

**RATE REQUEST**

Electronic Purchasing Services (ePS) is **not requesting** any changes to its rate structure.

**PROGRAM DESCRIPTION**

Electronic Purchasing Services (ePS) provides state agencies, local government, school districts and higher education an efficient and effective source of office supplies, maintenance, repair and operations (MRO) and industrial supplies and other services to enhance their ability to conduct business.

Print Services manages essential document production services for state government. This is accomplished by two separate programs within Print Services: Digital Print Services and the State Copy Center.

**BUSINESS SUPPLIES:** ePS manages three office products suppliers, Corporate Express, Office Depot, Office Max. ePS ensures correct pricing, service and product availability. ePS also routinely audits state agencies to ensure office products are purchased on contract.

**MRO AND INDUSTRIAL SUPPLIES:** The Division of Purchasing & General Services has contracted with Grainger, Industrial Supplies, and Codale, for discounts between 10% and 88% depending on the item and prepaid freight anywhere in the State. Electronic Purchasing Services manages the supplies contract to ensure correct pricing, customer service and product.

**PURCHASING CARD:** This program is designed to supplement or eliminate a variety of processes including petty cash, local check writing, low-value authorizations and small dollar purchase orders. The P-Card can be used for in-store purchases as well as mail, e-mail, and telephone and fax orders.

**FY08 ACCOMPLISHMENTS**

Office Supplies sales reached just short of \$18 million

A compliance audit of all Purchasing Card and procedures will be completed by 2007 calendar year end.

Purchasing Card usage exceeded \$

**MARKET COMPARISON**

ITEM TYPE	Utah			Idaho	Arizona		
	Office Max	Corporate	Depot	Office Max	Office Max	Corporate	Depot
Catalog	59%	64%	54%	58%	60%	58%	57%
Toner	39%	37%	33%	39%	36%	36%	36%
Office Equipment	41%	21%	33%	50%	42%	40%	36%
Furniture	52%	26%	43%	50%	46%	46%	46%
Paper	55%	71%	64%	50%	51%	51%	51%
Non Stock Items	21%	16%	19%	15%	varies	varies	varies
Average	<b>45%</b>	<b>39%</b>	<b>41%</b>	<b>44%</b>	<b>47%</b>	<b>46%</b>	<b>45%</b>

