BATEMAN HARDEN

MEMORANDUM

CLIENT-MATTER NUMBER
999100-0101

TO: Keith Roberts, Leon County Purchasing Director

FROM: Frederick L. Bateman, Jr.

DATE: November 26, 2007

RE: LC- Bid#BC-07-26-07-55 Office Supplies, Continuing Supply

---

Please see the attached bid protest. The letter and attachments were delivered to the offices of the County Administrator, County Attorney, and County Commissioners earlier today.

RECEIVED
2007 NOV 26 PM 4: 19
PURCHASING DIVISION
LEON COUNTY

BATEMAN HARDEN
ATTORNEYS AT LAW
201 SOUTH MONROE STREET, 5TH FLOOR
TALLAHASSEE, FLORIDA 32301
(850) 222-1020
FAX: (850) 222-1521
CERTAIN ATTORNEYS ADMITTED IN
GEORGIA AND TEXAS

COPY

November 20, 2007

Mr. Parwez Alam,
County Administrator
301 South Monroe Street, 5th Floor
Tallahassee, Florida 32301

Ms. Kim Dressel,
Director of Management Services
301 South Monroe Street, 5th Floor
Tallahassee, Florida 32301

Mr. Alan Rosenzweig,
Assistant County Administrator
301 South Monroe Street, 5th Floor
Tallahassee, Florida 32301

Re: LC- Bid#BC-07-26-07-55 Office Supplies, Continuing Supply

Dear Mr. Alam, Mr. Rosenzweig, and Ms. Dressel:

Something is much awry relative to this bid and contract award.

This bid was originally advertised locally and 159 vendors were notified through the automated procurement system. Twenty-seven vendors requested bid packages, which resulted in **two bids.** The vendors bidding were a local vendor, **Docs**, and **Office Depot.** The RFP identified four criteria to determine vendor responsiveness and responsibility, and to score the bids. Those criteria were:

1) Bid discount pricing, 50%;

2) References, 25%;

3) Capability, 15%; and

4) Accuracy, 10%.

The original draft agenda request to the Board of County Commissioners submitted October 5, 2007 for the October 9, 2007 BOCC regular meeting (attached hereto as exhibit A) recommended that the bid award be made to DOCS. The score tabulation sheet indicated 86 for DOCS and 69 for Office Depot, based on the criteria referenced above.

As it related to pricing, staff found that Office Depot did not submit a pricing book as required in the bid specifications. It also noted that verification of the prices that Office Depot submitted could not be made without the pricing book as required by the bid. **As to references**, staff found that Office Depot was not responsive in that the letters of recommendation did not come from contract administrator/managers as required by thee RFP. **With regard to accuracy**, staff noted that in the States of Georgia and North Carolina, audits conducted by the respective states indicated that of Office Depot had not fulfilled the terms of their contracts and overcharged significantly in each instance. North Carolina noted that the state was overcharged $40,887.00 by Office Depot for the year 2006. The State of Georgia found on its audit of August 10, 2007 that twenty-four items were found to be more than 10% higher on the State of Georgia office supply website than the bid, and 473 items were found to be overcharged in prior invoicing. Furthermore, it was found that Office Depot had not subcontracted to any small office supply vendors as required in the contract terms. Both audits found that although the contract required backorder fill services, the auditors noticed that if the orders could not be filled, they were "killed" and had to be reordered by the customer at a future date.

For some unknown reason, this agenda item was not presented to the county administrator for placement on the agenda or to the Leon County Board of County Commissioners as scheduled on October 9, 2007.

In a later, non-dated draft agenda item, the bid totals were altered to reflect Office Depot having the highest bid score of 93 to 88. **As it related to pricing**, the references to the failure of Office Depot to provide the appropriate pricing book were deleted, despite the fact that staff had previously related that these were bid requirements and necessary to analyze and verify the prices quoted. **In regard to references**, although it was earlier noted that Office Depot had failed to meet the requirement to provide references from a contract administrator/manager, it was now stated that since no definition for contract administrator/manager was set forth in the bid documents, the references submitted by Office Depot would be deemed as contract managers for their respective organizations, even though it appears to have been determined that all three references did not meet the bid requirement's specification. **As to accuracy**, although the previous audits by both North Carolina and Georgia were referenced, staff indicated with no explanation that "these reports were not factored in the bid evaluation."

In the subsequent draft agenda request, dated October 17, 2007, for the October 23, 2007 meeting of the board of county commissioners, again the failure of Office Depot to meet the bid requirements **regarding their pricing book** was not mentioned. **With regard to references,** no mention was made regarding the requirement for the contract administrator/manager. **In the accuracy category,** no mention was made of the North Carolina or Georgia audits, but instead the report indicated that comments given on both vendors indicated very few errors after initial startup of contracts with other government agencies.

It is with a great deal of concern that DOCS offers this recitation of this process and protests the award of the office supplies continuing supply contract to Office Depot.

The staff experts who initially reviewed the responses to the RFP concluded that 1) **Office Depot was insufficient with regards to the required pricing documents and failed to meet the requirements of the bid package by submitting a pricing book, which by industry standards is used to verify prices; 2) that office depot failed to provide the appropriate references as required by the bid; 3) that the failure of Office Depot to comply with previous contracts by overcharging these states was relative and important to the accuracy category of the evaluation of the bid. This item has now been whitewashed and is not even noted in this agenda item.**

As a sideline it is interesting to note the attached article recently published indicates that despite Office Depot's signing of a "cure letter" with the state of Georgia, Office Depot has continued its flagrant non-compliance with the contract. The article notes that Office Depot has continued its practice of providing erroneous information to the state and overcharging for supplies.

Also of note is the fact that although the RFP prohibited contact by the bidders with staff prior o final award of the bid. (SEE attached segment of RFP), Office Depot not only lobbied staff to change their recommendation, but documented the lobbying as reflected by the attached email dated September 7, 2007. Pursuant to the bid instructions this violation should have been grounds for rejection of the bid.

DOCS would ask that an investigation be conducted to determine why these very valid points as evaluated by staff were later modified, then revised, and then ultimately ignored in the latest agenda recommendation. It is apparent that Office Depot did not meet the requirements of the RFP, that the original scoring of the RFP was accurate, and that the bid should be awarded to the local company, DOCS.

We have recently sought transparency in the process by passing lobbyist reform. How about transparency with regard to the government process of awarding bids and contracts? The public deserves this information as well.

As such, DOCS would request that an official inquiry be made by the county into the reasons behind these irregularities, and that the bid be awarded pursuant to the initial responses to the bid and the scoring thereof.

Thank you for your attention to this matter.

Very truly yours,

Frederick L. Bateman, Jr.

Enclosure

cc: Leon County Board of County Commissioners

Downey, Donald

From: Joe Audie [joe@marblemed.com]
Sent: Tuesday, November 20, 2007 12:08 PM
To: Bateman, Jr., Frederick L.
Cc: Jim Marshall
Subject: Leon County

Rick – This is verbiage to which I referred last night from page 4 of the RFP. Looks like Morrie Norwood's (Office Depot) Sept 7 email to Don Tobin would violate this provision.

BID INFORMATION AND CLARIFICATION:
Questions pertaining to bid procedures or regarding the specifications should be addressed to Keith Roberts or Don Tobin, phone(850) 606-1600; fax (850) 606-1601; E-mail robertsk@leoncountyfl.gov or tobind@leoncountyfl.gov. Written inquiries are preferred.

All prospective Offerors are hereby instructed not to contact any member of the Board of County
***Commissioners*, County Administrator, or Leon County staff member other than the contact persons listed**
above regarding this solicitation or their submittal at any time prior to the final evaluation and
recommended ranking by County staff for this project. Any such contact shall be cause for rejection of
your submittal.

Each Vendor shall examine the Bidding Documents carefully; and, no later than seven days prior to the date for receipt of bids, he shall make a written request to the Owner for interpretations or corrections of any ambiguity, inconsistency or error which he may discover. All interpretations or corrections will be issued as addenda. The Owner will not be responsible for oral clarifications.
No negotiations, decisions or actions shall be initiated or executed by the proposer as a result of any discussions with any County employee prior to the opening of proposals. Only those communications which are in writing from the County may be considered as a duly authorized expression on the behalf of the Board.
Also, only communications from firms which are in writing and signed will be recognized by the Board as duly authorized expressions on behalf of proposers.

Attachment # 2
Page 6 of 47

From: Bateman, Jr., Frederick L.
Sent: Wednesday, November 21, 2007 4:10 PM
To: Bateman, Jr., Frederick L.
Subject: FW: LC- Bid#BC-07-26-07-55 / Request for Clarification

Importance: High

Attachments: Attachment A LC ~ 2007 Spend.xls; Attachment B Leon County BOCC USC Presentation.ppt

---

From: Morrie-Norwood [mailto:Morrie.Norwood@officedepot.com]
Sent: Friday, September 07, 2007 12:29 PM
To: robertsk@leoncountyfl.gov; tobind@leoncountyfl.gov
Cc: David-Burt; Bobby-Colony; Allen-Shiflett; David-Herold; Billy-Grimmett
Subject: LC- Bid#BC-07-26-07-55 / Request for Clarification
Importance: High

Good Morning Mr. Roberts and Mr. Toben,

It was good to see you last week at the NIGP show. My e-mail today is in reference to our recent bid to provide office consumables, desktop supplies, office furniture and office electrical equipment to Leon County. I spoke with our Business Development Manager, Bobby Colony on 9/4/2007 and was surprised to learn that your department is planning to recommend our competitor to the county commission for approval. Can you help us better understand your recommendation? Our bid is 13% better on the office supply portion, equal on the non-electrical portion and 10% better on the electrical portion, than the bid of our competitor. By utilizing our price plan the county would save at least $20,000 or approximately 10% of your annual spend. The savings are significant to the tax payers of Leon County in an economy that proves most governments are reducing spend in an effort to save money. Our plan has 2 phases; first to win the bid and second to transition Leon County over to our US Communities / State of Florida contract saving the county even more money. (Note; phase 2 would require negotiations and Leon County approval.) We recently did a comparison using Leon Counties current price scheme and our US Communities / State of Florida contract pricing. We utilized the usage from 2 Florida counties and one Florida City of similar size to Leon County that are currently Office Depot customers. The savings averaged 20.40% across the board. Many Leon County departments and agencies have already compared prices and are utilizing our USC State of Florida contract. I have provided a list of those customers (attachment A) for you to review. I'm also providing a copy (attachment B) of the US Communities presentation for your review.

The basis for my inquiry is the "Bid Information and Clarification" section on page 3 of the bid states; "award of this bid will be made to the lowest responsible and responsive bidder based upon the following factors; Pricing 50% weight, References 25% weight, Capability 15% weight and Accuracy 10% weight. According to the recap we are the lowest responsible and responsive bidder and provided all the required information except the jobber price book that carries no weight. By taking everything into consideration Office Depot has clearly provided the best bid and deserves a chance to serve the citizens of Leon County.

We have reviewed the agenda for the September 11, 2007 county commission meeting and did not find any reference to the bid #BC-07-26-07-55. Can you tell us the date you plan to present your recommendation to the board? I am available to meet in person or via telephone if you would like more information regarding our bid proposal. I look forward to hearing from you soon regarding the recommendation agenda date.

