

NEW BRUNSWICK BOARD OF EDUCATION

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RICHARD M. KAPLAN
Superintendent of Schools

RICHARD D. JANNARONE
Business Administrator / Board Secretary

July 27, 2005

Stephen T. Barry, President
Recapture Technologies Corporation
419 West Lake Drive
Spring Lake, NJ 07762

Dear Mr. Barry:

Recapture Technologies Corporation (RTC) recently completed a comprehensive telecommunications cost optimization engagement at the New Brunswick School District. The engagement was designed to lower monthly recurring costs as well as to recover funds which might have been lost due to billing errors. One component assured that we took full advantage of funds available from the Universal Service Fund, established by the Federal Communications Commission to subsidize telephone services to Public Schools and Libraries.

You began our process by completing a comprehensive inventory of all services currently being used in the School District, allowing us to identify all services that are E-rate eligible and to accurately determine the annual cost.

You identified lines which were being billed but were not in use. New lines have been installed since this was initially completed however, there is still a significant savings based on the line reduction.

Caller ID was removed from 148 lines. The accounts have been monitored to ensure that these charges do not appear again. A lower cost Directory Assistance afforded more savings. PIC change for long distance traffic carriage from AT&T to a CLEC afforded significant on-going savings. In addition, dedicated access service modifications resulted in discounted monthly service rates, reduced local calling rates and further discounted long distance rates. The savings are significantly higher as the reduced rates for local calls had a greater savings impact than originally projected.

True to your word, you did not take up valuable staff time, but rather your investigation was done utilizing telephone company records. All information received was held in the strictest of confidence. Our involvement was minimal.

Your cost containment specialists were successful in finding additional budgetary savings for us, by virtue of applying for eligible funding via the Universal Services Fund, recapture of over-billings and related cost optimization recommendations in excess of **\$820,000** for the current and prior school year.

All political sub-divisions are suffering financially today due to budget constraints. This is an excellent opportunity for recapture of monies already spent, allowing the officials in charge to optimize line item expenses. It is truly a win / win scenario.

I recommend the professional services of Recapture Technologies Corporation to any school district or Erate eligible entity without reservation.

Sincerely,



Richard D. Jannarone
Business Administrator/Board Secretary