

**NANPA FUND  
STATEMENT OF FINANCIAL POSITION  
NOVEMBER 30, 2014**

**Assets**

Cash Balance in bank account		\$ 3,192,288
Receivable from US Carriers	252,242	
Receivable from Canada	8,581	
Receivable from Caribbean countries	20,035	
Receivables forwarded to Treasury for collection	253,073	
Allowance for uncollectible accounts	<u>(280,500)</u>	<u>253,431</u>
<b>Total assets</b>		<b>3,445,719</b>
<b>Less: Accrued liabilities (see below for makeup)</b>		<b><u>(564,233)</u></b>
<b>Fund balance</b>		<b><u><u>\$ 2,881,486</u></u></b>

**Makeup of Accrued Liabilities** (see following page for additional details)

Welch LLP		28,336
EY Audit		44,300
NEUSTAR Pooling 1K Block		311,272
NEUSTAR NANP Administration		175,492
Data Collection Agent - USAC		<u>4,833</u>
		<b><u>\$ 564,233</u></b>

\*\*\*\*\*

**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
<b>Revenue</b>																
International Contributions																
	(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	-
	(1)	21,432	-	-	-	-	-	-	-	-	-	-	-	21,432	21,432	-
		38,594	8,581	8,581	8,581	8,581	8,581	8,580	8,580	8,580	8,580	8,580	-	124,400	124,400	-
Total International Contributions																
	(1)	4,170,366	259,113	252,273	259,374	259,259	263,293	263,293	263,293	263,293	263,293	263,293		6,780,143	6,721,854	58,289
Domestic Contributions - US carriers																
	(2)	(500)	(600)	(2,500)	(4,100)	(11,700)							90,000	70,600	90,000	(19,400)
Late filing fees for Form 499A																
	(3)	232	551	717	424	352	583	583	583	583	583	583	583	6,357	7,000	(643)
Interest income																
		4,208,692	267,645	259,071	264,279	256,492	272,457	272,457	272,456	272,456	272,456	272,456	90,583	6,981,500	6,943,254	38,246
<b>Total revenue</b>																
<b>Expenses</b>																
NANPA Administration																
	(4)	176,680	177,091	176,079	175,492	175,492	177,879	177,879	177,879	177,879	177,879	177,879	177,879	2,125,987	2,134,548	(8,561)
1K Block Pooling																
	(5)	225,254	238,478	241,228	235,192	236,272	238,505	238,505	238,506	238,506	238,506	238,506	238,506	2,845,964	2,862,065	(16,101)
Automated systems development (CLIN1)																
	(6)	75,000	75,000	75,000	75,000	75,000	62,281	-	-	-	-	-	-	437,281	437,281	-
Billing and Collection																
	(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	-
Welch LLP																
	(8)	3,724	4,572	4,595	4,650	4,723	4,833	4,833	4,833	4,834	4,834	4,834	4,834	56,099	58,000	(1,901)
Data Collection Agent																
	(9)	-	-	44,300	-	-	-	-	-	-	-	-	-	44,300	44,000	300
Annual Operations Audit																
	(10)	2,706	5,828	4,961	4,095	2,948	3,917	3,917	3,916	3,916	3,916	3,916	3,916	47,953	47,000	953
Bank Charges																
	(11)	-	-	-	-	-	-	300,000	-	-	-	-	-	300,000	300,000	-
Carrier Audits																
	(12)	(3,000)	(22,500)	7,500	30,021	(23,500)	3,333	3,333	3,333	3,333	3,333	3,333	3,333	11,852	40,000	(28,148)
Bad debt expense																
		508,700	506,805	581,999	552,786	499,271	519,084	456,803	756,804	456,804	456,804	456,804	456,804	6,209,468	6,262,926	(53,458)
<b>Total expenses</b>																
		3,699,992	(239,160)	(322,928)	(288,507)	(242,779)	(246,627)	(184,346)	(484,348)	(184,348)	(184,348)	(184,348)	(366,221)	772,032	680,328	91,704
<b>Net revenue (expenses)</b>																
		274,868	3,974,860	3,735,700	3,412,772	3,124,265	2,881,486	2,634,859	2,450,513	1,966,165	1,781,817	1,597,469	1,413,121	274,868	319,672	(44,804)
<b>Opening fund balance</b>																
		3,974,860	3,735,700	3,412,772	3,124,265	2,881,486	2,634,859	2,450,513	1,966,165	1,781,817	1,597,469	1,413,121	1,046,900	1,046,900	1,000,000	46,900
<b>Closing fund balance</b>																
<b>Fund balance makeup:</b>																
		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	-
Contingency																
		2,974,860	2,735,700	2,412,772	2,124,265	1,881,486	1,634,859	1,450,513	966,165	781,817	597,469	413,121	46,900	46,900	-	-
Surplus																
		3,974,860	3,735,700	3,412,772	3,124,265	2,881,486	2,634,859	2,450,513	1,966,165	1,781,817	1,597,469	1,413,121	1,046,900	1,046,900	1,000,000	-

