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Introduction To:

Telecom Expense Management Permission Based Audit

Presented To:

Denton, Texas ISD

April16, 2014

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Permission-Based Audit^{SM}

- Keys to forensic telecom auditing
  - Contract terms and conditions are identified for audit including rates, incentives, promotions and commitments
    - Invoice rates are compared to contracts and tariffs for conformance
    - Contract rates are benchmarked against market rates
  - Inventory and invoice detail are compared and differences identified
    - Unneeded or unused services are identified
    - Incorrect billings are documented
- Additional keys for LEC and CLEC services
  - Invalid Charges
  - Line item reconciliation
  - Services not under contract
  - Taxes and surcharges
  - Stray long distance, slamming and cramming
  - Rate analysis

Cost Saving Opportunities

- Recovery opportunities
  - Services billed but not installed
  - Services ordered disconnected, but still billed
  - Services billed, but not ordered
  - Services billed contrary to tariff
  - Billing of services no longer offered
  - Billing in excess of contract
  - Billing errors in supplier accounting systems
  - Misapplication of taxes and surcharges
  - Cellular telephone features and contract audit

Cost Saving Opportunities

- Ongoing Cost reduction opportunities
    - Services not used or needed
    - Excessive service (e.g., over trunked)
    - Trunk group optimization
    - Unused facilities
    - Incorrect call routing
    - Improper toll billing
    - Alternate services or service arrangement
    - Alternative technologies (services or equipment or both)
    - Alternative vendors
    - Negotiation or renegotiation of contracts
    - Cellular telephone optimization and continuing plan management
    - Cellular telephone audit

Wireless Audit/Optimization

- Rate Plan Optimization
  - Complete review of your usage pattern
  - Identify optimum vendor pricing
  - Implement that pricing to your usage
  - Identification of unused lines

- Feature Audit
  - Audit features
  - Match features to your business needs and usage
  - Implement

- Contract Audit
  - Audit contract terms and conditions to all invoices
  - Correct and recover

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Permission-Based Audit^{SM} Life Cycle

•Analysis (30 days)

•Based on the data gathered in Discovery

•WSC develops a statement of the existing conditions, identifies opportunities and prepares recommendations.

•This process begins as soon as any discovery information is gathered, usually within the first ten days of the project.

•Discovery (30 - 45 days)

• All of the information needed to define and carry out a successful Audit project are identified and gathered.

•At the end of this step, WSC is prepared to complete the analysis.

•Major elements:
– Gathering Project Support Information
– Gathering Analysis Support Information
– Gathering Technical Support Information

•Major elements:
– Baseline information and inventory is established
– Opportunity analysis is conducted
– Savings or recovery recommendation is prepared
– A formal proposal is presented to CLIENT

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Permission-Based Audit^{SM} Life Cycle

•Approval (1- 2 weeks)

•The client approves the Scope (and any changes in it) and the recommendations to be implemented.

•Major elements:
- – Client approval of Project Scope document
- – Client approval of Project Scope changes (if needed)
- – Client approval of recommendations
- – Client approval of implementation plan

•Implementation (30 – 60 days)

•WSC develops and executes the implementation and/or project plans, working through and managing the vendors as required.

•Major elements:
- – Validate/complete pre-implementation information
- – Validate/complete specific vendor pre-implementation information
- – Finalize Project/Implementation plan
- – Execute implementation plan

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Superior Implementation Services

- All Major work is done by WidePoint/ISYS

- Comprehensive and Systemic Implementation plan

- WidePoint/ISYS knows and uses the Vendor's process

- Professional Dispute Letters

- Superior Documentation

- Successful Strategies to obtain approvals

- Professional and Persistent Follow-up

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Permission-Based Audit^{SM} QC

- Quality Control
- WSC/ISYS analyzes the implementation and all post implementation billings to verify that
  - Contract terms and rates are in conformance with the approved contracts
  - Changes were implemented as requested
  - Projected benefits are received

- When implementation by vendors is not as specified, WSC/ISYS takes corrective action until it is.

- Major elements:
  - Quality Control Check of Implementation
  - Gather the needed information from the locations after implementation
  - Validation of savings or recoveries
  - Corrective action

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iSYS STATE & LOCAL GOVERNMENT CLIENTS

A growing list of State and Local Government Agencies are optimizing and reducing telecom costs through iSYS TEM Solutions:

- State of Nevada, including Wireline (Landline) and Wireless
- State of Utah
- State of Kentucky Landline and Wireless
- Ohio ODNR
- County of Riverside, California
- City of Dublin, Ohio
- The Ohio State University
- Los Angeles World Airports
- City of Los Angeles Harbor Department, Port of LA

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