Specialized Purchasing Consultants

1491 East Side River Road
Dummer, NH 03588
(800) 750-1538

SPC

FY21
Annual
Report

With FY22 Projections

Michele Grant
RSU 12 — Sheepscot Valley
665 Patricktown Road, Suite 2
Somerville, ME 04348

Specialized Purchasing Consultants Inc.
Serving Maine, New Hampshire & Vermont since 1988

Skip Tilton
President

1491 East Side River Road
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September 2021

Michele Grant
RSU 12 – Sheepscot Valley
665 Patricktown Road, Suite 2
Somerville, ME 04348

Dear Michele:

Thank you for your continued confidence in Specialized Purchasing Consultants. We hope our services these past **23 years** have proven to be beneficial and resulted in the savings we promised initially and that are reflected in this Annual Report.

This was another unusual year of changes, restrictions, and other modifications to your normal business routine. Again, it is likely this report will not reflect your typical equipment usage and status; however, it is still good to review any recommendations made on potential problem areas.

Despite the pandemic's disruption, we brought in **_14 new clients_** since January 2020 and an additional 52 million prints! Overall we had a new peak of 82.5 million prints out to bid, surpassing our previous 2017 peak by 23%. These increases mean your pricing has never been stronger. We would be happy to share a snapshot of our recent bid results.

This year we added the Client Warranty Relief Fund. This proved to be a tremendous aid to some of our clients. In addition, we began the Warranty Relief Equipment Base with our Premier Vendors. Please see further details within this report.

We value the opportunity to provide you with the best possible pricing, service, and equipment. We look forward to our meeting. Feel free to share your thoughts and feelings concerning your overall experience with SPC.

Sincerely,

Skip Tilton
President

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MEET YOUR TEAM

Skip Tilton, President
Billie Jo Tilton, Vice President

As co-founders of SPC, we 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 our clients, many of whom we have assisted for more than 20 years! Together, we have realized the lowest prices possible while improving the quality of your service and equipment. We have also been able to find ways to increase your equipment reliability, monitor and track usage variations throughout the year, and keep your costs under control.

Alex Webster
Operations & Marketing Manager

Alex oversees STARDoc, FM Audit, and equipment upgrades. He also researches and markets current and new SPC tools and services to existing and potential clients.

Sue Penney
Accounting Coordinator

Sue rejoins our team to oversee billing, leases and purchase transactions.

Kelly Fortier
Finance Support

Our newest team member, Kelly assists with maintaining service & supply contracts, equipment trades and upgrades, bookkeeping and other general office work.

Heidi Tilton
Finance Support

Heidi assists with bookkeeping and billing for both clients and vendors, processing payments, contact information updates, and other office support.

Pam Weed
Client-Vendor Relations

Pam helps maintain a good relationship between clients and vendors, overseeing warranty complaints and replacements, equipment upgrades and changes, end-of-year meter collection and billing, and Annual Reports. Pam also assists with marketing SPC services.

Robert B. Dutil
Information Technology

Bob keeps SPC running by maintaining and updating database processes as well as assisting in updates to SPC's STARDoc website and the creation of code to create the many reports SPC generates to give you the accurate information of your usage.

Jamin Tilton
Operations Support

Jamin plays a vital role in performing onsite and virtual equipment surveys and installation audits. He assists with STARDoc and FM Audit updates as well.

SPC TIMELINE

| **1988** | **Specialized Purchasing Consultants opens its doors** |

- Began offering equipment at the sales representative's cost with continued cooperative buying power, obtaining competitive rates on leases, equipment, and service and supply contracts.

| **1999** | **Improved Annual Reports** |

- Revised Annual Report format to include new charts and tables for more expansive usage and budget detail.
- Established Student Ratios.

| **2001** | **Meter Collection** |

- Began collecting meter reads directly from client and submitting to vendors via spreadsheet, providing more accurate and consistent billing.

| **2002** | **Bond Counsel Review** |

- Added Bond Counsel Review to ensure any and all funding sources provided legal documentation to meet State statutes and regulations.

| **2003** | **Bond Counsel Review of Contracts and Warranties** |

- Service & Supply Contracts revised to reflect SPC's commitment to managing a client's account for five years while allowing the client a 30-day cancel option.
- Warranty revised to protect equipment, guaranteeing service or replacement at no charge, even if a vendor goes out of business.

| **2012** | **STARDoc and Simplified Billing Developed and Implemented** |

- Live Floor Plans: Allows IT administrators to move devices around on their own floor plans.
- STARDoc: Helps project out the end-of-year costs and potential overages.
- Simplified Billing: Designed to eliminate hundreds of invoices and condenses it down to 3 a year.

| **2013** | **STARDoc - Daily Tracking** |

- Meters gathered daily to track usage.

| **2014** | **STARDoc - Monthly Audits** |

- Users can see a monthly snapshot of current usage and estimated projections.

| **2015** | **STARDoc - Mapping Options and Asset Management** |

- Allows mapping of other IT devices (Wireless Access Points, IP Cameras, Projectors, VoIP Phones, etc.).
- IT Asset Management tracks all IT purchases, warranty expirations, etc.

SPC TIMELINE (Continued)

2018	STARDoc - Improved Pinpointing of Budget and Communications

- Improved pinpointing of machines projected to go over budget.
- Facilitated communication with your vendor's service manager.
- Request service history on any given printer or copier.

2019	STARDoc – Service Histories, Chromebook Bid, FYFM

- Mandatory annual fleet service history provides data on the overall reliability of the fleet.
- SPC's Chromebook Bid allows organizations to piggyback off our cooperative pricing. Many schools like SAU 67 Bow and SAU 57 Salem benefited from this pricing.
- Five-Year Fleet Management (FYFM): Projecting out five-year costs for all equipment based on current and past usage.

2020	Mock Bids and Warranty Relief Fund

- Mock Bids allow us to show where a client's pricing would come in without having to go out to bid. This allows them to buy off an existing bid, thus saving time and money.
- Warranty Relief Fund: Due to the pandemic, there are serious upheavals in the industry. In an effort to cushion our clients, this fund was established. For more information, see the last page of the Annual Report.

2020	Chromebook Bid

- Third year in a row, awarding primarily to Y & S Technologies for Lenovo
- Sold 3,379 units to 17 clients for just under $815k in sales

2021	Vendor Services and Warranty Relief Equipment

- Vendor Bid Portal allows vendors to electronically submit bids, ensuring accuracy and saving time when calculating bid results for presentation.
- Premier Vendors Classification notes which vendors are not only cooperative to SPC bids but who demonstrate willingness to support SPC's processes before, during, and after the bid.
- Warranty Relief Equipment Base: Premier Vendors will have access to SPC-traded high-quality, low-meter machines. For more information, see the last page of the Annual Report.

2022	SPC Roadmap

- STARDoc Upgrade: Plans are being made to give STARDoc a more modern facelift.
- Internal restructuring to ensure our clients receive the best possible service from SPC.

EQUIPMENT HEALTH STATUS

Total Number of Machines	**35**

Total Black Photocopiers	19
Total Color Photocopiers	6
Total Black Network Printers	10
Total Color Network Printers	0
Total Removed from Service	0

# Units OFF Warranty **	**0**
# Units Approaching End of Warranty	**0**
# of Units Overused	**0**
# of Units Underused	**0**

Contract Commencement Date	**8/2/2019**
Contract and Warranty Expiration Date	**6/30/2025**
# Annual Payments Remaining on Lease	
SPC's Print Management Software Installed	**Yes**
Printer Contract Signed	**Yes**

**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 Michele,

   Because of the change to remote learning due to COVID-19, client budgets were significantly impacted last year and this year. SPC implemented the Client Warranty Relief Fund and the Warranty Relief Equipment Base to protect and assist clients having difficulty with financial constraints regarding their reprographic equipment (see Page _____).

