



Specialized Purchasing Consultants

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2009-10 Annual Report

Year - End Photocopier Analysis

With projected costs for 2010-11

Ann Dunn
SU 22 Franklin West
P.O. Box 108
Fairfax, VT 05454



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

September 2010

Skip Tilton
President

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Ann Dunn
SU 22 Franklin West
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www.spccopypro.com

Dear Ann:

Once again the staff at SPC would like to extend our appreciation for being of service to you and your organization for the past *4 years*. Though each year seems to pose unique challenges, we are thrilled with all that we have been able to accomplish on behalf of our clients for the past *22 years*.

In these difficult economic times, our staff continues to be fully committed to assisting your organization in achieving goals and objectives relative to new technologies and related costs. In relation to new services, we are excited to bring to your attention *new cost-savings initiatives* that will continue to meet our mutual goal of improving the quality of service and equipment while reducing your overall cost.

I hope you find the enclosed annual report useful. We are providing you an overview of your current equipment situation, reports associated with copying and printing costs and, if needed, recommendations for addressing situations posing a problem now or could become a problem in the near future.

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 117 clients (3200+ machines with 1.7 billion prints over five years). Together, we have realized the lowest prices possible while improving the quality of your service and equipment.



Joyce Cutts
Finance Director & Equipment Complaint Coordinator

I am committed to making the partnership between SPC and its clients unparalleled. I have taken pleasure in getting to know many of you over the phone. Thank you for the opportunity to serve you, and I look forward to continuing our partnership!

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.



Sarah Allbee
Administration & Marketing

I find it greatly satisfying to work for a company dedicated to cutting costs for our education systems. I am truly happy to be a part of the SPC staff in their commitment and focus on you and your individual needs. I look forward to serving all of you in the coming year!

Anne Arbore
Administration

Since many of our clients are educational systems, I find it satisfying to know that my co-workers and I have made a contribution toward their success by assisting them in saving on their budgets for reprographic equipment, providing better quality equipment to work with and freeing their resources for other needs.



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.

Equipment Health Status

Total Number of Machines:	23
Total Removed from Service:	3
Total Black Photocopiers	12
Total Low Cost of Operation Black Network Printers	0
Total High-Speed Duplicators	0
Total Color Photocopiers (including MFP) and/or Network Printers	8
# of Problematic Units:	3
# of Units OFF Warranty:	1
# of Units Approaching End of Warranty:	2
# of Units Overused:	2
# of Units Underused:	0
# of Units Connected to Network with Print and/or Scan	20
Commencement Date:	5/1/2007
# of Annual Payments Left on Lease	1
All Warranties and Service Contracts Expire:	6/30/2012
Print Management Software Loaded	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."

Ann,

In light of the fact that you are having some reliability issues and that you have some older units approaching end of life, it would be wise to consider an upgrade in the second quarter of 2011 with implementation over the summer after you make your last payment on 8-1-2011. The new lease would have a first payment due 8-1-2012. This would eliminate an overlap with no refinancing. All of your current machines that have life would convert over to the District as owned. Newer units that would be purchased would be placed in lower volume locations.

This would save the district in capital as well as service and supplies. We would have to negotiate an extension of both your service contracts and warranties on all of the existing machines that remain in the district. Older problematic units would be traded out.