Best Regards,

Morrie Norwood

11

District Sales Manager

Office Depot Business Solutions Division

850-251-7307

<<Attachment A LC ~ 2007 Spend.xls>> <<Attachment B Leon County BOCC USC Presentation.ppt>>

Board of County Commissioners
Agenda Request

Date of Meeting: October 23, 2007
Date Submitted: October 17, 2007

To: Honorable Chairman and Members of the Board

From: Parwez Alam, County Administrator
Alan Rosenzweig, Assistant county Administrator
Kim Dressel, Director of Management Services

Subject: Approval of Agreement to Award Bid to Office Depot for Office Supplies, Continuing Supply

---

Statement of Issue
This agenda item seeks Board approval of an Agreement to award a bid to Office Depot for Office Supplies, Continuing Supply (Attachment #1).

Background
The Purchasing Division coordinates the purchase of office supplies for County offices to reduce paperwork, increase efficiency, and provide maximized savings. Two methods are utilized: the Division operates the Office Supply Center (OSC) on the P-3 level of the Courthouse and also manages a continuing supply contract with a private vendor for desk-side delivery of office supplies. Some of the contract requirements are internet ordering capabilities, next-day desk-side delivery, acceptance of P-cards, and a designated account service representative. Over the years, the office supply vendor has been selected through the competitive bid process.

The competitive bid process used for office supplies has four criteria for bid award to determine vendor responsiveness and responsibility: bid discount pricing (50%), references (25%), capability (15%), and accuracy (10%).

Analysis
The bid was advertised locally and 159 vendors were notified through the automated procurement system. Twenty-seven (27) vendors requested bid packages, which resulted in 2 bids and one no-bid statement. The Paper Clip Company (the non-store division of STAPLES) submitted a bid that arrived by overnight service a day late, and is, therefore, non-responsive. The bid tabulation sheet is included as Attachment #2.

Point totals for vendors were determined by comparing discount prices, references, capabilities and accuracy as stated in the bid document and are listed in the chart below with some explanation of the ratings following.

VENDOR Points possible	PRICE 50	REFERENCES 25	CAPABILITIES 15	ACCURACY 10	RATING
Office Depot	50	20	15	8	93
DOC's	43	20	15	10	88

Pricing: In order to fairly assess pricing, all vendors are to provide pricing based upon the current United Stationers catalog and its current jobber pricing book. This is one of two industry standard catalogs that all office supply vendors use. The pricing books are used by staff to perform price comparisons and verify bid pricing data for items to be evaluated. Office Depot had lower unit prices in the direct comparison of the 50 most common items specified in the bid, $500.74 compared to $512.13 for DOC's. In addition, Office Depot offered higher discounts on all three pricing categories.

References: References for both vendors were very positive from the reference calls made.

Capabilities: Both vendors meet or exceed all capabilities required in the bid specifications.

Accuracy: Comments given on both vendors indicated very little errors after initial start-up of contracts with other government agencies. It was reported by current customers that Office Depot tends to delete back orders so customers must re-order. The County has DOC's as the current office supply vendor and the accuracy of invoices, credits, and contract pricing has been very good. When mistakes have been discovered, correction has been immediate.

After review of all bid award criteria, Office Depot is the top rated vendor as shown in the chart above.

The MWSBE Office did the bid analysis for MBE participation by the bid respondents which is Attachment #3.

Options

1. ~~Award continuing supply contract for office supplies to Office Depot and authorize the Chairman~~ to execute Agreement.
2. Do not award continuing supply contract to Office Depot.
3. Board direction.

Recommendation

Option # 1.

Attachments

1. Draft Agreement
2. Bid tabulation sheet.
3. M/WBE Statement

DRAFT

Board of County Commissioners
Agenda Request

Date of Meeting:
Date Submitted:

To: Honorable Chairman and Members of the Board

From: Parwez Alam, County Administrator
Alan Rosenzweig, Assistant county Administrator
Kim Dressel, Director of Management Services

Subject: Approval of Agreement to Award Bid to Office Depot for Office Supplies, on Continuing Services Basis

Statement of Issue
This agenda item seeks Board approval of an Agreement to award a bid to Office Depot for Office Supplies, on a continuing services basis (Attachment #1).

Background
The Purchasing Division coordinates the purchase of office supplies for County offices to reduce paperwork, increase efficiency, and provide maximized savings. Two methods are utilized: the Division operates the Office Supply Center (OSC) on the P-3 level of the Courthouse and also manages a continuing supply contract with a private vendor for desk-side delivery of office supplies. Some of the contract requirements are internet ordering capabilities, next-day desk-side delivery, acceptance of P-cards, and a designated account service representative. Over the years, the office supply vendor has been selected through the competitive bid process.

The competitive bid process used for office supplies has four criteria for bid award to determine vendor responsiveness and responsibility: bid discount pricing (50%), references (25%), capability (15%), and accuracy (10%).

Analysis
The bid was advertised locally and 159 vendors were notified through the automated procurement system. Twenty-seven (27) vendors requested bid packages, which resulted in 2 bids and one no-bid statement. The Paper Clip Company (the non-store division of STAPLES) submitted a bid that arrived by overnight service a day late, and is, therefore, non-responsive. The bid tabulation sheet is included as Attachment #2.

Point totals for vendors were determined by comparing discount prices, references, capabilities and accuracy as stated in the bid document and are listed in the chart below with some explanation of the ratings following.

DRAFT

Table 1 – Bid Totals					
Vendor	***Price**	***References***	**Capabilities**	**Accuracy**	**Rating**
Total Points Possible	50	25	15	10	100
Points Awarded:					
Office Depot	50	20	15	8	93
DOC's	43	20	15	10	88
*Price points consider Local Preference adjustments (see Table 2)					

Pricing: The bid documents listed fifty frequently consumed office supply products by manufacturer's number and unit of issue on Appendix B of the bid. The bidders were instructed to provide the prices for these products in the same packaging/quantity as the price sheet. The bid award criteria stipulated that a selected sample of these items, for which pricing is provided, would be used for the price determination as part of the bid award basis. In order to fairly assess pricing information, vendors were to provide pricing based upon the current United Stationers catalog and its current jobber pricing book. The pricing books are used by staff to perform price comparisons and verify bid pricing data for items to be evaluated. Pricing considerations are summarized in Table 2.

Table 2 – Pricing			
***Pricing**	**Office Depot**	**DOCs**	**Difference**
Bid – Gross Bid Submission	$500.93	$512.13	
• Adjust – Office Depot's bid included a 20% Discount from its Price Sheet (Note: Office Depot Submitted a Price Sheet rather than the Appendix B)	-100.19	N/A	
o Subtotal – Gross Bid	$400.74	$512.13	
• Adjust – Less items with no price by other bidder	- $1.05	-$26.43	
• Adjust – Less items with quantity discrepancies between the bidders	- $19.43	-$42.93	
o Subtotal – Cost for comparable selected sample of these items, for which pricing is provided	$380.26	$442.77	*$62.51 (16.4%)
Local Preference Adjustment	$368.85 (3% adj.)	$420.63 (5% adj.)	*$51.78 (14.04%)
* Bid included Local Preference Adjustment			

Consistent with Board policy, the bid provided for local preference in pricing. DOCs is a local business with its home office located in Leon County; therefore, it was given a preference in the amount of 5% of the total bid. Office Depot is a local business with a fixed office in Leon County and its home office elsewhere; therefore it was given a preference in the amount of 3% of the total bid. With the application of the terms of the Local Preference Ordinance, as stipulated in the bid, the

DRAFT

price difference is $51.78, which is approximately 14.04% or approximately $14,040 for every $100,000 of desktop supplies purchased annually.

References: The bid document stated requirements, relative to reference/business information, required in part, "(1) At least three references that the company has had with an equivalent size or larger account that the company has serviced for at least two continuous years, and the name and phone number of the Contract Administrator/Manager. Phone numbers that do not work, or do not connect to a responsible account manager listed shall be considered non-responsive and a score of zero applied..." Contract managers are sought as references to provide a vendor's performance across the organization and in comparison to the actual contract terms.

Office Depot's bid included three letters of recommendation from customers, and no other references were included in the bid submittal. Staff initially questioned whether these persons met the bid requirement of being a Contract Administrator/Manager. However, as a review of the bid documents revealed no definitions for Contract Administrator/Manager, staff believes the references provided by Office Depot could be deemed as contract managers for their respective organization.

However, reference check results that staff conducted for both vendors were very comparable and positive from the reference calls made.

Capabilities: Both vendors appear to meet or exceed all capabilities required in the bid specifications.

Accuracy: The accuracy and completeness of the entire bid response, including working phone numbers, contacts, forms and additional information were considered. DOCs met all bid requirements and submitted all required forms. Office Depot was reduced points for accuracy, as it did not submit a unit price worksheet (Appendix B of the bid), and rather submitted a price sheet, and did not submit the jobber price book.

Purchasing staff learned in recent workshop discussions at the Annual Forum and Trade Show of the National Institute of Governmental Purchasing that: (1) a recent review by the State of North Carolina, released May 9, 2007, identified $40,887 in overcharges by Office Depot in its statewide contract for office supplies which Office Depot repaid; and (2) a performance review by the State of Georgia, released August 10, 2007, included a finding that "Office Depot's Georgia government product catalog has mispriced significant numbers of items." These reports were not factored in the bid evaluation.

Consistent with Board policy, the MWSBE Division placed a 1% aspirational target for Minority Business Enterprise (MBE) participation in the bid instructions. Its analysis of the bids is provided as Attachment #3. Total dollars that will be expended annually under the proposed agreement is not known, as this is a continuing service agreement. Therefore, staff could not determine whether

DRAFT

DOCs' bid of $4,000 estimated expenditures with a certified MBE printing company will meet the aspirational target. DOCs is a certified woman-owned enterprise (WBE).

After review of all bid award criteria, Office Depot is the top rated vendor as shown in Table 1 above.

Options

1. Award continuing supply contract for office supplies to Office Depot and authorize the Chairman to execute Agreement.
2. Do not award continuing supply contract to Office Depot.
3. Board direction.

Recommendation

Option # 1.

Attachments

1. Draft Agreement
2. Bid tabulation sheet.
3. MWSBE Statement

DRAFT

Board of County Commissioners
Agenda Request

Date of Meeting:	October 9, 2007
Date Submitted:	October 5, 2007
To:	Honorable Chairman and Members of the Board
From:	Parwez Alam, County Administrator Alan Rosenzweig, Assistant county Administrator Kim Dressel, Director of Management Services
Subject:	Approval of Agreement to Award Bid to DOC's for Office Supplies, Continuing Supply

---

Statement of Issue
This agenda item seeks Board approval of an Agreement to award a bid to DOC's for Office Supplies, Continuing Supply (Attachment #1).

Background
The Purchasing Division coordinates the purchase of office supplies for County offices to reduce paperwork, increase efficiency, and provide maximized savings. To do so, the Division operates the Office Supply Center (OSC) on the P-3 level of the Courthouse and also manages a continuing supply contract with a private vendor for office supplies. Some of the requirements are for the vendor to provide internet ordering capabilities, next-day desk side delivery, and a designated service representative. Over the years, the office supply vendor has been selected through the competitive bid process.

The competitive bid process used for office supplies has four criteria for bid award to determine vendor responsiveness and responsibility: bid discount pricing (50%), references (25%), capability (15%), and accuracy (10%).

Analysis
The bid was advertised locally and 159 vendors were notified through the automated procurement system. Twenty-seven (27) vendors requested bid packages, which resulted in 2 bids. The Paper Clip Company (the non-store division of STAPLES) submitted a bid that arrived by overnight service a day late, and is, therefore, non-responsive. The bid tabulation sheet is included as Attachment #2.

Point totals for vendors were determined by comparing discount prices, references, capabilities and accuracy as stated in the bid document and are listed in the chart below with some explanation of the ratings following.

