

**Billing and Collection Agent Report  
For period ending October 31, 2015**

**To NANC**

**November 9, 2015**

**NANPA FUND  
STATEMENT OF FINANCIAL POSITION  
October 31, 2015**

**Assets**

Cash Balance in bank account		\$ 4,465,806
Receivable from US Carriers	195,434	
Receivable from Canada	8,930	
Receivable from Caribbean countries	505	
Receivables forwarded to Treasury for collection	69,318	
Allowance for uncollectible accounts	(145,000)	129,187

**Total assets** **4,594,993**

**Less:** Accrued liabilities (see below for makeup) **(530,005)**

**Fund balance** **\$ 4,064,988**

**Makeup of Accrued Liabilities**

Welch LLP	28,336	
EY Audit	45,200	
NEUSTAR Pooling 1K Block	268,620	
NEUSTAR NANP Administration	182,999	
Data Collection Agent - USAC	4,850	
	<u>\$ 530,005</u>	

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**NANPA FUND**  
**FORECASTED STATEMENT OF CHANGES IN FUND BALANCE**  
**JULY 2015 TO SEPTEMBER 2016**

	Actual				Budget											Total	Budget	Variance between forecasted results and budget at Sept 30/16
	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16			
<b>Revenue</b>																		
International Contributions																		
Canada	(1)	17,860	8,930	8,930	8,930	8,930	8,930	8,930	8,929	8,929	8,929	8,929	8,929	8,929	8,929	8,929	-	
Caribbean countries	(1)	27,943	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total International Contributions		45,803	8,930	8,930	8,930	8,930	8,930	8,929	8,929	8,929	8,929	8,929	8,929	8,929	8,929	8,929	-	
Domestic Contributions - US carriers	(1)	4,038,482	201,264	217,020	201,871	204,024	204,024	204,024	204,024	204,024	204,024	204,024	204,024	204,024	204,024	204,024	204,024	
Late filing fees for Form 499A	(2)	( 28,900)	( 12,300)	33,600	( 1,600)	-	-	-	-	-	-	-	-	-	-	90,700	-	
Interest income	(3)	350	660	623	401	417	417	417	417	417	416	416	416	416	416	416	-	
<b>Total revenue</b>		<b>4,055,735</b>	<b>198,554</b>	<b>260,173</b>	<b>209,602</b>	<b>213,371</b>	<b>213,371</b>	<b>213,371</b>	<b>213,370</b>	<b>213,370</b>	<b>213,369</b>	<b>213,369</b>	<b>213,369</b>	<b>213,369</b>	<b>213,369</b>	<b>91,116</b>		
<b>Expenses</b>																		
NANPA Administration	(4)	181,724	183,408	182,926	182,999	185,138	185,138	185,137	185,137	185,137	185,137	185,137	185,137	185,137	185,137	185,137	185,137	
