

Edgar Filing: PRG SCHULTZ INTERNATIONAL INC - Form SC 13D/A

PRG SCHULTZ INTERNATIONAL INC
Form SC 13D/A
July 17, 2007

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 13D
(Amendment No. 20)

Under the Securities Exchange Act of 1934

PRG-SCHULTZ INTERNATIONAL, INC.

(Name of Issuer)

Common Stock, No Par Value Per Share

(Title of Class of Securities)

69357C503

(CUSIP Number)

Gregory D. Hitchan
Blum Capital Partners, L.P.
909 Montgomery Street, Suite 400
San Francisco, CA 94133
(415) 434-1111

(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

July 16, 2007

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of ?? 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box [].

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See ?? 240.13d-7 for other parties to whom copies are to be sent.

*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

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1. NAME OF REPORTING PERSON BLUM CAPITAL PARTNERS, L.P.
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON 94-3205364

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) [x]
(b) [x]

3. SEC USE ONLY

4. SOURCE OF FUNDS* See Item 3

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEMS 2(d) or 2(e) []

6. CITIZENSHIP OR PLACE OF ORGANIZATION California

7. SOLE VOTING POWER -0-

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY EACH
PERSON WITH
8. SHARED VOTING POWER
5,233,696 shares (including 4,314,095 shares issuable
upon conversion of Senior Convertible Notes and Series
A Preferred Stock)**

9. SOLE DISPOSITIVE POWER -0-

10. SHARED DISPOSITIVE POWER
5,233,696 shares (including 4,314,095 shares issuable
upon conversion of Senior Convertible Notes and Series
A Preferred Stock)**

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
5,233,696 shares (including 4,314,095 shares issuable upon conversion
of Senior Convertible Notes and Series A Preferred Stock)**

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES
CERTAIN SHARES []

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 40.0%**

14. TYPE OF REPORTING PERSON PN, IA

** See Item 5

* * * * *

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1. NAME OF REPORTING PERSON RICHARD C. BLUM & ASSOCIATES, INC.
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON 94-2967812

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) [x]
(b) [x]

3. SEC USE ONLY

4. SOURCE OF FUNDS* See Item 3

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEMS 2(d) or 2(e) []

6. CITIZENSHIP OR PLACE OF ORGANIZATION California

7. SOLE VOTING POWER -0-

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH PERSON WITH
8. SHARED VOTING POWER 5,233,696 shares (including 4,314,095 shares issuable upon conversion of Senior Convertible Notes and Series A Preferred Stock)**

9. SOLE DISPOSITIVE POWER -0-

10. SHARED DISPOSITIVE POWER 5,233,696 shares (including 4,314,095 shares issuable upon conversion of Senior Convertible Notes and Series A Preferred Stock)**

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
5,233,696 shares (including 4,314,095 shares issuable upon conversion of Senior Convertible Notes and Series A Preferred Stock)**

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES []

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 40.0%**

14. TYPE OF REPORTING PERSON CO

** See Item 5

* * * * *

1. NAME OF REPORTING PERSON BLUM STRATEGIC GP, L.L.C.

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S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON 94-3303831

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) [x]
(b) [x]

3. SEC USE ONLY

4. SOURCE OF FUNDS* See Item 3

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEMS 2(d) or 2(e) []

6. CITIZENSHIP OR PLACE OF ORGANIZATION Delaware

7. SOLE VOTING POWER -0-

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY EACH
PERSON WITH

8. SHARED VOTING POWER
5,233,696 shares (including 4,314,095 shares issuable
upon conversion of Senior Convertible Notes and Series
A Preferred Stock)**

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5,233,696 shares (including 4,314,095 shares issuable
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A Preferred Stock)**

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5,233,696 shares (including 4,314,095 shares issuable upon conversion
of Senior Convertible Notes and Series A Preferred Stock)**

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES
CERTAIN SHARES []

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 40.0%**

14. TYPE OF REPORTING PERSON OO (Limited Liability Company)

** See Item 5

* * * * *

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1. NAME OF REPORTING PERSON BLUM STRATEGIC PARTNERS II, L.P.