DRAFT

VENDOR Points possible	PRICE 50	REFERENCES 25	CAPABILITIES 15	ACCURACY 10	RATING
Office Depot	50	0	15	4	69
DOC's	43	20	15	8	86

Pricing: In order to fairly assess pricing, all vendors are to provide pricing based upon the current *United Stationers catalog and its current jobber pricing book. This is one of two industry standard* catalogs that all office supply vendors use. The pricing books are used by staff to perform price comparisons and verify bid pricing data for items to be evaluated. Office Depot did not submit in a jobber pricing book as required by the bid specifications. Office Depot has lower unit prices in the direct comparison of the items specified in the bid, however, verification of those prices could not be done without the jobber pricing book. A quick comparison of 5 identical items in the DOC's catalog and the Office Depot catalog revealed that DOC's prices were significantly lower. For these items, the larger discount offered by Office Depot based on higher unit prices does not yield lower pricing than DOC'S smaller discount on lower priced items.

Unclear - Why can't Compare?

Why only 5?

References: The bid document stated a requirement that bidders provide references: *"At least three references that the company has/had with an equivalent size or larger account that the company has serviced for at least two continuous years, and the name and phone number of the Contract Administrator/Manager. Phone numbers that do not work, or do not connect to a responsible account manager listed shall be considered non-responsive and a score of zero applied."* Office Depot supplied three letters of recommendation from customers. Through phone calls to these persons by staff, it was found that none of these were account/contract managers as required. No other references were included in the bid submittal. It is discussion with the contract managers that provides performance information across the organization and in comparison to the actual contract terms. Therefore, in accordance with the bid requirements and evaluation criteria, Office Depot was awarded zero points in this category.

What does bid define?

Accuracy: Purchasing staff learned in recent workshop discussions at the Annual Forum and Trade Show of the National Institute of Governmental Purchasing that the State of North Carolina and the State of Georgia recently completed compliance audits on their state agreements with Office Depot. Neither audit was favorable. North Carolina results (Attachment 3) announced May 9, 2007 noted that as the sole statewide vendor for office supplies for government agencies, the state was overcharged $40,887 by Office Depot for the previous year. The State of Georgia issued its audit on August 10, 2007 (Attachment 4), and found that twenty-four (24) items were found to be more than ten percent (10%) higher on the State of Georgia office supply ordering website than the prices bid, and that 473 items were found to be overcharged in prior invoicing. Further, Office Depot had not subcontracted any small office supply vendors throughout the state of Georgia as required in their contract terms. Also, both contracts require backorder fill services but the audits noted a "fill or

Relevance?

DRAFT

kill" service in actuality. If an order cannot be filled, it is killed and the customer must reorder at a future date.

The County has contracted with DOC's for the current office supply contract and the accuracy of invoices, credits, and contract pricing has been very good. When mistakes have been discovered, correction has been immediate.

After review of the criteria DOC's is the top rated vendor. DOC's offered to provide office products to County employees for personal use at the same discounts provided the employees order on-line and use their personal major credit card.

why is this an issue?

The M/WBE Office supports the staff recommendation and has submitted an M/WBE statement at Attachment #5.

Options

1. Award continuing supply contract for office supplies to DOC's and authorize the Chairman to execute the continuing supply agreement.

2. Do not award continuing supply contract to DOC's and authorize the Chairman to execute the continuing supply agreement.

3. Board direction.

Recommendation

Option # 1.

Attachments

1. Draft Agreement
2. Bid tabulation sheet.
3. State of North Carolina Auditor Findings
4. State of Georgia letter to Office Depot
5. M/WBE Statement

PA/AR/KD/KR/dt

Board of County Commissioners
Agenda Request

DRAFT

Date of Meeting: October 9, 2007

Date Submitted: October 5, 2007

To: Honorable Chairman and Members of the Board

From: Parwez Alam, County Administrator
Alan Rosenzweig, Assistant County Administrator
Kim Dressel, Management Services Director

Subject: Award of Office Supplies, Continuing Services to DOC's Office Supplies
Bid # BC-07-26-07-55

Statement of Issue:

Award of contract for the continuing supply of Office Products to DOC's Office Supply.

BACKGROUND:

The Purchasing Division operates the Office Supply Center (OSC) on the P-3 level of the Courthouse to supply County offices with office supplies necessary for the conduct of public business. In addition to stocked items, the OSC coordinates the purchase of non-stock items for County offices to reduce paperwork, increase efficiency, and provide maximized savings. The office supply vendor has been selected through the competitive bid process.

The competitive bid process used for office supplies has four criteria for bid award: bid discount pricing (50%), references (25%), capability (15%), accuracy (10%) to determine the point total for each bidder.

Office supply catalogs have long been, and still are, offered by the large wholesale office product suppliers - SP Richards and United Stationers. In order to provide an equal bidding opportunity, the most available United Stationers catalog was specified to be utilized for the net pricer discounts.

For price, the invitation to bid requests the percentage discount (+/-) applied to the Dealer Net Pricer listed in United Stationers, as well as a minimum discount off all other items in the bidder's standard catalog in two categories: electrical and non-electrical

DRAFT

items. The bid specifications also required details about the bidder's delivery schedules, invoicing methods, return policies, restocking fees, and other operational procedures required of the vendor as well as reference information. This agenda item seeks Board acceptance of a report regarding requiring county vendors to provide health care benefits to their employees.

The bid was designed to ensure that all of the catalogs contained a minimum number of items and that they are very comparable in product offerings, therefore the bid specifications contained specific manufacture numbers for 50 of our most popular products.

Each vendor was required to complete a bid worksheet containing the top 50 items purchased by the County over the past year. A select number of these items were randomly chosen before the bid opening to be used to compare bid prices. This worksheet was provided to bidders at the bid opening and provided a means of analysis of comparability of the catalogs, the dealer net pricer list prices, and the net result of the percentage discount bid.

The bid was advertised locally and 159 vendors were notified through the automated procurement system. Twenty-seven (27) vendors requested bid packages, which resulted in 2 bids. The bid tabulation sheet is included as Attachment #1.

ANALYSIS:

The Paper Clip Company (aka STAPLES) submitted a bid that arrived by overnight service a day late, and was considered non-responsive.

Point totals for vendors were determined by comparing discount prices, references, capabilities and accuracy. Points awarded in each category are listed in the chart below:

AWARD CRITERIA RATINGS

VENDOR	PRICE	REFERENCES	CAPABILITIES	ACCURACY	RATING
Office Depot	50	0	10	4	64
DOC's	43	20	10	8	81

DRAFT

The bid document stated a requirement that bidders provide references: *"At least three references that the company has/had with an equivalent size or larger account that the company has serviced for at least two continuous years, and the name and phone number of the Contract Administrator/Manager. Phone numbers that do not work, or do not connect to a responsible account manager listed shall be considered non-responsive and a score of zero applied."* Office Depot supplied three letters of recommendation from three customers, however, thru phone calls for references it was found that none of these were account/contract managers as required. No other references were included in the bid submittal. Therefore, in accordance with the bid requirements and evaluation criteria, Office Depot was awarded zero points in this category.

Office Depot did not submit in a jobber pricing book as required in the bid specifications. These pricing books are used by staff to perform price comparisons and verify pricing data for items to be evaluated. A quick comparison of 5 identical items in the DOC's catalog and the Office Depot catalog revealed that DOC's prices were significantly lower. The larger discount offered by Office Depot based on higher unit prices does not yield lower pricing than the DOC'S smaller discount on lower priced items.

Recent discussion in workshops at the Annual Forum and Trade Show of the National Institute of Governmental Purchasing revealed that the State of North Carolina and the State of Georgia recently completed compliance audits on their state agreements with Office Depot that were not favorable. Results for North Carolina were announced May 9, 2007 and noted that as the sole statewide vendor for office supplies for government agencies, the State of North Carolina was overcharged $40,887 by Office Depot for the previous year. The State of Georgia issued findings of its audit August 10, 2007, and the audit found that twenty-four (24) items were found to be more than ten percent (10%) higher on the State of Georgia office supply ordering website than those prices bid on the quote sheet, and some 473 items were found to be overcharged but no dollar amount was listed as total overcharged. Further, Office Depot had not subcontracted at all with small vendors throughout the state of Georgia as required in their contract with the state.

As well as being the top rated vendor, DOC's has offered to provide service to our employees at the same discounts provided to Leon County provided they order on-line and charge the cost to their personal major credit card. DOC's is a certified M/WBE firm. The M/WBE Office supports the staffs recommendation and has submitted an M/WBE statement at Attachment #2.

DRAFT

DOC's discounts offered are: Dealer Net Pricer rate of -7%, a 35% off non-electrical items listed in their catalog and minimum 15% discount off electrical items listed in their catalog for both the County and employees.

OPTIONS

1. Award continuing supply contracts to DOC's Office Supply and authorize the Chairman to execute the continuing supply agreement.

2. Board Direction.

RECOMMENDATION:

Option #1

Attachments
1. Bid tabulation sheet.
2. M/WBE Statement
3. Contract
4. State of North Carolina Auditor Findings
5. State of Georgia letter to Office Depot

PA/KD/KR/dt

From: Iranetta Dennis
To: Colombo, David; Dressel, Kim
Date: 10/15/2007 1:57 PM
Subject: Office Supplies Agenda

CC: Johnson, Gary

DOC's is a certified WBE vendor which expires Sept. 30, 2008 and Harvest Printing is a certified MBE vendor which expires Nov. 30, 2007.

I hope this helps:)

Iranetta J. Dennis
Minority, Women & Small Business Enterprise Analyst
MWSBE Division
Leon County
Phone (850) 606-1650
Fax (850) 606-1651

From: Iranetta Dennis
To: *Colombo, David*
Date: 10/15/2007 2:28 PM
Subject: Re: AGENDA ITEM

CC: Johnson, Gary

Please see that suggested changes below.

Consistent with Board policy, the MWSBE Division placed a 1% aspirational target for Minority Business Enterprises (MBE) in the bid instructions. After review of the MWSBE participation plans by staff, it was determined that this bid did not list a specific dollar amount, therefore we could not determine if the one (1%) percent MBE aspirational target would be achieved. Office Depot did not commit to any utilization with a MBE vendor for the 1% aspirational target placed in this bid.

Iranetta J. Dennis
Minority, Women & Small Business Enterprise Analyst
MWSBE Division
Leon County
Phone (850) 606-1650
Fax (850) 606-1651

>>> David Colombo 10/15/2007 11:19 AM >>>
Good morning-

Attached is the agenda for Continuing Supply Office Supplies.

Please review and comments or send me your approval.