## CUSTOMER SATISFACTION SURVEY RESULTS

Purchasing's Customer Service Survey Results	2008 2008 2007 2007 2007 2006 2005									
	Trend	May	Feb.	Nov.	Jun.	Apr.	Jan.	Oct.	Oct.	
<b>Service</b>										
1. The Division of Purchasing's staff treats me with courtesy and respect.	▲	4.6	4.5	4.3	4.6	4.6	4.7	4.6	4.5	
2. I receive responses to my requests in a timely manner (within 1 business day).	▼	3.8	3.9	3.8	3.8	4.0	4.0	4.2	4.0	
3. I am satisfied with the accuracy of the information I receive.	▶	4.4	4.4	4.6	4.2	4.4	4.5	4.5	4.3	
4. I am able to resolve my issue(s) with the first person I am directed to.	▲	4.1	4.0	3.8	3.9	4.1	4.2	4.2	3.9	
5. The Division of Purchasing's bid solicitation and award process is performed in a timely manner (2-3 weeks).	▶	4.4	4.4	3.9	4.0	4.0	4.2	4.2	3.8	
6. The Division of Purchasing performs the agency contract legal review and approval process in a timely manner (2-3 weeks).	▲	4.2	4.1	3.7	3.8	4.0	4.1	3.9	3.7	
7. The Division of Purchasing fosters broad-based competition.	▼	4.4	4.5	4.2	4.2	4.6	4.0	4.2	4.1	
8. I believe the State Division of Purchasing is an ethical organization.	▼	4.6	4.8	4.5	4.5	4.6	4.6	4.7	4.5	
9. The Division of Purchasing added value to our project(s).	▼	4.1	4.4	4.0	4.2	4.4	4.1	4.2	3.9	
10. The Division of Purchasing excels at its mission to "Provide our customers with best value goods and services".	▼	4.2	4.3	4.1	4.0	4.4	4.3	4.2	3.9	
11. Overall, I feel that the service I receive from the Division of Purchasing is improving.	▼	4.3	4.4	4.1	4.0	4.3	4.3	4.3	4.0	
12. Overall, I am satisfied with the quality of service I receive from the Division of Purchasing.	▶	4.4	4.4	4.1	4.2	4.3	4.4	4.3	4.2	
<b>Division of Purchasing Staff</b>										
13. I feel confident that the staff is professional and capable of helping me.	▶	4.5	4.5	4.3	4.2	4.4	4.5	4.4	4.3	
14. Those who help me are knowledgeable about the issue(s).	▲	4.6	4.4	4.1	4.4	4.2	4.5	4.4	4.2	
15. The Division of Purchasing staff are competent and skilled.	▲	4.6	4.5	4.1	4.3	4.3	4.3	4.4	4.2	
<b>Usefulness of Information</b>										
16. I am able to obtain the information I need.	▶	4.2	4.2	3.9	4.0	4.2	4.2	4.4	4.2	
17. Reports are accurate, timely and contain useful information.	▲	4.3	4.2	3.8	3.9	4.3	4.0	4.0	4.0	
18. The written materials I receive from the Division of Purchasing (e.g. bid forms, purchase orders, contracts, & correspondence) are understandable and professional.	▼	4.2	4.4	4.1	4.2	4.4	4.4	4.2	4.2	
19. The Division's Newsletter "Purchasing Update", contains useful, current information.	▶	4.5	4.5	4.4	4.5	4.7	4.6	4.8	4.2	
<b>Communication</b>										
20. The Division of Purchasing staff responds promptly (within 1 business day) to phone calls, email, & voice mail.	▼	3.9	4.0	3.6	3.9	4.0	3.9	4.0	3.7	
21. The Division of Purchasing's website is easy to use.	▼	4.0	4.2	4.0	4.1	4.2	4.2	4.0	3.9	
22. The Division of Purchasing's website contains helpful information and meets my needs.	▲	4.3	4.2	4.1	4.1	4.3	4.1	4.2	4.0	
23. Initial contact people know where to direct me to get the answers I need.	▶	4.3	4.3	3.9	4.2	4.3	4.4	4.2		
24. I have received adequate instruction and training to assist me with my interactions with the Division of Purchasing.	▼	3.8	4.0	3.8	3.9	3.9	4.0	3.8	3.7	

## VOLUMES

### OFFICE SUPPLIES

OFFICE SUPPLIES ANNUAL SALES HISTORY													
	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTALS
FY03	\$ 945,379	\$ 1,181,687	\$ 1,043,537	\$ 1,085,553	\$ 932,671	\$ 857,825	\$ 1,082,777	\$ 1,041,645	\$ 1,041,645	\$ 1,156,374	\$ 1,123,754	\$ 1,069,192	\$ 12,562,038
FY04	\$ 1,047,852	\$ 1,369,441	\$ 1,333,047	\$ 1,279,230	\$ 1,105,237	\$ 1,112,356	\$ 1,186,130	\$ 1,112,357	\$ 1,305,881	\$ 1,193,054	\$ 1,220,958	\$ 1,342,147	\$ 14,607,690
FY05	\$ 1,222,351	\$ 1,586,363	\$ 1,397,018	\$ 1,281,875	\$ 1,200,100	\$ 1,107,579	\$ 1,334,824	\$ 1,175,859	\$ 1,392,379	\$ 1,340,892	\$ 1,335,321	\$ 1,294,586	\$ 15,669,148
FY06	\$ 1,503,934	\$ 1,881,237	\$ 1,507,804	\$ 1,386,127	\$ 1,325,177	\$ 1,265,401	\$ 1,448,637	\$ 1,386,154	\$ 1,639,451	\$ 1,495,793	\$ 1,458,183	\$ 1,586,106	\$ 17,884,004
FY07	\$ 1,308,033	\$ 2,238,375	\$ 1,718,199	\$ 1,645,140	\$ 1,448,178	\$ 1,297,632	\$ 1,663,115	\$ 1,362,865	\$ 1,686,583	\$ 1,478,229	\$ 1,562,556	\$ 1,588,294	\$ 18,997,198
FY08	\$ 1,435,448	\$ 2,220,824	\$ 1,598,284	\$ 1,721,560	\$ 1,529,470	\$ 1,241,909	\$ 1,681,102	\$ 1,548,334	\$ 1,397,357	\$ 1,713,575	\$ 1,784,603	\$ 1,624,770	\$ 17,872,466