S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON 94-3395151

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) [x]

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(b) [x]

3. SEC USE ONLY

4. SOURCE OF FUNDS* See Item 3

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEMS 2(d) or 2(e) []

6. CITIZENSHIP OR PLACE OF ORGANIZATION Delaware

7. SOLE VOTING POWER -0-

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY EACH
PERSON WITH

8. SHARED VOTING POWER
5,233,696 shares (including 4,314,095 shares issuable
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A Preferred Stock)**

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5,233,696 shares (including 4,314,095 shares issuable
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A Preferred Stock)**

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
5,233,696 shares (including 4,314,095 shares issuable upon conversion
of Senior Convertible Notes and Series A Preferred Stock)**

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES
CERTAIN SHARES []

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 40.0%**

14. TYPE OF REPORTING PERSON PN

** See Item 5

* * * * *

CUSIP NO. 69357C503

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1. NAME OF REPORTING PERSON BLUM STRATEGIC GP II, L.L.C.

S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON 94-3395150

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) [x]
(b) [x]

3. SEC USE ONLY

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4. SOURCE OF FUNDS* See Item 3

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEMS 2(d) or 2(e) []

6. CITIZENSHIP OR PLACE OF ORGANIZATION Delaware

7. SOLE VOTING POWER -0-

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY EACH
PERSON WITH
8. SHARED VOTING POWER
5,233,696 shares (including 4,314,095 shares issuable
upon conversion of Senior Convertible Notes and Series
A Preferred Stock)**

9. SOLE DISPOSITIVE POWER -0-

10. SHARED DISPOSITIVE POWER
5,233,696 shares (including 4,314,095 shares issuable
upon conversion of Senior Convertible Notes and Series
A Preferred Stock)**

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
5,233,696 shares (including 4,314,095 shares issuable upon conversion
of Senior Convertible Notes and Series A Preferred Stock)**

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES
CERTAIN SHARES []

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 40.0%**

14. TYPE OF REPORTING PERSON OO (Limited Liability Company)

** See Item 5

* * * * *

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1. NAME OF REPORTING PERSON STINSON CAPITAL PARTNERS, L.P.
S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON 94-3232358

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) [x]
(b) [x]

3. SEC USE ONLY

4. SOURCE OF FUNDS* See Item 3

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5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEMS 2(d) or 2(e) []

6. CITIZENSHIP OR PLACE OF ORGANIZATION California

7. SOLE VOTING POWER -0-

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY EACH
PERSON WITH

8. SHARED VOTING POWER
5,233,696 shares (including 4,314,095 shares issuable
upon conversion of Senior Convertible Notes and Series
A Preferred Stock)**

9. SOLE DISPOSITIVE POWER -0-

10. SHARED DISPOSITIVE POWER
5,233,696 shares (including 4,314,095 shares issuable
upon conversion of Senior Convertible Notes and Series
A Preferred Stock)**

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
5,233,696 shares (including 4,314,095 shares issuable upon conversion
of Senior Convertible Notes and Series A Preferred Stock)**

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES
CERTAIN SHARES []

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 40.0%**

14. TYPE OF REPORTING PERSON PN

** See Item 5

* * * * *

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1. NAME OF REPORTING PERSON STINSON CAPITAL PARTNERS (QP), L.P.

S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON 52-2379857

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) [x]
(b) [x]

3. SEC USE ONLY

4. SOURCE OF FUNDS* See Item 3

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED

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PURSUANT TO ITEMS 2(d) or 2(e) []

6. CITIZENSHIP OR PLACE OF ORGANIZATION Delaware

7. SOLE VOTING POWER -0-

NUMBER OF
SHARES
BENEFICIALLY
OWNED BY EACH
PERSON WITH

8. SHARED VOTING POWER
5,233,696 shares (including 4,314,095 shares issuable
upon conversion of Senior Convertible Notes and Series
A Preferred Stock)**

9. SOLE DISPOSITIVE POWER -0-

10. SHARED DISPOSITIVE POWER
5,233,696 shares (including 4,314,095 shares issuable
upon conversion of Senior Convertible Notes and Series
A Preferred Stock)**

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
5,233,696 shares (including 4,314,095 shares issuable upon conversion
of Senior Convertible Notes and Series A Preferred Stock)**

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES
CERTAIN SHARES []

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 40.0%**

14. TYPE OF REPORTING PERSON PN

** See Item 5

* * * * *

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1. NAME OF REPORTING PERSON STINSON CAPITAL PARTNERS II, L.P.