Thanks-

Dave

50 Most Consumed Products

	Mfg. / Item Description	Item Number	U/M	OFFICE DEPOT Price	U/M	DOC'S Price	U/M
1	CLIP,PPR,#1,SMTH,1C/BX	ACC72360	BX	$0.25	BX	$0.23	BX
2	CLIP,BINDER,30/EA,AST	ACC71130	EA	$2.53	PK	$2.35	EA
3	CLIP,BINDER,30/PK,AST	ACCO71130	EA			$2.35	EA
4	TAPE, CORR	AMERTM68620	EA	$2.37	EA	$2.20	EA
5	TAPE,CORRECTION,MONO,WE	AMERTM68670	EA	$14.28	BX	$13.28	EA
6	PAD,RCYL,12PD/PK,8.5X11W	AMPAD20172	PK	$15.63	PK	$14.54	PK
7	MAILER,SS-BUBLE8.5X12,KF	ANLE39093	CS	$36.24	CT	$33.70	CS
8	TOWELETTE,WE,TONES,ANTBC	ARMBRU04703CT	CS	$4.75	BX	$39.83	CS
9	CARD,INDX,3X5,LSR,3/SH,WE	AVE 5388	BX	$14.78	BX	$13.75	BX
10	BATTERY,AAA16-PK.....	DURCELMN24RT16Z	PK	$12.32	PK	$11.46	PK
11	PAPER,DUP,20#,LTR	HAMMER86700	RM	$38.56	CT	$35.86	RM
12	INKCART,NO.78,TRI-COLOR	HEW 6657AN	EA	$30.19	EA	$28.08	EA
13	INKCART,#97 TRICOLOR 14M	HEW-ISC9363WN	EA	$30.19	EA	$28.08	EA
14	TONER,F/ LJ 2400.....	HEW-ISQ6511A	EA	$120.27	EA	$111.85	EA
15	WIPES	KIMCK 34015	EA	$13.61	BX	$12.66	EA
16	BOOK,APT WKLY,8.5X11, BK	MEAD7095005	EA	$13.40	EA	$12.46	EA
17	CALENDAR,WALL 15.5X22.75	MEADPM4428	EA	$12.71	EA	$11.82	EA
18	NOTE,PST-IT1.5X2,12/PK,AQ	MMM 653AN	PK	$5.99	PK	$5.57	PK
19	NOTE,PST-IT1.5X2,12/PK,ULT	MMM 653AN	PK			$5.57	PK
20	NOTE,PST-IT1.5X2,12/PK,NE	MMM 653AN	PK			$5.57	PK
21	NOTE,POST-IT,3X3,1C/PD,YW	MMM 654YW	PD	$9.48	PK	$8.82	PD
22	NOTE,PST-IT,3X3,12/PK,AQ	MMM 654YW	PK			$8.82	PK
23	TAPE,MAGIC,.75X1M,10RL,CR	MMM 810P10K	PK	$16.54	PK	$15.38	PK
24	FLAG,POST-IT,SIGN HERE,Y	MMM C6809	PK	$2.05	PK	$1.91	PK
25	TAPE,MAGIC PLUS,3/4X1296	MMM C811341296	EA	$2.00	RL	$2.40	EA
26	CUP,PENCIL,3CMPART,BK...	NEWELL2376	EA	$2.50	EA	$2.33	EA
27	RIBN,STAR MICR,SP 200	NUK NK501P	EA	$3.73	EA	$3.47	EA
28	PEN,PRECISE V5,X-FINE,BK	PIL 35335	EA	$1.07	EA	$1.00	EA
29	PENCIL,#2,EARTHWRITE,BK	SAN 12242	DZ	$0.81	DZ	$0.75	DZ
30	MARKER,SHARPIE,FINE PT,BK	SAN 30001	EA	$0.60	EA	$0.56	EA
31	FLUID,CORRECT,7OZ,WE	SAN 65450	EA	$1.13	EA		
32	PEN,UNI-GEL GRIP,MED,BK	SAN 65870	EA	$1.79	EA	$1.66	EA
33	PEN,BALL	SAN 65870	EA			$1.66	EA
34	DISPENSER,DRYLINE,CORR,WE	SAN 6604	EA	$2.20	EA	$2.05	EA
35	PEN,RBALL,GEL,IMPCT,RT,B	SANFRD65870	EA			$1.66	EA
36	POCKET,TUFF,TB5.25LGL,RD	SMD 74790	EA	$37.04	BX	$34.45	EA
37	DISK,3.5,DSHD,1BM,FRMT	TKD 40340	BX	$3.54	PK	$3.10	BX
38	CLIP,BINDER,SMALL	UNV 10200	DZ	$0.22	DZ	$0.20	DZ
39	CLIP,BINDER,MEDIUM	UNV 10210	DZ	$0.52	DZ	$0.48	DZ
40	FOLDER,MLA,1/3 CT,LTR,100	UNV 12113	BX	$5.57	BX	$5.18	BX
41	PAD,LGL RULD,PERF,LTR,WE	UNV 20630	DZ	$6.12	DZ	$5.69	DZ
42	PAD,LGL RULD,PERF,5X8,WE	UNV 46300	DZ	$5.19	DZ	$4.83	DZ
43	CLIP,#1,GEM,SMOOTH,1C/BX	UNV 72210	BX	$0.12	BX	$0.11	BX
44	CLIP,JUMBO,SMOOTH,1C/BX	UNV 72220	BX	$0.41	BX	$0.38	BX
45	PUNCH,2 HOLE,BLACK	UNV 74222	EA	$3.29	EA	$3.06	EA
46	STAPLES,CHSEL PT,5M/BX	UNV 79000	BX	$0.51	BX	$0.47	BX
47	TAPE,WRITE ON,3/4X36YD	UNV 83436	RL	$0.86	RL	$0.80	RL
48	HILIGHTER,DESK,FGN.....	UNVSL 8862	EA	$3.48	RL	$3.24	EA
49	ENVELOPE,#10,WE,WOVE,24#	UNVSL35210	BX	$6.09	BX	$5.66	BX
50	TAPE,WRITE ON,3/4X36YD	UNVSL83436	EA			$0.80	EA
	Sub-total			$500.93		$512.13	
	Less items with no price by other bidder			-$1.13		-$26.43	
	Sub-total			$499.80		$485.70	
	Less items with obvious quantity discrepancies			-$24.29		-$42.93	
	TOTAL			$475.51		$442.77	

50 Most Consumed Products

	Mfg. / Item Description	Item Number	U/M	JOBBER Price	U/M	?C'S Price	U/M	7%	OFFICE DEPOT Price	U/M
1	CLIP,PPR,#1,SMTH,1C/BX	ACC72360	BX	$0.25	BX	$0.23	BX	$0.23	$0.20	BX
2	CLIP,BINDER,30/EA,AST	ACC71130	EA	$2.53	PK	$2.35	EA	$2.35	$2.02	PK
3	CLIP,BINDER,30/PK,AST	ACC71130	EA	[illegible]		$2.35	EA	$0.00	$0.00	
4	TAPE, CORR	AMERTM68620	EA	$2.37	EA	$2.20	EA	$2.20	$1.90	EA
5	TAPE,CORRECTION,MONO,WE	AMERTM68670	EA	$14.28	BX	$13.28	EA	$13.28	$11.42	BX
6	PAD,RCYL,12PD/PK,8.5X11W	AMPAD20172	PK	$15.63	PK	$14.54	PK	$14.54	$12.50	PK
7	MAILER,SS-BUBLE8.5X12,KF	ANLE39093	CS	$36.24	CT	$33.70	CS	$33.70	$28.99	CT
8	TOWELETTE,WET,ONES,ANTBC	ARMBRU04703CT	CS	$4.75	BX	$39.83	CS	$4.42	$3.80	BX
9	CARD,INDX,3X5,LSR,3/SH,WE	AVE 5388	BX	$14.78	BX	$13.75	BX	$13.75	$11.82	BX
10	BATTERY,AAA16-PK.....	DURCELMN24RT16Z	PK	$12.32	PK	$11.46	PK	$11.46	$9.86	PK
11	PAPER,DUP,20#,LTR	HAMMER86700	RM	$38.56	CT	$35.86	RM	$35.86	$30.85	CT
12	INKCART,NO.78,TRI-COLOR	HEW 6657AN	EA	$30.19	EA	$28.08	EA	$28.08	$24.15	EA
13	INKCART,#97 TRICOLOR 14M	HEW-ISC9363WN	EA	$30.19	EA	$28.08	EA	$28.08	$24.15	EA
14	TONER,F/ LJ 2400.....	HEW-ISQ6511A	EA	$120.27	EA	$111.85	EA	$111.85	$96.22	EA
15	WIPES	KIMCK 34015	EA	$13.61	BX	$12.66	EA	$12.66	$10.89	BX
16	BOOK,APT WKLY,8.5X11, BK	MEAD7095005	EA	$13.40	EA	$12.46	EA	$12.46	$10.72	EA
17	CALENDAR,WALL 15.5X22.75	MEADPM4428	EA	$12.71	EA	$11.82	EA	$11.82	$10.17	EA
18	NOTE,PST-IT1.5X2,12/PK,AQ	MMM 653AN	PK	$5.99	PK	$5.57	PK	$5.57	$4.79	PK
19	NOTE,PST-IT1.5X2,12/PK,ULT	MMM 653AN	PK			$5.57	PK	$0.00	$0.00	
20	NOTE,PST-IT1.5X2,12/PK,NE	MMM 653AN	PK			$5.57	PK	$0.00	$0.00	
21	NOTE,POST-IT,3X3,1C/PD,YW	MMM 654YW	PD	$9.48	PK	$8.82	PD	$8.82	$7.58	PK
22	NOTE,PST-IT,3X3,12/PK,AQ	MMM 654YW	PK			$8.82	PK	$0.00	$0.00	
23	TAPE,MAGIC,.75X1M,10RL,CR	MMM 810P10K	PK	$16.54	PK	$15.38	PK	$15.38	$13.23	PK
24	FLAG,POST-IT,SIGN HERE,Y	MMM C6809	PK	$2.05	PK	$1.91	PK	$1.91	$1.64	PK
25	TAPE,MAGIC PLUS,3/4X1296	MMM C811341296	EA	$2.00	RL	$2.40	EA	$1.86	$1.60	RL
26	CUP,PENCIL,3CMPART,BK...	NEWELL2376	EA	$2.50	EA	$2.33	EA	$2.33	$2.00	EA
27	RIBN,STAR MICR,SP 200	NUK NK501P	EA	$3.73	EA	$3.47	EA	$3.47	$2.98	EA
28	PEN,PRECISE V5,X-FINE,BK	PIL 35335	EA	$1.07	EA	$1.00	EA	$1.00	$0.86	EA
29	PENCIL,#2,EARTHWRITE,BK	SAN 12242	DZ	$0.81	DZ	$0.75	DZ	$0.75	$0.65	DZ
30	MARKER,SHARPIE,FINE PT,BK	SAN 30001	EA	$0.60	EA	$0.56	EA	$0.56	$0.48	EA
31	FLUID,CORRECT,7OZ,WE	SAN 65450	EA	$1.13	EA			$1.05	$0.90	EA
32	PEN,UNI-GEL GRIP,MED,BK	SAN 65870	EA	$1.79	EA	$1.66	EA	$1.66	$1.43	EA
33	PEN,BALL,GEL,MPOT,RT,BK	SAN 65870	EA			$1.66	EA	$0.00	$0.00	
34	DISPENSER,DRYLINE,CORR,WE	SAN 6604	EA	$2.20	EA	$2.05	EA	$2.05	$1.76	EA
35	PEN,BALL,GEL,MPOT,RT,BK	SAN RD65870	EA			$1.66	EA	$0.00	$0.00	
36	POCKET,TUFF,TB5,25LGL,RD	SMD 74790	EA	$37.04	BX	$34.45	EA	$34.45	$29.63	BX
37	DISK,3.5DSHD,IBM,FRMT	TKD 40340	BX	$19.54	PK	$3.10	BX	$18.17	$15.63	PK
38	CLIP,BINDER,SMALL	UNV 10200	DZ	$0.22	DZ	$0.20	DZ	$0.20	$0.18	DZ
39	CLIP,BINDER,MEDIUM	UNV 10210	DZ	$0.52	DZ	$0.48	DZ	$0.48	$0.42	DZ
40	FOLDER,MLA,1/3 CT,LTR,100	UNV 12113	BX	$5.57	BX	$5.18	BX	$5.18	$4.46	BX
41	PAD,LGL RULD,PERF,LTR,WE	UNV 20630	DZ	$6.12	DZ	$5.69	DZ	$5.69	$4.90	DZ
42	PAD,LGL RULD,PERF,5X8,WE	UNV 46300	DZ	$5.19	DZ	$4.83	DZ	$4.83	$4.15	DZ
43	CLIP,#1,GEM,SMOOTH,1C/BX	UNV 72210	BX	$0.12	BX	$0.11	BX	$0.11	$0.10	BX
44	CLIP,JUMBO,SMOOTH,1C/BX	UNV 72220	BX	$0.41	BX	$0.38	BX	$0.38	$0.33	BX
45	PUNCH,2 HOLE,BLACK	UNV 74222	EA	$3.29	EA	$3.06	EA	$3.06	$2.63	EA
46	STAPLES,CHSEL PT,5M/BX	UNV 79000	BX	$0.51	BX	$0.47	BX	$0.47	$0.41	BX
47	TAPE,WRITE ON,3/4X36YD	UNV 83436	RL	$0.86	RL	$0.80	RL	$0.80	$0.69	RL
48	HILIGHTER,DESK,FGN:.....	UNVSL 8862	EA	$3.48	RL	$3.24	EA	$3.24	$2.78	RL
49	ENVELOPE,#10,WE,WOVE,24#	UNVSL35210	BX	$6.09	BX	$5.66	BX	$5.66	$4.87	BX
50	TAPE,WRITE ON,3/4X36YD	UNVSL83436	EA			$0.80	EA	$0.00	$0.00	
	Sub-total			$500.93		$512.13		$465.86	$400.74	
	Less items with no price by other bidder			-$1.13		-$26.43		-$0.90	-$1.05	
	Sub-total			$499.80		$485.70		$464.96	$399.69	
	Less items with obvious quantity discrepancies			-$24.29		-$42.93		-$22.59	-$19.43	
	TOTAL			$475.51		$442.77		$442.38	$380.26	

