

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

Assets

Cash Balance in bank account	\$	2,688,464
Receivable from US Carriers		276,456
Receivable from Canada		8,581
Receivable from Caribbean countries		20,187
Receivables forwarded to Treasury for collection		247,258
Allowance for uncollectible accounts		<u>(276,000)</u>
		<u>276,482</u>
Total assets		2,964,946
Less: Accrued liabilities (see below for makeup)		<u>(501,060)</u>
Fund balance		<u>\$ 2,463,886</u>

Makeup of Accrued Liabilities

Welch LLP	28,336
EY Audit	44,300
NEUSTAR Pooling 1K Block	236,390
NEUSTAR NANP Administration	176,726
Data Collection Agent - USAC	<u>15,308</u>
	<u>\$ 501,060</u>

NANPA FUND
FORECASTED STATEMENT OF CHANGES IN FUND BALANCE
JULY 2014 TO JUNE 2015

		Actual						Budget					Total	Budget	Variance between forecasted results and budget at June 30/14		
		Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15				Jun-15	
Revenue																	
International Contributions																	
	Canada (1)	17,162	8,581	8,581	8,581	8,581	8,581	8,581	8,580	8,580	8,580	8,580	-	102,968	102,968	-	
	Caribbean countries (1)	21,432	-	-	-	-	-	-	-	-	-	-	-	21,432	21,432	-	
Total International Contributions		38,594	8,581	8,581	8,581	8,581	8,581	8,581	8,580	8,580	8,580	8,580	-	124,400	124,400	-	
Domestic Contributions - US carriers (1)		4,170,366	259,113	252,273	259,374	259,259	264,487	262,098	263,293	263,293	263,293	263,293	-	6,780,142	6,721,854	58,288	
Late filing fees for Form 499A (2)		(500)	(600)	(2,500)	(4,100)	(11,700)	1,800	(1,100)	-	-	-	-	90,000	71,300	90,000	(18,700)	
Interest income (3)		232	551	717	424	352	385	269	583	583	583	583	583	5,845	7,000	(1,155)	
Total revenue		4,208,692	267,645	259,071	264,279	256,492	275,253	269,848	272,456	272,456	272,456	272,456	90,583	6,981,687	6,943,254	38,433	
Expenses																	
NANPA Administration (4)		176,680	177,091	176,079	175,492	175,492	176,968	176,726	177,879	177,879	177,879	177,879	177,879	2,123,923	2,134,548	(10,625)	
1K Block Pooling (5)		225,254	238,478	241,228	235,192	236,272	241,850	236,390	238,506	238,506	238,506	238,506	238,506	2,847,194	2,862,065	(14,871)	
Automated systems development (CLIN1) (6)		75,000	75,000	75,000	75,000	75,000	62,281	-	-	-	-	-	-	437,281	437,281	-	
Billing and Collection																	
	Welch LLP (7)	28,336	28,336	28,336	28,336	28,336	28,336	28,336	28,336	28,336	28,336	28,336	28,336	340,032	340,032	-	
	Data Collection Agent (8)	3,724	4,572	4,595	4,650	4,723	4,673	5,802	4,833	4,834	4,834	4,834	4,834	56,908	58,000	(1,092)	
Annual Operations Audit (9)		-	-	44,300	-	-	-	-	-	-	-	-	-	44,300	44,000	300	
Bank Charges (10)		2,706	5,828	4,961	4,095	2,948	2,767	2,877	3,917	3,916	3,916	3,916	3,916	45,763	47,000	(1,237)	
Carrier Audits (11)		-	-	-	-	-	-	-	-	-	-	-	-	-	300,000	(300,000)	
Bad debt expense (12)		(3,000)	(22,500)	7,500	30,021	(23,500)	(2,305)	(2,000)	3,333	3,333	3,333	3,333	3,333	881	40,000	(39,119)	
Total expenses		508,700	506,805	581,999	552,786	499,271	514,570	448,131	456,804	456,804	456,804	456,804	456,804	5,896,282	6,262,928	(366,644)	
Net revenue (expenses)		3,699,992	(239,160)	(322,928)	(288,507)	(242,779)	(239,317)	(178,283)	(184,348)	(184,348)	(184,348)	(184,348)	(366,221)	1,085,405	680,328	405,077	
Opening fund balance		274,868	3,974,860	3,735,700	3,412,772	3,124,265	2,881,486	2,642,169	2,463,886	2,279,538	2,095,190	1,910,842	1,726,494	274,868	319,672	(44,804)	
Closing fund balance		3,974,860	3,735,700	3,412,772	3,124,265	2,881,486	2,642,169	2,463,886	2,279,538	2,095,190	1,910,842	1,726,494	1,360,273	1,360,273	1,000,000	360,273	
Fund balance makeup:																	
	Contingency	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	-	
	Surplus	2,974,860	2,735,700	2,412,772	2,124,265	1,881,486	1,642,169	1,463,886	1,279,538	1,095,190	910,842	726,494	360,273	360,273	-	-	
		3,974,860	3,735,700	3,412,772	3,124,265	2,881,486	2,642,169	2,463,886	2,279,538	2,095,190	1,910,842	1,726,494	1,360,273	1,360,273	1,000,000	360,273	

