

“We were pleased with the work that Cost Control Associates did. While their review found that most costs were being properly billed, the \$4,300 in refunds and cost savings is appreciated!”



The Background

With a population of over 10,000, Stevens County is primarily a rural county where farming is a mainstay. Located in West Central Minnesota, the County is home to the University of Minnesota – Morris. In addition to farming, some of the diverse industries that are found in the county include education, health care, concrete products manufacturing, and cattle ranching.

Like many counties in the country, Stevens County continues to face budget challenges and

Case Study – Stevens County

constantly seeks new ways to reduce expenses. One of the ways that the County sought to reduce costs was through a review of telecommunications bills, with the goal of ensuring that the charges on these bills were correct and to recover refunds for any charges billed in error.

The Challenges

Like most counties, each department typically operates independently and the control of expenses is decentralized. This makes it difficult to keep track of telephone lines at different locations and to oversee review and payment of telephone bills for the individual departments.

The Solution

Cost Control Associates’ **Cost Recovery and Reduction™** program was just the solution the County sought. The County liked the idea that there would not be any out of pocket or upfront fees. The County also liked the concept of only paying fees for services when actual refunds or savings were realized by the County.

Cost Control Associates’ analysis included:

- ✓ Review of local and long distance telephone bills for errors and savings opportunities.
- ✓ Performance of an inventory of all phone lines and special telecom/data circuits being billed to the County.

- ✓ Filing of claims to recover refunds of over-billed charges.
- ✓ Implementation and verification of County approved cost reducing recommendations.
- ✓ Reporting and timely follow-up to verify receipt of refunds and completion of changes and billing corrections.

The Outcome

Cost Control Associates’ review of local telephone bills revealed federal excise taxes being billed in error on certain accounts. Cost Control Associates insured that the local phone company ceased billing these charges and, in addition, recovered a full 3-year refund from the Internal Revenue Service for these taxes billed in error to the County.

The inventory of telephone lines billed to the County also revealed one line that was not in use and could be eliminated, thus reducing the County’s costs.

The review for Stevens County resulted in combined refunds and annual savings of over \$4,300.

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