Bid Title: Office Supplies, C inuing Services
Bid No: BC-07-26-07-55
Opening Date: Thursday, July 26, 2007 at 3:00 Pm

Bid Award: Award of this bid will be made to the lowest responsible and responsive bidder based upon the following factors:

1.	Pricing: A selected sample of the 50 items for which pricing is provided will be utilized for price determination as part of the bid award process. A pricing matrix containing estimated annual quantities times the prices bid will be used to determine the order of pricing of bidders. Prices will be compared on these most commonly *consumed items* to the Jobber Price Books provided to verify the correct pricing of the items.	50%
2.	References (on-time delivery; completeness of orders, invoices, and credits; the courtesy and responsiveness of vendor's staff; overall customer satisfaction)	25%
3.	~~Capability (range of products in catalog, staff level, delivery means, value added~~ services, order taking and processing, other current major contracts, etc.)	15%
4.	Accuracy and completeness of the entire bid response, including working phone numbers, contacts, forms, and additional information requested.	10%

11

Bid Title: Office Supplies, (tinuing Services
Bid No: BC-07-26-07-55
Opening Date: Thursday, July 26, 2007 at 3:00 Pm

PURPOSE:

Leon County is seeking the services of a qualified vendor for the continuing supply and purchase of Office Consumables and Desktop Supplies, miscellaneous Office Furniture, and miscellaneous Office Electrical equipment for the operational divisions of the Leon County Board of County Commissioners and, at their option, the elected Constitutional Offices: Leon County Sheriffs Office, Clerk of the Courts, Property Appraiser, Tax Collector, and Supervisor of Elections.

All products offered under this contract shall be new, unused, and in current production at the time of purchase. Re-manufactured or refurbished products shall not be accepted.

Term of Service: It is anticipated that the contract will be effective starting January 1, 2008 for an initial period of two years with three optional annual one year extensions for a possible total of five years.

Bid Pricing: Pricing for this bid shall be divided into three categories:

1. Office Consumables and Desktop Supplies: Bid pricing shall be end/right column, plus or minus +/- current dealer net pricer listed in United Stationers (Office Consumables and Desktop Supplies).

2. Electrical items listed in bidders catalog(anything that plugs in to a wall outlet), minimum discount.

3. Other items (non-electrical) that are listed in the bidders catalog, minimum discount.

Any subsequent pricing revisions during the term of the agreement shall be submitted in the same format to the County Contract Administrator for review and approval prior to implementation.

Price Lists: Fifty frequently consumed office supply products are listed by manufacturer's number and unit of issue on Appendix B. Prices for these products must be provided by the bidder in the same packaging/quantity as the price sheet (i.e. CS should be by the case, EA: each - single, etc.). A selected sample of these 50 items will be utilized for price determination as part of the bid award process. This selected list of items will be available to vendors after the bid opening.

Estimated Quantifies: It is anticipated that Leon County (and other eligible users of this contract) will expend approximately $200,000 annually under any contract resulting from this bid. The bidder understands that no amount of purchases are guaranteed to it, nor is the County under an obligation to utilize the services of the bidder in those instances where the purchase can be done by County personnel under separate contract.

Delivery requirements: Desktop supplies and Office Consumables require next day, deskside delivery. Bidders shall provide an estimate for the delivery of other items ordered through their standard catalog, but the estimates are not expected to exceed 30 days for delivery. Leon County Board of County Commissioners has approximately 44 various locations within Leon County.

Minimum Orders: This provision shall not be used by a winning bidder to circumvent the intent of the contract which is to provide prompt, deskside service for supplies and consumables. Bidders shall indicate on the bid response sheet if there is any minimum order requirements for standard next day delivery. ~~Minimum order levels may not exceed $25.00. If your company will ship a lessor amount, please~~ indicate on the vendor bid response sheet.

Catalog: Bidders shall submit as a part of their bid their most recent catalog of desktop office consumables. The items contained in the catalog shall represent the core of the most frequently purchased items by State, County, or other local government offices and shall be current production items at the time of bidding.

On-line Ordering & Purchasing Card: The bidder is required to offer on-line ordering capabilities and accept Purchasing Cards (VISA) in the same manner as other Visa purchases.

Bid Title: Office Supplies, (.tinuing Services
Bid No: BC-07-26-07-55
Opening Date: Thursday, July 26, 2007 at 3:00 Pm

BID RESPONSE SHEET

The Board of County Commissioners, Leon County, reserves the right to accept or reject any and/or all bids in the best interest of Leon County.

Keith M. Roberts
Purchasing Director

C. E. DePuy, Jr.
Chairman

This proposal is submitted by the below named firm/individual by the undersigned authorized representative.

_____
(Firm Name)

BY _____
(Authorized Representative)

_____
(Printed or Typed Name)

ADDRESS _____

_____

TELEPHONE _____

FAX _____

ADDENDA ACKNOWLEDGMENTS: (IF APPLICABLE)

Addendum #1 dated _____ Initials _____

Addendum #2 dated _____ Initials _____

Addendum #3 dated _____ Initials _____

Bid:

End/right column plus or minus +/- current dealer net pricer listed in United Stationers

+Cost +/- _____%

Minimum discount off other catalog prices, non-electrical items _____%

Minimum discount for electrical items _____%

Provide all other items required (references, price sheets, etc,)on separate sheets as necessary. Appendix B attached for unit pricing.

Bid Title: Office Supplies, C inuing Services
Bid No: BC-07-26-07-55
Opening Date: Thursday, July 26, 2007 at 3:00 Pm

APPENDIX "A"

Office Consumables and Desktop Supplies

ADHESIVES
APPOINTMENT BOOKS AND DIARIES: (DAILY, WEEKLY, MONTHLY)
BADGES, NAME
BALLPOINT PENS & REFILLS
WALL POCKETS AND PARTITION ORGANIZER
BINDER CLIPS
BINDERS, DATA & ACCESSORIES
BINDERS, D-RING
BINDERS, PRESS BOARD
BINDERS, ROUND RING
BINDERS, SPECIALTY RING & HANGING
BINDERS, VIEW
BUSINESS CARDS HOLDERS
CALENDARS
CALCULATOR, DISPLAY
CALCULATOR SUPPLIES
CARD FILES AND ACCESSORIES
CD-RAM STORAGE MEDIA
CLIPBOARDS
COMPUTER CLEANING SUPPLIES
COPY HOLDERS
COMPUTER DISK
CORRECTION FLUIDS
CORRECTION TAPE
DATA CARTRIDGES
DAY PLANNER & ACCESSORIES
DATA TAPES
DATERS
DESK SETS, TRAYS, ORGANIZERS ACCESSORIES
DESK CALENDAR REFILLS & BASES
DICTIONARIES & REFERENCE BOOKS
3 ½ DISKETTES
DRY ERASE MARKERS
ENVELOPES MAILING -VARIOUS SIZES
ENVELOPES DEPARTMENTAL
FILES, STORAGE
FILE FOLDER, COLORED
FILE FOLDER, MANILA
FILE FOLDER, KRAFT
FILES EXPANDING
~~FILES DESK/SORTER~~
FILES, WALLET/ W/O FLAP
FILE POCKETS
FILE JACKETS
FILES, HANGING
FILE FOLDER ACCESSORIES
FLAGS
FOLDERS, CLASSIFICATION
FOLDERS PRESS BOARD
GLARE SCREENS
HIGHLIGHTERS
INDEXES, RING BINDER
INDEX TABS, LASER
INK JET PRINTING SUPPLIES
KEYBOARD DRAWERS
LASER/LASERJET PRINTING SUPPLIES
LABELS, ADDRESS
LABELS, MISCELLANEOUS
LETTER OPEN
MAILERS, BUBBLE
MAIL SUPPLIES
MECHANICAL PENCILS, REFILLS & ERASER
MOISTENERS, FINGER
MONITOR ARMS
MULTI MEDIA STORAGE
NOTES, REPOSITIONABLE
NOTES, ORGANIZER & ACCESSORIES
NUMBERING MACHINES
ORGANIZERS & DATA REFILLS
OVERHEAD PROJECTOR MARKERS
PAD HOLDERS
PADS, MEMO
PADS, STENO
PADS, WRITING, LEGAL LETTER, POCKET
PAGE FLAGS & PAGE MARKERS
PAGER
PAPER CLIPS
PAPER, COPY, 8.5 X 11, 30% RECYCLED
PAPER, COPY, VIRGIN, 8.5 X 11
PAPER, PUNCH, WAY DUTY & ELECTRIC
PAPER ROLLS, ADDING MACHINE/CALCULATOR
PENCIL SHARPENERS, MECHANICAL & ELECTRIC
PERMANENT MARKERS
PLAIN PAPER FAX SUPPLIES
PORTFOLIOS
POROUS POINT PENS
POST-IT-PADS
PRINTER RIBBONS
PRINTER STANDS
REPORT COVERS
RETRACTABLE BALLPOINT PENS & REFILLS
~~ROLLERBALL PENS & REFILLS~~
RUBBER BANDS
RULERS
SCISSORS
SECURITY PENS
SHEET PROTECTORS
STAMPS
STAMP PADS & INKS
STAPLER HEAVY DUTY, & ELECTRIC
STAPLES

Bid Title: Office Supplies, C .tinuing Services
Bid No: BC-07-26-07-55
Opening Date: Thursday, July 26, 2007 at 3:00 Pm

TAPE
TAPE DISPENSERS
TELEPHONE ADDRESS BOOKS & PADS
TYPEWRITER CORRECTION SUPPLIES
TYPEWRITER RIBBONS
WALL CALENDARS
WALL PLANNERS
WASTE BASKETS
WOOD PENCILS
WRIST SUPPORTS
ZIP STORAGE MEDIA

