

Are you thinking about auditing your telecom billing and inventory?



Performing a successful audit takes a delicate balance between time and resources. We're confident you can do this yourself but at what cost and extent? ? ?

In our experience, through the audit practice, organizations that perform their own audits can expect to cut expenses by 3-5% provided they have the learned knowledge & expertise, enough resources focused on the task, access to their providers tariffs, and effective negotiation skills to recover money from the carriers.

Intelligent Bills has successfully experienced reductions in excess of 25-40% by leveraging its subject matter experience, our knowledge of carrier billing procedures, accessing a historical library of claims and subscribing to an online tariff system that allows us the ability to secure refunds with these same providers.

This affords us the opportunity to obtain the largest refund possible for our clients. In our experience, identifying potential billing errors represents only 20% of the time and effort to complete the review. The remaining time is spent reconciling with the service providers to resolve the claim, correct the errors on the billing and secure the maximum refunds possible.

Consequently, we have been able to develop a clean process to ensure we identify and secure all refunds for our clients in a short period of time.

This is our initial step into providing the Total Telecom Cost Management Solution for your organization.



Total Telecom Cost Management

Telecom Billing Management Savings Opportunities

Industry Study

Scenario	Do Nothing	Manage Internally	One-Time Bill Auditor	Enterprise Solution Provider
Annual Telco Spend	\$200,000	\$200,000	\$200,000	\$200,000
Potential Overpayments	\$10,000 to \$20,000	\$10,000 to \$20,000	\$10,000 to \$20,000*	\$10,000 to \$20,000
Cost to Resolve	\$ 0	\$ 0	\$4,000 to \$8,000	\$5,000 to \$10,000
Chance of Overbilling Returning	High	Low	High	Low
Amount Remaining still being overpaid	\$10,000 to \$20,000	\$ 0	\$2,000 to \$4,000	\$ 0
Internal cost of managing telco bills	\$ 0	\$12,500 **	\$ 0	\$ 0
Bottom Line Costs	\$ 0	\$ 12,500	\$4,000 to \$8,000	\$5,000 to \$10,000
Savings	\$ 0	(\$2,500) to \$7,500	\$4,000 to \$12,000***	\$5,000 to \$15,000
Savings Per Annum	\$ 0	(\$2,500) to \$7,500	\$2,000 to \$6,000	\$5,000 to \$15,000

* One-time bill auditor typically finds a maximum of 80% of overpayments
 ** Based on 25 percent of a person's time with a loaded salary cost of \$ 50,000 per annum
 *** One-time bill audit is performed every two or three years. Costs and savings must therefore be calculated over two or three years
 Source: Gartner Research

The Onus has been placed on enterprises to detect National Service Providers overbillings and recover costs that will exceed 10 percent of total network services spending if proactive auditing practices are not in place (0.9 probability). Therefore, enterprises not having properly trained professionals assuming this responsibility could be forfeiting at least \$100,000 for every \$1 Million Spent.

Gartner Group

A market research study conducted by the Aberdeen Group states, "On average, 7-12% of telecom service expenses are in error."

Aberdeen Group, April 2003

Telecommunication Billing & Inventory Compliance Service Do them In House or Bring in an Outside Specialist?

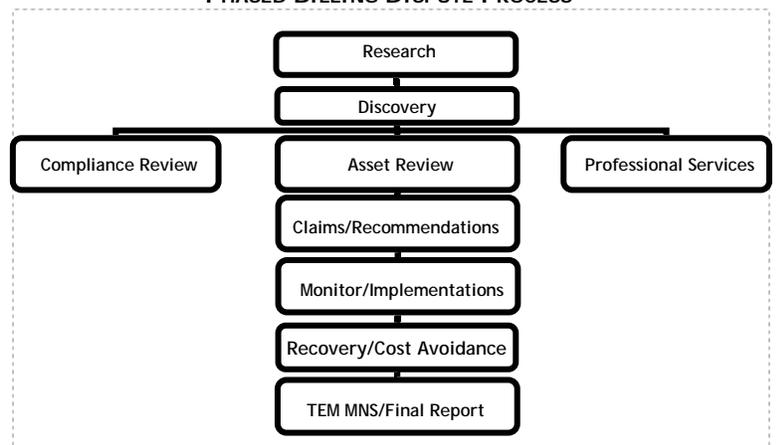
Issue:	In House Project	Using an Outside Specialist
<i>How much internal time and resources will the project consume?</i>	Internal Staff will have to invest significant time to identify common errors, scour all bills to find those errors and develop expertise and relationships with Vendors (telecom carriers) to secure refunds.	Having already performed hundreds of audits, specialists don't have to start from scratch when looking for billing errors. They already know where the most common errors lie and can go straight to them, increasing the probability of receiving refunds and minimizing delays. They will also have established precedents with carriers that allow them to get larger refunds than otherwise possible.
<i>Do you have the tools and processes to do the job effectively?</i>	Performing the audit on your own would require you to put time, money, and people into developing a tracking system of your own - effectively reducing the audit's total return.	Specialists have tracking and reporting systems already in place. These systems are necessary to keep track of the audit progress and manage the negotiations and escalations with vendors.
<i>Do you have access to all the information you need?</i>	You probably do not have access to the latest information about rates, tariffs and contract terms in the marketplace.	In order to know the tariffed rates for various services, a tariff subscription service such as CCMI is necessary. Specialists maintain subscriptions to these services, but the cost would be prohibitive and unnecessary for a non-auditing firm.
<i>Do you have the expertise that is needed to be successful?</i>	Your internal staff may not have a lot of experience in dealing with the intricacies of auditing, e.g. statutes of limitations.	A specialist will understand government statutes of limitations placed on claims. In addition, some carriers have recently been attempting to impose their own limitations on customers' ability to file refund claims. Thanks to their carrier relationships, specialists are able to address claims in a timely manner and possibly get around those limitations.
<i>Do you have all the relationships in place that you will need?</i>	It is not likely that your internal team has expertise and on working relationships with ALL of your telecom Providers.	Specialists have established relationships with the telecom carriers. They understand the internal processes and procedures for retrieving refunds and have the ability to escalate as necessary, to ensure you receive refunds back in a timely manner.
<i>Will the internal project correct problems for the long term?</i>	It is not likely that your internal team will have a plan or the tools to implement a post-audit process to avoid errors going forward.	After the audit is complete, a good specialist can offer services to help you keep your invoices accurate. Without some kind of ongoing program, the errors will just slide right back onto your bills again.

Intelligent Bills Methodology

Our phased approach provides our clients with complete visibility into the status of their project. The illustration on the right highlights the documented processes our consultants follow to ensure the largest possible return. These seven steps along with having the most seasoned Telecom Cost Management staff, is the reason why Intelligent Bills has been so successful for all of its clients.

Our fee for this service is tied to our results, on a contingency basis. If we do not recover refunds/credits or reduce your expense moving forward, then there is absolutely **No Cost to You.**

PHASED BILLING DISPUTE PROCESS



Total Telecom Cost Management

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