

**Billing and Collection Agent Report  
For period ending January 31, 2017  
To B&C Working Group**

**February 6, 2017**

**NANPA FUND  
STATEMENT OF FINANCIAL POSITION  
January 31, 2017**

**Assets**

Cash Balance in bank account		\$ 3,923,288
Receivable from US Carriers	130,981	
Receivable from Canada	9,741	
Receivable from Caribbean countries	5,464	
Receivables forwarded to Treasury for collection	93,892	
Allowance for uncollectible accounts	(104,400)	135,678

**Total assets** **4,058,966**

**Less:** Accrued liabilities (see below for makeup) **(510,051)**

**Fund balance** **\$ 3,548,915**

**Makeup of Accrued Liabilities**

Welch LLP	28,336	
NEUSTAR Pooling 1K Block	255,292	
NEUSTAR NANP Administration	210,753	
Data Collection Agent - USAC	15,670	
	<u>\$ 510,051</u>	

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**NANPA FUND  
FORECASTED STATEMENT OF CHANGES IN FUND BALANCE  
OCTOBER 2016 TO SEPTEMBER 2017**

	Actual				Budget								Total	Budget	Variance between forecasted results and budget at Sept 30/17	
	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17				
<b>Revenue</b>																
International Contributions																
Canada	(1)	19,483	9,742	9,741	9,741	9,741	9,741	9,741	9,741	9,741	9,741	9,741	-	116,894	116,894	-
Caribbean countries	(1)	24,439	-	-	-	-	-	-	-	-	-	-	-	24,439	24,439	-
<b>Total International Contributions</b>		<b>43,922</b>	<b>9,742</b>	<b>9,741</b>	<b>9,741</b>	<b>9,741</b>	<b>9,741</b>	<b>9,741</b>	<b>9,741</b>	<b>9,741</b>	<b>9,741</b>	<b>9,741</b>	<b>-</b>	<b>141,333</b>	<b>141,333</b>	<b>-</b>
Domestic Contributions - US carriers	(1)	4,440,157	141,285	142,274	144,440	142,291	142,291	142,291	142,291	142,291	142,291	142,291	-	5,864,193	5,775,123	89,070
Late filing fees for Form 499A	(2)	2,300	(800.00)	800	-	-	-	-	-	-	-	-	80,000	82,300	80,000	2,300
Interest income	(3)	470	587	904	388	417	417	417	417	416	416	416	416	5,681	5,000	681
<b>Total revenue</b>		<b>4,486,849</b>	<b>150,814</b>	<b>153,719</b>	<b>154,569</b>	<b>152,449</b>	<b>152,449</b>	<b>152,449</b>	<b>152,449</b>	<b>152,448</b>	<b>152,448</b>	<b>152,448</b>	<b>80,416</b>	<b>6,093,507</b>	<b>6,001,456</b>	<b>92,051</b>
<b>Expenses</b>																
NANPA Administration	(4)	241,963	209,832	212,034	210,753	212,364	212,364	189,864	189,864	189,864	195,561	195,560	202,122	2,462,145	2,425,461	36,684
1K Block Pooling	(5)	353,567	257,865	255,403	255,291	258,989	258,989	258,989	258,989	258,989	258,989	258,989	258,988	3,194,037	3,107,867	86,170
Billing and Collection																
Welch LLP	(6)	28,336	28,336	28,336	28,336	31,169	31,169	31,169	31,169	31,169	31,169	31,169	31,169	362,696	374,028	(11,332)
Data Collection Agent	(7)	5,806	5,328	7,508	8,162	5,754	5,754	5,754	5,754	5,754	5,754	5,754	5,754	72,836	69,950	2,886
Annual Operations Audit	(8)	-	-	-	46,000	-	-	-	-	-	-	-	-	46,000	47,000	(1,000)
Bank Charges	(9)	4,132	6,031	5,171	3,185	3,083	3,083	3,083	3,083	3,083	3,083	3,083	3,083	43,183	37,000	6,183
Carrier Audits	(10)	-	-	-	-	-	-	-	300,000	-	-	-	-	300,000	300,000	-
Bad debt expense	(11)	(5,648)	(3,287)	29,958	8,096	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	55,783	40,000	15,783
<b>Total expenses</b>		<b>628,156</b>	<b>504,105</b>	<b>538,410</b>	<b>559,823</b>	<b>514,692</b>	<b>514,692</b>	<b>492,192</b>	<b>492,192</b>	<b>497,889</b>	<b>497,888</b>	<b>497,888</b>	<b>504,449</b>	<b>6,536,680</b>	<b>6,401,306</b>	<b>135,374</b>
<b>Net revenue (expenses)</b>		<b>3,858,693</b>	<b>(353,291)</b>	<b>(384,691)</b>	<b>(405,254)</b>	<b>(362,243)</b>	<b>(362,243)</b>	<b>(339,743)</b>	<b>(339,743)</b>	<b>(345,441)</b>	<b>(345,441)</b>	<b>(345,440)</b>	<b>(424,033)</b>	<b>443,173</b>	<b>(399,850)</b>	<b>(43,323)</b>
<b>Opening fund balance</b>		<b>833,458</b>	<b>4,692,151</b>	<b>4,338,860</b>	<b>3,954,169</b>	<b>3,548,915</b>	<b>3,186,672</b>	<b>2,824,429</b>	<b>2,484,686</b>	<b>1,844,943</b>	<b>1,505,199</b>	<b>1,159,758</b>	<b>814,318</b>	<b>833,458</b>	<b>899,850</b>	<b>(66,392)</b>
<b>Closing fund balance</b>		<b>4,692,151</b>	<b>4,338,860</b>	<b>3,954,169</b>	<b>3,548,915</b>	<b>3,186,672</b>	<b>2,824,429</b>	<b>2,484,686</b>	<b>1,844,943</b>	<b>1,505,199</b>	<b>1,159,758</b>	<b>814,318</b>	<b>390,285</b>	<b>390,285</b>	<b>500,000</b>	<b>(109,715)</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	-
Surplus		4,192,151	3,838,860	3,454,169	3,048,915	2,686,672	2,324,429	1,984,686	1,344,943	1,005,199	659,758	314,318	(109,715)	(109,715)	-	-
		<b>4,692,151</b>	<b>4,338,860</b>	<b>3,954,169</b>	<b>3,548,915</b>	<b>3,186,672</b>	<b>2,824,429</b>	<b>2,484,686</b>	<b>1,844,943</b>	<b>1,505,199</b>	<b>1,159,758</b>	<b>814,318</b>	<b>390,285</b>	<b>390,285</b>	<b>500,000</b>	<b>-</b>

