Horace Mitchell Primary	Oce	VL3200x	01080042
Kittery District Office	Canon	IR3235i	DGA25719
Kittery District Office	Canon	IRC5051	GQM57214
Shapleigh Middle	Canon	IR8085	HNG10128
Shapleigh Middle	Canon	IRC5051	GQM56120
Shapleigh Middle	Canon	IR6075	HTK13023
Shapleigh Middle	Oce	VL3200x	01080034
Shapleigh Middle	Oce	VL3200x	01080154
Shapleigh Middle	Oce	VL3200x	01090436
Shapleigh Middle	Oce	VL3200x	01080155
Traip Academy	Canon	IR3235i	DGA02678
Traip Academy	Canon	IR6075	HTK13248
Traip Academy	Canon	IR3235i	DGA27504
Traip Academy	Canon	IR3235i	DGA25720
Traip Academy	Canon	IR3245i	DHK16463
Traip Academy	Canon	IR3235i	DGA25721
Traip Academy	Canon	IR3235i	DGA05844
Traip Academy	Canon	IRC5035	GNW57848
Traip Academy	Canon	IR6075	HTK12634

Owned Equipment

Building	Make	Model	Serial #
None at this time.			

NOTE: With your next upgrade, your current Leased Equipment would be listed as Owned, and any new equipment would be listed as Leased. Your current Owned Equipment would be traded out.

Improved SPC Services

2012-2013 Simplified Billing Implemented

In January 2013, SPC developed the Simplified Billing Program, designed to streamline the invoicing process and further help to eliminate billing errors. Some of its features include:

TWO Pre-Billing invoices annually from ONE billing source. Benefits...

- One half of your projected annual volume is billed twice per year: July and January.
- No need to review pages and pages of confusing invoices from multiple vendors, whose systems produce a variety of invoicing formats.

Eliminate confusing variety of invoices from multiple vendors that come annually and/or quarterly. Benefit...

- Different vendors utilize different invoicing programs, producing a wide variety of lengthy and often confusing invoices; you receive each invoice directly from SPC, in one, easy to read format.
- Accompanying spreadsheets break out the totals owed for pre-billing or reconciliation by building or cost center to allow you to allocate costs to specific locations.

Standardized billing to eliminate chasing meter reads during the year. Benefits...

- Staff no longer need to collect color or low-end printer meter reads on a quarterly basis.
- Billing is based on previous year's actual usage.
- Most meter reads can now be captured electronically, with only a small handful of printers needing a manual meter reading, thus saving valuable staff time at the end of the fiscal year.

SPC's managed spreadsheet includes all copy and printing devices within your organization for all locations and all vendors. Benefits...

- Spreadsheets associated with each invoice show the itemized equipment in each location, the projected volume, and the semi-annual pre-billing or reconciliation.
- Again, one simplified invoice for all equipment and one billing source rather than multiple varied invoices from several billing sources.

SPC's Newest Service

SPC STAR Doc

Throughout the 2012-13 year, SPC designed, developed, and implemented a new online program that allows our clients to effectively manage all of their reprographic assets.



STAR Doc: System for Tracking and Reporting Documents. Benefits...

- Detailed floor maps identifying each copier and printer within your fleet, including make, model, serial number, meter read, building, and department.
- Online, real-time information *daily*.
- Allows you to project your usage in comparison with your budget to determine if you are on target or if you need to make some adjustments.
- Allows you to identify problem areas and address them immediately, before your annual billing invoice.
- All your SPC-related documents stored in one location: Five-Year Equipment Replacement Schedule, Compare Report, Total Bid Analysis, Annual Report.

At SPC we are always striving to improve our services and optimize our clients' resources. We are proud to be able to offer our clients all the benefits of the new **STAR Doc** system.

*SPC STARDoc Current User Names**

Name	User Name
None at this time.	

*If you need to verify your password or if you need to add users please contact Alex Webster at awebster@spccopypro.com

SPC's Service & Supply Contract – Purpose & Sample

In an effort to serve our clients better, at our own expense, SPC hired Bond Counsel to set up your Service & Supply Contract to ensure accuracy and protection to our Clients. Integrated into and tailored to mirror the Lease-Purchase Agreement, this contract protects equipment held as collateral under the Lease-Purchase Agreement or for equipment already owned and purchased outright.

Please note that this contract provides you with the option to upgrade your service contract with a 30-day termination notice. This provides you tremendous flexibility.