### PURCHASING CARD

PURCHASING CARD - TOTAL SPEND					
	FEB'06 - JAN'07	FEB'07 - AUG'07	SEP'07 - DEC'07	JAN'08 - MAR'07	TOTALS
CITY/COUNTY	\$ 7,286,844.01	\$ 5,774,299.43	\$ 3,128,435.41	\$ 2,528,040.02	\$ 18,717,618.87
HIGHER ED	\$ 24,367,055.40	\$ 15,752,469.55	\$ 8,831,712.16	\$ 7,471,399.82	\$ 56,422,636.93
OTHER	\$ 1,646,849.38	\$ 999,559.74	\$ 538,919.03	\$ 427,981.75	\$ 3,613,309.90
SCHOOL DIST	\$ 22,242,147.71	\$ 15,518,552.34	\$ 9,877,963.66	\$ 7,271,603.19	\$ 54,910,266.90
STATE	\$ 12,230,343.88	\$ 8,709,338.37	\$ 5,212,623.82	\$ 4,077,194.85	\$ 30,229,500.92



**RATE REQUEST**

Print Services is not requesting any changes to its rate structure.

DIVISION OF PURCHASING & GENERAL SERVICES	FY209 AUTHORIZED	FY2010 PROPOSED	% CHANGE	REVENUE CHANGE
<b>SELF-SERVICE COPIER RATES</b>				
Paper	Cost plus 25%	Cost plus 25%	0%	\$ -
Administration Fee (Per Impression)	\$ 0.004	\$ 0.004	0%	\$ -
<b>COPY CENTER RATES</b>				
Contract Management Fee (Per Impression)	\$ 0.005	\$ 0.005	0%	\$ -
Debt-Elimination Fee (Per Impression)	\$ 0.005	\$ 0.005	0%	\$ -

**PROGRAM DESCRIPTION**

Print Services manages essential document production services for state government. This is accomplished by two separate programs within Print Services: Digital Print Services and the State Copy Center.

Digital Print Services: The program offers walk-up copying services to state agencies that want to create a "hassle-free" copying environment in their office. Included in the service is a copier that meets the agencies immediate and long-term requirements and specifications, full-service maintenance through the manufacturer or its local representative, and all copier consumables. When an agency subscribes, the program purchases and installs the copier(s), provides the required supplies, trains the staff, and assures that the copier is well maintained.

The principle advantages of the program are all costs are paid from the operating budget, a reliable copier designed to meet present and future needs, scheduled copier replacement, no more paper work for establishing maintenance contracts or purchasing supplies, improved staff morale, reduced copying costs, and excellent service.

State Copy Center: The State Copy Center provides high quality, production digital printing and related publishing services. These services are available to State of Utah agencies and other government institutions and political subdivisions. The print center provides printing-on-demand in the form of high-volume black & white or color impressions. Additionally, the center is equipped with a variety of bindery and finishing services, such as folding, cutting, punching, and binding. The print center is able to work with tabbed dividers, variable data, spot color, address labels, and carbonless work.

Print Services' partnership with Xerox has been in effect for three years.