**Assumptions:**

- (1) The US carrier contributions for the period from October 2016 to September 2017 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 of NANP administration is based on the contract in force until June 2017. Estimates are used for July to September 2017. \$130,000 is also added for potential change orders anticipated to be issued by Sep 2017.
- (5) The cost for 1K Block Pooling Administration is based on the contract in force until July 14, 2017. Estimates based on the existing contract amounts are used for July 15, 2017 to September 30, 2017.
- (6) The cost of B&C Agent is based on the current interim contract with Welch LLP in force until December 31, 2016 plus 10% as recommended by the FCC.
- (7) The expense for the Data Collection Agent is based on estimate of costs by USAC.
- (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 \$300,000 for carrier audits.
- (11) The allowance covers all accounts considered potentially uncollectible at January 31, 2017.

**Reconciliation of forecast at September 30, 2017 to budget**

<b>Budgeted fund balance at September 30, 2017 - contingency</b>	<b>500,000</b>
Decrease in fund balance between budget period	(66,392)
Additional billings over estimate from budget	89,070
Late filing fees (reversal) for Form 499A	2,300
Underestimate of interest earned to date compared to budget	681
NANP Admin - difference between budget and actual contract awarded due to variable travel costs	(237)
NANP Admin - change orders issued	(36,447)
Additional billings from B & C Agent due to renewal of contract	11,332
Data Collection fees - Adjustment to actual from budget	(2,886)
Bad debts - Adjustment to actual from budget	(15,783)
1K Block Pooling - difference between budget and actual contract awarded due to variable travel costs	9,030
Pooling change orders	(95,200)
Carrier audits that will not be performed	-
Operations Audit - Adjustment to actual from budget	1,000
Bank fees - Adjustment to actual from budget	(6,183)
<b>Forecasted fund balance at September 30, 2017</b>	<b>390,285</b>

**CURRENT AND FORECASTED LIABILITIES**

	<u>Current</u>						
	<u>Jan-17</u>	<u>Feb-17</u>	<u>Mar-17</u>	<u>Apr-17</u>	<u>May-17</u>	<u>Jun-17</u>	<u>Jul-17</u>
<b>NEUSTAR - NANPA Administration</b>	210,753	212,364	212,364	189,864	189,864	189,864	195,561
- Payment authorized by the FCC in January							
November 2016					209,832		
December 2016					<u>212,034</u>		
					<u>\$ 421,866</u>		
- Authorization by the FCC has not been received for payment							
January 2017						<u>210,753</u>	
<b>NEUSTAR -1K Block Pooling</b>	255,292	258,989	258,989	258,989	258,989	258,989	258,989
- Payment authorized by the FCC in January							
December 2016					<u>\$ 255,403</u>		
- Authorization by the FCC has not been received for payment							
January 2017						<u>\$ 255,292</u>	
<b>Welch LLP - Billing &amp; Collection Agent</b>	28,336	31,169	31,169	31,169	31,169	31,169	31,169
- Payment authorized by the FCC in January							
December 2016					<u>\$ 28,336</u>		
- Authorization by the FCC has not been received for payment							
January 2017						<u>\$ 28,336</u>	
<b>USAC - Data Collection Agent</b>	15,670	5,754	5,754	5,754	5,754	5,754	5,754
- Payment authorized by the FCC in January							
November						<u>5,328</u>	
- Authorization by the FCC has not been received for payment							
December 2016					9,916		
January 2017					<u>\$ 5,754</u>		
					<u>\$ 15,670</u>		
<b>Carrier audits</b>	-	-	-	-	300,000		
<b>Ernst &amp; Young LLP- Annual operations audit</b>							
<b>Bank Fees</b>		3,083	3,083	3,083	3,083	3,083	3,083
<b>Total</b>	<u>510,051</u>	<u>511,359</u>	<u>511,359</u>	<u>488,859</u>	<u>788,859</u>	<u>488,859</u>	<u>494,556</u>

# **Deliverables Report**

## **Distributing invoices**

The monthly invoices for carriers were emailed on January 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 January 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 details of the query are documented in an Access database. The date, Filer ID, nature of query, name of person making the request, who responded to query and on what date and the date of resolution is tracked in the database. Queries are returned within 1 business day or less. In January 65 calls and 116 emails were received. Most queries were about requesting copies of invoices, 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**

No new staffing changes to report since last month.

## **Contract Renewal**

The contract expired October 1, 2009. Welch LLP is on the USGSA list. Welch LLP received an extension on the contract for an additional 4 months up to April 30, 2017.

## **Accounts Receivable**

We did not receive any funds from Treasury in January for debts collected.