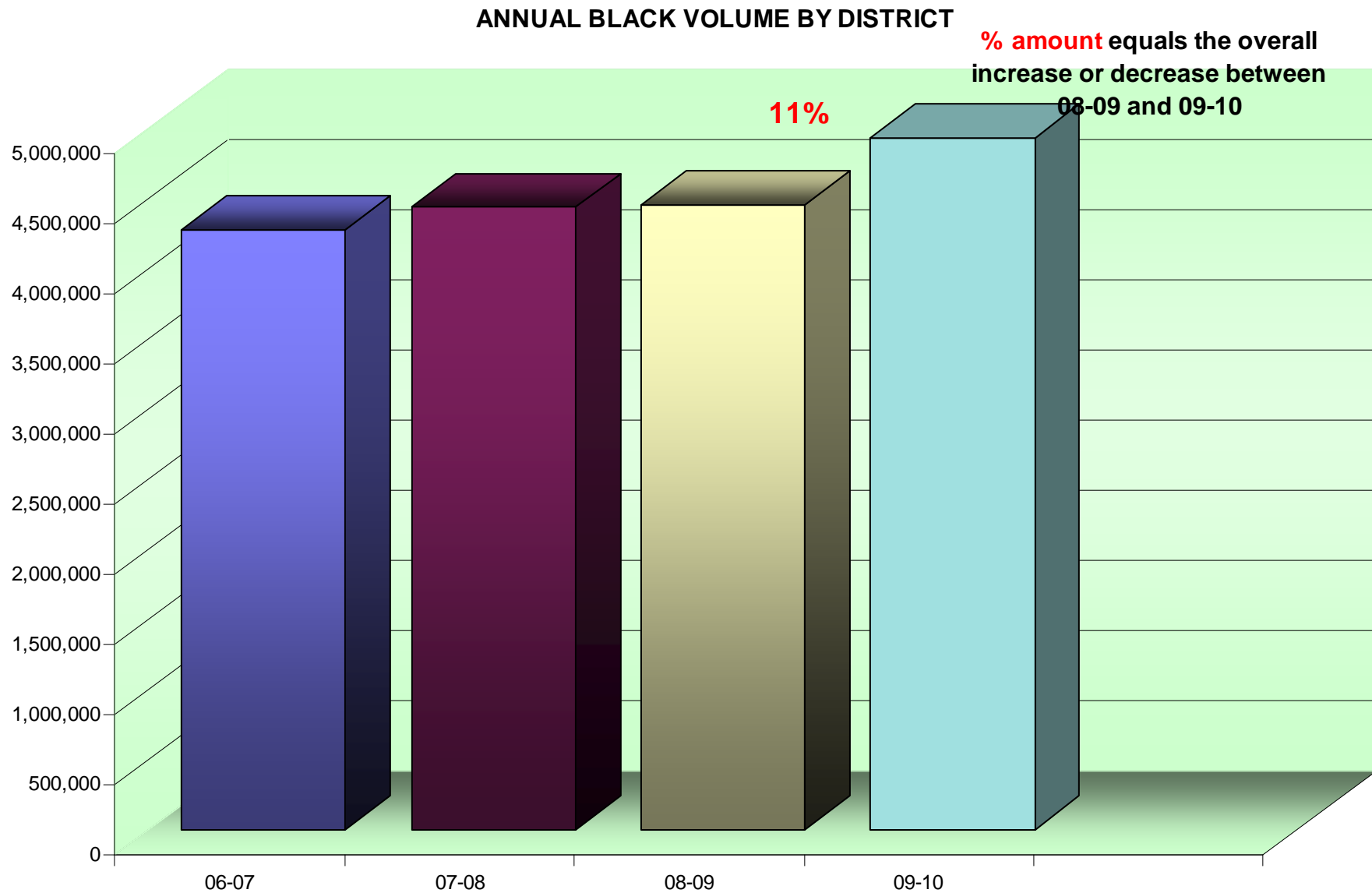
Skip

Aging Equipment Summary

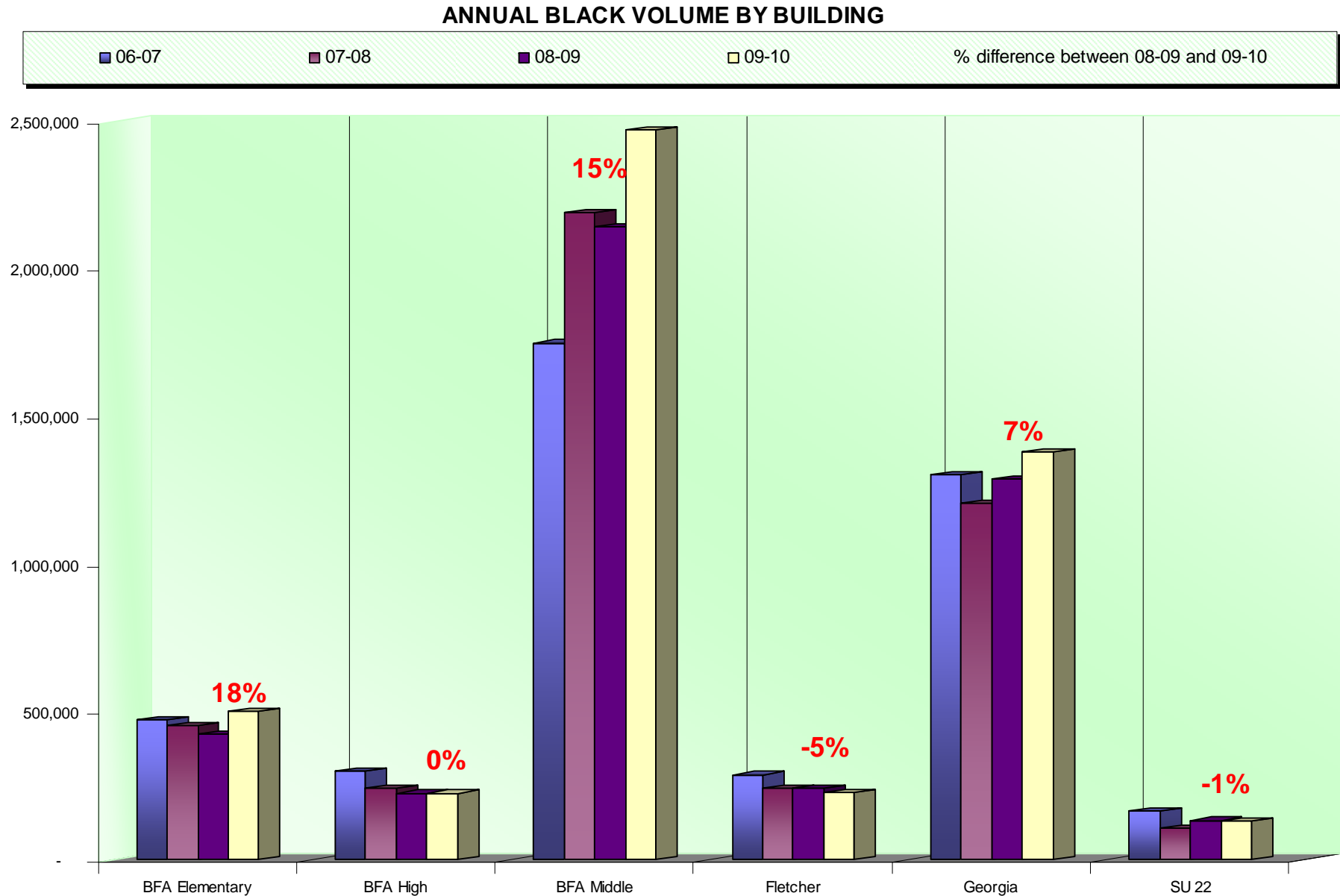
The following equipment is **seven or more years** from the date they were first offered for sale by the manufacturer. This is a major factor because availability of parts, cost of operation and warranties all become diminished at 10 years from the date of Intro. Usage, age, and service history need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

Building	Department	Make/Model	Serial #	Vendor ID	Intro Date
Bellows Free Academy High	Special Education	Sharp AR-287	6501640	11056	06/2000
Fletcher Elementary	Teachers' Room	Canon 105	MND06205	11724224	10/2001
Georgia Elementary/Middle	Teachers' Room C	Canon 7200	MNF03493	11332154	04/2002

This report uses current trends for black volume to project future costs and potential equipment needs on an overall basis.



This report uses current trends for *black volume* to project future costs and potential equipment needs 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>
Bellows Free Academy Elem.	339	500,930	\$10,107.27	1,478	\$28.14
Bellows Free Academy High	391	225,240	\$6,182.52	576	\$10.99
Bellows Free Academy Middle	219	2,471,364	\$49,623.78	11,285	\$214.91
Fletcher Elementary	124	228,623	\$6,483.38	1,844	\$34.71
Georgia Elementary/Middle	692	1,379,951	\$24,955.94	1,994	\$37.56
SU 22 District Office	0	132,020	\$2,712.83	0	\$0.00
Totals	1,765	4,938,128	\$100,065.73	2,798	\$53.10

