

Technology Finance Partners

“Financial Sales Engineering”

Financial Selling 100 (FS100) explains why state and local governments rely on financing options to acquire needed technology.

Adding “financial sales engineering” capabilities to your sales toolkit brings value throughout the sales cycle. And financing is one of the most basic requirements when selling to the government. Financing is particularly important when local, state and the federal governments are running deficits). Providing financial options has become “strategic”. Understanding the language of the financial buying process in the SLED market allows you to better position deals and to respond to common objections effectively. The answer doesn’t have to be “wait till next fiscal year or increase your discount.”

At **Technology Finance Partners**, our job is to make the financial side of the sales effort easier.

Global sales and strategy consultants re-inventing the way software is priced, valued and sold.

Financial Selling 100 The SLED Market

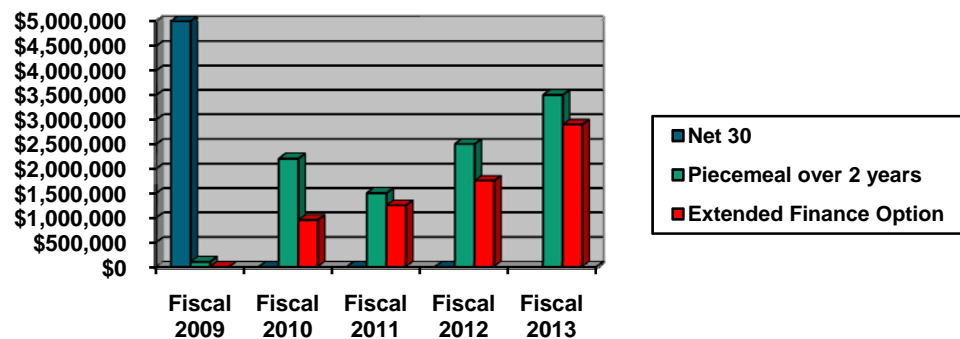
Why State and Municipal Agencies finance their Technology

Simply put, payment options give these agencies access to future year budgets while accommodating the non-appropriations clause. Payment options help mitigate ‘lack of budget’ objections and allow for volume, up-front purchases that have minimal impact on current year budgets.

Most software companies standard payment terms are Net 30. However, with an in-house financing program, your sales force can offer extended payment terms that provide up-front revenue, protects you from government “termination risk” and is an effective way to provide lower total cost of ownership, maximize cash flow savings, ROI, payback and return on investment metrics.

Facts About Municipal Financing Options

- ▶ Many state and local governments have debt ceiling limitations and they follow rigorous procedures to incur debt including voter referendums. Municipal financing does not qualify as debt. No Voter referendums required.
- ▶ State and Local governments do not have “capital” that can be used to purchase software. But they do have a reliable and ongoing stream of revenues from taxes or fees that makes financing the way natural way for them to acquire needed technology. The ability to obtain volume discounts today, and to pay for the acquisition over the next several years maximizes the benefits and minimizes the budget impact of the purchase. Interest is lower – no federal taxes apply – making this an even more cost effective solution.



- ▶ Non-appropriation clauses found in our municipal financing programs give qualified municipal customers the option, each year, to not appropriate funds to make the finance payments. Non-appropriation language is used so that the financing agreement is legally not considered debt. Due to Non-Appropriations language – budget impact is at the time of the payment for the amount of the payment vs. 100% budget impact at the time of signing. **Through an extended payment options, Technology Finance Partners’ clients provide municipal customers with access to future years’ budgets.**
- ▶ Customers may decide if they want to make monthly, quarterly, semi-annual or annual payments 2 to 5 years (credit approval and financing documents are required). **We also have the ability to offer 30, 60 & 90 day lump sum deferrals as well.**
- ▶ Technology Finance Partners’ solutions for State and Municipal Governments provide an economical method of acquiring capital assets that are too expensive to fund from one fiscal period.