**FY08 ACCOMPLISHMENTS**

- Awarded printing contract for Salt Lake City Corporation
- Moved print center from Capitol Hill to 324 South State
- Closed and moved equipment from Education's print center
- Increased the number of impressions produced at copy center by 26%.

## MARKET COMPARISON

1000 COPIES	COLOR - 8.5" x 11"				COLOR - 11" x 17"			
	SINGLE-SIDED		DOUBLE-SIDE		SINGLE-SIDED		DOUBLE-SIDE	
	STATE	RATE	COST	RATE	COST	RATE	COST	RATE
Utah	\$0.0326	\$ 32.60	\$0.0100	\$ 21.30	\$0.0385	\$ 38.50	\$0.0100	\$ 24.25
Oregon	\$0.0450	\$ 45.00	\$0.0450	\$ 45.00	\$0.0700	\$ 70.00	\$0.0700	\$ 70.00
Washington	\$0.0360	\$ 36.00	\$0.0360	\$ 36.00	\$0.0600	\$ 60.00	\$0.0600	\$ 60.00
Ohio	\$0.0495	\$ 49.50	\$0.0495	\$ 49.50	\$0.0990	\$ 99.00	\$0.0990	\$ 99.00

1000 COPIES	BLACK & WHITE - 8.5" x 11"				BLACK & WHITE - 11" x 17"			
	SINGLE-SIDED		DOUBLE-SIDE		SINGLE-SIDED		DOUBLE-SIDE	
	STATE	RATE	COST	RATE	COST	RATE	COST	RATE
Utah	\$0.1702	\$170.20	\$0.0100	\$ 90.10	\$0.1935	\$193.50	\$0.0100	\$101.75
Oregon	\$0.3900	\$390.00	\$0.3900	\$390.00	\$0.7800	\$780.00	\$0.7800	\$780.00
Washington	\$0.3500	\$350.00	\$0.3500	\$350.00	\$0.7000	\$700.00	\$0.7000	\$700.00
Ohio	\$0.2330	\$233.00	\$0.2330	\$233.00	\$0.4660	\$466.00	\$0.4660	\$466.00

## CUSTOMER SATISFACTION SURVEY RESULTS

A customer survey is sent out twice a year. The grading system is based on a 5.0 system, with a 5.0 score being the best ranking. During FY08, Print Services customer satisfaction cumulative score was 4.45. Over the past 3 years, scores averaged 4.48.

Print Services Customer Survey Comparison	Trend	2008	2008	2007	2007	2007	2007	2006	2005
		May	Feb	Nov	Jun	Apr	Jan	Oct	Oct
1. Print Service's staff treats me with courtesy and respect.	▶	4.5	4.5	4.5	4.8	4.8	4.7	4.6	4.6
2. I receive responses to my requests in a timely manner	▼	4.2	4.3	4.4	4.6	4.7	4.6	4.2	4.3
3. I am satisfied with the accuracy of the information I receive.	▲	4.4	4.3	4.4	4.8	4.9	4.6	4.0	4.3
4. I am able to resolve my issue(s) with the first person I am directed to.	▲	4.4	4.2	4.3	4.7	4.7	4.6	4.5	4.0
5. I find State Print Services - Self Service Copier Program convenient to use.	▲	4.8	4.4	4.3	4.8	4.7	4.8	4.6	4.1
6. State Print Services - Self Service Copier Program meets all of my copying needs.	▲	4.8	4.5	3.9	4.7	4.6	4.7	4.4	4.1
7. Billing questions and problems are answered and resolved promptly and courteously.	▲	4.8	4.3	4.1	4.6	4.9	4.6	4.4	4.1
8. State Print Services excels at its mission to "Provide our customers with best value goods and services".	▲	4.4	4.3	4.1	4.8	4.7	4.6	4.3	4.1
9. Overall, I am satisfied with the quality of service I receive from State Print Services - Self Service Copier Program.	▶	4.5	4.5	4.4	4.9	4.8	4.6	4.4	4.3
10. I feel confident that the staff is professional, knowledgeable and capable of helping me.	▲	4.7	4.3	4.6	4.8	4.7	4.5	4.6	4.4
11. State Print Services' Staff are courteous when answering questions or resolving problems.	▲	4.8	4.4	4.5	4.7	4.7	4.7	4.4	4.5
12. I am able to obtain the information I need.	▲	4.5	4.3	4.4	4.8	4.8	4.6	4.4	4.2
13. Reports are accurate, timely and contain useful information.	▲	4.8	4.5	4.3	4.6	4.7	4.6	4.5	4.0
14. State Print Services' staff promptly responds to phone call, email & voice mail (within 1 business day).	▲	4.4	4.1	4.4	4.6	4.7	4.7	4.1	4.3
15. State Print Services' website is easy to use and contains helpful information & meets my needs.	▲	4.4	4.2	3.9	4.8	4.9	4.3	4.0	3.9
16. Initial contact people know where to direct me to get the answers I need.	▲	4.6	4.4	4.3	4.8	4.8	4.6	4.4	4.1