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

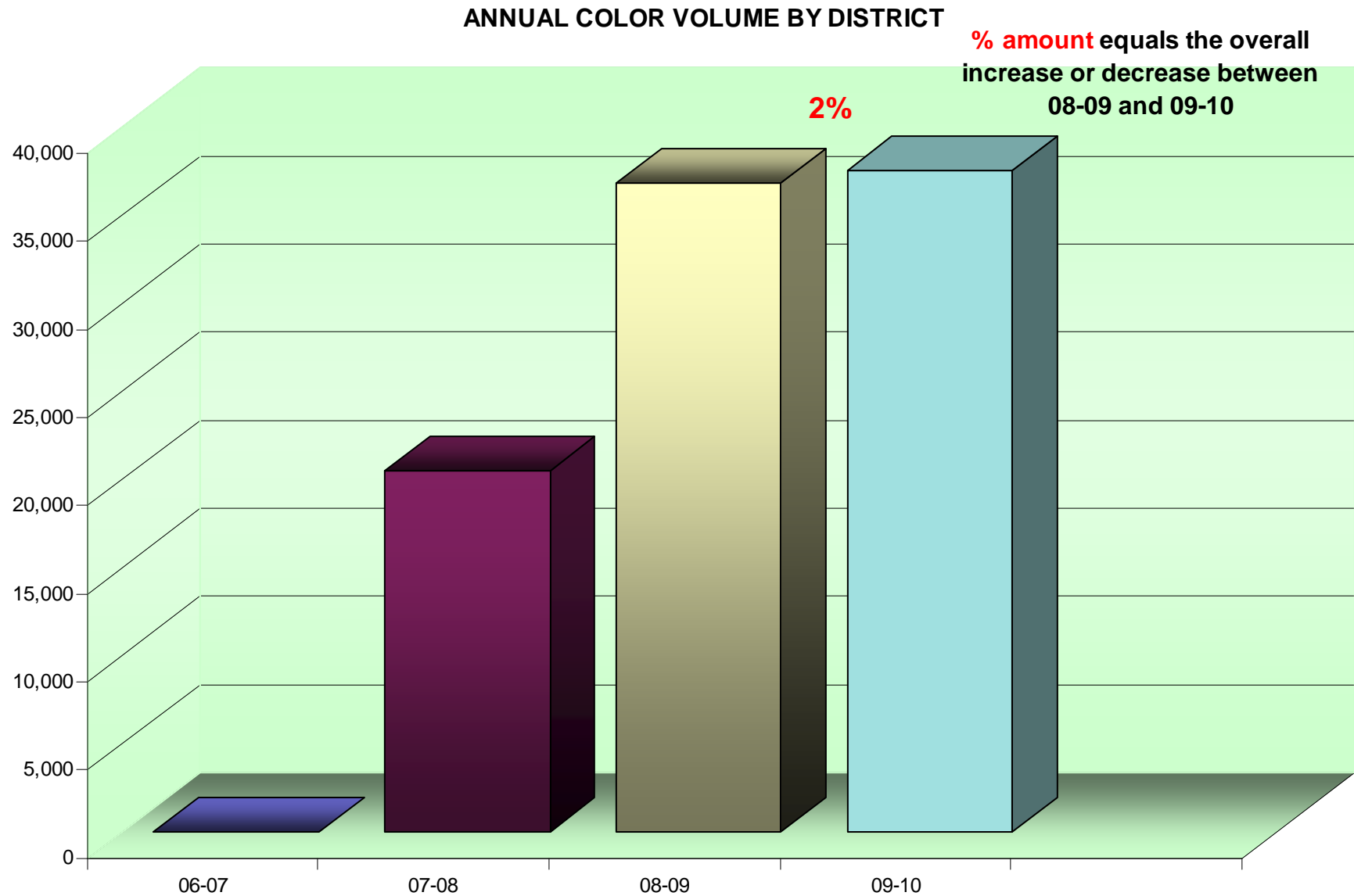
Cost Comparison Black Only

This is an SPC Comparison contrasting your district with 84 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.

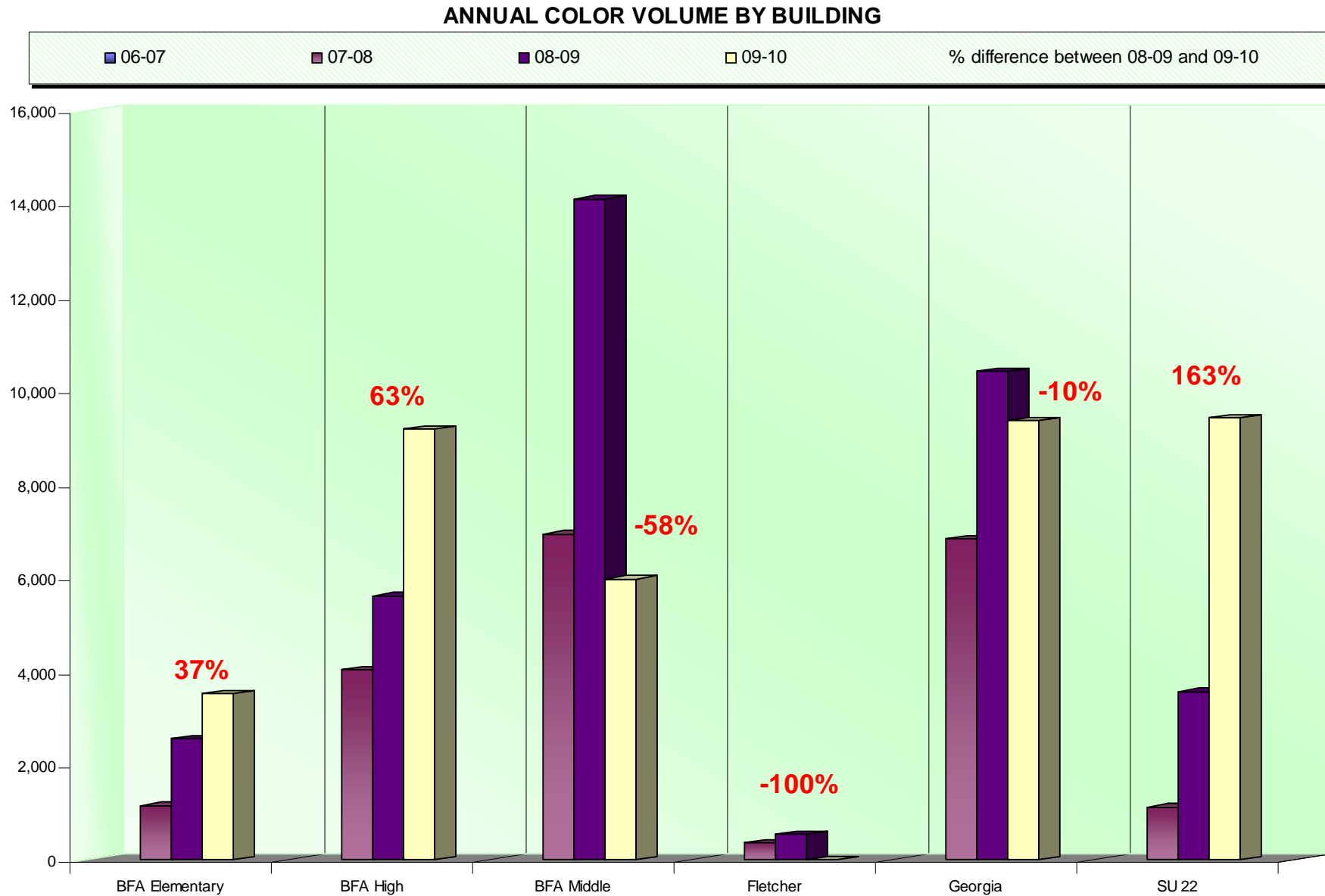
	<i>Total Student Population</i>	<i>Total Annual Volume</i>	<i>Total District Cost*</i>	<i>Annual Copies Per Student</i>	<i>Annual Cost Per Student</i>
All Schools w/student populations	144,119	323,064,309	\$6,237,660.65	2,242	\$43.28

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

This report uses current trends for color volume to project future costs and potential equipment needs on an overall basis.



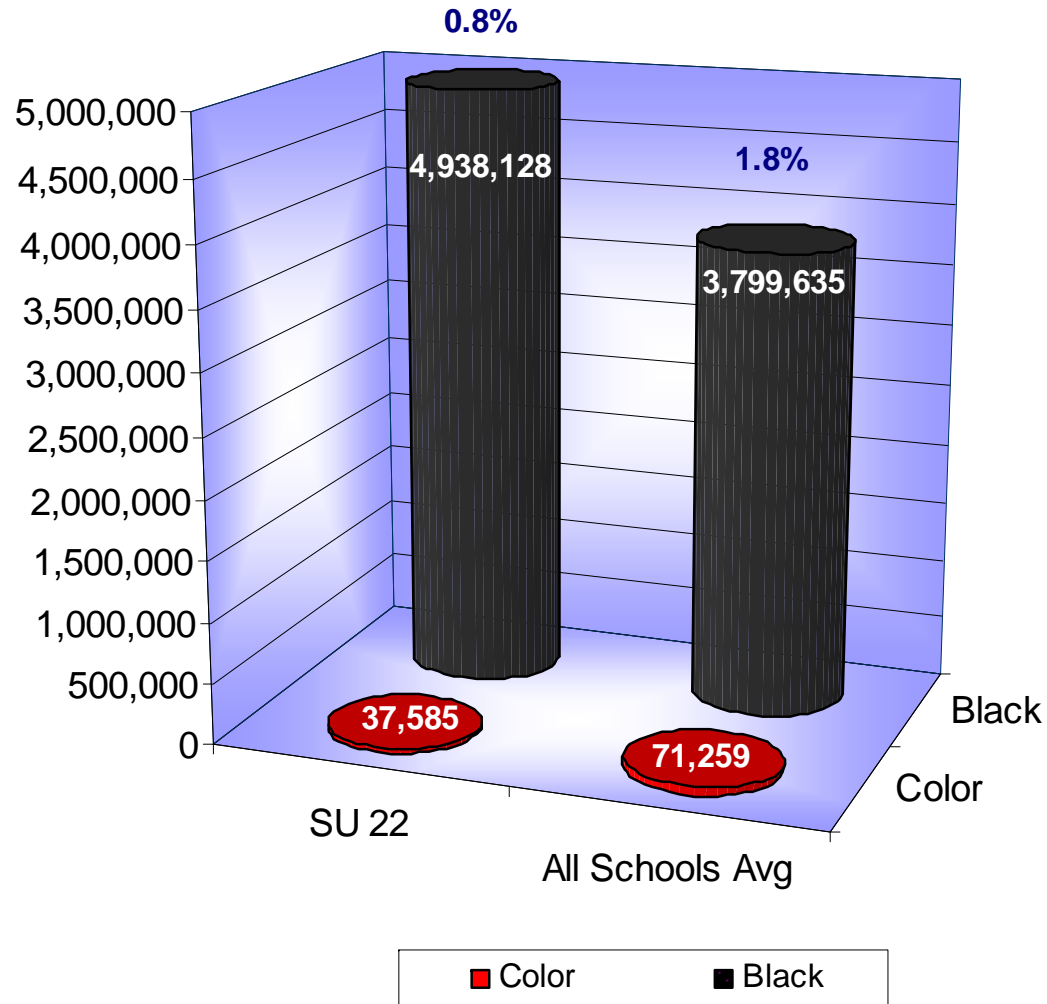
This report uses current trends for color volume to project future costs and potential equipment needs by building.



