

**Billing and Collection Agent Report  
For period ending January 31, 2024**

**To Numbering Administration Oversight Working Group**

**NANPA FUND**  
**STATEMENT OF FINANCIAL POSITION**  
**January 31, 2024**

**Assets**

Cash in bank - NANP	\$	6,617,844
Cash in bank - RND		1,282,790
Receivables		
Receivable from US Carriers	71,241	
Refunds due back to US Carriers <i>(see note below)</i>	(277,653)	
Receivable from Canada	-	
Receivable from other member countries	7,263	
Receivables forwarded to Treasury for collection	63,069	
Allowance for uncollectible accounts	<u>(83,400)</u>	(219,480)
RND receivable		<u>778,227</u>
<b>Total assets</b>		<b>8,459,381</b>
<b>Less: Accrued liabilities</b>		
Welch LLP	32,700	
SOMOS - NANPA & Pooling - see note below	-	
Data Collection Agent	<u>6,934</u>	(39,634)
RND fees repayable to carriers		<u>(2,062,310)</u>
<b>Fund balance</b>	<b>\$</b>	<b><u><u>6,357,437</u></u></b>

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The credit balance of \$277,653 at the end of January consists of approximately \$205,260 relating to the special project and the remainder of \$72,393 relates to overpayments or non-special credit notes on account

The invoice for January services provided by SOMOS was paid early. Typically, the invoice for the current month services is paid the following month.

There are 584 check payments totaling \$67,850 not cashed that were issued in July have become stale-dated relating to the special refund project. Welch is the process of determining which companies still exist or not. Currently we estimate between 350-375 payments can be resent. We have either verified that the address is correct or have obtained an updated address. The remaining payments cannot be refunded as we have determined that those companies are out of existence or we cannot find any information on them.

**NANP FUND  
STATEMENT OF CHANGES IN FUND BALANCE  
OCTOBER 2023 TO SEPTEMBER 2024**

		Actual				Forecasted								Total	Budget	Variance between forecasted results and budget at Sept 30/24
		Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24			
<b>Revenue</b>																
International Contributions																
	Canada (1)	25,048	12,524	12,524	12,524	12,524	12,524	12,524	12,524	12,523	12,523	12,523	-	150,285	150,285	-
	Caribbean countries (1)	29,356	-	-	-	-	-	-	-	-	-	-	-	29,356	29,356	-
<b>Total International Contributions</b>		<b>54,404</b>	<b>12,524</b>	<b>12,524</b>	<b>12,524</b>	<b>12,524</b>	<b>12,524</b>	<b>12,524</b>	<b>12,524</b>	<b>12,523</b>	<b>12,523</b>	<b>12,523</b>	<b>-</b>	<b>179,641</b>	<b>179,641</b>	<b>-</b>
	Domestic Contributions - US carriers (1)	7,807,999	51,716	48,168	52,022	51,919	51,919	51,919	51,919	51,919	51,919	51,919	-	8,323,338	8,265,905	57,433
	Late filing fees for Form 499A (2)	3,600	(100)	3,000	100	-	-	-	-	-	-	-	40,000	46,600	40,000	6,600
	Interest income (3)	11,000	12,012	11,149	10,347	5,833	5,833	5,833	5,833	5,833	5,833	5,833	5,833	91,172	70,000	21,172
<b>Total revenue</b>		<b>7,877,003</b>	<b>76,152</b>	<b>74,841</b>	<b>74,993</b>	<b>70,276</b>	<b>70,276</b>	<b>70,276</b>	<b>70,276</b>	<b>70,275</b>	<b>70,275</b>	<b>70,275</b>	<b>45,833</b>	<b>8,640,751</b>	<b>8,555,546</b>	<b>85,205</b>
<b>Expenses</b>																
	NANPA Administration (4)	578,778	578,778	578,778	587,183	581,695	581,695	581,695	581,695	581,694	581,694	581,694	581,694	6,977,073	6,980,336	3,263
Billing and Collection																
	Welch LLP (5)	32,700	32,700	32,700	32,700	32,700	32,700	40,800	32,700	32,700	32,700	32,700	32,700	400,500	400,500	-
	Data Collection Agent (6)	7,185	7,153	7,088	7,080	6,934	6,934	6,934	6,934	6,934	6,934	6,934	6,934	83,978	83,208	(770)
	Annual Operations Audit (7)	-	-	56,700	-	-	-	-	-	-	-	-	-	56,700	56,000	(700)
	Bank Charges (8)	5,982	13,040	3,384	2,802	3,333	3,333	3,333	3,333	3,333	3,333	3,333	3,333	51,872	40,000	(11,872)
	Carrier Audits (9)	-	-	-	-	-	-	-	-	-	-	-	200,000	200,000	200,000	-
	Bad debt expense (recovery) (10)	(4,500)	(3,300)	2,700	6,500	-	-	-	-	-	-	-	30,000	31,400	30,000	(1,400)
<b>Total expenses</b>		<b>620,145</b>	<b>628,371</b>	<b>681,350</b>	<b>636,265</b>	<b>624,662</b>	<b>624,662</b>	<b>632,762</b>	<b>624,662</b>	<b>624,661</b>	<b>624,661</b>	<b>624,661</b>	<b>854,661</b>	<b>7,801,523</b>	<b>7,790,044</b>	<b>(11,479)</b>
<b>Net revenue (expenses)</b>		<b>7,256,858</b>	<b>(552,219)</b>	<b>(606,509)</b>	<b>(561,272)</b>	<b>(554,386)</b>	<b>(554,386)</b>	<b>(562,486)</b>	<b>(554,386)</b>	<b>(554,386)</b>	<b>(554,386)</b>	<b>(554,386)</b>	<b>(808,828)</b>	<b>839,228</b>	<b>765,502</b>	<b>73,726</b>
<b>Opening fund balance</b>		<b>820,579</b>	<b>8,077,437</b>	<b>7,525,218</b>	<b>6,918,709</b>	<b>6,357,437</b>	<b>5,803,051</b>	<b>5,248,665</b>	<b>4,686,179</b>	<b>4,131,793</b>	<b>3,577,407</b>	<b>3,023,021</b>	<b>2,468,635</b>	<b>820,579</b>	<b>234,498</b>	<b>586,081</b>
<b>Closing fund balance</b>		<b>8,077,437</b>	<b>7,525,218</b>	<b>6,918,709</b>	<b>6,357,437</b>	<b>5,803,051</b>	<b>5,248,665</b>	<b>4,686,179</b>	<b>4,131,793</b>	<b>3,577,407</b>	<b>3,023,021</b>	<b>2,468,635</b>	<b>1,659,807</b>	<b>1,659,807</b>	<b>1,000,000</b>	<b>659,807</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 (deficit)	7,077,437	6,525,218	5,918,709	5,357,437	4,803,051	4,248,665	3,686,179	3,131,793	2,577,407	2,023,021	1,468,635	659,807	659,807	-	-
		<b>8,077,437</b>	<b>7,525,218</b>	<b>6,918,709</b>	<b>6,357,437</b>	<b>5,803,051</b>	<b>5,248,665</b>	<b>4,686,179</b>	<b>4,131,793</b>	<b>3,577,407</b>	<b>3,023,021</b>	<b>2,468,635</b>	<b>1,659,807</b>	<b>1,659,807</b>	<b>1,000,000</b>	<b>-</b>