S.S. OR I.R.S. IDENTIFICATION NO. OF ABOVE PERSON 94-3264850

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) [x]
(b) [x]

3. SEC USE ONLY

4. SOURCE OF FUNDS* See Item 3

5. CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED
PURSUANT TO ITEMS 2(d) or 2(e) []

6. CITIZENSHIP OR PLACE OF ORGANIZATION California

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	7. SOLE VOTING POWER -0-
NUMBER OF	-----
SHARES	8. SHARED VOTING POWER
BENEFICIALLY	5,233,696 shares (including 4,314,095 shares issuable
OWNED BY EACH	upon conversion of Senior Convertible Notes and Series
PERSON WITH	A Preferred Stock)**

	9. SOLE DISPOSITIVE POWER -0-

10. SHARED DISPOSITIVE POWER	
	5,233,696 shares (including 4,314,095 shares issuable
	upon conversion of Senior Convertible Notes and Series
	A Preferred Stock)**

11. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON	
	5,233,696 shares (including 4,314,095 shares issuable upon conversion
	of Senior Convertible Notes and Series A Preferred Stock)**

12. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES	
CERTAIN SHARES	[]

13. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)	40.0%**

14. TYPE OF REPORTING PERSON	PN

** See Item 5

* * * * *

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Item 1. Security and Issuer

This Amendment No. 20 amends the Statement on Schedule 13D (the "Schedule 13D") filed with the Securities and Exchange Commission (the "Commission") on October 4, 2006 by Blum Capital Partners, L.P., a California limited partnership, ("Blum LP"); Richard C. Blum & Associates, Inc., a California corporation ("RCBA Inc. "); Blum Strategic GP, L.L.C., a Delaware limited liability company ("Blum GP"); Blum Strategic GP II, L.L.C., a Delaware limited liability company ("Blum GP II"); Blum Strategic Partners II, L.P., a Delaware limited partnership ("Blum Strategic II"); Stinson Capital Partners, L.P., a California limited partnership ("Stinson"); Stinson Capital Partners (QP), L.P., a Delaware limited partnership ("Stinson QP"); and Stinson Capital Partners II, L.P., a California limited partnership ("Stinson II") (collectively, the "Reporting Persons").

This amendment to the Schedule 13D relates to the shares of Common Stock, no par value per share (the "Common Stock") of PRG-Schultz International, Inc., a Georgia corporation (the "Issuer"). The principal executive office and mailing address of the Issuer is 600 Galleria Parkway, Suite 100, Atlanta, Georgia 30339-5949.

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Gregory D. Hitchan Partner, Chief Operating Officer, General Counsel and Secretary	909 Montgomery St. Suite 400 San Francisco, CA 94133	USA	Partner, Chief Operating Officer, General Counsel and Secretary, Blum LP
Marc T. Scholvinck Partner, Chief Financial Officer, Assistant Secretary & Director	909 Montgomery St. Suite 400 San Francisco, CA 94133	USA	Partner & Chief Financial Officer, Blum LP

* * * * *

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Blum GP is a Delaware limited liability company whose principal business is acting as the sole general partner of Blum Strategic Partners, L.P. ("Blum Strategic").