Black & Color Usage Comparisons

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

CURRENT BLACK & COLOR USAGE COMPARISONS



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*Student</i>	<i>Annual Copies Per Per Student</i>	<i>Annual Cost</i>
Bellows Free Academy Elem.	339	3,546	\$341.70	10	\$1.01
Bellows Free Academy High	391	9,210	\$887.49	24	\$2.27
Bellows Free Academy Middle	219	6,001	\$578.27	27	\$2.64
Fletcher Elementary	124	0	\$0.00	0	\$0.00
Georgia Elementary/Middle	692	9,383	\$904.16	14	\$1.31
SU 22 District Office	0	9,445	\$910.14	0	\$0.00
Totals	1,765	37,585	\$3,621.77	21	\$2.05

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

Cost Comparison – Color Only

This is an SPC Comparison contrasting your district with 84 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	144,119	6,056,994	\$522,910.90	42	\$3.63

*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: 5/1/2007

<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>7/1/2009</i> <i>Meter</i>	<i>6/30/2010</i> <i>Meter</i>	<i>2009/10</i> <i>Annual</i> <i>Volume</i>	<i>2010/11</i> <i>Projected</i> <i>Volume</i>	<i>Volume</i> <i>Difference</i>	<i>Cost/Copy</i> <i>Annual Cost</i>	<i>Recommendations</i>
Bellows Free Academy Elem.							
Main Office							
Sharp AR-M620N 62 CPM	906,185	1,404,368	498,183	420,701	77,482	\$0.005110	None at this time.
75008401 / C1843						\$2,545.72	
3,000,000 / 01/2004	0	0	0	0	0	\$0.00000	
Black Photocopier						\$0.00	
Connected							
CATAMOUNT							
Xerox 8560DN 30 CPM Black & Color	4,978	7,725	2,747	52,206	-49,459	\$0.005110	None at this time.
FBT072260 / N/A						\$14.04	
750,000 / 02/2007	3,734	7,280	3,546	0	3,546	\$0.09140	
Color Network Printer						\$324.10	
Connected 6/30/2012							
VARY							
	Subtotals B&W		500,930	472,907		\$2,559.75	
	Subtotals Color		3,546	0		\$324.10	

SU 22 Franklin West

Date of Last Upgrade: 5/1/2007

Make-Model / Speed Serial Number / Vendor ID Life / Intro Date Connectivity / Printer Exp Date Vendor	7/1/2009 Meter	6/30/2010 Meter	2009/10 Annual Volume	2010/11 Projected Volume	Volume Difference	Cost/Copy Annual Cost	Recommendations
Bellows Free Academy High							
Guidance Office							
Sharp MX-M450N 45 CPM	343,158	498,148	154,990	141,488	13,502	\$0.005110	None at this time.
75022622 / C1812						\$792.00	
1,000,000 / 04/2007	0	0	0	0	0	\$0.00000	
Black Photocopier						\$0.00	
Connected							
CATAMOUNT							
K-12 Lab							
Xerox 8560DN 30 CPM Black & Color	1,086	2,322	1,236	20,214	-18,978	\$0.005110	None at this time.
FBT072381 /						\$6.32	
750,000 / 02/2007	9,710	18,920	9,210	0	9,210	\$0.09140	
Color Network Printer						\$841.79	
Connected 6/25/2012							
VARY							
Main Office							
Sharp MX-M450N 45 CPM	123,472	189,489	66,017	116,722	-50,705	\$0.005110	None at this time.
75023972 / C1874						\$337.35	
1,000,000 / 04/2007	0	0	0	0	0	\$0.00000	
Black Photocopier						\$0.00	
Connected							
CATAMOUNT							

SU 22 Franklin West

Date of Last Upgrade: 5/1/2007

Make-Model / Speed
Serial Number / Vendor ID
Life / Intro Date
Connectivity / Printer Exp Date
Vendor

7/1/2009 Meter	6/30/2010 Meter	2009/10 Annual Volume	2010/11 Projected Volume	Volume Difference	Cost/Copy Annual Cost	Recommendations
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Bellows Free Academy High

Special Education

Sharp AR-287 28 CPM	239,128	242,125	2,997	20,803	-17,806	\$0.007290	10 years from Intro.
6501640 / 11056						\$21.85	
500,000 / 06/2000	0	0	0	0	0	\$0.00000	
Black Photocopier						\$0.00	
Connected							
CAT							

Subtotals B&W			225,240	299,227		\$1,157.51	
Subtotals Color			9,210	0		\$841.79	

SU 22 Franklin West

Date of Last Upgrade: 5/1/2007

Make-Model / Speed
Serial Number / Vendor ID
Life / Intro Date
Connectivity / Printer Exp Date
Vendor

7/1/2009 Meter	6/30/2010 Meter	2009/10 Annual Volume	2010/11 Projected Volume	Volume Difference	Cost/Copy Annual Cost	Recommendations
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Bellows Free Academy

Copy Room

Canon 7095 95 CPM	2,522,218	3,825,497	1,303,279	858,916	444,363	\$0.005110	Overused!
SHX12313 / 11352985						\$6,659.76	
5,000,000 / 01/2006	0	0	0	0	0	\$0.00000	
Black Photocopier						\$0.00	

Connected

IKON

Canon 7095 95 CPM	1,903,639	3,056,943	1,153,304	856,578	296,726	\$0.005110	Overused!
SHX12518 / 11352998						\$5,893.38	
5,000,000 / 01/2006	0	0	0	0	0	\$0.00000	
Black Photocopier						\$0.00	