**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 December 2014.
- (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.
- (10) The allowance covers all accounts considered potentially uncollectible at November 30, 2014.

**Reconciliation of forecast at June 30, 2015 to budget**

<b>Budgeted fund balance at June 30/15 - contingency</b>	<b>1,000,000</b>
Decrease in fund balance between budget period (December 2013) and June 2014	(44,804)
Additional billings over estimate from budget	58,289
Late filing fees (reversal) for Form 499A	(19,400)
Underestimate of interest earned to date compared to budget	(643)
NANP Admin - difference between budget and actual contract awarded due to variable travel costs	8,561
NANP Admin - change orders issued	
Additional billings from B & C Agent due to renewal of contract	-
Data Collection fees - Adjustment to actual from budget	1,901
Bad debts - Adjustment to actual from budget	28,148
1K Block Pooling - difference between budget and actual contract awarded due to variable travel costs	16,101
Pooling change orders	
Carrier audits that will not be performed	-
Operations Audit - Adjustment to actual from budget	(300)
Bank fees - Adjustment to actual from budget	(953)
<b>Forecasted fund balance at June 30/15</b>	<b>1,046,900</b>

**CURRENT AND FORECASTED LIABILITIES**

	<b>Current</b>						
	<b>Nov-14</b>	<b>Dec-14</b>	<b>Jan-15</b>	<b>Feb-15</b>	<b>Mar-15</b>	<b>Apr-15</b>	<b>May-15</b>
<b>NEUSTAR - NANPA Administration contract</b>	175,492	177,879	177,879	177,879	177,879	177,879	177,879
- Payment authorized by the FCC in November October 2014	175,492						
- Authorization by the FCC has not been received for payment November 2014						<u>\$ 175,492</u>	
<b>NEUSTAR - Block Pooling and CLIN</b>	311,272	300,786	238,505	238,506	238,506	238,506	238,506
- Payment authorized by the FCC in November October 2014	310,192						
- Authorization by the FCC has not been received for payment November 2014						<u>\$ 311,272</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 November October 2014	\$ 28,336						
- Authorization by the FCC has not been received for payment November 2014						<u>\$ 28,336</u>	
<b>USAC - Data Collection Agent</b>	4,833	4,833	4,833	4,833	4,833	4,833	4,833
- Payment authorized by the FCC in November October 2014	\$ 4,723						
- Authorization by the FCC has not been received for payment November 2014						<u>\$ 4,833</u>	
<b>Carrier audits</b>	-	-	-	300,000	-	-	-
<b>Ernst &amp; Young LLP- Annual operations audit</b>	44,300						
-Authorization by the FCC has not been received for payment Audit fee accrual for the 2013/2014 fiscal audit						<u>\$ 44,300</u>	
<b>Bank Fees</b>		3,917	3,917	3,917	3,917	3,917	3,917
<b>Total</b>	<u>564,233</u>	<u>515,751</u>	<u>453,470</u>	<u>753,471</u>	<u>453,471</u>	<u>453,471</u>	<u>453,471</u>

# **Deliverables Report**

## **Distributing invoices**

The monthly invoices for carriers were emailed on November 12.

## **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 November 10th to carriers with outstanding balances greater than \$10. We are continuing with collections for carriers with outstanding balances.

## **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. Twenty calls were received in November. Most calls are questions about how to pay, requests for copies of invoices, why they are red lighted, and why did they receive 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 November we did not receive any funds from Treasury for debts collected. Starting immediately, Treasury has requested that unpaid balances still outstanding at 120 days must be sent to Treasury for collections. This is a change from the previous requirement of 180 days. Debt may be transferred to Treasury earlier than 120 days at our discretion. On November 24th we sent all outstanding debts from the June 27th, 2014 billings to Treasury for collections.