   A-Copi appears to be taking good care of your fleet, but they show an average service response time of almost 9 hours, which is very high and well over the bid specs of 4 hours. We will discuss this with the vendor as well as monitor it to see if it improves. We can review the service report during our meeting to address any issues or concerns you may have.

Sincerely,

Skip Tilton

RSU 12 – Sheepscot Valley
Belinda Waterhouse
665 Patricktown Road Suite 2
Somerville, ME 04348
Five-Year Basis beginning with the 2019/2020 Fiscal Year

Copies-per-Year: 2,691,592

Present vs. Proposed Recommendations as of 7/1/2019

PRESENT SITUATION	PROPOSED SITUATION
1) Guarantees on Photocopiers...**One Year**	1) Guarantees for both New, Recons & Used Photo's...**Five+ Years**
2) Annual Price Ceilings Left... **One Year**	2) 5% or CPI Annual Ceilings, whichever is less...**Five+ Years**
3) High Volume Console Units with 3 Million plus...**11**	3) High Volume Console Units with 3 Million plus...**18**
4) Units to be Traded...**37**	4) Replaced… **32 New**
5) Photocopiers...**20**	5) Photocopiers...**20 with Secure Print/Confidential Mailbox**
6) Color Photocopiers...**6**	6) Color Photocopiers...**6**
7) MFP's… **5**	7) MFP's… **5**
8) Printers....**12**	8) Printers...**7**
Total number of Units...**37**	Total number of Units...**32 closing out 5 due to consolidation**
9) Duplex's…**36**	9) Duplex's... **32**
10) Finisher's...**19**	10) Finisher's... **20**

Overall Description of Equipment Fleet:
Presently, you have **Three different Manufacturers & Twelve different Models of Low end Network Printers. The new arrangement will shift to one manufacturer with one Vendor servicing everything.** This will greatly reduce cost and improve reliability. In addition, we will implement google cloud print on all devices that will continue to cut back on your overall printing.

Capital:
Presently, you have **one** municipal lease that will be paid off on July 1st, 2019. With the new arrangement, you will again have **one** 'municipal' master lease at 3.95**%** interest**.** Your first of five annual lease payments will be due on August 1st 2019.

Service & Supplies:
Considering all your consumable cost centers including service you are averaging $0.004270 for black and $0.048862 for Color. The new contract will come in at a CPC of **$0.003478 for Black and $0.04329 for Color.**

Vendor Packages:
SPC will bring you multiple different vendor combinations, matching up the best technology available to meet your needs. We would like to highlight the most qualified bids combination for your School District.

Cost Center	Present	A-Copi (All New)	A-Copi (5 Payments, All New)
1. **Service & Supplies Color Photo only**	$8,680.79	$7,690.81	$7,690.81
2. **Service & Supplies Black Photo only**	$10,733.65	$8,743.47	$8,743.47
3. **Annual Muni Lease**	$36,164.74	$29,020.05	$36,876.22
4. **Forced Upgrades (#8 Owned Units)**	$6,900.00	$00.00	$00.00
Totals	$62,479.18	$45,524.98	$53,310.50

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 twice a year in July & January with a reconciliation invoice in June. Your service contract will be fixed through **June 30th 2020.** 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: Hard Drive Wipes are included in these prices.

NON-CONTRACTED DEVICES

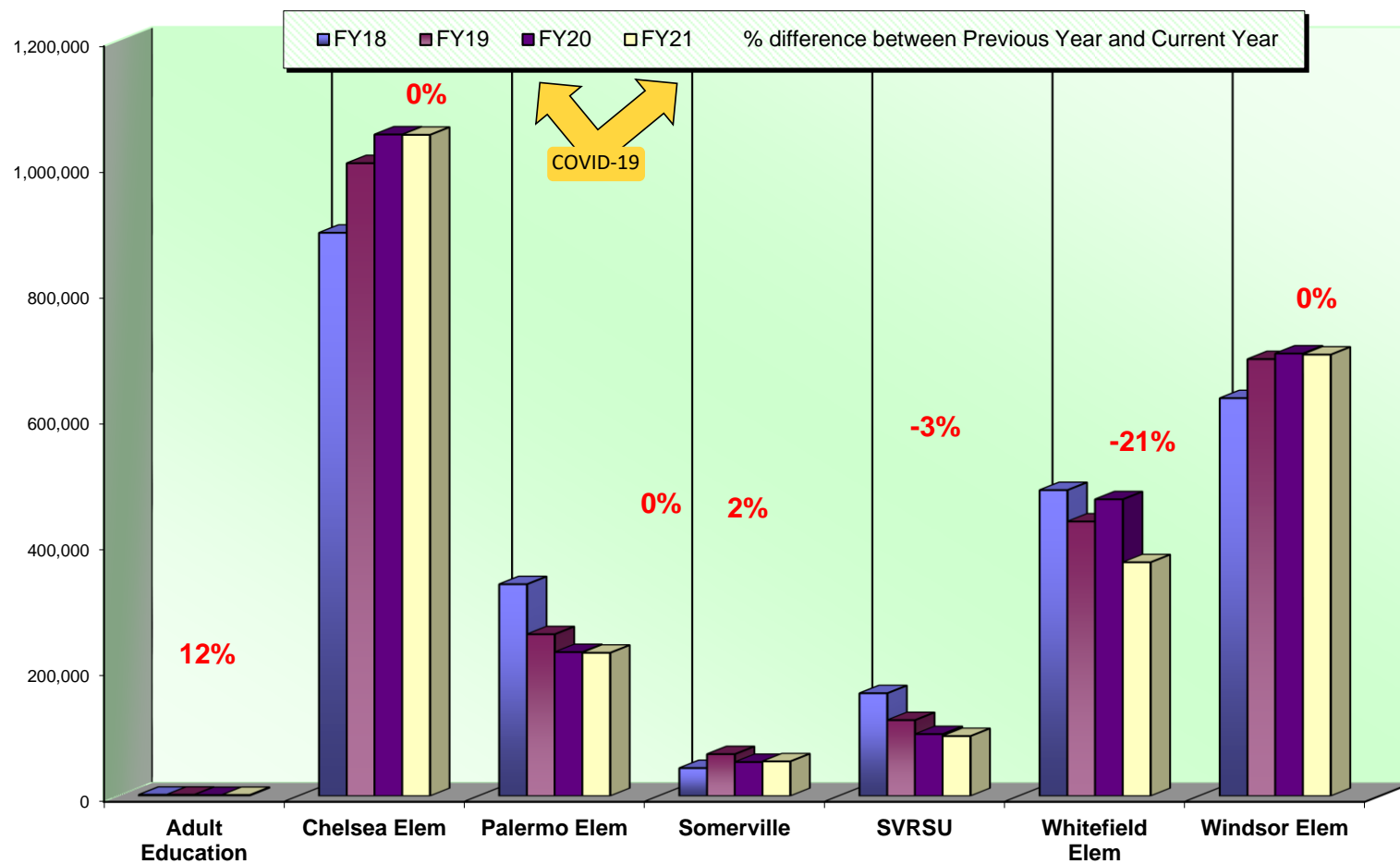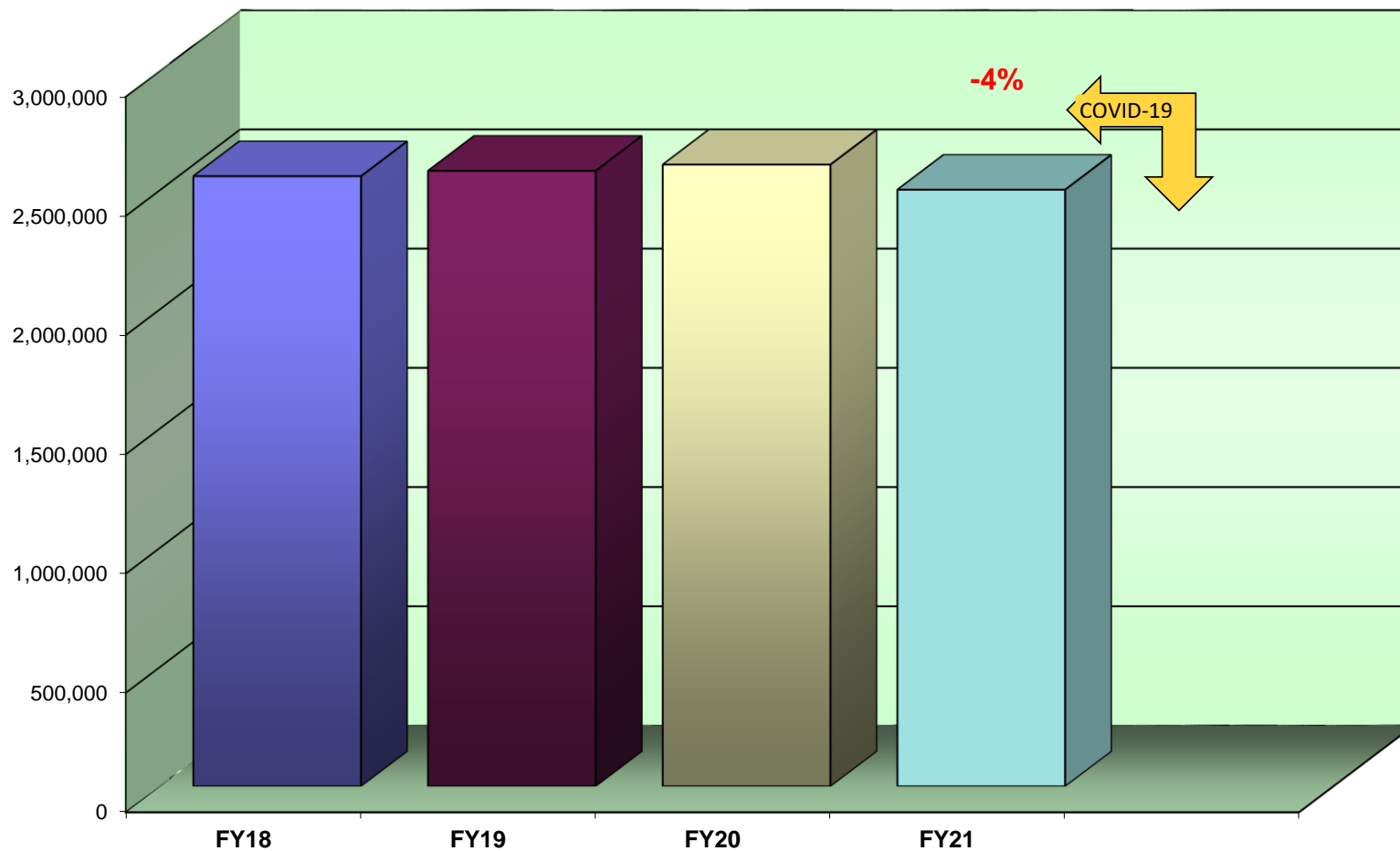| Make/Model	Serial Number	IP Address	Last Update