Connected

IKON

SU 22 Franklin West

Date of Last Upgrade: 5/1/2007

Make-Model / Speed Serial Number / Vendor ID Life / Intro Date Connectivity / Printer Exp Date Vendor	7/1/2009 Meter	6/30/2010 Meter	2009/10 Annual Volume	2010/11 Projected Volume	Volume Difference	Cost/Copy Annual Cost	Recommendations
Bellows Free Academy							
Guidance Office							
Xerox 8560MFP 30 CPM Black & Color	25,515	34,252	8,737	0	8,737	\$0.005110	Traded
CXF032411a / N/A						\$44.65	
750,000 / 02/2007	21,086	22,019	933	0	933	\$0.09140	
Color Photocopier						\$85.28	
Connected 6/30/2012							
VARY							
Xerox 8560MFP 30 CPM Black & Color	0	6,044	6,044	0	6,044	\$0.005110	Traded
CXF032411 /						\$30.88	
750,000 / 02/2007	0	5,068	5,068	0	5,068	\$0.09140	
Color Photocopier						\$463.22	
Connected 6/30/2012							
VARY							
Xerox 8560MFP 30 CPM Black & Color	0	0	0	33,726	-33,726	\$0.005110	None at this time.
LBV000750 /						\$0.00	
750,000 / 02/2007	0	0	0	0	0	\$0.09140	
Color Photocopier						\$0.00	
Connected 6/30/2012							
VARY							
	Subtotals B&W		2,471,364	1,749,220		\$12,628.67	
	Subtotals Color		6,001	0		\$548.49	

SU 22 Franklin West

Date of Last Upgrade: 5/1/2007

Make-Model / Speed

Serial Number / Vendor ID

Life / Intro Date

Connectivity / Printer Exp Date

Vendor

7/1/2009
Meter

6/30/2010
Meter

**2009/10
Annual
Volume**

**2010/11
Projected
Volume**

*Volume
Difference*

Cost/Copy
Annual Cost

Recommendations

Fletcher Elementary

Teachers' Room

Canon 105 105 CPM

86,617

315,240

228,623

0

228,623

\$0.004900

9 years from Intro.

MND06205 / 11724224

\$1,120.25

6,000,000 / 10/2001

0

0

0

0

0

\$0.00000

Black Photocopier

\$0.00

Connected

\$0.00

IKON

Subtotals B&W

228,623

0

\$1,120.25

Subtotals Color

0

0

\$0.00

SU 22 Franklin West

Date of Last Upgrade: 5/1/2007

Make-Model / Speed Serial Number / Vendor ID Life / Intro Date Connectivity / Printer Exp Date Vendor	7/1/2009 Meter	6/30/2010 Meter	2009/10 Annual Volume	2010/11 Projected Volume	Volume Difference	Cost/Copy Annual Cost	Recommendations
Georgia Elementary/Middle Community Room							
Xerox 8560MFP 30 CPM Black & Color CXF032368a / N/A 750,000 / 02/2007 Color Photocopier Connected 6/30/2012 VARY	2,641	3,029	388	0	388	\$0.005110 \$1.98 \$0.09140 \$152.55	Traded
Xerox 8560MFP 30 CPM Black & Color CXF032368 / 750,000 / 02/2007 Color Photocopier Connected 6/30/2012 VARY	0	412	412	50,000	-49,588	\$0.005110 \$2.11 \$0.09140 \$245.32	None at this time.

SU 22 Franklin West

Date of Last Upgrade: 5/1/2007

Make-Model / Speed Serial Number / Vendor ID Life / Intro Date Connectivity / Printer Exp Date Vendor	7/1/2009 Meter	6/30/2010 Meter	2009/10 Annual Volume	2010/11 Projected Volume	Volume Difference	Cost/Copy Annual Cost	Recommendations
Georgia Elementary/Middle							
Main Office							
Savin 8045 45 CPM	168,498	242,109	73,611	95,708	-22,097	\$0.005110	None at this time.
M2874901495 / 11352872						\$376.15	
1,000,000 / 10/2005	0	0	0	0	0	\$0.00000	
Black Photocopier						\$0.00	
Connected							
IKON							
Xerox 8560DN 30 CPM Black & Color	129	856	727	28,284	-27,557	\$0.005110	None at this time.
FBT073128 / N/A						\$3.71	
750,000 / 02/2007	997	3,674	2,677	0	2,677	\$0.09140	
Color Network Printer						\$244.68	
Connected 6/30/2012							
VARY							
Teachers' Room A							
Canon 6570 65 CPM	401,040	790,246	389,206	0	389,206	\$0.004900	None at this time.
SLP02134 / 11333069						\$1,907.11	
3,000,000 / 04/2005	0	0	0	0	0	\$0.00000	
Black Photocopier						\$0.00	
Connected							
IKON							

SU 22 Franklin West

Date of Last Upgrade: 5/1/2007

Make-Model / Speed Serial Number / Vendor ID Life / Intro Date Connectivity / Printer Exp Date Vendor	7/1/2009 Meter	6/30/2010 Meter	2009/10 Annual Volume	2010/11 Projected Volume	Volume Difference	Cost/Copy Annual Cost	Recommendations
Georgia Elementary/Middle							
Teachers' Room B							
Canon 7105 70 CPM	813,776	1,311,821	498,045	0	498,045	\$0.004900	None at this time.
SHS01599 / 11425577						\$2,440.42	
4,000,000 / 01/2006	0	0	0	0	0	\$0.00000	
Black Photocopier						\$0.00	
Connected							
IKON							
Teachers' Room C							
Canon 7200 72 CPM	172,225	589,192	416,967	0	416,967	\$0.004900	8 years from Intro.
MNF03493 / 11332154						\$2,043.14	
4,000,000 / 04/2002	0	0	0	0	0	\$0.00000	
Black Photocopier						\$0.00	
Connected							
IKON							
Xerox 8560DN 30 CPM Black & Color	2,917	3,512	595	28,284	-27,689	\$0.005110	None at this time.
FBT073114 / N/A						\$3.04	
750,000 / 02/2007	5,842	8,195	2,353	0	2,353	\$0.09140	
Color Network Printer						\$215.06	
Connected 6/30/2012							
VARY							
	Subtotals B&W		1,379,951	202,276		\$6,777.66	
	Subtotals Color		9,383	0		\$857.61	

SU 22 Franklin West

Date of Last Upgrade: 5/1/2007

Make-Model / Speed Serial Number / Vendor ID Life / Intro Date Connectivity / Printer Exp Date Vendor	7/1/2009 Meter	6/30/2010 Meter	2009/10 Annual Volume	2010/11 Projected Volume	Volume Difference	Cost/Copy Annual Cost	Recommendations
SU 22 District Office							
Break Room							
Sharp MX-M450N 45 CPM	225,785	330,970	105,185	144,544	-39,359	\$0.005110	None at this time.
75021092 / C1882						\$537.50	
1,000,000 / 04/2007	0	0	0	0	0	\$0.00000	
Black Photocopier						\$0.00	
Connected							
CATAMOUNT							
HS Annex							
Xerox 8560MFP 30 CPM Black & Color	19,804	44,016	24,212	21,500	2,712	\$0.005110	None at this time.
CXF032486 / N/A						\$123.72	
750,000 / 02/2007	4,715	9,432	4,717	0	4,717	\$0.09140	
Color Photocopier						\$431.13	
Connected 6/30/2012							
VARY							
Main Office							
Xerox 8560MFP 30 CPM Black & Color	3,485	6,108	2,623	19,096	-16,473	\$0.005110	None at this time.
CXF333923 / N/A						\$13.40	
750,000 / 02/2007	680	5,408	4,728	0	4,728	\$0.09140	
Color Photocopier						\$432.14	
Connected 6/30/2012							
VARY							
	Subtotals B&W		132,020	185,140		\$674.62	
	Subtotals Color		9,445	0		\$863.27	
District Wide Black Totals			4,938,128	2,908,770		\$24,918.47	
District Wide Color Totals			37,585	0		\$3,435.27	

Volume has dramatically Increased!

