

COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION

DATE: October 3, 2011

TO: Supervisor Lee Holloway, County Board Chairman

FROM: Geri Lyday, Interim Director, Department of Health and Human Services
Prepared by: Paula Lucey, Administrator, Behavioral Health Division

SUBJECT: From the Interim Director, Department of Health and Human Services, submitting an informational report on leasing additional copy machines at the Behavioral Health Division

Issue

The Interim Director, Department of Health and Human Services (DHHS), is providing an information report on the Behavioral Health Division's (BHD) intent to replace purchased copy machines with leased multifunction machines to better service the needs of the division.

Background

BHD needs to replace and update its stock of copy machines and printers. Currently, there are 228 individual copiers, printers, scanners and fax machines used within BHD, the majority of which BHD owns, with some purchased as far back as 1998. Due to the age of much of the equipment, BHD is seeing an increase in the number of malfunctioning copiers and printers and need for repairs. Industry standards have moved toward multifunction machines that not only copy, but also allow users to print, scan and fax documents from desktop computers. BHD plans to replace existing machines with leased multifunction machines to provide efficiency and cost savings. The replacement will be done in phases based on need and it is conceivable that BHD could replace up to 40 individual devices with multifunctional copiers in 2012. The BHD Operations team is working on a long-term plan for replacement.

Both the 2011 Budget and the department's 2012 Requested Budget include \$27,640 for the cost of copier leases and a per copy cost, which permits the lease of about nine to ten copiers. An expanded move from purchased machines to leased machines will allow BHD to avoid expensive maintenance and most supply costs, as these costs would be covered under the lease agreement. For example, in 2010 BHD spent over \$70,000 on supplies and maintenance for existing copiers, printers, and fax machines. BHD would use the savings from a reduction in these costs to pay for additional leases.

DHHS implemented a similar initiative in 2007, and estimated at that time that savings could be achieved. As such, BHD believes that increasing the number of leased multifunction machines can reduce operating expenses in the following ways:

- Lower per print expense over individual, separate machines
- Reduction in the number of separate printers, copiers, scanners, and fax machines, and better alignment of device with intended purpose
- Comprehensive maintenance agreement(s) where if machine breaks down and requires service during the term of the lease, it will be repaired at no expense to BHD
- Reduction in the amount of toner and paper used
- Potential energy savings from fewer and more energy efficient machines being used

Recommendation

This is an informational report. No action is necessary.



Geri Lyday, Interim Director
Department of Health and Human Services

cc: County Executive Chris Abele
Tia Torhorst, County Executive's Office
Terrence Cooley, Chief of Staff, County Board
Patrick Farley, Director, DAS
Pam Bryant, Interim Fiscal & Budget Administrator, DAS
CJ Pahl, Assistant Fiscal & Budget Administrator, DAS
Steve Pietroske, Fiscal & Management Analyst, DAS
Jodi Mapp, Committee Clerk, County Board Staff
Jennifer Collins, Analyst, County Board Staff