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ANNUAL VOLUME BY LOCATION — BLACK

ANNUAL VOLUME OVERALL — BLACK

% amount equals the overall increase or decrease between Previous Year and Current Year

AVERAGE STUDENT-TO-COPY USAGE - BLACK

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

Building	Student Population	Annual Black Volume	Total School Cost*	Average Annual Black Prints Per Student	Average Annual Black Cost Per Student
Adult Education	0	2,031	$40.93	0	$0.00
Chelsea Elementary	321	895,004	$18,104.30	2,788	$56.40
Palermo Consolidated	118	336,432	$6,821.79	2,851	$57.81
Somerville School	15	44,443	$895.58	2,963	$59.71
SVRSU District Office	0	118,837	$2,613.41	0	$0.00
Whitefield Elementary	171	485,639	$10,014.29	2,840	$58.56
Windsor Elementary	348	632,048	$12,855.35	1,816	$36.94
TOTALS	**973**	**2,514,434**	**$51,345.65**	**2,584**	**$52.77**

*Total School Cost refers to the cost of Service & Supplies, Paper, and Equipment. See Projected Equipment Costs by Building table later in this report.

INDUSTRY AVERAGE COPIES PER STUDENT - BLACK

This is an SPC Comparison contrasting your district with other 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.

	Total Student Population	Total Annual Black Volume	Total District Black Cost*	Average Annual Black Copies Per Student	Average Annual Black Cost Per Student
55 Tri-State School Districts	74,038	131,634,476	$3,165,697.18	1,778	$42.76

* Total District Cost refers to the cost of Service, Supplies, Paper, and Equipment Lease.
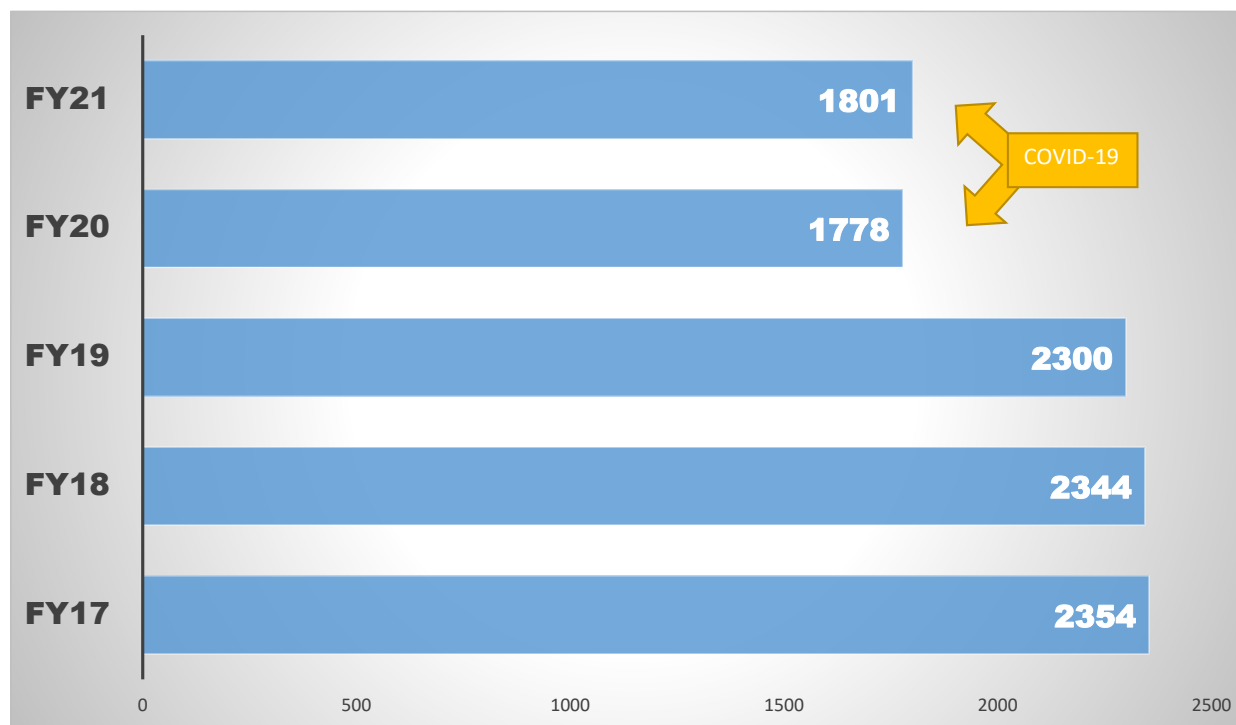
ANNUAL VOLUME BY LOCATION — COLOR