## VOLUMES

### DIGITAL PRINT SERVICES

During FY08, the self-service copier program generated 76,000,000 impressions on its copier machines. Over the past eight years the average yearly number of impressions has been 81,000,000.

Self-Service Copier Report													
	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTALS
FY01	5,757,049	6,734,944	6,301,168	6,382,171	6,927,036	4,839,688	6,316,808	6,442,582	6,715,045	6,825,633	7,473,471	6,424,375	77,139,970
FY02	6,293,333	6,594,395	7,200,438	7,528,289	5,344,031	6,947,607	8,431,238	5,822,332	7,353,898	7,328,377	6,760,735	6,350,981	81,955,654
FY03	6,135,785	7,267,893	6,917,073	7,314,714	6,553,794	6,084,062	7,541,576	7,954,643	7,448,679	6,791,010	7,370,387	6,356,745	83,736,361
FY04	6,323,220	6,243,824	6,875,273	6,999,643	5,752,391	6,134,292	6,897,563	8,566,365	7,997,749	7,197,547	6,831,129	7,128,610	82,947,606
FY05	6,639,696	6,772,833	7,503,404	7,049,175	6,602,295	6,501,516	7,663,039	8,273,212	8,654,455	7,283,476	6,422,480	6,426,099	85,791,680
FY06	6,170,448	7,080,407	7,712,938	6,860,651	5,948,340	6,524,295	6,138,661	6,854,354	7,727,600	7,472,111	6,541,708	6,867,062	81,898,575
FY07	5,718,569	6,002,473	8,041,752	6,324,120	6,431,662	5,874,824	6,514,122	6,921,206	6,663,429	7,258,701	7,136,867	6,517,737	79,405,462
FY08	5,157,327	6,659,673	6,445,364	6,555,222	6,549,034	4,833,360	6,741,869	6,252,349	6,529,123	7,690,435	6,972,925	6,608,291	76,994,972
<b>Totals</b>	<b>48,195,427</b>	<b>53,356,442</b>	<b>56,997,410</b>	<b>55,013,985</b>	<b>50,108,583</b>	<b>47,739,644</b>	<b>56,244,876</b>	<b>57,087,043</b>	<b>59,089,978</b>	<b>57,847,290</b>	<b>55,509,702</b>	<b>52,679,900</b>	<b>649,870,280</b>

**CAPITOL PRINT CENTER**

The combined number of black & white and color impressions created by the print center for FY07 was over 28,600,000. This is up 26% from the previous year.