SPC Service & Supply Cost Savings

This table compares your equipment cost per copy for service and supplies (black prints or copies only) before becoming an SPC client with your projected cost per copy through SPC presently. Annual Volume represents actual projected volume when you first became an SPC client on 5/1/2007. If all things remained the same, this table demonstrates your average annual and five-year savings.

<i>Annual Volume</i>	<i>Before SPC CPC</i>	<i>After SPC CPC</i>	<i>SPC's CPC Savings</i>	<i>SPC's Annual Cost Savings</i>	<i>SPC's 5-year Cost Savings</i>
4,259,859	\$0.01783	\$0.00516	\$0.01267	\$53,972.41	\$269,862.05

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.

Building Name	Projected Volume	Service & Supply Cost	Paper Cost \$24.81/Case	Equipment Cost	Total Cost
Bellows Free Academy Elem.	500,930	\$2,619.86	\$2,485.61	\$4,434.41	\$9,539.88
Bellows Free Academy High	225,240	\$1,184.69	\$1,117.64	\$1,993.90	\$4,296.24
Bellows Free Academy Middle	2,471,364	\$12,925.23	\$12,262.91	\$21,877.39	\$47,065.53
Fletcher Elementary	228,623	\$1,145.40	\$1,134.43	\$2,023.85	\$4,303.68
Georgia Elementary/Middle	1,379,951	\$6,930.22	\$6,847.32	\$12,215.82	\$25,993.35
SU 22 District Office	132,020	\$690.46	\$655.08	\$1,168.69	\$2,514.23
Totals	4,938,128	\$25,495.87	\$24,502.99	\$43,714.06	\$93,712.91

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. Vendor typically invoices 80% of projected costs annually in advance. Cost per copy typically increases by 5% or CPI annually, whichever is less. This year's increase was **2.3%**. Projected Savings represents approximate annual cost savings realized by upgrading current service and supply contracts based on current bids of **\$0.0039 - \$0.0049** per print or lower! Savings here are calculated at **\$0.0042**.

<i>Vendor</i>	<i>Equipment Type</i>	<i>2009/10 Annual Volume</i>	<i>2009/10 Cost Per Copy</i>	<i>2009/10 Total Cost</i>	<i>2010/11 Cost Per Copy</i>	<i>2010/11 Projected Cost</i>	<i>Projected Savings</i>
Catamount Office	Black Photocopier	2,997	\$0.00729	\$21.85	\$0.00746	\$22.36	
Catamount Office	Black Photocopier	824,375	\$0.00511	\$4,212.56	\$0.00523	\$4,311.48	
Ikon Office	Black Photocopier	2,530,194	\$0.00511	\$12,929.29	\$0.00523	\$13,232.91	
Ikon Office	Black Photocopier	1,532,841	\$0.00490	\$7,510.92	\$0.00501	\$7,679.53	
Vary Technologies	Color Photocopier	42,416	\$0.00511	\$216.75	\$0.00523	\$221.84	
Vary Technologies	Color Network Printer	5,305	\$0.00511	\$27.11	\$0.00523	\$27.75	
Totals and Averages		4,938,128	\$0.00505	\$24,918.47	\$0.00516	\$25,495.87	\$4,755.73

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. Equipment cost is not calculated with color usage.

Building Name	Projected Volume	Service & Supply Cost	Paper Cost \$24.81/Case	Total Cost
Bellows Free Academy Elem.	3,546	\$324.10	\$17.60	\$341.70
Bellows Free Academy High	9,210	\$841.79	\$45.70	\$887.49
Bellows Free Academy Middle	6,001	\$548.49	\$29.78	\$578.27
Fletcher Elementary	0	\$0.00	\$0.00	\$0.00
Georgia Elementary/Middle	9,383	\$857.61	\$46.56	\$904.16
SU 22 District Office	9,445	\$863.27	\$46.87	\$910.14
<i>Totals</i>	<i>37,585</i>	<i>\$3,435.27</i>	<i>\$186.50</i>	<i>\$3,621.77</i>

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. Color copies are typically billed in arrears quarterly or semi-annually. Projected Cost Savings represents approximate annual cost savings realized by upgrading current service and supply contracts based on current bids of **\$0.05105** per print or lower.

<i>Vendor</i>	<i>Equipment Type</i>	<i>2009/10 Annual Volume</i>	<i>2009/10 Cost Per Copy</i>	<i>2009/10 Actual Cost</i>	<i>2010/11 Cost Per Copy</i>	<i>2010/11 Projected Cost</i>	<i>Projected Savings</i>
Vary Technologies	Color Photocopier	19,799	\$0.09140	\$1,809.63	\$0.09140	\$1,809.63	
Vary Technologies	Color Network Printer	17,786	\$0.09140	\$1,625.64	\$0.09140	\$1,625.64	
<i>Totals and Averages</i>		37,585	\$0.09140	\$3,435.27	\$0.09140	\$3,435.27	\$1,516.56

Equipment Problems – Quality Equipment Survey Report

The list below represents problems and/or complaints on equipment reliability, copy quality, and vendor service. It also outlines the comment provided to SPC as well as the resolution, if any, by the vendor or SPC.

Building	Machine	Serial # / Vendor ID #	Current Meter / Life Expectancy	Annual Volume / Projected Volume	Vendor	Quality	Reliability	Service	Comments	Not Meeting Your Needs Why?	Commenter
Bellows Free Academy Elem.	Xerox / 8560DN	FBT072260 / N/A	131809 / 750000	2729 / 52206	VARY	Very Good	Very Good		Never called for service.		Val French
Bellows Free Academy Elem.	Sharp / AR-M620N	75008401 / C1843	1247411 / 4000000	422948 / 420701	CAT	Very Good	Good	Fair	Often it takes over 24 hrs. to have a tech show up, which is a long time to be without a copier.		Val French
Bellows Free Academy High	Sharp / MX-M450N	75022622 / C1812	485228 / 1000000	159636 / 141488	CAT	Good	Good	Good	Still having issues with paper tray, have not rec'd staple part.	This copier is too small for number of copies printed. Presently not working--waiting for part.	Karen Wall
Bellows Free Academy High	Sharp / AR-287	6501640 / 11056	241208 / 500000	4842 / 20803	CAT	Fair	Fair	Good			Cindy Anderson
Bellows Free Academy High	Xerox / 8560DN	FBT072381 /	18415 / 750000	616 / 20214	VARY	Good	Very Good	Fair	Frequent stripes that need to be eliminated. This printer is supposed to alert the vendor when ink is needed; alerts have failed 100%.	We rarely have enough ink and the alert for more ink has a 100% fail rate.	Carol Graves