1K Block Pooling	(5)	253,919	266,971	270,119	268,620	265,241	265,241	265,240	265,240	265,240	265,240	265,240	265,240	265,240	265,240	265,240	265,240	
Billing and Collection																		
Welch LLP	(6)	28,336	28,336	28,336	28,336	28,336	28,336	28,336	28,336	28,336	28,336	28,336	28,336	28,336	28,336	28,336	28,336	
Data Collection Agent	(7)	4,935	4,935	4,952	4,935	4,850	4,850	4,850	4,850	4,850	4,850	4,850	4,850	4,850	4,850	4,850	4,850	
Annual Operations Audit	(8)	-	-	45,200	-	-	-	-	-	-	-	-	-	-	-	-	-	
Bank Charges	(9)	2,407	6,727	4,248	3,375	3,167	3,167	3,167	3,167	3,167	3,166	3,166	3,166	3,166	3,166	3,166	3,166	
Carrier Audits	(10)	-	-	-	-	-	-	-	375,000	-	-	-	-	-	-	-	-	
Bad debt expense	(11)	( 18,975)	( 56,368)	68,512	( 4,795)	2,667	2,667	2,667	2,667	2,667	2,666	2,666	2,666	2,666	2,666	2,666	2,666	
<b>Total expenses</b>		<b>452,346</b>	<b>434,009</b>	<b>604,293</b>	<b>483,470</b>	<b>489,399</b>	<b>489,399</b>	<b>489,397</b>	<b>489,397</b>	<b>489,397</b>	<b>489,395</b>	<b>489,395</b>	<b>489,395</b>	<b>489,395</b>	<b>489,395</b>	<b>489,395</b>	<b>489,395</b>	
<b>Net revenue (expenses)</b>		<b>3,603,389</b>	<b>( 235,455)</b>	<b>( 344,120)</b>	<b>( 273,868)</b>	<b>( 276,028)</b>	<b>( 276,028)</b>	<b>( 276,026)</b>	<b>( 651,027)</b>	<b>( 276,027)</b>	<b>( 276,027)</b>	<b>( 276,026)</b>	<b>( 276,026)</b>	<b>( 276,026)</b>	<b>( 276,026)</b>	<b>( 398,279)</b>	<b>( 783,600)</b>	
<b>Opening fund balance</b>		<b>1,315,042</b>	<b>4,918,431</b>	<b>4,682,976</b>	<b>4,338,856</b>	<b>4,064,988</b>	<b>3,788,960</b>	<b>3,512,932</b>	<b>3,236,906</b>	<b>2,585,879</b>	<b>2,309,852</b>	<b>2,033,825</b>	<b>1,757,799</b>	<b>1,481,773</b>	<b>1,205,747</b>	<b>929,721</b>	<b>1,315,042</b>	
<b>Closing fund balance</b>		<b>4,918,431</b>	<b>4,682,976</b>	<b>4,338,856</b>	<b>4,064,988</b>	<b>3,788,960</b>	<b>3,512,932</b>	<b>3,236,906</b>	<b>2,585,879</b>	<b>2,309,852</b>	<b>2,033,825</b>	<b>1,757,799</b>	<b>1,481,773</b>	<b>1,205,747</b>	<b>929,721</b>	<b>531,442</b>	<b>531,442</b>	
<b>Fund balance makeup:</b>																		
Contingency		500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	
Surplus		4,418,431	4,182,976	3,838,856	3,564,988	3,288,960	3,012,932	2,736,906	2,085,879	1,809,852	1,533,825	1,257,799	981,773	705,747	429,721	31,442	-	
		4,918,431	4,682,976	4,338,856	4,064,988	3,788,960	3,512,932	3,236,906	2,585,879	2,309,852	2,033,825	1,757,799	1,481,773	1,205,747	929,721	531,442	500,000	