Legend: ■ FY18 ■ FY19 ■ FY20 □ FY21 % Difference Between Previous Year and Current Year

COVID-19

- Adult Education: -52%
- Chelsea: -15%
- Palermo: 4%
- Somerville: 0%
- RSU 12 District: 5%
- Whitefield: 0%
- Windsor Elem: -7%

ANNUAL VOLUME OVERALL — COLOR

COVID-19

-5%

% amount equals the overall increase or decrease between Previous Year and Current Year

180,000				
160,000				
140,000				
120,000				
100,000				
80,000				
60,000				
40,000				
20,000				
0	FY18	FY19	FY20	FY21
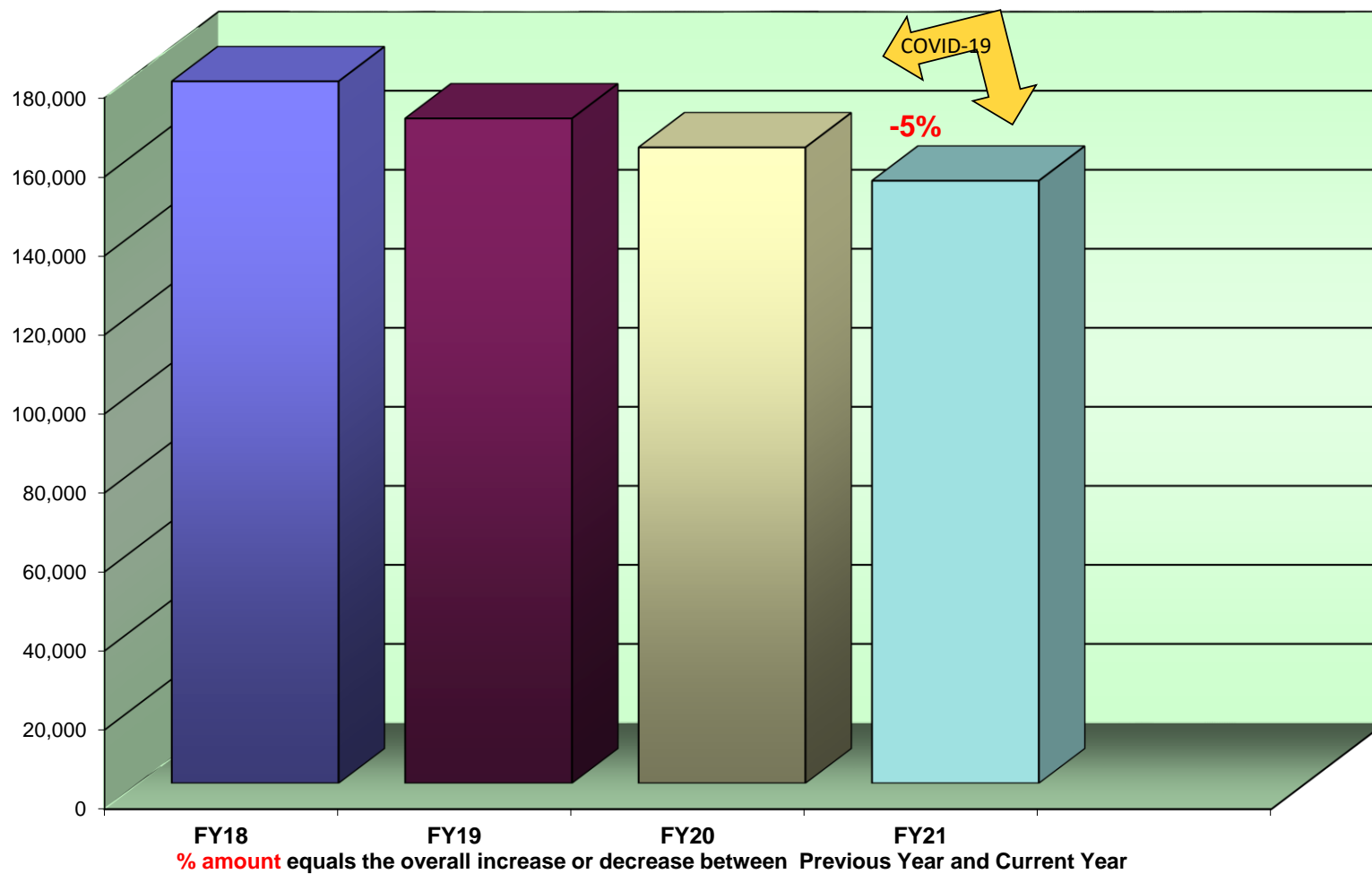
AVERAGE STUDENT-TO-COPY USAGE - COLOR

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

Building	Student Population	Annual Color Volume	Total School Cost*	Average Annual Color Prints Per Student	Average Annual Color Cost Per Student
Adult Education	0	1,117	$48.50	0	$0.00
Chelsea Elementary	321	27,323	$1,186.36	85	$3.70
Palermo Consolidated	118	22,910	$994.75	194	$8.43
Somerville School	15	0	$0.00	0	$0.00
SVRSU District Office	0	33,520	$1,455.44	0	$0.00
Whitefield Elementary	171	25,614	$1,112.16	150	$6.50
Windsor Elementary	348	67,174	$2,916.70	193	$8.38
TOTALS	**1,265**	**141,666**	**$6,054.81**	**112**	**$4.79**

*Total School Cost refers to the cost of Service & Supplies only. Paper and Equipment are included in the previous table for black prints.

NOTE: STARDoc tool will flag any future high color usage. See page ___ of STARDoc Features. Current industry ratio averages 184 color prints per student per year. Your color volume this year averages 112 per student. Please contact our SPC technical team to provide training to your staff if your usage is too high.

