

**Billing and Collection Agent Report  
For period ending November 30, 2015**

**To NANC**

**December 9, 2015**

**NANPA FUND  
STATEMENT OF FINANCIAL POSITION  
November 30, 2015**

**Assets**

Cash Balance in bank account		\$ 4,195,875
Receivable from US Carriers	135,538	
Receivable from Canada	8,930	
Receivable from Caribbean countries	532	
Receivables forwarded to Treasury for collection	113,590	
Allowance for uncollectible accounts	(136,000)	<u>122,590</u>

**Total assets** **4,318,465**

**Less:** Accrued liabilities (see below for makeup) **(529,180)**

**Fund balance** **\$ 3,789,285**

**Makeup of Accrued Liabilities**

Welch LLP	28,336	
EY Audit	45,200	
NEUSTAR Pooling 1K Block	264,362	
NEUSTAR NANP Administration	181,497	
Data Collection Agent - USAC	9,785	
	<u>529,180</u>	<b><u>\$ 529,180</u></b>

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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	8,929	8,929	8,929	8,929	8,929	8,929	8,929	8,929	-	133,943	
Caribbean countries	(1)	27,943	-	-	-	-	-	-	-	-	-	-	-	-	-	-	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	-	161,886	
Domestic Contributions - US carriers	(1)	4,038,482	201,264	217,020	201,871	199,904	204,024	204,024	204,024	204,024	204,024	204,024	204,024	204,024	204,024	-	6,694,757	
Late filing fees for Form 499A	(2)	( 28,900)	( 12,300)	33,600	( 1,600)	( 3,100)	-	-	-	-	-	-	-	-	90,700	-	78,400	
Interest income	(3)	350	660	623	401	396	417	417	417	417	416	416	416	416	416	-	6,595	
<b>Total revenue</b>		<b>4,055,735</b>	<b>198,554</b>	<b>260,173</b>	<b>209,602</b>	<b>206,130</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>91,116</b>	-	<b>6,941,638</b>	
<b>Expenses</b>																		
NANPA Administration	(4)	181,724	183,408	182,926	182,999	181,497	185,138	185,137	185,137	185,137	185,137	185,137	185,137	185,137	185,137	-	2,763,925	
1K Block Pooling	(5)	253,919	266,971	270,119	268,620	264,362	265,241	265,240	265,240	265,240	265,240	265,240	265,240	265,240	265,240	-	3,976,392	
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	-	425,040	
Data Collection Agent	(7)	4,935	4,935	4,952	4,935	4,935	4,850	4,850	4,850	4,850	4,850	4,850	4,850	4,850	4,850	-	73,192	
Annual Operations Audit	(8)	-	-	45,200	-	-	-	-	-	-	-	-	-	-	-	-	46,000	
Bank Charges	(9)	2,407	6,727	4,248	3,375	2,912	3,167	3,167	3,167	3,167	3,166	3,166	3,166	3,166	3,166	-	51,334	
Carrier Audits	(10)	-	-	-	-	-	-	375,000	-	-	-	-	-	-	-	-	375,000	
Bad debt expense	(11)	( 18,975)	( 56,368)	68,512	( 4,795)	( 209)	2,667	2,667	2,667	2,667	2,666	2,666	2,666	2,666	2,666	-	14,830	
<b>Total expenses</b>		<b>452,346</b>	<b>434,009</b>	<b>604,293</b>	<b>483,470</b>	<b>481,833</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>7,724,913</b>	
<b>Net revenue (expenses)</b>		<b>3,603,389</b>	<b>( 235,455)</b>	<b>( 344,120)</b>	<b>( 273,868)</b>	<b>( 275,703)</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>( 398,279)</b>	-	<b>76,998</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>3,789,285</b>	<b>3,513,257</b>	<b>3,237,231</b>	<b>2,586,204</b>	<b>2,310,177</b>	<b>2,034,150</b>	<b>1,758,124</b>	<b>1,482,098</b>	<b>1,206,072</b>	<b>930,046</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>3,789,285</b>	<b>3,513,257</b>	<b>3,237,231</b>	<b>2,586,204</b>	<b>2,310,177</b>	<b>2,034,150</b>	<b>1,758,124</b>	<b>1,482,098</b>	<b>1,206,072</b>	<b>930,046</b>	<b>531,767</b>	<b>531,767</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	
Surplus		4,418,431	4,182,976	3,838,856	3,564,988	3,289,285	3,013,257	2,737,231	2,086,204	1,810,177	1,534,150	1,258,124	982,098	706,072	430,046	31,767	-	
		4,918,431	4,682,976	4,338,856	4,064,988	3,789,285	3,513,257	3,237,231	2,586,204	2,310,177	2,034,150	1,758,124	1,482,098	1,206,072	930,046	531,767	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 March 1, 2016.
- (7) The expense for the Data Collection Agent is based on an estimate of costs by USAC for the 2015 calendar year.
- (8) The expense for the annual operations audit performed by Ernst & Young LLP is based on the quote given.
- (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 November 30, 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	41,209
Late filing fees (reversal) for Form 499A	(1,600)
Underestimate of interest earned to date compared to budget	345
NANP Admin - difference between budget and actual contract awarded due to variable travel costs	13,136
NANP Admin - change orders issued	-
Additional billings from B & C Agent due to renewal of contract	-
Data Collection fees - Adjustment to actual from budget	(442)
Bad debts - Adjustment to actual from budget	25,170
1K Block Pooling - difference between budget and actual contract awarded due to variable travel costs	2,214
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	(3,834)
<b>Forecasted fund balance at September 30/16</b>	<b>531,767</b>

**CURRENT AND FORECASTED LIABILITIES**

	<b>Current</b>						
	<b>Nov-15</b>	<b>Dec-15</b>	<b>Jan-16</b>	<b>Feb-16</b>	<b>Mar-16</b>	<b>Apr-16</b>	<b>May-16</b>
<b>NEUSTAR - NANPA Administration contract</b>	181,497	185,138	185,137	185,137	185,137	185,137	185,137
- Payment authorized by the FCC in November October 2015	\$ 182,999						
- Authorization by the FCC has not been received for payment November 2015		\$ 181,497					
<b>NEUSTAR - Block Pooling</b>	264,362	265,241	265,240	265,240	265,240	265,240	265,240
- Payment authorized by the FCC in November October 2015	\$ 268,620						
- Authorization by the FCC has not been received for payment November 2015		\$ 264,362					
<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 November October 2015	28,336						
- Authorization by the FCC has not been received for payment November 2015		\$ 28,336					
<b>USAC - Data Collection Agent</b>	9,785	4,850	4,850	4,850	4,850	4,850	4,850
- Payment authorized by the FCC in November							
- Authorization by the FCC has not been received for payment October 2015		\$ 4,935					
November 2015		\$ 4,850					
		\$ 9,785					
<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	3,166
<b>Total</b>	<b>529,180</b>	<b>486,732</b>	<b>486,730</b>	<b>861,730</b>	<b>486,730</b>	<b>486,730</b>	<b>486,729</b>

# **Deliverables Report**

## **Distributing invoices**

The monthly invoices for carriers were emailed on November 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 November 4th 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. Fourteen calls were received in November. 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 taking over the position from Faith Marcotte as Faith will be retiring at the end of December 2015. The transition has been taking place since the beginning of October.

## **Contract Renewal**

The contract expired October 1, 2009. Welch LLP is on the USGSA list. Welch LLP received an extension contract that runs until February 29, 2016.

## **Accounts Receivable**

In November we received \$146.08 from Treasury for debts collected.