

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

April 21, 2017

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

Assets

Cash Balance in bank account		\$ 3,232,129
Receivable from US Carriers	146,257	
Receivable from Canada	-	
Receivable from Caribbean countries	1,036	
Receivables forwarded to Treasury for collection	82,733	
Allowance for uncollectible accounts	(92,500)	137,526
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Total assets		3,369,655
Less: Accrued liabilities (see below for makeup)		(505,061)
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Fund balance		\$ 2,864,594
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Makeup of Accrued Liabilities

Welch LLP	28,336	
NEUSTAR Pooling 1K Block	255,642	
NEUSTAR NANP Administration	209,832	
Data Collection Agent - USAC	11,251	
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	\$ 505,061	
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The FCC approved change order 3B which has added CLINs 15, 16, 17. The cost of CLIN 15 is \$748,500. \$325,000 will be paid during the current budget year with the remainder to be funded in 2017/18 budget year. CLIN 16 is not to exceed \$29,070 of which 50% of the cost will be paid int the current budget year and the remainder to be funded in the 2017/18 budget year. CLIN 17 is for \$43,333 per month covering a period from November 24, 2017 to June 30, 2018. This cost will be funded in the 2017/18 budget year.

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
Revenue																
International Contributions																
Canada	(1)	19,483	9,742	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	-	
Total International Contributions		43,922	9,742	9,741	9,741	9,741	9,741	9,741	9,741	9,741	9,741	-	141,333	141,333	-	
Domestic Contributions - US carriers	(1)	4,440,157	141,285	142,274	144,440	147,472	142,291	142,291	142,291	142,291	142,291	-	5,869,374	5,775,123	94,251	
Late filing fees for Form 499A	(2)	2,300	(800.00)	800	-	400	-	-	-	-	-	80,000	82,700	80,000	2,700	
Interest income	(3)	470	587	904	388	295	481	417	417	416	416	416	5,623	5,000	623	
Total revenue		4,486,849	150,814	153,719	154,569	157,908	152,513	152,449	152,449	152,448	152,448	80,416	6,099,030	6,001,456	97,574	
Expenses																
NANPA Administration	(4)	241,963	209,832	212,034	210,753	209,832	209,832	189,864	189,864	189,864	195,561	195,560	202,122	2,457,081	2,425,461	31,620
1K Block Pooling	(5)	353,567	257,865	255,403	255,291	256,157	255,641	258,989	258,989	258,989	258,989	258,989	258,988	3,187,857	3,107,867	79,990
Pooling Change Order 3 B																
- CLIN 15	(5)(a)	-	-	-	-	-	-	54,167	54,167	54,167	54,167	54,167	54,167	325,000	-	325,000
- CLIN 16	(5)(b)	-	-	-	-	-	-	-	-	-	-	7,268	7,268	14,535	-	14,535
Billing and Collection																
Welch LLP	(6)	28,336	28,336	28,336	28,336	28,336	28,336	31,169	31,169	31,169	37,164	31,169	31,169	363,025	374,028	(11,003)
Data Collection Agent	(7)	5,806	5,328	7,508	8,162	5,930	5,497	5,754	5,754	5,754	5,754	5,754	5,754	72,755	69,950	2,805
Annual Operations Audit	(8)	-	-	-	46,000	-	-	-	-	-	-	-	-	46,000	47,000	(1,000)
Bank Charges	(9)	4,132	6,031	5,171	3,185	3,111	2,480	3,083	3,083	3,083	3,083	3,083	3,083	42,608	37,000	5,608
Carrier Audits	(10)	-	-	-	-	-	-	-	-	-	-	-	-	-	300,000	(300,000)
Bad debt expense	(11)	(5,648)	(3,287)	29,958	8,096	(3,810)	(6,600)	3,333	3,333	3,333	3,333	3,333	3,333	38,707	40,000	(1,293)
Total expenses		628,156	504,105	538,410	559,823	499,556	495,186	546,359	546,359	546,359	558,051	559,322	565,883	6,547,568	6,401,306	146,262
Net revenue (expenses)		3,858,693	(353,291)	(384,691)	(405,254)	(341,648)	(342,673)	(393,910)	(393,910)	(393,911)	(405,603)	(406,874)	(485,467)	(448,538)	(399,850)	(48,688)
Opening fund balance		833,458	4,692,151	4,338,860	3,954,169	3,548,915	3,207,267	2,864,594	2,470,684	2,076,775	1,682,864	1,277,261	870,387	833,458	899,850	(66,392)
Closing fund balance		4,692,151	4,338,860	3,954,169	3,548,915	3,207,267	2,864,594	2,470,684	2,076,775	1,682,864	1,277,261	870,387	384,920	384,920	500,000	(115,080)
Fund balance makeup:																
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	2,707,267	2,364,594	1,970,684	1,576,775	1,182,864	777,261	370,387	(115,080)	(115,080)	-	
		4,692,151	4,338,860	3,954,169	3,548,915	3,207,267	2,864,594	2,470,684	2,076,775	1,682,864	1,277,261	870,387	384,920	384,920	500,000	