The principal business office address of Blum GP is 909 Montgomery Street, Suite 400, San Francisco, CA 94133. The names of the managing members and members of Blum GP, their addresses, citizenship and principal occupations are as follows:

Name and Office Held -----	Business Address -----	Citizen- ship -----	Principal Occupation or Employment -----
Richard C. Blum Managing Member	909 Montgomery St. Suite 400 San Francisco, CA 94133	USA	President & Chairman, Blum LP
Nils Colin Lind Managing Member	909 Montgomery St. Suite 400 San Francisco, CA 94133	USA and Norway	Managing Partner, Blum LP
John H. Park Member	909 Montgomery St. Suite 400 San Francisco, CA 94133	USA	Partner, Blum LP
Gregory L. Jackson Member	909 Montgomery St. Suite 400 San Francisco, CA 94133	USA	Partner, Blum LP
Jane J. Su Member	909 Montgomery St. Suite 400 San Francisco, CA 94133	USA	Partner, Blum LP
David H.S. Chung Member	909 Montgomery St. Suite 400 San Francisco, CA 94133	USA	Partner, Blum LP
Nadine F. Terman Member	909 Montgomery St. Suite 400 San Francisco, CA 94133	USA	Partner, Blum LP

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* * * * *

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Name and Office Held	Business Address	Citizen-ship	Principal Occupation or Employment
Gregory D. Hitchan Member	909 Montgomery St. Suite 400 San Francisco, CA 94133	USA	Partner, Chief Operating Officer, General Counsel & Secretary, Blum LP
Marc T. Scholvinck Member	909 Montgomery St. Suite 400 San Francisco, CA 94133	USA	Partner & Chief Financial Officer, Blum LP

Blum GP II is a Delaware limited liability company whose principal business is acting as the sole general partner of Blum Strategic II and also as managing limited partner of Blum Strategic Partners II GmbH & Co. KG. ("Blum Strategic II KG").

The principal business office address of Blum GP II is 909 Montgomery Street, Suite 400, San Francisco, CA 94133. The names of the managing members and members of Blum GP II, their addresses, citizenship and principal occupations are as follows:

Name and Office Held	Business Address	Citizen-ship	Principal Occupation or Employment
Richard C. Blum Managing Member	909 Montgomery St. Suite 400 San Francisco, CA 94133	USA	President & Chairman, Blum LP
Nils Colin Lind Managing Member	909 Montgomery St. Suite 400 San Francisco, CA 94133	USA and Norway	Managing Partner, Blum LP
John H. Park Managing Member	909 Montgomery St. Suite 400 San Francisco, CA 94133	USA	Partner, Blum LP

* * * * *

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Name and Office Held	Business Address	Citizen-ship	Principal Occupation or Employment
Gregory L. Jackson Managing Member	909 Montgomery St. Suite 400 San Francisco, CA 94133	USA	Partner, Blum LP

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Jane J. Su Member	909 Montgomery St. Suite 400 San Francisco, CA 94133	USA	Partner, Blum LP
David H.S. Chung Member	909 Montgomery St. Suite 400 San Francisco, CA 94133	USA	Partner, Blum LP
Nadine F. Terman Member	909 Montgomery St. Suite 400 San Francisco, CA 94133	USA	Partner, Blum LP
Gregory D. Hitchan Managing Member	909 Montgomery St. Suite 400 San Francisco, CA 94133	USA	Partner, Chief Operating Officer, General Counsel & Secretary, Blum LP
Marc T. Scholvinck Managing Member	909 Montgomery St. Suite 400 San Francisco, CA 94133	USA	Partner & Chief Financial Officer, Blum LP

To the best knowledge of the Reporting Persons, none of the entities or persons identified in this Item 2 has, during the past five years, been convicted of any criminal proceeding (excluding traffic violations or similar misdemeanors), nor been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

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Item 4. Purpose of Transaction

Item 4 is amended to add the following:

In connection with the proposed refinancing announced by the Issuer, the Reporting Persons have entered into a Conversion and Support Agreement (the "Support Agreement") with the Issuer. As consideration for the Support Agreement, on July 16, 2007, the Issuer entered into a 2007 Amended and Restated Standstill Agreement (the "New Standstill Agreement") with the Reporting Persons. Upon effectiveness, the New Standstill Agreement will replace and supersede the Amended and Restated Standstill Agreement dated November 14, 2005 between the Reporting Persons and the Issuer.

The information set forth in this Item 4 is qualified in its entirety by the reference to the Support Agreement and the New Standstill Agreement which are attached hereto as Exhibits B and C, respectively, each of which is incorporated by reference herein in its entirety.