MONTHLY COMBINED B&W AND COLOR TOTAL IMPRESSIONS													
	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	TOTALS
<b>FY01</b>	3,502,690	3,642,228	4,114,541	4,564,063	3,375,038	3,721,897	4,219,182	3,236,442	5,724,439	5,236,423	3,800,332	4,100,000	<b>49,237,275</b>
<b>FY02</b>	3,107,421	3,500,000	3,542,926	3,710,884	2,747,519	2,485,046	4,601,217	2,921,927	4,144,210	4,216,463	3,183,621	4,146,170	<b>42,307,404</b>
<b>FY03</b>	3,922,148	4,058,711	3,174,068	4,201,286	2,859,499	2,114,033	2,760,375	3,228,883	3,875,723	4,110,962	2,573,773	3,169,071	<b>40,048,532</b>
<b>FY04</b>	1,990,984	2,293,655	2,905,723	3,018,836	1,969,606	2,653,370	3,491,772	2,619,571	2,724,983	2,858,586	3,133,729	2,584,716	<b>32,245,531</b>
<b>FY05</b>	2,987,555	2,202,204	2,551,494	2,107,882	1,884,407	2,352,386	2,002,685	1,861,608	3,441,467	2,268,150	2,265,984	2,156,893	<b>28,082,715</b>
<b>FY06</b>	1,119,072	1,494,023	1,655,115	1,139,519	1,430,574	1,519,706	1,816,950	1,558,000	2,516,595	2,033,959	1,510,401	2,259,093	<b>20,053,007</b>
<b>FY07</b>	1,504,564	1,609,873	1,681,640	1,709,376	1,242,193	1,337,267	2,146,050	2,364,105	2,045,616	1,989,547	1,910,854	1,688,240	<b>21,229,325</b>
<b>FY08</b>	1,831,911	1,875,904	1,869,493	2,868,791	3,119,449	2,329,215	3,097,789	2,779,016	2,647,948	2,212,877	1,815,695	2,455,252	<b>28,903,340</b>
<b>Totals</b>	<b>19,966,345</b>	<b>20,676,598</b>	<b>21,495,000</b>	<b>23,320,637</b>	<b>18,628,285</b>	<b>18,512,920</b>	<b>24,136,020</b>	<b>20,569,552</b>	<b>27,120,981</b>	<b>24,926,967</b>	<b>20,194,389</b>	<b>22,559,435</b>	<b>262,107,129</b>

## REVENUE AND EXPENSE BY RATE



**RATE REQUEST**

State Mail is not requesting any changes to its rate structure.

DIVISION OF PURCHASING & GENERAL SERVICES	FY 2009 AUTHORIZED	FY 2010 PROPOSED	% CHANGE	REVENUE CHANGE
<b>TASK RATES</b>				
Business Reply/Postage Due	\$ 0.090	\$ 0.090	0%	\$ -
Special Handling/Labor per hr.	\$ 28.350	\$ 28.350	0%	\$ -
Auto Fold	\$ 0.010	\$ 0.010	0%	\$ -
Label Generate	\$ 0.021	\$ 0.021	0%	\$ -
Label Apply	\$ 0.018	\$ 0.018	0%	\$ -
Bursting	\$ 0.012	\$ 0.012	0%	\$ -
Auto Tab	\$ 0.016	\$ 0.016	0%	\$ -
Meter/Seal	\$ 0.017	\$ 0.017	0%	\$ -
Federal Meter/Seal	\$ 0.014	\$ 0.014	0%	\$ -
Optical Character Reader	\$ 0.017	\$ 0.017	0%	\$ -
Mail Distribution	\$ 0.035	\$ 0.035	0%	\$ -
Accountable Mail	\$ 0.180	\$ 0.180	0%	\$ -
Task Distribution Rate	\$ 0.008	\$ 0.008	0%	\$ -
Auto Insert	\$ 0.013	\$ 0.013	0%	\$ -
Additional Insert	\$ 0.004	\$ 0.004	0%	\$ -
Intelligent Inserting	\$ 0.018	\$ 0.018	0%	\$ -

**PROGRAM DESCRIPTION**

State Mail & Distribution Services (SM&DS) is a full service mail processing and distribution operation. Our mission is to provide a cost effective and comprehensive mail and distribution system for our customer agencies. Our goal is to assist all state agencies and political sub-divisions in taking full advantage of our postage and freight discount programs and to assist them in minimizing their mail finishing costs. This is achieved through extensive automation, consolidation, and on-going customer training efforts.