Appendix B
50 Most Consumed Products

Mfg. / Item Description	Item Number	U/M	Price
TAPE, CORR	AMERTM68620	EA	
NOTE,PST-IT 1.5X2,12/PK,AQ	MMM 653AN	PK	
CLIP,#1,GEM,SMOOTH,1C/BX	UNV 72210	BX	
STAPLES,CHSEL PT,5M/BX	UNV 79000	BX	
CARD,INDX,3X5,LSR,3/SH,WE	AVE 5388	BX	
PEN,UNI-GEL GRIP,MED,BK	SAN 65870	EA	
NOTE,POST-IT,3X3,1C/PD,YW	MMM 654YW	PD	
CLIP,BINDER,MEDIUM	UNV 10210	DZ	
FLUID,CORRECT,.7OZ,WE	SAN 65450	EA	
WIPES	KIMCK 34015	EA	
TAPE,MAGIC,.75X1M,10RL,CR	MMM 810P10K	PK	
PUNCH,2 HOLE,BLACK	UNV 74222	EA	
PAD,LGL RULD,PERF,LTR,WE	UNV 20630	DZ	
HILIGHTER,DESK,FGN.....	UNVSL 8862	EA	
MARKER,SHARPIE,FINE PT,BK	SAN 30001	EA	
CLIP,JUMBO,SMOOTH,1C/BX	UNV 72220	BX	
RIBN,STAR MICR,SP 200	NUK NK501P	EA	
TONER,F/ LJ 2400.....	HEW-ISQ6511A	EA	
FOLDER,MLA,1/3 CT,LTR,100	UNV 12113	BX	
CLIP,BINDER,30/PK,AST...	ACCO71130	EA	
INKCART,#97 TRICOLOR 14M	HEW-ISC9363WN	EA	
CLIP,BINDER,SMALL	UNV 10200	DZ	
BOOK,APT WKLY,8.5X11, BK	MEAD7095005	EA	
PEN,BALL	SAN 65870	EA	
CUP,PENCIL,3CMPART,BK...	NEWELL2376	EA	
TAPE,CORRECTION,MONO,WE	AMERTM68670	EA	
PENCIL,#2,EARTHWRITE,BK	SAN 12242	DZ	
NOTE,PSTIT1.5X2,12/PK,ULT	MMM 653AN	PK	
ENVELOPE,#10,WE,WOVE,24#	UNVSL35210	BX	
DISPENSER,DRYLINE,CORR,WE	SAN 6604	EA	
TOWELETTE,WET ONES,ANTBC	ARMBRU04703CT	CS	
BATTERY,AAA16-PK.....	DURCELMN24RT16Z	PK	
NOTE,PST-IT,3X3,12/PK,AQ	MMM 654YW	PK	
NOTE,PST-IT1.5X2,12/PK,NE	MMM 653AN	PK	
CLIP,BINDER,30/EA,AST	ACC71130	EA	
INKCART,NO.78,TRI-COLOR	HEW 6657AN	EA	
TAPE,WRITE ON,3/4X36YD..	UNVSL83436	EA	
PAPER,DUP,20#,LTR	HAMMER86700	RM	
PEN,RBALL,GEL,IMPCT,RT,B	SANFRD65870	EA	
PAD,LGL RULD,PERF,5X8,WE	UNV 46300	DZ	
MAILER,SS-BUBLE8.5X12,KF	ANLE39093	CS	
CALENDAR,WALL 15.5X22.75	MEADPM4428	EA	
PAD,RCYL,12PD/PK,8.5X11W	AMPAD20172	PK	
~~CLIP,PPR,#1,SMTH,1C/BX~~	~~ACC 72360~~	~~BX~~	
FLAG,POST-IT,SIGN HERE,Y	MMM C6809	PK	
TAPE,WRITE ON,3/4X36YD	UNV 83436	RL	
POCKET,TUFF,TB5.25LGL,RD	SMD 74790	EA	
PEN,PRECISE V5,X-FINE,BK	PIL 35335	EA	
DISK,3.5",DSHD,IBM FRMT	TKD 40340	BX	
TAPE,MAGIC PLUS,3/4X1296	MMM C811341296	EA	

STATE OF NORTH CAROLINA

Office of the State Auditor

Leslie W. Merritt, Jr., CPA, CFP
State Auditor

2 S. Salisbury Street
20601 Mail Service Center
Raleigh, NC 27699-0601
Telephone: (919) 807-7500
Fax: (919) 807-7647
Internet
http://www.ncauditor.net

FOR IMMEDIATE RELEASE

For Additional Information Contact:

Chris Mears, Director of Public Affairs
Office: (919) 807-7566
Cell: (919) 306-4301
chris_mears@ncauditor.net

Audit Finds Pricing Errors, Overcharges: State Auditor Concerned with Monitoring Efforts in State Office Supply Contract

RALEIGH, NC – May 9, 2007

State Auditor Leslie Merritt released a performance audit of the Purchase and Contract Division (P&C) of the Department of Administration today. The audit found that P&C has not required permanent, corrective action for known pricing errors and product availability issues caused by its office supplies vendor, Office Depot. Effective February 1, 2006, P&C contracted with Office Depot as the sole statewide vendor for office supplies for State government agencies. As a result of this audit, Office Depot identified and credited State agencies for overcharges of $40,887.

"P&C does many things well," said State Auditor Leslie Merritt. "But our audit found that their monitoring process lacked a very important element: follow-up. Follow-up ensures that the causes of errors are identified and permanently corrected. This is especially disconcerting given the fact that P&C is charged with monitoring 125 contracts with 400 vendors representing a value of $1.4 billion," Merritt added.

In addition to awarding contracts, P&C is charged with the duty to monitor statewide contracts and enforce the contracts' terms. In response to these findings, P&C stated that they projected large savings under the new office supply contract when compared with retail prices.

"I salute P&C for projecting a taxpayer savings of 71% off retail prices. However, when there is only one vendor and State agencies are required to use that vendor, the true test is whether you can buy the items cheaper elsewhere," said State Auditor Leslie Merritt. "Maybe we'll consider a future audit to help P&C support their claim of a 71% savings."

This is the second report that State Auditor Leslie Merritt released concerning P&C and the management of statewide contracts. The first report (released 9/05/06) was on the state tire retread contract that found that the vendor violated the contract with price increases and that P&C failed to discover these price increases until notified by state auditors.

###

Trust • Excellence • Service

Department of Administrative Services

Sonny Perdue
Governor

Brad Douglas
Commissioner

August 10, 2007

VIA EMAIL (bob.cetina@officedepot.com) & US MAIL
Mr. Bob Cetina, Vice President
Office Depot
2200 Old Germantown Road
Delray Beach, Florida 33445

RE: Office Depot/State of Georgia Office Supplies Contract

Dear Mr. Cetina:

The purpose of this letter is to notify Office Depot of performance problems with the contract for office supplies and the actions necessary to fix those performance problems. *Specifically*, 1) Office Depot has not fulfilled its agreement to subcontract 10% of the value of the contract with a Georgia-based small business(es); 2) Office Depot's Georgia government product catalog has mispriced significant numbers of items; 3) items on the core list are discontinued without prior notice; 4) items offered by wholesalers that are not in the Office Depot catalog are not getting the category discount proposed by Office Depot in its proposal; and 5) frequent list price changes are made to the State of Georgia government product catalog without prior notice.

1. Subcontracting With Georgia-Based Businesses

Office Depot has expressed concern that many of the small businesses who are ideal candidates as subcontractors may have agreed among themselves not to work with Office Depot to frustrate Office Depot's ability to meet its obligation to subcontract 10% of the contract amount. If this is the case, we are willing to review documentation of the efforts that Office Depot has made to subcontract 10% of the contract amount. However, it is important for Office Depot to understand that the decision to award the contract on a statewide basis to Office Depot was based not only on the prices/discounts offered by Office Depot but also on Office Depot's commitment to subcontract with small Georgia-based businesses. Accordingly, Office Depot must provide us with copies of a finalized agreement(s) with a small Georgia based business(es) to subcontract at least 10% of the performance of the contract no later than October 1, 2007; or provide us with documentation that shows substantial efforts by Office Depot to subcontract 10% of the contract amount.

200 Piedmont Avenue, Suite 1804 West Tower Atlanta, Georgia 30334-9010
404-656-5514 Fax 404-651-9595
www.doas.georgia.gov

2. Incorrect Pricing

Out of 2,632 core items, Office Depot's Georgia government product catalog underpriced 18 core items and overpriced 437 core items. The inability to correctly price almost 18% of the core items is by any measure an otherwise material breach (especially when the vast majority of the incorrectly priced items are overpriced). In addition, out of 15,983 non-core items, only 12,392 items have the correct % discount as required by the contract (1,558 items were overpriced and 2,033 items were underpriced). The inability to correctly price over 22% of the non-core items is also an otherwise material breach by any reasonable measure.

Mitigating this, however, is information provided by Office Depot showing that for the period of March – July 30, 2007, these pricing errors undercharged the state on a net basis by $24,582. We still have to verify the numbers provided by Office Depot but if the numbers prove accurate, we will take no further action for the mispriced items for the period of March – July 30, 2007 if 1) Office Depot applies the appropriate credits to the applicable agencies' accounts for any overcharges by October 1, 2007; 2) Office Depot agrees to forego collecting for any undercharges; 3) the core and non-core items are correctly priced in the Georgia government product catalog by October 1, 2007; and 4) there are no further material inaccuracies in the pricing of the core and non-core items after October 1, 2007.

3. Discontinued Products

While we understand that discontinuation of products is a part of the process of weeding out manufacturers who provide products that are not price competitively, the failure to provide advance notice to the state of discontinued items (especially core items) is unacceptable. Therefore, effective October 1, 2007, Office Depot must provide the state with 45 (forty-five) days advance written notice of any core items that will be discontinued. We appreciate that you have advised us that 2,400-2,500 items will be changed for the upcoming 2007-08 catalog. However, we need specific information about the items that will be changed at least 45 (forty-five) days before the 2007-08 catalog goes into effect.

4. Wholesale Products

We understand that there may be some ambiguity regarding whether the "offeror's product list" entitled to the discounts proposed by Office Depot is limited to products in the Office Depot Georgia government catalog or whether the "offeror's product list" also includes wholesale items outside of the Office Depot Georgia government catalog.1 Because of the ambiguity, we will meet to develop a mutually agreeable "offeror's product list" which will receive the category discounts proposed by Office Depot. If we cannot agree on a "vendor product list" which will receive the discounts proposed by Office Depot, we will need to review the sales volume of these wholesale products to determine if this is a disagreement on a material issue that may jeopardize the contract.

---

1 Specifically, in response to a question during the bidding process about whether there was requirement that there be a minimum number of items that must be included in the catalog used for the Non Core Discount, the state responded

> There is no minimum number of items that must be included in the catalog. The Non-Core discounts (by subcategory) should apply to all items within an Offeror's product list.

There appears to be no further elaboration on what constitutes the "offeror's product list".

200 Piedmont Avenue, Suite 1804 West Tower Atlanta, Georgia 30334-9010
404-656-5514 Fax 404-651-9595
www.doas.georgia.gov

5. Price Changes

Because so many different people in state agencies order office supplies, there is a reasonable likelihood that some of the people placing the orders don't know the specifics of how pricing on the Office Depot contract works. This makes the price changes and the possible inaccuracies that may arise from such price changes a significant problem. Therefore, effective immediately, Office Depot must freeze all prices for the remainder of the quarter thru September 30, 2007. Further, effective October, 1, 2007, Office Depot will freeze prices on a quarterly basis and 45 (forty-five) days before the end of each quarter, Office Depot will notify the state of the products whose price will change and the amount of the change so that the state can review the proposed pricing change for compliance with the contract requirements.

