

School Board Meeting:

November 14, 2011

Subject:

District Print and Copy Contract

Presenter:

Josh Swanson & Gary Kawlewski

SUGGESTED SCHOOL BOARD ACTION:

Report Only

DESCRIPTION:

We adopted a central print shop and are now on our second contract with Ikon to provide for effective and efficient mass production print operations. In 2009 we entered a central contract for printer supplies with Loffler. This drove our print supply costs down on over 185 devices at the time and standardized purchases so we could take advantage of volume based negotiation. A large portion of our copy and multifunction print devices (MFPs) are now between six and thirteen years old. Significant changes in technology have occurred and many of the machines are now showing their age and wear through increased service and repair costs. Consistent with past practice, we entered a conversation and created a Request for Proposal (RFP) that looks to improve effective and efficient operations in the print and copy arena to support the district mission. As part of that contract service and support on newly purchased devices, integration with current technology, supplies for all print and MFP devices, and behavior modification software that makes end users aware of pricing were requested.

The Technology Department and Business Department worked collaboratively to draft the RFP which was posted publicly and provided to four vendors who showed interest. Minnesota Office Technology Group (MOTG), Loffler, Ikon, and Metro Sales were all contacted. MOTG, Loffler, and Ikon submitted proposals by the deadline. The proposals were reviewed based on:

1. Price
2. Service, Parts, Technical Support
3. Contract Management
4. Technology Needs
5. Public School Experience

Clarifying questions were asked of each vendor who submitted a proposal. Based on the analysis of the proposals, Ikon scored as high or higher in every category reviewed and were the lowest cost vendor overall. We have had a very positive working relationship with Ikon in the past through the services provided in our central print center.

Rationale/Implications:

The Technology and Business office propose signing a contract with Ikon to provide print and copy supplies, and service and sales on newly leased or purchased MFP's. We

see benefits to the district that will come in the form of cost savings, ability to efficiently and effectively update aging technology, have a cohesive program that drives print to the lowest priced device, and provide flexibility and choice to departments and buildings while taking advantage of volume negotiated pricing.

We have provided Loffer with appropriate notice to terminate our month to month contract. Supplies will come from Ikon instead. An ala cart menu has been developed to meet the selection needs of buildings and departments and pricing has been aggressively negotiated.

Ikon will work with the Buildings, Departments, Business Office, and Technology office to consolidate and drive prints to the lowest cost devices in a reasonable way. They have shown solid understanding of our systems and our goals as a district to manage print and copy services effectively and efficiently.

Financial Implications:

Through this process we have managed to reduce our price per print cost from \$.0125 to \$.009 on our Hewlett Packard printers. Our current number of prints is approximately 230,000 per month. This equates to a monthly savings of \$813. Ikon was over \$140,000 less than the next proposal over five years on the proposed print services. With the need to replace existing machines, Ikon offers an attractive \$.0045 price per print on MFP's with great integration to continue to drive printing to our central print shop. These prices per print include all supplies and service. Only paper is not included. The Business and Technology Departments are currently working with principals to redirect as much printing as effective and efficient toward lower cost devices. We anticipate we can significantly decrease total printing costs to the district through this process. This plan will also provide us with better metrics by which to recognize efficiencies and inefficiencies.

Next Steps:

We will be back to you on November 28, 2011 to ask for your approval to move forward with signing the 42-month contract for print and copy services with Ikon. If approved, we will initiate the plan and the contract would begin on December 1, 2011. Immediate cost savings will ensue on printing costs and replacement of aging copy and multi-function devices will follow shortly. A pilot of the behavior modification software called ROI (Return on Investment) would be started in January at Buffalo Community Middle School.

ATTACHMENT(S):