

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

**To NANC**

**May 6, 2015**

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

**Assets**

Cash Balance in bank account		\$ 2,109,673
Receivable from US Carriers	281,896	
Receivable from Canada	8,581	
Receivable from Caribbean countries	20,306	
Receivables forwarded to Treasury for collection	209,312	
Allowance for uncollectible accounts	<u>(236,000)</u>	<u>284,095</u>
<b>Total assets</b>		<b>2,393,768</b>
<b>Less: Accrued liabilities (see below for makeup)</b>		<b><u>(454,513)</u></b>
<b>Fund balance</b>		<b><u><u>\$ 1,939,255</u></u></b>

**Makeup of Accrued Liabilities**

Welch LLP		28,336
NEUSTAR Pooling 1K Block		244,278
NEUSTAR NANP Administration		177,066
Data Collection Agent - USAC		<u>4,833</u>
		<b><u><u>\$ 454,513</u></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																
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	-	
<b>Total International Contributions</b>	<b>38,594</b>	<b>8,581</b>	<b>8,581</b>	<b>8,581</b>	<b>8,581</b>	<b>8,581</b>	<b>8,581</b>	<b>8,580</b>	<b>8,580</b>	<b>8,580</b>	<b>8,580</b>	<b>-</b>	<b>124,400</b>	<b>124,400</b>	<b>-</b>	
Domestic Contributions - US carriers (1)	4,170,366	259,113	252,273	259,374	259,259	264,487	262,098	261,397	262,899	262,711	263,293		6,777,270	6,721,854	55,416	
Late filing fees for Form 499A (2)	( 500)	( 600)	( 2,500)	( 4,100)	( 11,700)	1,800	( 1,100)	( 3,500)	( 15,100)	( 1,800)		90,000	50,900	90,000	( 39,100)	
Interest income (3)	232	551	717	424	352	385	269	310	777	284	583	583	5,467	7,000	( 1,533)	
<b>Total revenue</b>	<b>4,208,692</b>	<b>267,645</b>	<b>259,071</b>	<b>264,279</b>	<b>256,492</b>	<b>275,253</b>	<b>269,848</b>	<b>266,787</b>	<b>257,156</b>	<b>269,775</b>	<b>272,456</b>	<b>90,583</b>	<b>6,958,037</b>	<b>6,943,254</b>	<b>14,783</b>	
<b>Expenses</b>																
NANPA Administration (4)	176,680	177,091	176,079	175,492	175,492	176,968	176,726	176,332	178,452	177,067	177,879	177,879	2,122,137	2,134,548	( 12,411)	
1K Block Pooling (5)	225,254	238,478	241,228	235,192	236,272	241,850	236,390	239,194	235,192	244,278	238,506	238,506	2,850,340	2,862,065	( 11,725)	
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	4,935	4,935	4,834	4,834	4,834	57,212	58,000	( 788)	
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	2,531	2,682	2,337	3,916	3,916	41,564	47,000	( 5,436)	
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)	( 10,792)	( 29,737)	1,000	3,333	3,333	( 48,647)	40,000	( 88,647)	
<b>Total expenses</b>	<b>508,700</b>	<b>506,805</b>	<b>581,999</b>	<b>552,786</b>	<b>499,271</b>	<b>514,570</b>	<b>448,131</b>	<b>440,536</b>	<b>419,860</b>	<b>457,953</b>	<b>456,804</b>	<b>456,804</b>	<b>5,844,219</b>	<b>6,262,928</b>	<b>(418,707)</b>	
<b>Net revenue (expenses)</b>	<b>3,699,992</b>	<b>( 239,160)</b>	<b>( 322,928)</b>	<b>( 288,507)</b>	<b>( 242,779)</b>	<b>( 239,317)</b>	<b>( 178,283)</b>	<b>( 173,749)</b>	<b>( 162,704)</b>	<b>( 188,178)</b>	<b>( 184,348)</b>	<b>( 366,221)</b>	<b>1,113,818</b>	<b>680,328</b>	<b>433,490</b>	
<b>Opening fund balance</b>	<b>274,868</b>	<b>3,974,860</b>	<b>3,735,700</b>	<b>3,412,772</b>	<b>3,124,265</b>	<b>2,881,486</b>	<b>2,642,169</b>	<b>2,463,886</b>	<b>2,290,137</b>	<b>2,127,433</b>	<b>1,939,255</b>	<b>1,754,907</b>	<b>274,868</b>	<b>319,672</b>	<b>( 44,804)</b>	
<b>Closing fund balance</b>	<b>3,974,860</b>	<b>3,735,700</b>	<b>3,412,772</b>	<b>3,124,265</b>	<b>2,881,486</b>	<b>2,642,169</b>	<b>2,463,886</b>	<b>2,290,137</b>	<b>2,127,433</b>	<b>1,939,255</b>	<b>1,754,907</b>	<b>1,388,686</b>	<b>1,388,686</b>	<b>1,000,000</b>	<b>388,686</b>	
<b>Fund balance makeup:</b>																
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	1,290,137	1,127,433	939,255	754,907	388,686	388,686	-		
	<b>3,974,860</b>	<b>3,735,700</b>	<b>3,412,772</b>	<b>3,124,265</b>	<b>2,881,486</b>	<b>2,642,169</b>	<b>2,463,886</b>	<b>2,290,137</b>	<b>2,127,433</b>	<b>1,939,255</b>	<b>1,754,907</b>	<b>1,388,686</b>	<b>1,388,686</b>	<b>1,000,000</b>		