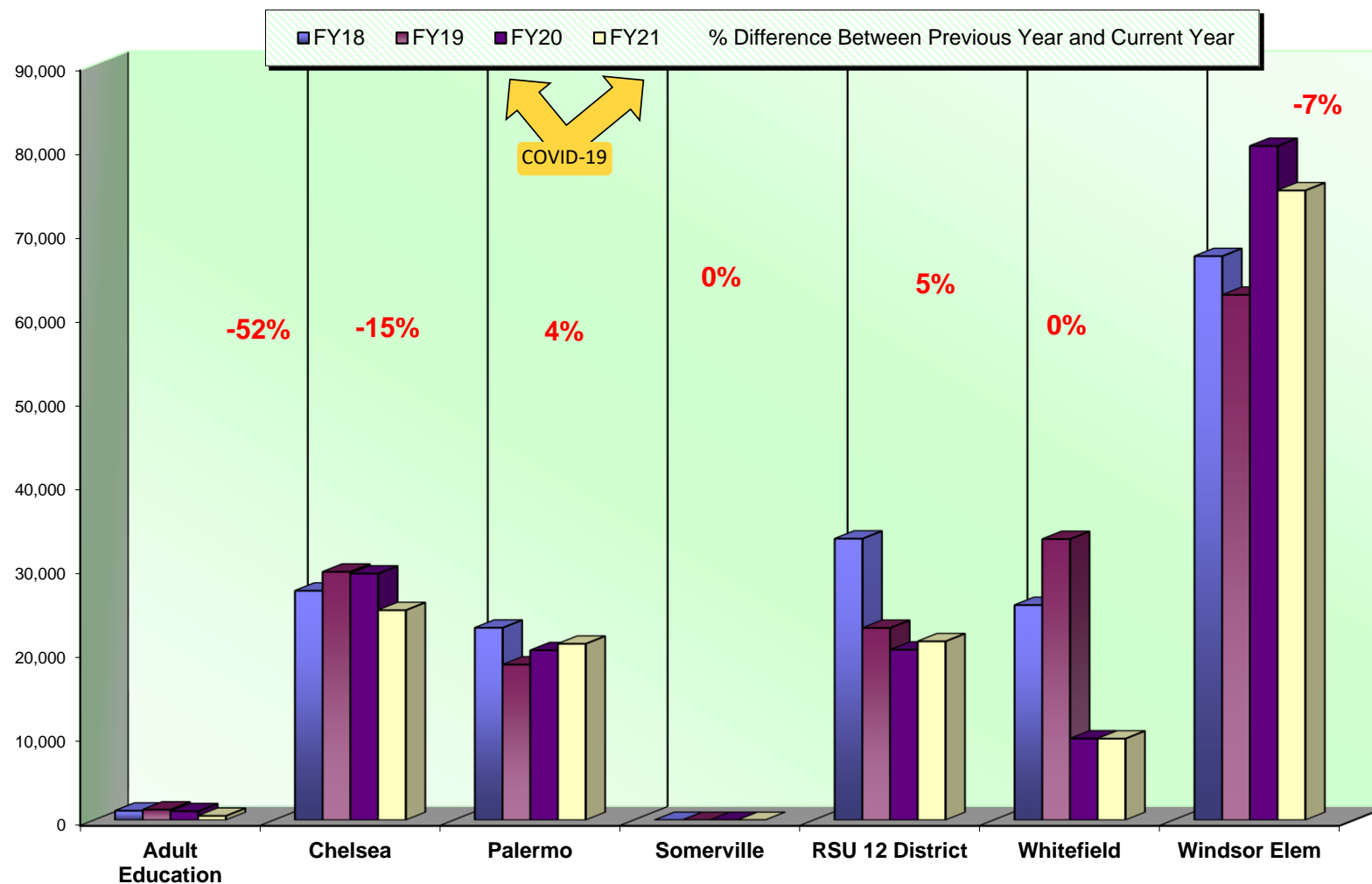# INDUSTRY AVERAGE COPIES PER STUDENT - COLOR

This is an SPC Comparison contrasting your district with other 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.

	Total Student Population	Total Annual Color Volume	Total District Color Cost*	Average Annual Color Copies Per Student	Average Annual Color Cost Per Student
48 Tri-State School Districts	72,548	16,445,907	$864,909.00	184	$9.73

* Total District Cost refers to the cost of Service and Supplies only. Paper and equipment lease costs are calculated into the Black comparison chart.
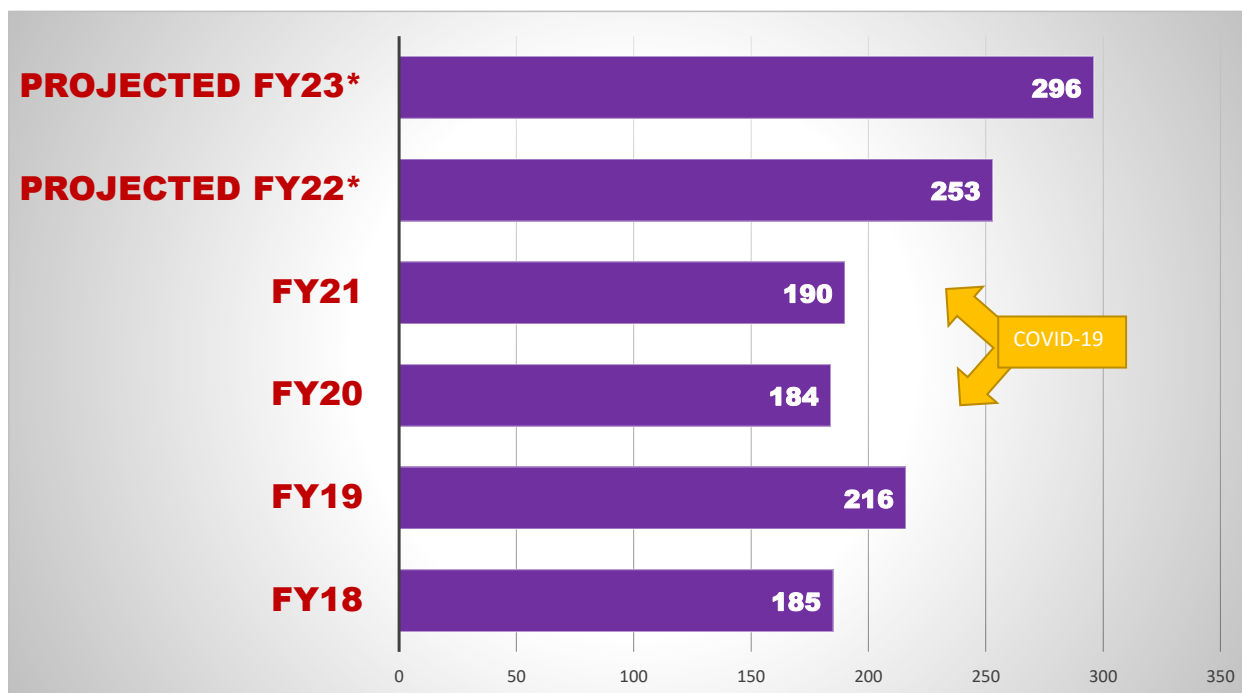
FY22 and FY23 Projections are based on Pre-COVID percentage increase between FY18 and FY19 of 17%.

COLOR-TO-TOTAL VOLUME COMPARISON
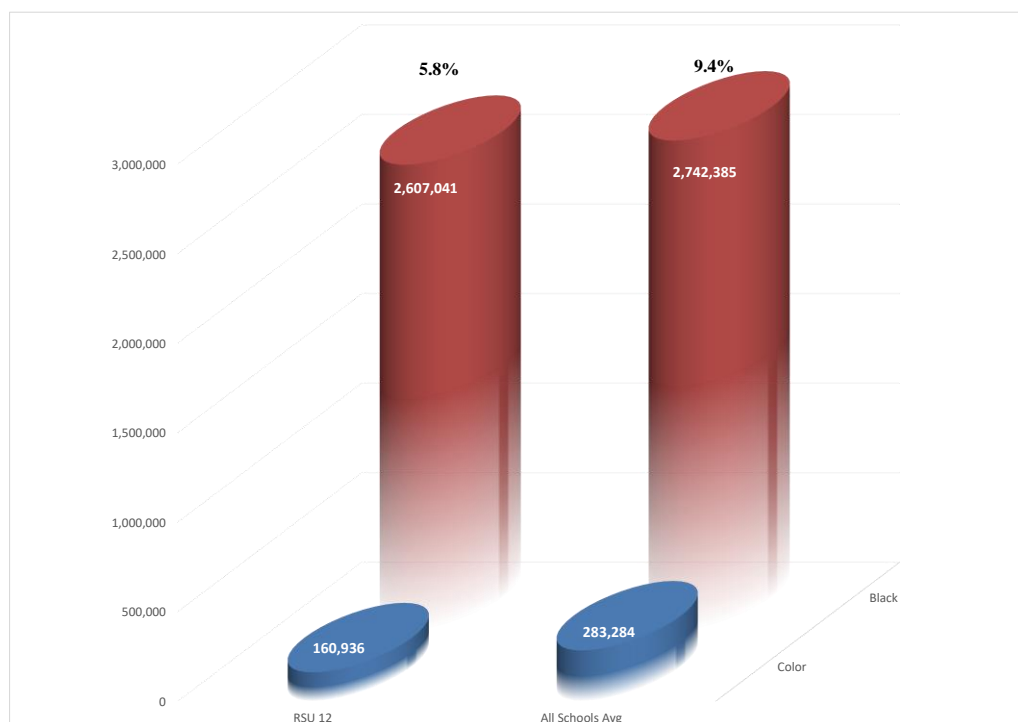
COLOR printing is skyrocketing out of control! A five-year study of over 80,000 students across the Tri-State region revealed a rapid increase in the K-12 sector. In fact, in FY19 color printing increased by 17%! Of course, FY20 and FY21 were dramatically different because of COVID-19. Therefore, we should assume that color volume will continue to increase unless proper controls are put in place. Obviously, some color printing is necessary. However, if color printing is not monitored properly it could blow up your entire printing budget.

