

Lapeer Community Schools

Background

The District had experienced continual supplier and equipment performance issues; however the district's current five-year contracts offered no options for resolving these issues. Given that supplier agreements are carefully crafted to protect the suppliers' interests, there appeared no way out. The district felt stuck until the contracts expired. "We were smart enough to know we didn't know what we didn't know," reflected Beky Silkworth, Director of Accounting.

Problem / Opportunity

"We were just trying to find if there was somebody who could help us make an educated copier purchase," Silkworth said. "Our Superintendent and I realized we could end up spending a lot of money in a hurry on the equipment itself and the accompanying service agreements." Their current budget of \$16,632 a month (\$997,920 over a five-year contract period) was a considerable expense and the District wanted to ensure they were getting their money's worth.

With two years left on the current supplier's contract, the school district was resigned to riding out their unfortunate circumstance. Then, in communications through the Michigan School Business Officials association, a member school district e-mailed Silkworth recommending Optimizon's services to Lapeer.

Solution / Results

"After our first conversation with Optimizon, the Business Manager and I, who are both accountants, were somewhat skeptical," said Silkworth. But after Optimizon conducted a comprehensive analysis of their current fleet and developed an all-encompassing bid to address current and future district needs, Lapeer realized that Optimizon was a good investment. In addition to providing expert input and automating much of the bid process, Optimizon was able to help Lapeer save \$6,232 of their budget per month, resulting in a total savings of \$373,920 over the life span of a five-year contract.

"We had been pretty arrogant to think that we didn't need Optimizon's help, but they proved their worth by the level of intellect that we didn't know existed," Silkworth said. "Optimizon added things to our standard contract and bid documents that went far beyond what we could have prepared."

Optimizon enhanced the bid document with requests for information on fair market value and dollar buyout lease options for equipment. Optimizon also taught the school district to think in terms of total cost of ownership, rather than just the cost of the machine or the cost of the service without combining those two factors. "What I appreciated most was Optimizon saying that if we had any further questions, we could call them for answers before we got ourselves into trouble again," Silkworth added.

"We wouldn't even have known what to ask for without Optimizon. They turned our two-page bid request into a comprehensive document that asked all the right questions."

Beky Silkworth,
Director of Accounting,
Lapeer Community
Schools, Michigan