**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 August 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 April 30, 2015.

**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	55,416
Late filing fees (reversal) for Form 499A	(39,100)
Underestimate of interest earned to date compared to budget	(1,533)
NANP Admin - difference between budget and actual contract awarded due to variable travel costs	12,411
NANP Admin - change orders issued	
Additional billings from B & C Agent due to renewal of contract	-
Data Collection fees - Adjustment to actual from budget	788
Bad debts - Adjustment to actual from budget	88,647
1K Block Pooling - difference between budget and actual contract awarded due to variable travel costs	11,725
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	5,436
<b>Forecasted fund balance at June 30/15</b>	<b>1,388,686</b>

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

Projection															
	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>Projected 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	-
Caribbean countries (1)	27,943	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total International Contributions	45,803	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	-
Domestic Contributions - US carriers (1)	3,403,548	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	-
Late filing fees for Form 499A (2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	80,000
Interest income (3)	417	417	417	417	417	417	417	417	417	417	416	416	416	416	416
<b>Total projected revenue</b>	<b>3,449,768</b>	<b>259,347</b>	<b>259,347</b>	<b>259,347</b>	<b>259,347</b>	<b>259,347</b>	<b>259,347</b>	<b>259,346</b>	<b>259,346</b>	<b>259,346</b>	<b>259,345</b>	<b>259,345</b>	<b>259,345</b>	<b>259,345</b>	<b>80,416</b>
<b>Projected Expenses</b>															
NANPA Administration (4)	185,138	185,138	185,138	185,138	185,138	185,138	185,137	185,137	185,137	185,137	185,137	185,137	185,137	185,137	185,137
1K Block Pooling (5)	265,241	265,241	265,241	265,241	265,241	265,241	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
Data Collection Agent (7)	4,850	4,850	4,850	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)	-	-	46,000	-	-	-	-	-	-	-	-	-	-	-	-
Bank Charges (9)	3,167	3,167	3,167	3,167	3,167	3,167	3,167	3,167	3,167	3,167	3,166	3,166	3,166	3,166	3,166
Carrier Audits (10)	-	-	-	-	-	-	-	375,000	-	-	-	-	-	-	-
Bad debt expense (recovery) (11)	2,667	2,667	2,667	2,667	2,667	2,667	2,667	2,667	2,667	2,667	2,666	2,666	2,666	2,666	2,666
<b>Total projected expenses</b>	<b>489,399</b>	<b>489,399</b>	<b>535,399</b>	<b>489,399</b>	<b>489,399</b>	<b>489,399</b>	<b>489,397</b>	<b>864,397</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>Projected Net revenue (expenses)</b>	<b>2,960,369</b>	<b>( 230,052)</b>	<b>( 276,052)</b>	<b>( 230,052)</b>	<b>( 230,052)</b>	<b>( 230,052)</b>	<b>( 230,050)</b>	<b>( 605,051)</b>	<b>( 230,051)</b>	<b>( 230,051)</b>	<b>( 230,050)</b>	<b>( 230,050)</b>	<b>( 230,050)</b>	<b>( 230,050)</b>	<b>( 408,979)</b>
<b>Projected Opening fund balance</b>	<b>1,388,686</b>	<b>4,349,055</b>	<b>4,119,003</b>	<b>3,842,951</b>	<b>3,612,899</b>	<b>3,382,847</b>	<b>3,152,795</b>	<b>2,922,745</b>	<b>2,317,694</b>	<b>2,087,643</b>	<b>1,857,592</b>	<b>1,627,542</b>	<b>1,397,492</b>	<b>1,167,442</b>	<b>937,392</b>
<b>Projected Closing fund balance</b>	<b>4,349,055</b>	<b>4,119,003</b>	<b>3,842,951</b>	<b>3,612,899</b>	<b>3,382,847</b>	<b>3,152,795</b>	<b>2,922,745</b>	<b>2,317,694</b>	<b>2,087,643</b>	<b>1,857,592</b>	<b>1,627,542</b>	<b>1,397,492</b>	<b>1,167,442</b>	<b>937,392</b>	<b>528,413</b>
<b>Projected 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	3,849,055	3,619,003	3,342,951	3,112,899	2,882,847	2,652,795	2,422,745	1,817,693.53	1,587,643	1,357,592	1,127,542	897,492	667,442	437,392	28,413
	<u>4,349,055</u>	<u>4,119,003</u>	<u>3,842,951</u>	<u>3,612,899</u>	<u>3,382,847</u>	<u>3,152,795</u>	<u>2,922,745</u>	<u>2,317,694</u>	<u>2,087,643</u>	<u>1,857,592</u>	<u>1,627,542</u>	<u>1,397,492</u>	<u>1,167,442</u>	<u>937,392</u>	<u>528,413</u>