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Building	Machine	Serial # / Vendor ID #	Current Meter / Life Expectancy	Annual Volume / Projected Volume	Vendor	Quality	Reliability	Service	Comments	Not Meeting Your Needs Why?	Commenter
Bellows Free Academy High	Sharp / MX-M450N	75023972 / C1874	101611 / 1000000	59911 / 116722	CAT	Fair	Good	Very Good	Two sided copies don't come out very well.	Would be nice to be able to do envelope-- maybe envelope tray.	Sally Billado
Bellows Free Academy Middle	Canon / 7095	SHX12313 / 11352985	3276619 / 6000000	1102749 / 858916	IKON	Good	Good	Very Good			Nancy Lynch
Bellows Free Academy Middle	Canon / 7095	SHX12518 / 11352998	2909487 / 6000000	1031302 / 856578	IKON	Good	Very Good				Nancy Lynch
Bellows Free Academy Middle	Xerox / 8560MFP	CXF032411 / N/A	10184 / 750000	10155 / 33726	VARY	Very Good	Fair	Poor	Very slow process to receive toner and also response to service calls is slow	It meets our needs when it works and has toner.	Karen Wall
Fletcher Elementary	Canon / 105	MND06205 / 11724224	295797 / 6000000	86417 / 0	IKON	Very Good	Very Good	Excellent			Jeffrey Teitelbaum
Georgia Elementary/Middle	Xerox / 8560DN	FBT073114 / N/A	11064 / 750000	2102 / 28284	VARY	Very Good	Good	Very Good	Same ink complaint for this one as the office one-- yellow always out and have to beg for more.		SMG

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Building	Machine	Serial # / Vendor ID #	Current Meter / Life Expectancy	Annual Volume / Projected Volume	Vendor	Quality	Reliability	Service	Comments	Not Meeting Your Needs Why?	Commenter
									Tech support has been very responsive. We are constantly having to beg for ink, especially yellow. I don't care about page counts,; en ink is low, it is low--we aren't selling it on the black market!		SMG
Georgia Elementary/Middle	Xerox / 8560DN	FBT073128 / N/A	3804 / 750000	45 / 28284	VARY	Very Good	Good	Very Good			
Georgia Elementary/Middle	Savin / 8045	M2874901495 / 11352872	228314 / 1000000	78239 / 95708	IKON	Good	Good	Good			SMG
Georgia Elementary/Middle	Canon / 6570	SLP02134 / 11333069	714057 / 4000000	135252 / 0	IKON	Very Good	Good	Very Good	Needs frequent wire cleaning.		SMG
Georgia Elementary/Middle	Xerox / 8560MFP	CXF032368a / N/A	1512 / 750000	1630 / 0	VARY	Very Good	Good	Very Good	Ink, Ink, Ink.		SMG
Georgia Elementary/Middle	Canon / 7200	MNF03493 / 11332154	507261 / 5000000	149225 / 0	IKON	Very Good	Very Good	Very Good			SMG
										Still missing scan to email capability and large capacity tray--both of which were supposed to be part of this package and have requested numerous times.	
Georgia Elementary/Middle	Canon / 7105	SHS01599 / 11425577	1220594 / 5000000	174425 / 0	IKON	Very Good	Very Good	Very Good			SMG
SU 22 District Office	Xerox / 8560MFP	CXF333923 / N/A	10992 / 750000	1236 / 19096	VARY	Excellent	Good	Good			Natasha Wheel

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Building	Machine	Serial # / Vendor ID #	Current Meter / Life Expectancy	Annual Volume / Projected Volume	Vendor	Quality	Reliability	Service	Comments	Not Meeting Your Needs Why?	Commenter
SU 22 District Office	Xerox / 8560MFP Sharp /	CXF032486 / N/A	49831 / 750000	18533 / 21500	VARY	Very Good	Good		Have not used Vary yet.		Ann Dunn
SU 22 District Office	MX- M450N	75021092 / C1882	321501 / 1000000	114910 / 144544	CAT	Very Good	Very Good	Good			Natasha Wheel

Reprographic Equipment Assessment

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

Total # of Units	23
# of Units on Lease	15
# of Units Owned	5
Lease Company	Northway Bank
Lease Start Date	5/1/2007
Lease End Date	8/1/2011
Term	5 Annual
Annual Payment usually due on 8/1	\$43,714.06
Remaining Payments	1

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

Leased Equipment

Equipment currently held as collateral under SPC-monitored or private lease.

Building	Make	Model	Serial #
Bellows Free Academy Elem.	Sharp	AR-M620N	75008401
Bellows Free Academy Elem.	Xerox	8560DN	FBT072260
Bellows Free Academy High	Sharp	MX-M450N	75022622
Bellows Free Academy High	Sharp	MX-M450N	75023972
Bellows Free Academy High	Xerox	8560DN	FBT072381
Bellows Free Academy Middle	Canon	7095	SHX12518
Bellows Free Academy Middle	Canon	7095	SHX12313
Bellows Free Academy Middle	Xerox	8560MFP	LBY000750
Georgia Elementary/Middle	Savin	8045	M2874901495
Georgia Elementary/Middle	Xerox	8560DN	FBT073114
Georgia Elementary/Middle	Xerox	8560DN	FBT073128
Georgia Elementary/Middle	Xerox	8560MFP	CXF032368
SU 22 District Office	Sharp	MX-M450N	75021092
SU 22 District Office	Xerox	8560MFP	CXF032486
SU 22 District Office	Xerox	8560MFP	CXF333923

Owned Equipment

Equipment currently owned by client.

Building	Make	Model	Serial #
Bellows Free Academy High	Sharp	AR-287	6501640
Fletcher Elementary	Canon	105	MND06205
Georgia Elementary/Middle	Canon	7200	MNF03493
Georgia Elementary/Middle	Canon	7105	SHS01599
Georgia Elementary/Middle	Canon	6570	SLP02134

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.

Your Municipal Lease

When should you upgrade your municipal lease?

After you make your **third payment**, it is worth testing the market since your service & supply costs have been progressively dropping. Since you have a 30-day cancellation clause built into your Service & Supply contracts, after the third lease payment you have built up enough capital to buy your next generation of copiers. Note the example below:

Example: If the initial principal starting May 1, 2008 was **\$100,000.00**, the lease payment would be **\$21,770.78** at **3.9%** interest for five payments, with the first payment being made August 1, 2008. By August 2, 2010, you would have made three (3) payments totaling **\$65,312.34** with interest, making approximately **\$58,879.35** in capital available to use for your next upgrade without increasing your annual payment. Since there is simply an amortization buyout, you could acquire additional equipment without increasing your annual capital lease. Ownership of the existing fleet of machines would be turned over to the District and only the new equipment would be held as collateral.

Next upgrade mirroring your existing payment schedule: 8/1/2010.