SOLUTION: SPC has incorporated into our bids Right-Sized Print Management Software that pinpoints problematic locations and implements tailor-made software that controls your color printing. Instead of forcing the entire organization to change all printing habits, SPC focuses only on problematic locations. The best time to financially achieve the color control goal is when you do your next upgrade. For that recommendation, please review the Equipment Health Status page.

EQUIPMENT USAGE — PRE- AND POST-UPGRADE — BLACK PRINTS

Building	Volume Prior to Upgrade	Cost Prior to Upgrade	Volume After Upgrade	Cost After Upgrade	Total Volume	Total Costs
Adult Education	17	$0.08	1,512	$4.84	1,529	$4.92
Chelsea Elementary	19,580	$76.59	1,030,980	$3,353.93	1,050,560	$3,430.52
Palermo Consolidated	10,462	$48.74	218,148	$738.29	228,610	$787.03
Somerville School	5,549	$25.25	48,511	$155.24	54060	$180.49
SVRSU District Office	8,252	$57.48	90,061	$469.05	98,313	$526.53
Whitefield Elementary	6,098	$26.00	465,148	$1,665.93	471,246	$1,691.93
Windsor Elementary	20,281	$85.36	682,442	$2,332.45	702,723	$2,417.81
TOTALS	**7,039**	**$319.50**	**2,536,802**	**$8,719.73**	**2,607,041**	**$9,039.23**

EQUIPMENT USAGE — PRE- AND POST-UPGRADE — COLOR PRINTS

Building	Volume Prior to Upgrade	Cost Prior to Upgrade	Volume After Upgrade	Cost After Upgrade	Total Volume	Total Costs
Adult Education	55	$2.65	993	$42.99	1,048	$45.64
Chelsea Elementary	1,231	$59.27	28,126	$1,217.57	29,357	$1,276.84
Palermo Consolidated	2,419	$116.47	17,804	$770.74	20,223	$887.21
Somerville School	0	$0.00	0	$0.00	0	$0.00
SVRSU District Office	576	$27.73	19,718	$853.59	20,294	$881.32
Whitefield Elementary	1,298	$62.50	8,418	$364.42	9,716	$426.92
Windsor Elementary	5,867	$282.50	74,431	$3,222.12	80,298	$3,504.62
TOTALS	**11,446**	**$551.12**	**149,490**	**$6,471.43**	**160,936**	**$7,022.55**

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 payments are figured in to provide budget information for the upcoming fiscal year.

Building	Projected Black Volume	Projected Black Usage Cost	Approximate Paper Cost	Average Annual Equipment Cost	Total Projected Black Usage Cost
Adult Education	2,031	$6.52	$10.97	$23.44	$40.93
Chelsea Elementary	895,004	$2,941.69	$4,833.02	$10,329.59	$18,104.30
Palermo Consolidated	336,432	$1,122.17	$1,816.73	$3,882.89	$6,821.79
Somerville School	44,443	$142.66	$239.99	$512.93	$895.58
SVRSU District Office	118,837	$600.15	$641.72	$1,371.54	$2,613.41
Whitefield Elementary	485,639	$1,786.89	$2,622.45	$5,604.95	$10,014.29
Windsor Elementary	632,048	$2,147.58	$3,413.06	$7,294.71	$12,855.35
TOTALS	**2,514,434**	**$8,747.66**	**$13,577.94**	**$29,020.05**	**$51,345.65**

PROJECTED EQUIPMENT COSTS BY BUILDING — COLOR

This table represents PROJECTED expenses for COLOR prints or copies by building based on recent activity. Current paper case costs and averaged annual lease payments are NOT figured in to this table, as they are covered in the black prints report.

Building	Projected Color Volume	Total Projected Color Usage Cost
Adult Education	1,117	$48.50
Chelsea Elementary	27,323	$1,186.36
Palermo Consolidated	22,910	$994.75
Somerville School	0	$0.00
SVRSU District Office	33,520	$1,455.44
Whitefield Elementary	25,614	$1,112.16
Windsor Elementary	67,174	$2,916.70
TOTALS	**177,658**	**$7,713.91**

SERVICE & SUPPLY USAGE PROFILE BY VENDOR - BLACK

This table represents ACTUAL and PROJECTED Service & Supply expenses for BLACK usage broken down by equipment type and vendor. Under SPC's 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. FY22 increase is 0.00% because of your recent upgrade.

Vendor	Billing Type	Equipment Type	FY21 Actual Black Volume	FY21 Black Cost/Copy	FY21 Black S&S Costs	FY22 Projected Black Volume	FY22 Black Cost/Copy	FY22 Projected Black S&S Costs
A-Copi	Close-Out	Black Laser MFP	1,032	$0.00455	$4.70	0	$0.00000	$0.00
A-Copi	Close-Out	Black Photocopier	32,457	$0.00379	$123.01	0	$0.00000	$0.00
A-Copi	Close-Out	Black Photocopier	712	$0.00446	$3.18	0	$0.00000	$0.00
A-Copi	Close-Out	Black Photocopier	14,239	$0.00455	$64.79	0	$0.00000	$0.00
A-Copi	Close-Out	Black Photocopier	141	$0.00458	$0.65	0	$0.00000	$0.00
A-Copi	Close-Out	Black Photocopier	3,017	$0.00488	$17.72	0	$0.00000	$0.00
A-Copi	Close-Out	Color Photocopier	13,840	$0.00455	$62.97	0	$0.00000	$0.00
A-Copi	Close-Out	Color Photocopier	17	$0.00488	$0.08	0	$0.00000	$0.00
A-Copi	Close-Out	Black Network Printer	4,784	$0.00949	$45.40	0	$0.00000	$0.00
A-Copi	Upgrade	Black Laser MFP	41,979	$0.01063	$446.24	45,788	$0.01066	$488.10
A-Copi	Upgrade	Black Network Printer	42,078	$0.01063	$447.29	44,994	$0.01066	$479.64
A-Copi	Upgrade	Black Photocopier	2,143,109	$0.00320	$6,857.95	2,050,170	$0.00321	$6,581.05
A-Copi	Upgrade	Color Photocopier	309,636	$0.00320	$990.84	373,482	$0.00321	$1,198.88
TOTALS AND AVERAGES			**2,607,041**	**$0.00348**	**$9,061.82**	**2,514,434**	**$0.00694**	**$8,747.67**

SERVICE & SUPPLY USAGE PROFILE BY VENDOR - COLOR

This table represents ACTUAL and PROJECTED Service & Supply expenses for COLOR usage broken down by equipment type and vendor. Under SPC's 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. FY22 increase is 0.00% because of your recent upgrade.