**Assumptions:**

- (1) The contribution for July 2015 - September 2016 is based on estimated billings
- (2) These estimated 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 NANPA administration is based on the contract awarded in 2012. 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 from July 15, 2017 to January 14, 2018.
- (6) The cost of B&C Agent is based on the interim contract with Welch LLP in force until August 2015.
- (7) The expense for the Data Collection Agent is based on estimate of costs by USAC.
- (8) The cost of the annual operations audit is based on the cost of the prior year's history of billing from Ernst & Young LLP.
- (9) Bank fees are an expense to the Fund and are estimated based on prior years' history.
- (10) The budget allowed \$375,000 for carrier audits.
- (11) The allowance covers all accounts considered potentially uncollectible.

**CURRENT AND FORECASTED LIABILITIES**

			<b>Current</b>						
			<u>Apr-15</u>	<u>May-15</u>	<u>Jun-15</u>	<u>Jul-15</u>	<u>Aug-15</u>	<u>Sep-15</u>	<u>Oct-15</u>
<b>NEUSTAR - NANPA Administration contract</b>			177,066	177,879	177,879	185,138	185,138	185,138	185,138
- Payment authorized by the FCC in March	March 2015	\$ 178,452							
- Authorization by the FCC has not been received for payment	April 2015		\$ 177,066						
<b>NEUSTAR - Block Pooling</b>			244,278	238,506	238,506	265,241	265,241	265,241	265,241
- Payment authorized by the FCC in March	March 2015	\$ 235,192							
- Authorization by the FCC has not been received for payment	April 2015		\$ 244,278						
<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 March	March 2015	\$ 28,336							
- Authorization by the FCC has not been received for payment	April 2015		\$ 28,336						
<b>USAC - Data Collection Agent</b>			4,833	4,834	4,834	4,850	4,850	4,850	4,850
- Payment authorized by the FCC in March	March 2015	4,935							
- Authorization by the FCC has not been received for payment	April 2015		\$ 4,833						
<b>Carrier audits</b>			-	-	-	-	-	-	-
<b>Ernst &amp; Young LLP- Annual operations audit</b>									
- Payment authorized by the FCC in February								46,000	
<b>Bank Fees</b>				3,916	3,916	3,167	3,167	3,167	3,167
<b>Total</b>			<u>454,513</u>	<u>453,471</u>	<u>453,471</u>	<u>486,732</u>	<u>486,732</u>	<u>532,732</u>	<u>486,732</u>

# **Deliverables Report**

## **Distributing invoices**

The monthly invoices for carriers were emailed on April 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 April 8th 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. Eleven calls were received in April. 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 August 31, 2015.

## **Accounts Receivable**

In April we received \$294.35 from Treasury for debts collected.