Item 5. Interest in Securities of the Issuer

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Item 5 of the Schedule 13D is hereby amended as follows:

(a), (b) According to the Issuer's Form 8-K filed with the Commission on May 15, 2007, there were 8,767,345 shares of Common Stock issued and outstanding as of April 30, 2007. Based on such information, after taking into account the transactions described in Item 5(c) below, the Reporting Persons report beneficial ownership of the following shares of Common Stock: (i) 63,126 shares of the Common Stock held by Blum LP and RCBA Inc. on behalf of the limited partnerships for which Blum LP serves as the general partner, or on behalf of an entity for which Blum LP serves as investment advisor, which represents 0.7% of the outstanding shares of the Common Stock; (ii) 11,770 shares of the Common Stock held by Blum GP on behalf of the limited partnership for which it serves as the general partner, which represents 0.1% of the outstanding shares of the Common Stock; and (iii) 844,705 shares of the Common Stock held by Blum GP II on behalf of the limited partnership for which it serves as the general partner and on behalf of the limited partnership for which it serves as the managing limited partner, which represents 9.6% of the outstanding shares of the Common Stock.

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Voting and investment power concerning the above shares are held solely by Blum LP, Blum GP and Blum GP II. The Reporting Persons therefore may be deemed to be members in a group, in which case the group would be deemed to have beneficial ownership of an aggregate of 919,601 shares of the Common Stock, which is 10.5% of the outstanding Common Stock. As the sole general partner of Blum LP, RCBA Inc. is deemed the beneficial owner of the securities over which Blum LP has voting and investment power. The filing of this Schedule shall not be construed as an admission that any of the shareholders, directors or executive officers of RCBA Inc. or the managing members and members of Blum GP and Blum GP II, is, for any purpose, the beneficial owner of any of the securities that are beneficially owned by RCBA Inc., Blum GP, or Blum GP II.

In the event that the Reporting Persons converted the 10.0% Senior Convertible Notes due 2011 (the "Senior Convertible Notes") and the Series A Convertible Participating Preferred Stock (the "Series A Preferred Stock") of the Issuer into Common Stock (see the Schedule 13D Amendment Number 18, filed by the Reporting Persons on March 24, 2006), the Reporting Persons may be deemed to have beneficial ownership of and exercise shared voting and dispositive power over (i) principal amount of \$17,580,874 of Senior Convertible Notes, which is convertible into 2,704,751 shares of Common Stock, and (ii) 34,901 shares of Series A Preferred Stock, which are convertible into 1,609,345 shares of Common Stock. The Reporting Persons may thus be deemed to have beneficial ownership of 5,233,696 shares or 40.0% of the Common Stock, as follows:

- (i) Blum LP and RCBA Inc. may be deemed to have beneficial ownership of 2,523,084 shares, which represents 19.3% on an as converted basis;
- (ii) Blum GP II may be deemed to have beneficial ownership of 2,698,842 shares, which represents 20.6% on an as converted basis; and
- (iii) Blum GP may be deemed to have beneficial ownership of 11,770 shares, which represents 0.1% on an as converted basis.

(c) The Reporting Persons have not effected any transactions in the securities

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of the Issuer during the last 60 days.

(d) and (e) Not applicable.

Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer

Item 6 to Schedule 13D is hereby amended to incorporate the Support Agreement and the New Standstill Agreement which are attached hereto as Exhibits B and C, respectively, each of which is incorporated by reference herein in its entirety.

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Item 7. Material to be Filed as Exhibits

Exhibit A - Joint Filing Undertaking

Exhibit B - Conversion and Support Agreement

Exhibit C - Amended and Restated Standstill Agreement

* * * * *

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SIGNATURES

After reasonable inquiry and to the best of our knowledge and belief, the undersigned certify that the information set forth in this statement is true, complete and correct.

Dated: July 17, 2007

RICHARD C. BLUM & ASSOCIATES, INC.

BLUM CAPITAL PARTNERS, L.P.