**FY08 ACCOMPLISHMENTS**

The capstone accomplishment for this year has been State Mail's Energy Savings Plan. The plan is a 3-phase approach focusing on energy, labor and cost savings. Starting on April 7, 2008 State Mail's Energy Savings plan went into affect with a redesign and reduction on our courier routes and our new "Zebra" card program. Along with these changes State Mail has been working with our customers to help identify other possible courier stop reductions that can be handled with alternative forms of mail service, including prepaid postage strips and on-call service. Some of the results that have been realized include the following: 1,500 miles/month reduction in miles driven, 2 hour reduction in building operating time, and an increase in mail qualifying for postage discounts. These Energy savings initiatives have allowed us an opportunity to work closer with our individual customer agencies in an effort to reduce their costs by better mail design.

**MARKET COMPARISON**

State Mail & Distribution Services' market comparison is difficult because of the few private sector companies who provide all of the same services as State Mail. The closest company for comparison is a local organization called Skymail International, Inc. Skymail provides all of the same services as State Mail excluding mail delivery and pick-up. In an effort to accurately compare the two services a typical processing job at State Mail has been compared cost-wise to Skymail. Below is a table demonstrating the savings by using State Mail.

Sample 100,000 Piece Two-Piece Inserting Job	State Mail & Distribution Price	Skymail Price	Difference
<b>Tasks Performed</b>			
<b>Fold</b>	\$ 2,000	\$ 3,000	\$ 1,000
<b>Auto Insert 1st Insert</b>	\$ 1,300	\$ 1,500	\$ 200
<b>Additional Insert</b>	\$ 400	\$ 600	\$ 200
<b>Meter</b>	\$ 1,700	\$ 1,800	\$ 100
<b>OCR</b>	\$ 1,700	\$ 2,000	\$ 300
<b>Mail Distribution</b>	\$ 4,000	\$ 5,500	\$ 1,500
<b>Task Distribution</b>	\$ 3,200	\$ 6,000	\$ 2,800
<b>Savings Compared to Market</b>			<b>\$ 6,100</b>

### CUSTOMER SATISFACTION SURVEY RESULTS

A customer survey is sent out by the Division Director to a list of over 1,830 customers on State Mail's User List. The results for State Mail are down from previous years, but still relatively high. Possible reasons for the decline in the survey results may have to do with a significant increase in the number of customers surveyed and several new customers starting service with State Mail over the last year. These new customers have had some typical issues as they have moved their mail operations over to State Mail. Finally, many customers have been struggling to understand the new Postal regulations that came into affect last year.

State Mail & Distribution Services Customer Service Survey Results	Trend	2007	2007	2006	2005
		May	Jan.	Oct.	Oct.
1. State Mail's staff treats me with courtesy and respect.	▼	4.45	4.80	4.60	4.50
2. Items are consistently processed and mailed on or before desired mailing date.	▼	4.30	4.90	4.20	-
3. Items are processed correctly.	▼	4.28	4.60	4.00	-
4. I am satisfied with the accuracy of the information I receive.	▼	4.31	4.60	3.80	4.40
5. State Mail services are convenient to use.	▼	4.29	4.60	4.60	4.20
6. Billing questions and problems are answered and resolved promptly and courteously.	▼	4.02	4.90	4.10	4.40
7. State Mail services are valuable to my agency's critical mission.	▼	4.49	5.00	4.50	4.40
8. State Mail & Distribution Services excels at its mission to "Provide our customers with best value goods and services".	▼	4.26	4.70	4.20	4.50
9. Overall, I am satisfied with the quality of service I receive from State Mail & Distribution Services	▼	4.42	4.80	4.30	4.30
10. I feel confident that the staff is professional, knowledgeable and capable of helping me.	▼	4.27	4.50	4.50	4.20
11. State Mail Services' Staff are courteous when answering questions or resolving problems.	▼	4.28	4.70	4.50	-
12. Courier pick up/delivers items in a timely manner (within 15 minutes before/after scheduled time.)	▼	4.04	4.90	4.60	-
13. Couriers are professional and courteous.	▼	4.36	4.90	4.60	-
14. Courier is appropriately dressed and demonstrates professionalism.	▼	4.24	4.50	4.50	-
15. I am able to obtain the information I need.	▼	4.07	4.40	4.00	-
16. Reports are accurate, timely and contain useful information.	▼	3.93	4.50	4.10	-
17. State Mail's staff promptly responds to phone calls, email and voice mail (within 1 business day).	▼	4.25	4.80	4.30	4.20
18. State Mail Service's website is easy to use, contains helpful information and meets my needs.	▼	4.16	4.40	3.70	4.00
19. Initial contact people know where to direct me to get the answers I need.	▼	4.22	4.40	4.30	4.20