Certain actions set forth in this letter require the assistance of an outside auditor for purposes of verification. Accordingly, DOAS will select an outside auditor (independent of Office Depot and the regional office supply companies) and the cost of the outside auditor will be borne by Office Depot. If Office Depot cannot cure the performance problems outlined above by complying with requirements of this letter, we will be forced to consider all options including but not limited to termination of the contract or authorizing other suppliers to provide office supplies to the state.

Sincerely,

Joe Kim, Director
Legal Services

cc: Scott Guttman (via email scott.guttman@officedepot.com)
Billy Grimmett (via email billy.grimmett@officedepot.com)
Linn Honeycutt (via email linn.honeycutt@officedepot.com)
Juanita Strickland (via email juanita@vipoffice.com)
David Culverhouse (via email dfcterrnis@cs.com)
Tim Gibney, Assistant Commissioner Procurement
Dennis King, Category Cluster Manager

200 Piedmont Avenue, Suite 1804 West Tower Atlanta, Georgia 30334-9010
404-656-5514 Fax 404-651-9595
www.doas.georgia.gov

State of Georgia

Office Supply Contract

Compliance Analysis

May 2007

Table of Contents

Summary 3
Objectives 3
Core Items 3
Results in Brief 3
Product Availability 3
Incorrect Prices 4
Incorrect Price List 4
Better Pricing to the General Public 4
Misidentified Core Items 5
Misidentified Core Item List 5
Average Discounts off List Price 10
Discounts by Product Category Do Not Match 11
Discount Variance Chart 12

Summary

The State of Georgia has provided a login to the State of Georgia office supply ordering Website for the purpose of checking state office supply contract pricing. Automated processes were employed to check prices on the Website.

Forty four thousand, three hundred eighteen (44,318) items were checked and current State of Georgia pricing noted. Additional information to be made part of this report was also noted.

Objectives

1. Do quoted prices match those currently present on the State of Georgia office supply ordering Website?
2. Do quoted discounts match those currently present on the State of Georgia office supply ordering Website?
3. Do the prices on the current State of Georgia office supply ordering Website truly reflect 'Most Favored Customer' pricing as outlined in Section L, Paragraph 30 of the Statewide Contract?

Core Items

Core items are those items identified by the State of Georgia as high use items individually bid by price. Prices on the core items, with few exceptions, are fixed for the term of the contract. Additionally, these most used items should always be stocked and available from the supplier.

Results in Brief

Twenty four (24) core items were found to be more than ten percent (10%) higher on the State of Georgia office supply ordering Website than those prices bid on the quote sheet.

Using an office products industry standard source for list price, the average discount off list for the forty four thousand items is around nine percent (8.83%). Using the list price shown on the State of Georgia office supply ordering site, the average discount off list for the forty four thousand items is around fifteen percent (15.25%).

Core items are priced less to the general public on the Office Depot public Website than those prices contained on the State of Georgia office supply ordering Website.

Misidentified core items on the State of Georgia office supply ordering Website are directing state employees to higher priced non-core items.

When products are classified using the United Nations Standard Products and Services Code (UNSPSC), the bid discounts contained in the contract bid sheet entitled 'Additional Discounts' do not match the discounts shown on the State of Georgia office supply ordering site.

Product Availability

Two hundred and ninety nine (299) core items' availability is suspect on the State of Georgia office supply ordering site. The potential exists for higher priced non-core items to be substituted where core item stocks are not maintained.

Incorrect Prices

Twenty four (24) core items were found to be more than ten percent (10%) higher on the State of Georgia office supply ordering Website than those prices bid on the quote sheet.

Incorrect Price List

Below is a list of the items on the State of Georgia office supply ordering Website that do not match the price shown on the bid sheet.

SKU	Mfg No	Web Price	Bid Price
442369	OD3318A	$5.87	$3.19
443296	OD35Y	$6.23	$5.15
442369	OD3318A	$5.87	$3.19
877640	R33012AQ	$5.98	$2.96
445708	R33012AP	$5.23	$2.59
442369	OD3318A	$5.87	$3.19
443296	OD35Y	$6.23	$5.15
531808	W59101	$569.99	$236.24
990135	11446	$43.01	$8.52
990135	11446	$43.01	$8.52
990135	11446	$43.01	$8.52
365475	73601	$10.66	$2.18
308718	94420	$3.54	$1.17
308718	94420	$3.54	$1.17
344352	E91SBP36H	$19.72	$6.51
405821	41218	$9.49	$3.96
905149	32606	$94.99	$69.29
880984	39806OD	$10.55	$1.74
880984	39806OD	$10.55	$1.74
787291	648410	$14.24	$4.72
420869	30001	$9.44	$6.10
105470	03637	$0.67	$0.02
211359	ESSPN212	$14.87	$5.39
202812	15001	$9.31	$5.65

Better Pricing to the General Public

Of the forty four thousand (44,000) items checked, over thirty two thousand (32,000) items were found to have lower prices to the general public than those on the State of Georgia office supply ordering Website.

Seventy three percent (73%) of the items checked were cheaper on the Office Depot public Website, www.officedepot.com than the price shown on the State of Georgia office supply ordering Website.

Due to the large size, the complete list of items cheaper to the public than to the State of Georgia employees is not provided here. The complete file, including any subsets, will be made available on request.

Misidentified Core Items

Hundreds of items are incorrectly identified as contract core items on the State of Georgia office supply ordering site. The ordering site shows the 'Best Value' icon for these items and according to the site description for this icon it "Indicates items that are included on your contract".

State employees entering the manufacturer item number '8A0478' on the State of Georgia office supply ordering Website for a Lexmark toner cartridge are shown the OEM toner cartridge as a 'Best Value' item for $108.40. This is not the item bid on the contract; instead a remanufactured toner cartridge was bid in substitution for this item at the much lower price of $66.56.

This is not limited to toner cartridges. State employees entering the manufacturer item number 654AST on the site are again shown the higher priced 3M brand Post-It-Notes for $8.55 per dozen. This item is also misidentified as a 'contract' item when in fact, the item bid was a generic brand at the much lower price of $4.78 per dozen.

Misidentified Core Item List

Below is a listing of the misidentified core items found to date.

Best Value SKU	Price	Bid As Number	Bid Price
987156	$20.85	574032	$18.58
172403	$1.79	521008	$1.59
834796	$5.25	723688	$5.23
666735	$4.21	843796	$3.07
506424	$9.92	843796	$8.59
360990	$33.81	955384	$31.11
218691	$13.02	775088	$11.99
617209	$7.18	723824	$7.14
761015	$3.32	843877	$2.96
411033	$8.93	843787	$5.32
946376	$5.10	445086	$5.09
172106	$13.89	739131	$12.37
173047	$1.09	520744	$0.97
320960	$0.48	753281	$29.73
489461	$14.22	520928	$6.97
TOP3850	$16.06	363792	$12.56
232403	$5.90	520928	$2.79
550962	$3.64	740251	$7.84
443614	$12.16	880993	$5.00
356857	$3.43	409838	$1.75
964866	$4.18	409936	$1.98
964916	$5.97	409838	$1.75
492942	$4.09	980360	$3.88

Best Value SKU	Price	Bid As Number	Bid Price
486248	$2.68	980328	$2.66
486312	$3.12	980352	$3.53
486368	$5.30	980368	$5.28
486328	$3.89	980360	$3.88
WLJ38549W	$12.16	931592	$12.10
808881	$1.09	308478	$1.01
498831	$1.24	279376	$1.24
459628	$16.88	196156	$12.17
808683	$9.17	265364	$8.26
909663	$2.23	855730	$1.99
909705	$2.40	855946	$2.44
908988	$22.10	643923	$5.64
PAP01010	$1.18	470321	$7.68
275033	$5.89	717541	$2.71
422371	$7.43	717631	$2.50
365590	$10.75	915895	$7.76
261294	$7.43	717631	$2.50
653741	$6.72	717541	$3.38
543587	$6.72	717631	$3.13
795841	$8.01	748161	$1.39
470245	$3.48	475168	$3.47
470229	$2.68	475144	$3.02
297977	$20.09	612301	$6.41
574566	$5.87	612221	$2.55
297735	$20.09	612311	$18.49
449942	$25.82	612131	$10.89
111271	$13.13	220480	$13.08
963561	$5.39	992048	$4.81
364372	$19.52	612031	$5.92
364364	$19.52	612011	$5.92
916411	$43.91	220488	$43.73
916403	$43.91	612111	$14.32
916460	$5.86	612011	$5.92
944272	$20.09	220424	$20.02
916437	$12.73	612071	$3.63
570465	$5.86	612081	$1.60
297726	$15.27	612081	$6.41
463620	$20.09	612051	$6.41
365634	$5.86	612061	$1.60
326794	$43.91	220496	$49.57
326856	$5.86	612051	$1.60
463646	$20.09	612061	$6.41
111617	$10.15	612381	$3.63

Best Value SKU	Price	Bid As Number	Bid Price
916601	$20.42	612361	$8.17
375030	$3.06	268480	$2.92
323004	$6.12	773160	$5.84
796611	$6.12	772128	$5.84
865486	$7.02	510216	$6.73
865567	$7.02	509328	$6.73
950055	$1.12	278568	$1.25
724062	$32.63	138640	$29.07
502336	$1.44	137144	$1.29
504928	$0.84	274976	$0.75
229278	$5.24	275056	$7.01
550996	$1.58	274984	$1.40
605323	$4.17	998567	$13.66
885335	$2.21	475168	$1.97
592453	$1.75	313338	$4.75
576120	$5.14	392264	$4.88
990721	$0.38	424895	$0.21
698878	$3.61	633715	$3.95
698811	$14.18	633869	$7.37
438390	$5.73	633813	$2.78
934794	$0.94	935098	$0.52
935429	$6.42	581174	$5.72
936237	$1.98	522848	$1.41
938340	$6.58	677512	$5.86
964239	$10.34	583737	$10.10
964221	$10.34	583748	$9.33
964262	$10.34	677116	$10.10
964270	$10.34	677149	$10.10
433607	$5.73	633778	$2.78
433490	$8.25	939040	$10.54
433474	$8.26	634002	$5.25
433482	$8.25	633995	$5.25
438366	$3.46	633526	$1.58
433599	$5.73	633764	$2.78
433573	$5.73	609187	$2.78
433672	$3.46	633652	$1.58
433664	$3.46	633645	$1.58
433656	$3.46	633498	$1.58
433649	$3.46	633638	$1.58
433581	$5.73	633708	$2.78
AMP22026	$6.20	441661	$3.29
320760	$29.91	474494	$25.44
692647	$123.06	361449	$121.83