: **SERVICE AND SUPPLY CONTRACT**

The Vendor identified below of the equipment described at Exhibit A to Property Schedule No. 1 (the "Equipment") to a Master Lease-Purchase Agreement between M.S.T. Government Leasing, LLC, as lessor (the "Lessor") and Kittery Schools, as lessee (the "Lessee"), commencing on September 01, 2011, (the "Lease-Purchase") hereby contracts with Lessee for the term of the Lease-Purchase (terminating on June 30, 2017) to provide comprehensive services, supplies, and maintenance to such Equipment, excluding only the cost of paper, transparencies, and staples, at a cost per copy per item of Equipment as shown on Schedule A attached hereto. In addition, for high-speed duplicators, Vendor may charge the cost shown on Schedule A attached hereto for masters used when the number of copies made by use of such masters is, on an annual average, fewer than 100. Vendor shall provide a four-hour response time to all service calls.

On July 1 of each calendar year during the term of the Lease-Purchase, Vendor, at its option, may increase such costs per copy under this Service and Supply Contract (the "Contract") by 5% or by a percentage equal to the increase during the immediately preceding 12-month period of "The Consumer Price Index for All Urban Consumers (CPI-U) for the U.S. City Average for All Items, 1982-84 = 100," whichever is less.

On July 1 of each calendar year during the term of the Lease-Purchase, Vendor shall credit to Lessee any cost of this Contract prepaid by Lessee and unused by Lessee because fewer copies were made by Lessee during the Contract period ending on such July 1 than were originally estimated under this Contract to be made by Lessee during such period. If the Lease-Purchase is terminated prior to the end of its term, Vendor shall prorate and return to Lessee, within 30 days of such termination, any cost of this Contract prepaid by Lessee and unused by Lessee because of such early termination of the Lease-Purchase.

Client Acknowledgement of Vendor Commitment

Vendor:	Canon Solutions America ME	Lessee:	Kittery Schools
Street Address:	1055 Riverside Street	Street Address:	200 Rogers Road
City/State/Zip:	Portland, ME 04103	City/State/Zip:	Kittery, ME 03904-1458
By (signature):		By (signature):	
Name:	Paul Davis	Name:	Allyn Hutton
Title:	General Manager	Title:	Superintendent

SPC's Dual-Layered Warranty – Purpose & Explanation

Reprographic equipment is expensive and does not hold its value. Therefore, it is crucial for you and the banking industry holding the collateral to secure this asset.

Our unique Dual-Layered Warranty guarantees a like-for-like no-charge replacement unit in the event of equipment not performing satisfactorily.

1. **Servicing Vendor**; implemented in 1988
2. **ESP Electrical**; implemented in 2007, all photocopiers with such units will be warranted from electrical damage by ESP.

ESPs (Electronic Surge Protectors) with our most recent upgrades are being installed by SPC on 40 CPM units and faster in order to cut down on approximately 30% of all service calls. These units will not only protect from electrical surges but will also filter out electronic noise that creates havoc with boards and the operation of your equipment.

WARRANTY **(LEASED EQUIPMENT)**

The Vendor identified below of the equipment described at Exhibit A to Property Schedule No. 1 (the "Equipment") to a Master lease-Purchase Agreement between M.S.T. Government Leasing, LLC, as lessor (the "Lessor") and Kittery Schools, as lessee (the "Lessee"), commencing on September 01, 2011, (the "Lease-Purchase") hereby warrants to Lessee that, if any such Equipment malfunctions through no fault of Lessee during the term of the Lease-Purchase (terminating on June 30, 2017) and such Equipment cannot be repaired promptly, Vendor promptly will replace such Equipment with equipment which is equal to or superior in quality and capabilities to the Equipment being replaced, at no cost to Lessee.

The only exclusions to this Warranty are as follows:

1. This Warranty will expire for an item of Equipment when the life expectancy of such item of Equipment in number of copies, as shown on Schedule A(P) attached hereto, is exceeded;
2. This Warranty will expire for an item of Equipment at the date which is ten years after such Equipment was first offered for sale or lease by the manufacturer as shown on Schedule A(P) attached hereto.

Vendor:	<u>Canon Solutions America ME</u>
Street Address:	<u>1055 Riverside Street</u>
City/State/Zip:	<u>Portland, ME 04103</u>
By (signature):	<u></u>
Name:	<u>Paul Davis</u>
Title:	<u>General Manager</u>