



Summary of Third Party Pricing Review Tech Depot

In an effort to proactively demonstrate public benefit, U.S. Communities has enacted an annual program to review contract pricing by engaging a third party to perform a pricing review. The firm of Macias, Gini & O’Connell (MG&O) was engaged to perform the pricing review of the Fairfax County/U.S. Communities technology products contract.

We have received the completed pricing review from MG&O for the supplier Tech Depot for the timeframe of July 1st through December 31st 2009. Below is a summary of the key findings and results of the pricing review.

The following public agencies participated in the third party pricing review;

- San Diego Unified School District, CA
- State of Wyoming, WY
- Fairfax County , VA

Both historical and current pricing was audited. Tech Depot has a regular audit process that proactively corrected and credited all exceptions that were uncovered by the auditors prior to this audit.

It is concluded that the pricing review demonstrated that Tech Depot is complying with the pricing terms and conditions of the Fairfax County/U.S. Communities contract.



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INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

U.S. Communities,
Tech Depot, and
Fairfax County

We have performed the procedures enumerated below, which were agreed to by U.S. Communities on behalf of itself, Tech Depot (an Office Depot company), and Fairfax County, solely to assist U.S. Communities, Tech Depot, and Fairfax County in determining that items purchased under Fairfax County's technology products contract with Tech Depot were invoiced in accordance with contractual terms for items invoiced during the period of July 1, 2009 to December 31, 2009 and that current pricing is in accordance with contractual terms. Tech Depot's management is responsible for establishing and maintaining internal controls, including monitoring ongoing activities, to ensure compliance with Fairfax County's technology products contract with Tech Depot. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Agency Audit Participants:

- San Diego Unified School District, CA
- State of Wyoming, WY
- Fairfax County, VA

Our procedures and findings are as follows:

Historical Pricing

1. For each participating agency, randomly select up to 25 items purchased in the July 1, 2009 to December 31, 2009 period.
2. For each of the items selected in procedure 1, determine that invoice price does not exceed U.S. Communities' contract pricing by verifying that the U.S. Communities' discount is factored into the invoice price.

Results: Four exceptions noted in which the invoice price exceeded the U.S. Communities' contract price, however each was corrected by Tech Depot via credit memo during routine internal audit procedures. As a result, we found no non-compliance.

Current Pricing

1. Log on to Tech Depot.com as a U.S. Communities Customer.
2. Randomly test-purchase 50 different items.
3. Determine that invoice price does not exceed U.S. Communities' contract pricing by verifying that the U.S. Communities' discount is factored into site price.

Results: Procedure performed without exception.

We were not engaged to, and did not, conduct an audit, the objective of which would be the expression of an opinion on compliance with Fairfax County's technology products contract with Tech Depot. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of U.S. Communities, Tech Depot, and Fairfax County, and may be shared in whole or in part by U.S. Communities with the agencies they selected for testing (San Diego Unified School District, CA, State of Wyoming, WY, and Fairfax County, VA) and is not intended to be and should not be used by anyone other than those specified parties.

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Sacramento, California
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