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.
- (5)(a) CLIN 15 is for the period of 3/22/178 to 11/24/17 at a cost of \$748,500. \$325,000 will be billed evenly between April and September 2017 with the remaining balance to be billed in the 2017/18 period.
- (5)(b) CLIN 16 is for the period 7/31/17 to 11/24/17 and is not to exceed \$29,070. Budgeted for evenly over the months of Aug 2017 to Nov 2017
- (6) The cost of B&C Agent is based on the current interim contract with Welch LLP in force until April 30, 2017 plus 10% as recommended by the FCC. The July fee includes \$5,995 for accounting software upgrades.
- (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 March 31, 2017.

Reconciliation of forecast at September 30, 2017 to budget

Budgeted fund balance at September 30, 2017 - contingency	500,000
Decrease in fund balance between budget period	(66,392)
Additional billings over estimate from budget	94,251
Late filing fees (reversal) for Form 499A	2,700
Underestimate of interest earned to date compared to budget	623
Pooling change order CLIN 15 -difference between budget and actual	(325,000)
Pooling change order CLIN 16 -difference between budget and actual	(14,535)
NANP Admin - difference between budget and actual contract awarded due to variable travel costs	4,827
NANP Admin - change orders issued	(36,447)
Decrease in B&C Agent costs - anticipated 10% increase not in effect as contract not yet renewed less software upgrade costs	11,003
Data Collection fees - Adjustment to actual from budget	(2,805)
Bad debts - Adjustment to actual from budget	1,293
1K Block Pooling - difference between budget and actual contract awarded due to variable travel costs	15,210
Pooling change orders	(95,200)
Carrier audits that will not be performed	300,000
Operations Audit - Adjustment to actual from budget	1,000
Bank fees - Adjustment to actual from budget	(5,608)
Forecasted fund balance at September 30, 2017	384,920

CURRENT AND FORECASTED LIABILITIES

		Current						
		Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17
NEUSTAR - NANPA Administration		209,832	189,864	189,864	189,864	195,561	195,560	202,122
- Payment authorized by the FCC in March								
February 2017	209,832							
- Authorization by the FCC has not been received for payment								
March 2017	209,832							
NEUSTAR -1K Block Pooling		255,642	313,156	313,156	313,156	313,156	320,423	320,422
- Payment authorized by the FCC in February								
February 2017	\$ 256,157							
- Authorization by the FCC has not been received for payment								
March 2017	\$ 255,642							
Welch LLP - Billing & Collection Agent		28,336	31,169	31,169	31,169	37,164	31,169	31,169
- Payment authorized by the FCC in February								
February 2017	\$ 28,336							
- Authorization by the FCC has not been received for payment								
March 2017	\$ 28,336							
USAC - Data Collection Agent		11,251	5,754	5,754	5,754	5,754	5,754	5,754
- Payment authorized by the FCC in March								
	-							
- Authorization by the FCC has not been received for payment								
February 2017	5,497							
March 2017	\$ 5,754							
	\$ 11,251							
Carrier audits		-	-	-	-	-	-	-
Ernst & Young LLP- Annual operations audit								
Bank Fees			3,083	3,083	3,083	3,083	3,083	3,083
Total		505,061	543,026	543,026	543,026	554,718	555,989	562,550

Deliverables Report

Distributing invoices

The monthly invoices for carriers were emailed on March 10th.

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 March 1st 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 March 12 calls and 13 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

In March we received \$4,402.24 from Treasury for debts collected.