See Assumptions and Reconciliation to Budget on following page

**NANP FUND**  
**STATEMENT OF CHANGES IN FUND BALANCE**  
**OCTOBER 2023 TO SEPTEMBER 2024**

**Reconciliation of forecasted to budget**

<b>Budgeted fund balance at September 30, 2024 - contingency</b>	<b>\$ 1,000,000</b>
Increase (decrease) in opening fund balance between budget period and actual	586,081
Additional billings over estimate from budget	57,433
Late filing fees (reversal) for Form 499A	6,600
Interest earned - variance between actual and budget	21,172
NANPA - variance between actual and budget	3,263
Data Collection fees - variance between actual and budget	(770)
Annual operations audit - variance between actual and budget	(700)
Bad debts - variance between actual and budget	(1,400)
Carrier audits that are anticipated not to be performed	-
Bank fees - variance between actual and budget	(11,872)
Billing & Collection fees - variance between actual and budget	-
<b>Forecasted fund balance at September 30, 2024</b>	<b>\$ 1,659,807</b>

**Assumptions:**

- (1) The US carrier contributions for the period from October 2023 to September 2024 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 relates to interest earned on the bank balances and on overdue service provider accounts.
- (4) The cost of NANPA administration is based on the contract with Somos.
- (5) The cost of B&C Agent is based on the one year contract extension which expires April 30, 2024.
- (6) The expense for the Data Collection Agent is based on an allocation of costs by USAC.
- (7) The expense represents the estimated cost of the annual operations audit performed by Ernst & Young LLP.
- (8) Bank fees are an expense to the Fund.
- (9) The budget allows \$200,000 for carrier audits as may be required under 47 C.F.R. §52.15(k) and FCC Order FCC 00-42.
- (10) The allowance covers all accounts considered potentially uncollectible at January 31, 2024.

## **Deliverables Report**

### **Distributing invoices**

The invoices for carriers were emailed/mailed on January 12<sup>th</sup>. Payment is due February 12<sup>th</sup>.

### **Processing Payments**

Payment information from the lockbox service at Bank of America is downloaded on a daily basis. The deposit information is recorded daily.