Best Value SKU	Price	Bid As Number	Bid Price
320518	$57.29	312165	$24.56
FEL9140301	$10.35	513800	$10.25
183145	$2.02	900037	$135.00
539262	$0.81	719451	$0.72
502369	$0.81	719491	$0.72
SHA22114	$4.70	277996	$27.41
911453	$4.70	278325	$12.56
SHA22115	$4.70	277947	$19.87
QRT853	$1,366.74	262237	$8.70
MMF2645BEI	$28.83	738291	$4.55
582504	$19.05	676688	$14.93
915067	$11.48	679824	$11.33
494888	$3.70	679768	$3.47
495016	$6.30	679792	$5.52
492560	$8.20	679808	$7.74
491912	$3.00	682616	$2.67
494304	$5.63	681608	$5.60
492432	$8.20	679784	$7.74
330768	$8.63	844720	$3.28
QUA37768	$3.57	942599	$3.53
348201	$5.91	844555	$4.41
341149	$8.85	844761	$6.54
341081	$5.19	844738	$3.84
942615	$6.33	844738	$3.84
620650	$21.61	676688	$14.93
880318	$7.90	679776	$7.86
936136	$19.78	679808	$15.48
654553	$3.13	682528	$2.79
AVE30610	$10.81	612011	$5.92
429415	$0.16	825182	$0.17
808857	$0.18	825182	$0.17
987388	$4.16	773216	$3.83
790761	$9.70	510216	$9.66
790801	$9.70	509328	$9.66
790921	$9.70	509504	$9.66
222031	$14.12	510232	$9.66
256831	$14.12	790781	$10.73
948844	$2.45	384472	$10.70
484949	$16.24	458200	$11.80
484949	$16.24	458209	$5.90
BOS30455	$7.59	566351	$7.51
ESSH150F13	$25.15	470770	$24.90
216131	$8.68	508720	$7.75

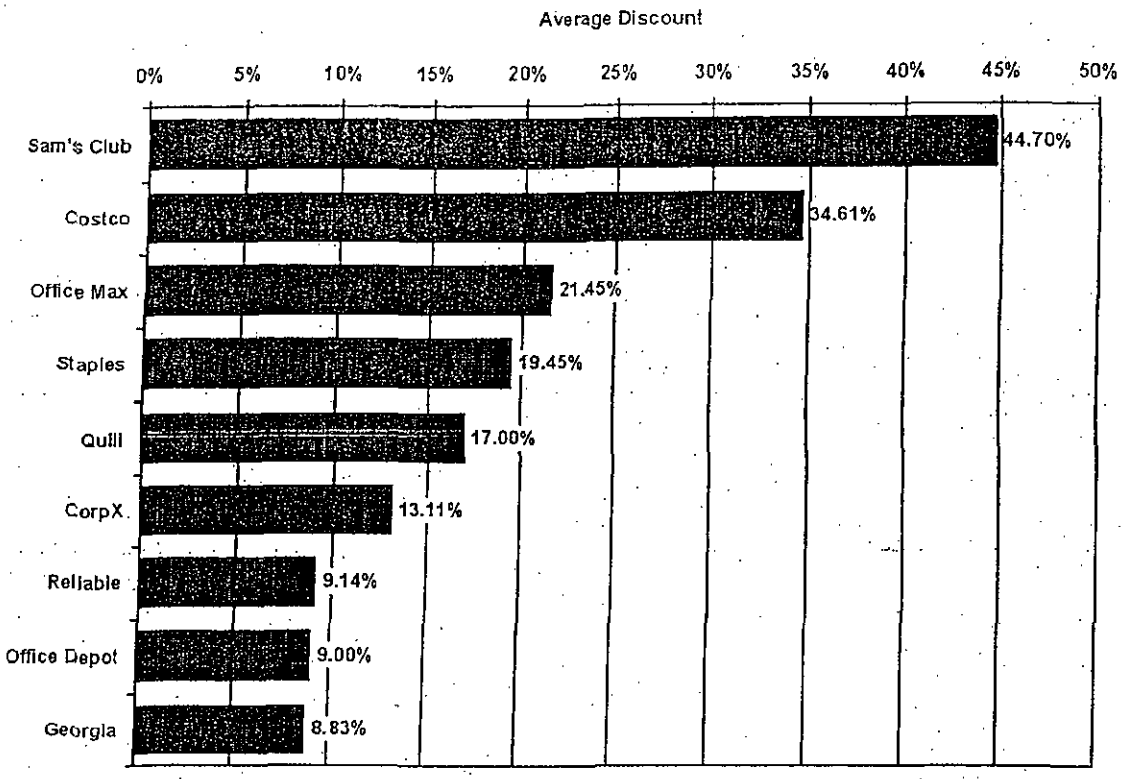
Best Value SKU	Price	Bid As Number	Bid Price
619627	$4.19	268480	$3.94
682153	$2.09	268264	$1.99
343551	$3.40	508720	$3.23
420869	$9.44	951752	$6.10
203356	$6.38	951784	$6.10
204156	$3.15	271696	$3.05
565531	$3.23	154840	$3.11
419770	$3.23	154848	$3.11
524976	$4.72	154848	$4.70
527744	$3.74	154904	$3.33
524992	$3.74	154896	$3.33
524984	$4.72	154888	$4.70
524968	$4.72	154840	$4.70
751171	$6.51	772128	$6.23
751181	$6.45	773160	$5.75
680959	$4.61	928259	$4.08
193080	$12.37	508544	$11.92
580437	$16.33	508544	$11.92
216651	$9.41	193053	$6.10
202812	$9.31	660763	$5.65
347690	$1.14	758371	$1.02
211201	$9.42	391181	$8.68
211227	$8.06	161552	$7.18
500272	$1.40	522440	$0.95
488718	$1.59	522848	$1.41
803734	$7.45	522848	$7.05
810838	$5.48	172816	$4.89
315515	$6.32	172816	$4.89
549014	$23.78	196156	$12.17
254298	$9.94	532208	$10.49
307744	$3.22	331934	$2.90
270600	$7.97	510216	$7.94
270556	$7.97	509328	$7.94
997578	$110.53	648416	$108.00
997541	$40.76	217192	$35.90
186585	$59.86	449504	$48.19
384611	$22.96	587114	$12.27
325871	$25.23	514675	$16.91
154605	$26.52	611312	$17.96
419716	$19.97	966120	$17.00
419760	$17.59	966136	$17.00
440520	$24.53	975408	$30.36
440648	$27.21	757272	$31.99

Best Value SKU	Price	Bid AS Number	Bid Price
281761	$163.48	134976	$94.06
286943	$80.73	406331	$56.69
428309	$143.69	648552	$118.10
428318	$143.69	648536	$118.10
428265	$56.01	578622	$43.46
428336	$101.14	578677	$44.40
428345	$101.14	578710	$44.40
428256	$101.14	578732	$44.40
727371	$80.79	915337	$73.57
743161	$223.86	164107	$241.87
531235	$71.25	648056	$59.04
531262	$85.83	648080	$70.86
531307	$85.83	648088	$70.86
531325	$85.83	648096	$70.86
319275	$125.81	163990	$122.83
319055	$170.21	163954	$132.27
319209	$170.21	163846	$132.27
319099	$170.21	163909	$132.27
530569	$181.93	966256	$177.53
531100	$255.31	966248	$245.56
531199	$255.31	966264	$245.56
530650	$255.31	966280	$245.56
154414	$56.74	648112	$51.96
432865	$57.97	648176	$54.80
721828	$61.44	856584	$56.60
101552	$142.47	214392	$144.23
437986	$108.67	214336	$80.83
642851	$133.97	917384	$79.10
312040	$25.52	576928	$18.90
403721	$30.04	610960	$23.63
482291	$23.92	576928	$18.90
261272	$24.72	648632	$19.84
343427	$14.30	727611	$3.19
348037	$24.81	636024	$25.65
275474	$27.87	636024	$25.65
680017	$29.08	940650	$25.54

Average Discounts off List Price

The following chart shows the average discount off list price using several sources. The CorpX title refers to the Corporate Express public retail Website prices. The Sam's Club, Costco, Office Max, Staples, Quill, Reliable, and Office Depot labels also refer to each entity's public Website prices available to anyone.

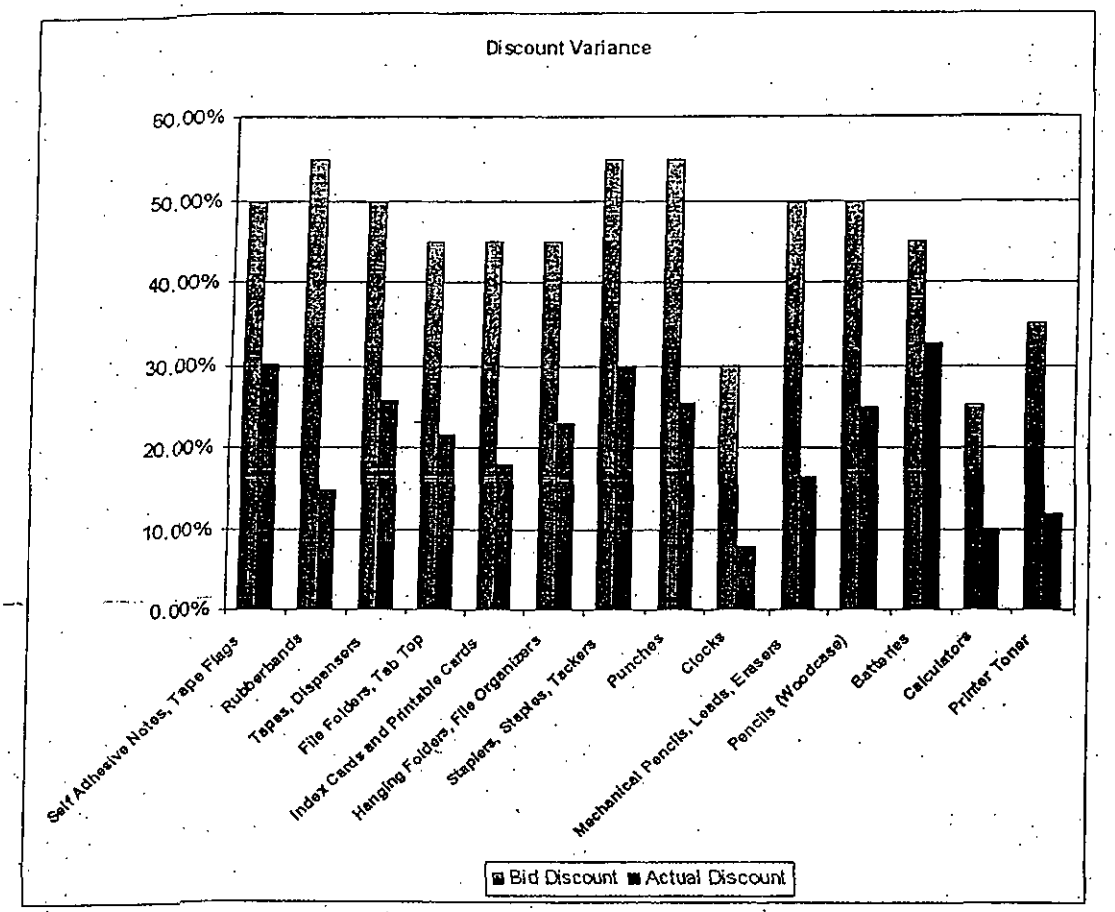
The average discount shown is a blended average across all product categories and items. This analysis is commonly used to determine a vendor's overall pricing structure.



Discounts by Product Category Do Not Match

Included in the contract bid sheet are 'Additional Discounts' with product classifications and their associated discounts off list price. When products are classified using the United Nations Standard Products and Services Code (UNSPSC), the bid discounts do not match the prices shown on the State of Georgia office supply ordering site.

One significant area to note is Toner Cartridges coded as UNSPSC 44103103 and shown on the 'Additional Discounts' bid sheet as 'Office Depot Printer Toner' with a bid discount off list of 35.00%.

Pricing on the State of Georgia office supply ordering sites contradicts this 'Printer Toner' bid discount with an average discount for toner weighing in at only 11.81%.

Discount Variance Chart