**Assumptions:**

- (1) The US carrier contributions for the period from July 2015 to September 2016 and the International contributions are based upon actual billings.
- (2) These fees represent the \$100 late filing fee charged to those companies that do not file the Form 499A by the due date.
- (3) Interest income projections are estimates
- (4) The cost for NANP Administration is based on the contract awarded in 2013. The contract expires in July 2017.
- (5) The cost for 1K Block Pooling Administration is based on a four-year contract expiring July 14, 2017 with a six-month transition period to January 14, 2018.
- (6) The cost of B&C Agent is based on the interim contract with Welch LLP in force until November 2015.
- (7) The expense for the Data Collection Agent is based on an estimate of costs by USAC for the 2015 calendar year.
- (8) The estimate for the annual operations audit performed by Ernst & Young LLP is based on the cost of the prior year's audit.
- (9) Bank fees are an expense to the Fund.
- (10) The budget allowed \$375,000 for carrier audits.
- (11) The allowance covers all accounts considered potentially uncollectible at October 31, 2015.

**Reconciliation of forecast at September 30, 2016 to budget**

<b>Budgeted fund balance at September 30/16 - contingency</b>	500,000
Decrease in fund balance between budget period (December 2014) and June 2015	(45,231)
Additional billings over estimate from budget	45,329
Late filing fees (reversal) for Form 499A	1,500
Underestimate of interest earned to date compared to budget	366
NANP Admin - difference between budget and actual contract awarded due to variable travel costs	9,495
NANP Admin - change orders issued	-
Additional billings from B & C Agent due to renewal of contract	-
Data Collection fees - Adjustment to actual from budget	(357)
Bad debts - Adjustment to actual from budget	22,294
1K Block Pooling - difference between budget and actual contract awarded due to variable travel costs	1,335
Pooling change orders	-
Carrier audits that will not be performed	-
Operations Audit - Adjustment to actual from budget	800
Bank fees - Adjustment to actual from budget	(4,089)
<b>Forecasted fund balance at September 30/16</b>	<b>531,442</b>

**CURRENT AND FORECASTED LIABILITIES**

		<u>Current</u>						
		<u>Oct-15</u>	<u>Nov-15</u>	<u>Dec-15</u>	<u>Jan-16</u>	<u>Feb-16</u>	<u>Mar-16</u>	<u>Apr-16</u>
<b>NEUSTAR - NANPA Administration contract</b>		182,999	185,138	185,138	185,137	185,137	185,137	185,137
- Payment authorized by the FCC in September September 2015	\$ 182,926							
- Authorization by the FCC has not been received for payment October 2015		<u>\$ 182,999</u>						
<b>NEUSTAR - Block Pooling</b>		268,620	265,241	265,241	265,240	265,240	265,240	265,240
- Payment authorized by the FCC in September September 2015	\$ 270,119							
- Authorization by the FCC has not been received for payment October 2015		<u>\$ 268,620</u>						
<b>Welch LLP - Billing &amp; Collection Agent</b>		28,336	28,336	28,336	28,336	28,336	28,336	28,336
- Payment authorized by the FCC in September September 2015	28,336							
- Authorization by the FCC has not been received for payment October 2015		<u>\$ 28,336</u>						
<b>USAC - Data Collection Agent</b>		4,850	4,850	4,850	4,850	4,850	4,850	4,850
- Payment authorized by the FCC in September September 2015	4,935							
- Authorization by the FCC has not been received for payment October 2015		<u>\$ 4,850</u>						
<b>Carrier audits</b>		-	-	-	-	375,000	-	-
<b>Ernst &amp; Young LLP- Annual operations audit</b>		45,200						
<b>Bank Fees</b>			3,167	3,167	3,167	3,167	3,167	3,167
<b>Total</b>		<u>530,005</u>	<u>486,732</u>	<u>486,732</u>	<u>486,730</u>	<u>861,730</u>	<u>486,730</u>	<u>486,730</u>

# **Deliverables Report**

## **Distributing invoices**

The monthly invoices for carriers were emailed on October 12th.

## **Processing Payments**

Payment information from the lockbox service at Mellon Bank is downloaded on a daily basis. The deposit information is recorded daily.

## **Late/Absent Payments**

Statement of accounts were emailed and mailed on October 1st to carriers with outstanding balances greater than \$10.

## **FCC Red Light Notices**

At a minimum, an updated red light report is posted to the FCC server for processing once a week. When required, additional updates are posted.

## **Helpdesk Queries**

All queries are directed to a helpdesk voicemail inbox or email inbox. The information is transferred to an Access database. The date, nature of query, name of filer, Filer ID, who responded and on what date and the resolution is tracked. Queries are returned usually within 3 business days. Thirty-five calls were received in October. Most calls are questions about how to make changes to their email billing address, notification about closing their business, asking what the invoice was for or asking how to make a payment.

## **Staffing Changes**

Mark Jackson is replacing Faith Marcotte. The transition is happening over the next two months as Faith is retiring at the end of the year.

## **Contract Renewal**

The contract expired October 1, 2009. Welch LLP is on the USGSA list. Welch LLP received an extension contract that runs until November 30, 2015.

## **Accounts Receivable**

We received \$67.70 from Treasury in October for debts collected.