Vendor	Billing Type	Equipment Type	FY21 Actual Color Volume	FY21 Color Cost/Copy	FY21 Color S&S Costs	FY22 Projected Color Volume	FY22 Color Cost/Copy	FY22 Projected Color S&S Costs
A-Copi	Close-Out	Color Photocopier	11,446	$0.04815	$551.12	0	$0.00000	$0.00
A-Copi	Upgrade	Color Photocopier	149,490	$0.4329	$6,471.42	177,658	$0.04342	$7,713.91
	TOTALS AND AVERAGES		**160,936**	**$0.04364**	**$7,022.54**	**177,658**	**$0.04342**	**$7,713.91**

SERVICE & SUPPLY COST SAVINGS

These tables compare your equipment cost per copy (average) for service and supplies (black prints or copies ONLY) before becoming an SPC client on 01/15/1998 with your projected cost per copy for the new fiscal year through SPC. Annual Volume represents ACTUAL FY21 black print usage. The second table represents your annual and five-year cost and cost savings compared to your previous cost per copy rate.

AVERAGE PRIOR TO BECOMING AN SPC CLIENT

FY21 Actual Black Volume	Prior Average Black CPC	Projected Average Annual Black Costs
2,536,802	$0.0174	$44,140.35

AVERAGE AFTER BECOMING AN SPC CLIENT

FY21 Actual Black Volume	FY22 Average Black CPC	FY22 Projected Average Black Costs	PROJECTED ANNUAL BLACK AVERAGE COST SAVINGS	PROJECTED AVERAGE BLACK 5-YEAR COST SAVINGS
2,536,802	$0.003478	$8,823.00	$35,317.35	$176,586.75

*This CPC is an AVERAGE of your copiers and printers together. Your copier CPC is substantially lower than this average.

As of today, the Cooperative Buying Power of SPC has resulted in an approximate annual average cost savings of $35,317.35.

That equals an average Total Cost Savings of $776,981.70 over the 22 years you have been an SPC client.

LEASED/OWNED EQUIPMENT DETAILS

Total Number of Machines Under Contract   35

    Number of Machines on Lease   33

    Number of Machines Owned   2

Lease Company	Norway Savings Bank
Term	5 Annual
Annual Payment (usually due 8/1)	$29,020.05
Lease Start Date	08/02/2019
Lease End Date *	08/01/2024
Remaining Payments	3

*The Lease End Date has no bearing on Service & Supply and Warranty Contracts.

LEASED EQUIPMENT

BUILDING	ROOM	MAKE/MODEL	SERIAL NUMBER
Adult Education	Adult Ed Office	Toshiba e-Studio 3515AC	CNEJ49683
Chelsea Elementary	Cafeteria Office	HP LaserJet Pro M404dn	PHBB305357
Chelsea Elementary	Conference Room Down	Toshiba e-Studio 4518A	CZDJ50874
Chelsea Elementary	Grades 3-5 Wing Work Room	Toshiba e-Studio 6518A	C2DJ15458
Chelsea Elementary	Grades K-2 Wing Work Room	Toshiba e-Studio 6518A	C2DJ15480
Chelsea Elementary	Library	HP LaserJet Pro M404dn	PHBB305370
Chelsea Elementary	Main Office	HP LaserJet Pro M404dn	PHBB305360
Chelsea Elementary	Room 202 Hallway	Toshiba e-Studio 6518A	C2DJ15487
Chelsea Elementary	Work Room	Toshiba e-Studio5516AC	C1JH10385
Palermo Consolidated	Classroom 7	HP LaserJet Pro M404dn	PHBB305372
Palermo Consolidated	Grades 5-8 Closet	Toshiba e-Studio 4518A	CZDJ50789
Palermo Consolidated	Grades K-4 Hall	Toshiba e-Studio 6518A	C2DJ15488
Palermo Consolidated	Main Office Hall	Toshiba e-Studio 5516AC	C1JH10634
Palermo Consolidated	Room 5 Computer Lab	Toshiba e-Studio 478	70189193054LX
Somerville School	Special Ed Office	Toshiba e-Studio 6518A	C2EJ16112
SVRSU District Office	Main Office	Toshiba e-Studio 5516AC	C1JH10639
SVRSU District Office	Main Office – MICR	HP LaserJet Pro M404dn	PHB5B95511
SVRSU District Office	Pre-K	Toshiba e-Studio 6518A	C2EJ16104
SVRSU District Office	Room 1	HP LaserJet Pro M402dne	PHB5B95554
SVRSU District Office	Room 1	Toshiba e-Studio 4518A	CZDJ49712
Whitefield Elementary	Cafeteria Office	Toshiba e-Studio 478	70189193054HN
Whitefield Elementary	Library	Toshiba e-Studio 478	70189193054K4
Whitefield Elementary	Main Office	Toshiba e-Studio 5516AC	C1JH10660
Whitefield Elementary	Principal's Office	HP LaserJet Pro M404dn	PHBB305275
Whitefield Elementary	Teachers' Room	Toshiba e-Studio 6518A	C2EJ16392
Whitefield Elementary	Teachers' Room	Toshiba e-Studio 6518A	C2EJ16395
Windsor Elementary	Main Office	HP LaserJet Pro M404dn	PHBB305043
Windsor Elementary	Main Office	Toshiba e-Studio 5516AC	C1JH10645
Windsor Elementary	Room 103 Teachers' Lounge	Toshiba e-Studio 6518A	C2DJ15481
Windsor Elementary	Room 305 Media Center	Toshiba e-Studio 478	70189193054M7
Windsor Elementary	Room 309 Resource Room	Toshiba e-Studio 478	70189193054HD
Windsor Elementary	Room 326	Toshiba e-Studio 6518A	C2EJ15393
Windsor Elementary	Teachers' Room Up	Toshiba e-Studio 6518A	C2DJ15456

OWNED EQUIPMENT

BUILDING	ROOM	MAKE/MODEL	SERIAL NUMBER
Windsor Elementary	Special Education	HP LaserJet Pro M404dn	PHBB304672
Windsor Elementary	Kitchen	HP LaserJet Pro M404dn	PHBB305350

STARDoc USER NAMES

Name	User Name
Anne Helm	ahelm@svrsu.org
Belinda Waterhouse	bwaterhouse@svrsu.org
Clarissa Howard	choward@svrsu.org
Deborah Taylor	dtaylor@svrsu.org
Heather Wilson	hwilson@svrsu.org
Howie Tuttle	htuttle@svrsu.org
Mark Deblois	mdeblois@svrsu.org
Pat Metta	pmetta@svrsu.org
Stephanie Oliphant	soliphant@svrsu.org
Susan Dancer	sdancer@svrsu.org
Susan Sawyer	ssawyer@svrsu.org

BENEFITS OF PARTNERING WITH SPC

Since January 1, 2020 we have signed eleven (11) new clients for 34 million prints. Here are the reasons why…

1. Cooperative Buying

- By definition, is a model that allows a group of buyers with a common interest to pool their buying power in order to negotiate more favorable pricing and better service. SPC's model allows you to pick your preferred vendor!
- SPC's pricing is so strong *we pay for our own fee* by acquiring prices lower than what you can do on your own.
- We will save you money benefiting from the combined purchasing power of more than 65 clients with over 3,900 devices doing 155 million copies and prints per year. We purchase approximately 1,100 units annually with 62 million prints out to bid.
- We will save you time by preparing your bid, negotiating with vendors/manufacturers, presenting a total bid analysis and managing the implementation.
- We will save you frustration. We manage your contracts for up to five years from the date of installation.

2. Exclusive STARDoc Software

- STARDoc: **S**ystem for **T**racking **A**nd **R**eporting **D**ocuments.
- Maps all devices and sets up "Interactive Live Floor Plans" of all printing devices, showing you a Before and After Upgrade look; provides a visual for all decision makers over the next five years.
- STARDoc studies your printing habits and is able to predict your year-end cost months in advance, before you receive your year-end reconciliation invoice.
- Sets up your next year's budget at the click of a mouse.