Assumptions:

- (1) The US carrier contributions for the period from July 2014 to June 2015 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 for Pooling Administration Automated Systems Development is \$1,337,281. The cost was spread out over the period from July 2013 to December 2014.
- (7) The cost of B&C Agent is based on the interim contract with Welch LLP in force until February 2015.
- (8) The expense for the Data Collection Agent is based on an estimate of costs by USAC for the 2014 calendar year.
- (9) The estimate for the annual operations audit performed by Ernst & Young LLP is based on the cost of the prior year's audit.
- (10) Bank fees are an expense to the Fund.
- (11) The budget allowed \$300,000 for carrier audits.
- (12) The allowance covers all accounts considered potentially uncollectible at January 31, 2015.

Reconciliation of forecast at June 30, 2015 to budget

Budgeted fund balance at June 30/15 - contingency	1,000,000
Decrease in fund balance between budget period (December 2013) and June 2014	(44,804)
Additional billings over estimate from budget	58,288
Late filing fees (reversal) for Form 499A	(18,700)
Underestimate of interest earned to date compared to budget	(1,155)
NANP Admin - difference between budget and actual contract awarded due to variable travel costs	10,625
NANP Admin - change orders issued	-
Additional billings from B & C Agent due to renewal of contract	-
Data Collection fees - Adjustment to actual from budget	1,092
Bad debts - Adjustment to actual from budget	39,119
1K Block Pooling - difference between budget and actual contract awarded due to variable travel costs	14,871
Pooling change orders	-
Carrier audits that will not be performed	300,000
Operations Audit - Adjustment to actual from budget	(300)
Bank fees - Adjustment to actual from budget	1,237
Forecasted fund balance at June 30/15	1,360,273

CURRENT AND FORECASTED LIABILITIES

		Current					
		Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15
NEUSTAR - NANPA Administration contract		176,726	177,879	177,879	177,879	177,879	177,879
- Payment authorized by the FCC in January							
	December 2014	176,968					
- Authorization by the FCC has not been received for payment							
	January 2015		\$ 176,726				
NEUSTAR - Block Pooling		236,390	238,506	238,506	238,506	238,506	238,506
- Payment authorized by the FCC in January							
	December 2014	304,131					
- Authorization by the FCC has not been received for payment							
	January 2015		\$ 236,390				
Welch LLP - Billing & Collection Agent		28,336	28,336	28,336	28,336	28,336	28,336
- Payment authorized by the FCC in January							
	November 2014	28,336					
	December 2014	28,336					
- Authorization by the FCC has not been received for payment							
	January 2015		28,336				
USAC - Data Collection Agent		15,308	4,833	4,834	4,834	4,834	4,834
- Authorization by the FCC has not been received for payment							
	November 2014		4,673				
	December 2014		5,802				
	January 2015		4,833				
			15,308				
Carrier audits		-	-	-	-	-	-
Ernst & Young LLP- Annual operations audit		44,300					
- Authorization by the FCC has not been received for payment							
	Audit fee for the 2013/2014 fiscal audit		\$ 44,300				
Bank Fees			3,917	3,916	3,916	3,916	3,916
Total		-	501,060	453,471	453,471	453,471	453,471

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 mailed on February 3rd 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. Sixteen calls were received in January. Most calls are questions about how to pay, requests for copies of invoices, why they are red lighted, and why they received a demand for payment.

Staffing Changes

Nothing new to report.

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 2015.

Accounts Receivable

In January we did not receive any funds from Treasury for debts collected.