SAMPLE Amortization for Evaluation with Upgrade taking place on 8/1/2010

Compound Period: Annual

Nominal Annual Rate: 3.900%

AMORTIZATION SCHEDULE – Normal Amortization

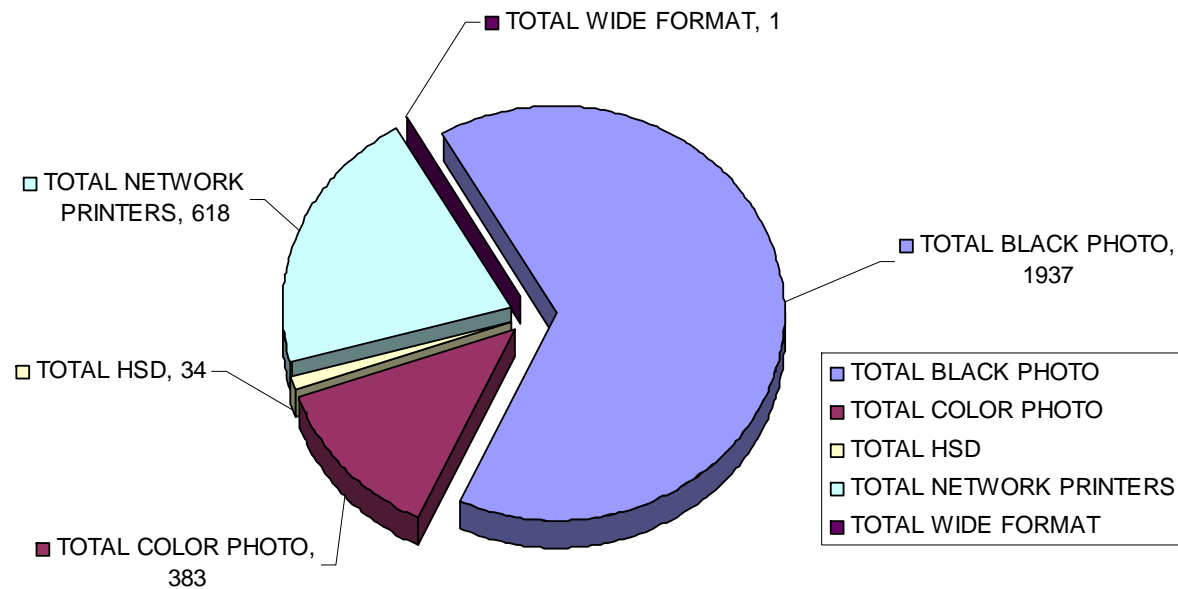
	Date	Payment	Interest	Principal	Balance
Loan	05/01/2008				\$100,000.00
1	08/01/2008	21,770.78	983.01	20,787.77	79,212.23
2	08/01/2009	21,770.78	3,089.28	18,681.50	60,530.73
3	08/01/2010	21,770.78	2,360.70	19,410.08	41,120.65
4	08/01/2011	21,770.78	1,603.71	20,167.07	20,953.58
5	08/01/2012	21,770.78	817.20	20,953.58	0.00
Grand Totals		108,853.90	8,853.90	100,000.00	

Please NOTE: This is a SAMPLE Amortization for representation purposes only. This is not your current amortization schedule.

Active Reprographic Equipment & Manufacturers

SPC currently maintains 3,267 high-end production reprographic units across the tri-state region. They are currently running 345,000,000 annual prints, culminating into over 1.7+ billion prints over five years!

SPC Total Active Equipment



Total Number of Active Equipment is 2,973

Current Manufacturers Represented (12):

- Canon
- Copystar
- Gestetner
- Konica-Minolta
- Kyocera
- Océ
- Ricoh
- Risograph
- Savin
- Sharp
- Toshiba
- Xerox

Current Vendors Represented (18):

- **A-COPI**
- BEU
- Catamount/Lockrows
- Conway
- **Ikon**
- **KMBS**
- **Levesque**
- Lyndonville
- **Océ**
- Offtech New England
- Seacoast
- Spillers
- SymQuest
- **Synnex**
- Toshiba
- UBM
- **Vary Tech**
- Xerox

Those marked in bold have won bids in the last 12 months.

Improved SPC Services

Print Management Software with its Benefits

In 2007 we initiated what is called **Print Management Software**. It was designed to capture meter reads and order supplies electronically on most, if not all, of your networked printing devices automatically. This software offers the following benefits:

Collect meter reads daily. Benefits...

- IT staff can isolate problem volume locations
- Monitor over use or under use locations and make the adjustments sooner
- Know when to shift from expensive laser and inkjet printers to low-cost-of-operation reprographic units
- Project cost on both black and color prints before the invoice arrives

Automatic ordering of consumable items. Benefits...

- Eliminate the need of valuable time spent ordering supplies manually

Automatic service alert sent to service provider. Benefit...

- E-mail sent out to both IT staff and service provider. Provider will then call to verify service need with IT staff to qualify the issue and send out a technician.

Cost per print plan for networking printing devices such as HP and Lexmark network printers. Benefits...

- Instead of individual expensive purchase of supply items, a cost-per-print quarterly in arrears at about half what you are currently paying will be offered.

In 2009 we have contracted with Vary Technologies who will offer to personally install this Print Management Software for free (MAC or PC environment). In addition, they are able to service, on a cost-per-print basis, all of your legacy printers including HP, Lexmark and Brother. Vary Technologies was first contacted by Xerox on behalf of SPC clients to service all of the solid ink color units as a local service provider in an effort to improve the overall response time and reliability. As a side benefit, Vary will be able to fill a void for servicing all of our low-volume legacy printers on a cost-per-print basis that includes...

- Service
- Supplies
- Equipment

Vary Technologies will be able to provide this service at a lower cost than what most clients are paying just for supplies. This should improve the quality of service and equipment at thousands of dollars less each year!

Insurance Fund with Greater SPC Installation Monitoring

In an effort to eliminate any and all unforeseen costs incurred due to an installation, SPC is now covering the cost of shipping any equipment back to the leasing companies, electrical upgrades, computer ports and drops, and ESP surge protectors that filter out noise and protect your equipment from power surges. Based on a minimal cost per unit, SPC insures that there are no unforeseen costs after board approval.

In addition, SPC performs a Digital Needs Analysis (DNA) after board approval. We follow up with a vendor meeting and are there to manage the install. Finally, SPC audits the installation after all the dust settles to make sure all key operators have been fully trained and are happy with the install.

Our goal is to make sure that the install is a complete success without any additional cost.

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

CONTRACT SAMPLE:

SERVICE AND SUPPLY CONTRACT (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 Client, as lessee (the "Lessee"), dated beginning date, (the "Lease-Purchase") hereby contracts with Lessee for the term of the Lease-Purchase (terminating on ending date) 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.*

Vendor: _____
 Street Address: _____
 City/State/Zip: _____
 By (signature): _____
 Name: _____
 Title: _____

Lessee: _____
 Street Address: _____
 City/State/Zip: _____
 By (signature): _____
 Name: _____
 Title: _____

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.

SPC works into the bid with your servicing vendor a five-year warranty. As long as SPC is under contract, we will do our best to enforce these warranties even if a vendor goes into bankruptcy, gets sold, or refuses to honor the warranty. Vendor examples showing the volatility of the industry are...

1. BEU & Transco acquired by Global (Sharp, Riso and Minolta eliminated)
2. Global acquired by Xerox (Savin eliminated, with Konica Minolta hanging in the balance)
3. Offtech acquired by Toshiba (Ricoh eliminated)
4. Pitney-Bowes acquired by Imagistics (multiple lines eliminated)
5. Imagistics acquired by Océ (multiple lines eliminated)
6. Danka acquired by Konica Minolta (Canon & Toshiba eliminated)
7. Ikon acquired by Ricoh (Canon line eliminated)
8. Océ acquired by Canon (multiple lines eliminated)

All eight corporations were sold off within recent years. When this occurs, the old equipment lines are usually discarded over time, then service problems develop and warranty issues surface. In each case, SPC, at their own expense, renegotiated warranties with new entity, arranged for replacement equipment, and/or arranged for other vendors to manage the accounts, if necessary, thus re-establishing warranty coverage and stabilizing any price increases. In summary, we protect your interest and your equipment.

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 SAMPLE:

WARRANTY (LEASED EQUIPMENT)

The Vendor identified below of the equipment described on Schedule A(P) attached hereto (the "Equipment") sold by Vendor to _____ (the "Owner") hereby warrants to Owner that, if any such Equipment malfunctions through no fault of Owner during a term commencing on _____ and terminating on _____ 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 Owner.

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:	_____
Street Address:	_____
City/State/Zip:	_____
By (signature):	_____
Name:	_____
Title:	_____