## VOLUMES

State Mail & Distribution Services inserts, meters and sorts close to 20,000,000 pieces of mail each year. These services are in conjunction with other mailing services including mail design, interoffice mail delivery, address printing, tabbing, labeling and private sector shipping contracts. The results of these efforts are postage and shipping savings as high as \$1.7 million for our customers.

YEAR TO DATE VOLUMES	TASK ID - YTD VOLUMES				
	Inbound OCR	Outbound OCR	Metering	Inserting	Savings
FY2006	2,780,691	20,095,852	18,370,425	19,286,034	\$ 1,467,513
FY2007	2,819,576	22,605,978	17,028,726	20,074,608	\$ 1,730,414
FY2008	3,992,573	22,048,362	20,123,839	21,564,109	\$ 1,590,094

## REVENUE AND EXPENSE BY RATE

Description	Estimated FY08		
Accountable Mail (\$0.180)	\$ 44,699.36	Label Apply (\$0.018)	\$ 7,243.30
Costs	\$ 52,028.91	Costs	\$ 11,705.87
Profit/(Loss)	\$ (7,329.55)	Profit/(Loss)	\$ (4,462.57)
Auto Insert (\$0.013)	\$ 118,847.60	Label Generate (\$0.021)	\$ 39,643.61
Costs	\$ 73,765.02	Costs	\$ 118,682.73
Profit/(Loss)	\$ 45,082.58	Profit/(Loss)	\$ (79,039.12)
BRM (\$0.09)	\$ 35,143.95	Meter/Seal (\$0.017)	\$ 344,899.02
Costs	\$ 28,488.75	Costs	\$ 455,337.63
Profit/(Loss)	\$ 6,655.20	Profit/(Loss)	\$ (110,438.62)
Mail distribution (\$0.035)	\$ 713,198.43	OCR (\$0.017)	\$ 350,879.24
Costs	\$ 949,880.16	Costs	\$ 190,692.25
Profit/(Loss)	\$ (236,681.72)	Profit/(Loss)	\$ 160,186.99
Auto Fold (\$0.010)	\$ 170,220.63	Task Dist (\$0.008)	\$ 675,620.98
Costs	\$ 58,995.12	Costs	\$ 681,804.03
Profit/(Loss)	\$ 111,225.51	Profit/(Loss)	\$ (6,183.05)
Intelligent Inserting (\$0.018)	\$ 111,181.28	Auto Tab (\$0.016)	\$ 20,825.65
Additional Insert (\$0.004)	\$ 27,456.11	Costs	\$ 31,909.41
Costs	\$ 238,886.19	Profit/(Loss)	\$ (11,083.76)
Profit/(Loss)	\$ (100,248.80)	Special Handling (\$28.350)	\$ 81,552.00
		Costs	\$ 85,128.27
		Profit/(Loss)	\$ (3,576.27)
		<b>Profit/(Loss)</b>	<b>\$ (235,893.18)</b>

(insert financial statements)