By: Richard C. Blum & Associates, Inc.
its general partner

By: /s/ Gregory D. Hitchan

By: /s/ Gregory D. Hitchan

Gregory D. Hitchan
Partner, Chief Operating Officer,
General Counsel and Secretary

Gregory D. Hitchan
Partner, Chief Operating Officer,
General Counsel and Secretary

BLUM STRATEGIC GP, L.L.C.

BLUM STRATEGIC GP II, L.L.C.

By: /s/ Gregory D. Hitchan

By: /s/ Gregory D. Hitchan

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Gregory D. Hitchan, General
Counsel and Member

Gregory D. Hitchan, General
Counsel and Managing Member

BLUM STRATEGIC PARTNERS II, L.P.
By: Blum Strategic GP II, L.L.C.,
its General Partner

STINSON CAPITAL PARTNERS, L.P.
By: Blum Capital Partners, L.P.,
its General Partner
By: Richard C. Blum & Associates, Inc.
its General Partner

By: /s/ Gregory D. Hitchan

Gregory D. Hitchan, General
Counsel and Managing Member

By: /s/ Gregory D. Hitchan

Partner, Chief Operating Officer,
General Counsel and Secretary

STINSON CAPITAL PARTNERS II, L.P.
By: Blum Capital Partners, L.P.,
its General Partner
By: Richard C. Blum & Associates, Inc.
its General Partner

STINSON CAPITAL PARTNERS (QP), L.P.
By: Blum Capital Partners, L.P.,
its General Partner
By: Richard C. Blum & Associates, Inc.
its General Partner

By: /s/ Gregory D. Hitchan

Gregory D. Hitchan
Partner, Chief Operating Officer,
General Counsel and Secretary

By: /s/ Gregory D. Hitchan

Gregory D. Hitchan
Partner, Chief Operating Officer,
General Counsel and Secretary

* * * * *

CUSIP NO. 69357C503

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Exhibit A

JOINT FILING UNDERTAKING

The undersigned, being duly authorized thereunto, hereby execute this agreement as an exhibit to this Schedule 13D to evidence the agreement of the below-named parties, in accordance with the rules promulgated pursuant to the Securities Exchange Act of 1934, to file this Schedule jointly on behalf of each such party.

Dated: July 17, 2007

RICHARD C. BLUM & ASSOCIATES, INC.

BLUM CAPITAL PARTNERS, L.P.
By: Richard C. Blum & Associates, Inc.
its general partner

By: /s/ Gregory D. Hitchan

Gregory D. Hitchan
Partner, Chief Operating Officer,
General Counsel and Secretary

By: /s/ Gregory D. Hitchan

Gregory D. Hitchan
Partner, Chief Operating Officer,
General Counsel and Secretary

BLUM STRATEGIC GP, L.L.C.

BLUM STRATEGIC GP II, L.L.C.

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By: /s/ Gregory D. Hitchan

Gregory D. Hitchan, General
Counsel and Member

By: /s/ Gregory D. Hitchan

Gregory D. Hitchan, General
Counsel and Managing Member

BLUM STRATEGIC PARTNERS II, L.P.
By: Blum Strategic GP II, L.L.C.,
its General Partner

STINSON CAPITAL PARTNERS, L.P.
By: Blum Capital Partners, L.P.,
its General Partner
By: Richard C. Blum & Associates, Inc.
its General Partner

By: /s/ Gregory D. Hitchan

Gregory D. Hitchan, General
Counsel and Managing Member

By: /s/ Gregory D. Hitchan

Partner, Chief Operating Officer,
General Counsel and Secretary

STINSON CAPITAL PARTNERS II, L.P.
By: Blum Capital Partners, L.P.,
its General Partner
By: Richard C. Blum & Associates, Inc.
its General Partner

STINSON CAPITAL PARTNERS (QP), L.P.
By: Blum Capital Partners, L.P.,
its General Partner
By: Richard C. Blum & Associates, Inc.
its General Partner

By: /s/ Gregory D. Hitchan

Gregory D. Hitchan
Partner, Chief Operating Officer,
General Counsel and Secretary

By: /s/ Gregory D. Hitchan

Gregory D. Hitchan
Partner, Chief Operating Officer,
General Counsel and Secretary