3. Simplified Billing Program

- ➢ Removes the confusion out of billing.
- ➢ Eliminates variety of invoices from multiple vendors that come monthly and/or quarterly.
- ➢ THREE detailed, easy-to-read invoices are sent each year from ONE billing source.
- ➢ Reconciles all of your devices at the end of the year; you pay only for what you use; no minimums.

4. Five-Year Equipment Replacement Schedule

- ➢ SPC's staff surveys key locations that determine life of existing equipment.
- ➢ Specs out new equipment needed: Does not allow vendors to undersize during the bidding process.
- ➢ Manages the entire bid process down to the install.

5. Annual Report

- ➢ A crucial document that extends the life of your equipment, often getting 8 to 10 years of guaranteed performance! Flags copying trends within your organization such as over usage.
- ➢ You get an overview of your current equipment situation, reports associated with copying and printing costs and, if needed, recommendations for addressing situations posing a problem.

6. Vendor Neutral

- ➢ SPC does not recommend just one brand; we suggest what's best for you with serviceability in mind.
- ➢ We present you with the bid results and offer recommendations, yet the decision is yours to make.

SPC has been serving their clients since 1988, saving millions of dollars along the way.
Based on current actual volumes and CPCs, SPC has generated
Annual Savings of $2 million for all of our clients.
That translates into Savings of over $10 million over five years!

NEW VENDOR CATEGORIES

In the past we had two vendor categories: Cooperative and Uncooperative. In 2021 we added a third category:

Premier: defined as consistently providing ...
- Quality bids to SPC;
- Quality service with a four-hour or less average response time;
- Reliable equipment and competitive pricing;
- Support to SPC and our mutual clients to resolve concerns
- **Current Premier Vendors**
    - Budget Document Technologies
    - Konica Minolta Business Solutions
    - National 1927
    - Ricoh USA
    - SymQuest Group

Cooperative: defined as ...
- Providing bids as required but lacking in one or more areas listed above, or they have yet to provide a history of strong support.

Uncooperative: defined as ...
- Rarely submitting bids to SPC;
- Encourages SPC clients to breach existing contracts and undermines SPC's bid process.

SPC VALUES ITS VENDORS

Overall Benefits to our Vendors:
- Opportunities brought to vendor – Over 1,100 units purchased in FY21 running over 62 million prints
- SPC is well respected in the industry
- SPC values our vendors and speaks highly of them to our clients
- National contracts that are all negotiated with the manufacturers at your disposal

Vendor Benefits Pre-Bid & During the Bid Process
- Sharing of previous bid results that help vendors negotiate with manufacturers
- On-Site Survey of client requirements including mapping all devices
- Writing of the *Five-Year Equipment Replacement Schedule* (Bid Specs)
- Vendor Bid Portal: Greatly reduces bid input time; reduces time from bid submission to bid presentation to the clients in our cooperative.
- Control of Bid Specs (not allowing any vendor to underbid or offer discontinued equipment)
- Selling of vendors' 'Value Add' directly to our clients after the bids are in; Client has the right to pay more than low bid, if desired

Vendor Benefits Before & During Installation
- Digital Needs Analysis: Matching up the machine to installation site
- Schedule and coordinate Vendor meeting with Client
- Cover the cost of ESP surge protectors, electrical wiring, computer interface and any unexpected costs
- Manage and audit installation
- Capture final meter reads and close books on old devices and contracts

Vendor Ongoing Support
- Yearly meter reads
- Simplified Billing: SPC manages billing and payment directly with Client and Vendor
- STARDoc: **S**ystem for **T**racking **A**nd **R**eporting **D**ocuments…Manages the budget
- Annual Reports that flag machines being overused and underused, thus improving reliability
- Mediating warranty issues in sensitive locations

Why do some vendors hesitate to bid?
- Vendors worry that bidding will reduce their margins
- If word gets out on pricing, they feel that their other customers will call and ask for similar prices
- Lose control of their account as winning bidder may beat their pricing
- SPC bids are designed to keep specs equal for all, no chance of providing a lesser piece of equipment

<p style="text-align:center">SPC manages over 3,900 Photocopiers and Printers
Our relationship with our vendors has never been stronger!</p>

STARDoc FEATURES

Cost Projection by Department or Building
- Allows you to formulate next year's budget as early as December
- Allows you to see the projected usage bill in advance
- Tabulate total budgets and total costs district-wide
- Volume or cost pages allow you to pinpoint specific machines on the floorplans
- Timeline – allows you to track historical volume and costs to compare current budget with past years

Map Your Devices on Floorplans
- Identifies detailed information (IP address, serial number, vendor ID, CPC, consumed volume, toner and service alerts)
- Device Information tab allows easy access to the printer/copier web interface
- Asset Management (Servers, Wireless Access Points, IP Cameras, Projectors, Apple TVs)

Floorplan Administration
- Allows IT and Business Manager to move devices around on floorplan
- Paper trail of device locations after summer break
- Shows Previous Devices, Present Equipment, Proposed Equipment

Contacts Page
- Control access and permissions to STARDoc
- Toggle E-Mail All (Toner Alerts, Service Alerts, Monthly Audits)

Device Listing Page
- Centralized location for detailed information of District's assets
- Exportable device listing to Excel or PDF
- Non-Reporting Device listing for devices that haven't reported for more than two weeks
- Tracks additional non-contracted devices
- IP and MAC addresses imported automatically
- Strikethrough on machines that have been removed

Monthly Audits
- Monthly Cost Snapshot
- Shows number of devices not reporting to help improve projections accuracy

Last Sync Date
- Shows the last time FM Audit synced for equipment

Over-Budget Report
- Request service history on any machine right in STARDoc
- Catch overused equipment early, before it begins to break down due to overuse

Five-Year Fleet Management (FYFM)
- Projects out five-year costs for all equipment based on current and past usage

WARRANTY RELIEF FUND

Why is it Needed?

With the recent pandemic, schools and businesses shut down. In FY20 credits owed were around $389,000. However, your contracts stipulate that any unused service and supplies are to be refunded. While this may seem like good news, what if the vendor is unable or unwilling to repay those funds? Many companies outside of the copier industry are already filing for bankruptcy. SPC's legitimate concern is, what if this hits the copier industry and we can no longer access the funds owed to the client?

Other Concerns:

- Vendor refuses to honor a Warranty
- Equipment is no longer under a vendor Warranty
- Vendor refuses to honor a Service-and-Supply Contract at the agreed-upon pricing.
- Vendor gets sold to a venture capitalist entity or to a risky new owner with limited cash reserves

Purpose:

Since 1989, SPC's goal is to shelter our clients from industry upheavals. This fund is to set aside monies that can be used by any client, if a need arises.

Funding Source: Initially, $200,000 no-interest personal loan. To be paid back from two sources…

- Wholesale Trades… For over 10 years these funds have been set aside for warranty replacement units since the industry would provide the same cash price with or without the trade.
- Equipment Purchases… 2% of the gross will be set aside with each upgrade

Who Benefit?

All SPC clients…like any insurance fund, by pooling funds from SPC's entire client base, any losses are eliminated.

WARRANTY RELIEF EQUIPMENT BASE

Why is it Needed?

As with credits owed to clients for unused copies, sometimes equipment needs to be replaced or added but there are no funds in the budget. Rather than relying solely on the Warranty Relief Fund, SPC will have an inventory of high-quality, low-meter copiers and printers to use as replacements or additional equipment as needed at a lower cost to the client than a new machine.

Other Concerns:

- Vendor refuses to honor a Warranty
- Equipment is no longer under a vendor Warranty
- Equipment is damaged by user and not covered under the Warranty

Purpose:

To replace or add a machine when needed.

Who Benefit?

All SPC clients…by pooling high-quality equipment from past client upgrades, equipment can be replaced with minimal impact on the client.