### **Late/Absent Payments**

Demand notices and statements of account were emailed/mailed on January 15<sup>th</sup> to all carriers with overdue balances. A total of 59 demand notices and statements of account were sent out. During the same period last year, 23 statements and demand notices were sent out.

### **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 MS Access database including the date, Filer ID, nature of query, name of person making the request, who responded to the query and the resolution date. In January, 19 calls and 46 emails were received (2023 - 23 calls and 42 emails). Most queries related to the following: requesting copies of invoices, making changes to their email billing address, notification about closing their business, asking what the invoice was for, asking how to make a payment, asking about the credit note and refund check received re the special refund process.

### **Staffing**

There are no changes to staffing.

### **Status of Contracts**

The Billing and Collection Agent contract was awarded to Welch LLP in April 2018. The contract is for a 5-year period from May 1, 2018 to April 30, 2023. The FCC approved a one year contract extension. The contract extension runs to April 30, 2024.

The NANPA and RNDA administration contract was awarded in December 2020. It allowed for a 3-month transition and development period from December 1, 2020 to February 28, 2021 and a 57-month administration period from March 1, 2021 to November 30, 2025 and 3 one-year extensions ending November 30, 2028.

### **Status of Audits**

**FCC Audit:** The FCC and the auditors confirmed that they do not need much from NANP this year since they are now reporting NANP as a disclosure entity in their footnotes instead of as a consolidated entity. Audit representation and legal letters were provided as requested in October and November 2023.

**Independent Audit:** The independent audit by Ernst & Young LLP of the financial statements and specified procedures for 2023 fiscal year commenced November 13, 2023. Audited financial statements and special procedures audit report were issued on January 9, 2024.

**PIIA (Payment Integrity Information Act) Performance Audit:** The audit began December 6, 2023 with a kick off meeting. Biweekly audit meetings will be attended by Welch. Documents requested were submitted to the auditors on December 13, 2023.

### **Deliverable Reports Submission Dates**

**Quarterly Crosswalk reporting package** - not applicable for this month

**Quarterly Treasury Report on Receivables** - submitted January 23, 2024

**December NAOWG report** - submitted January 16, 2024

### **Accounts Receivable**

In January, \$205.03 was received from Treasury for delinquents debts collected from 5 companies.

**Reassigned Numbers Database (RND) Activities**

Budgeted contributions	(6)	<u>6,000,000</u>
Contributions received	(1)	5,890,303
Contributions still receivable	(1) (a)	<u>1,293</u>
		<u>5,891,596</u>
Balance to be repaid to carriers		<u>2,062,310</u>

	Actual					Forecasted									Cumulative Forecasted to Sept 2024
	Actual Total to Date	Cumulative Sept 2020 to Sept 2023	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	
Contributions received from carriers	5,890,303	5,890,215	-	-	88	-	-	-	-	-	-	-	-	-	5,890,303
Repayment from Somos	<u>1,169,873</u>	<u>996,381</u>	<u>43,373</u>	-	<u>43,373</u>	<u>86,746</u>	<u>43,373</u>	<u>43,373</u>	<u>43,373</u>	<u>43,373</u>	<u>43,373</u>	<u>43,373</u>	<u>43,373</u>	<u>43,373</u>	<u>1,516,857</u>
Total monies received	<u>7,060,177</u>	<u>6,886,597</u>	<u>43,373</u>	-	<u>43,461</u>	<u>86,746</u>	<u>43,373</u>	<u>43,373</u>	<u>43,373</u>	<u>43,373</u>	<u>43,373</u>	<u>43,373</u>	<u>43,373</u>	<u>43,373</u>	<u>7,407,161</u>
Refunds issued															
Refunds (applied) reversed directly to NANP fee	(2,674,489)	(2,673,898)	6	(572)	(25)	-	-	-	-	-	-	-	-	-	(2,674,489)
Refund checks returned- undeliverable/uncashed	38,910	38,785	-	125	0	-	-	-	-	-	-	-	-	-	38,910
Refund checks issued to companies >\$500	(1,151,887)	(1,151,107)	-	-	(780)	-	-	-	-	-	-	-	-	-	(1,151,887)
Refund checks issued to deactivated filers	<u>(41,823)</u>	<u>(41,823)</u>	-	-	-	-	-	-	-	-	-	-	-	-	<u>(41,823)</u>
Refunds issued	<u>(3,829,289)</u>	<u>(3,828,043)</u>	<u>6</u>	<u>(447)</u>	<u>(805)</u>	-	-	-	-	-	-	-	-	-	<u>(3,829,289)</u>
Less expected costs:															
RND Administrator	(2) 1,753,764	1,753,764	-	-	-	-	-	-	-	-	-	-	-	-	1,753,764
B&C Agent fees	(3) 164,600	159,800	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	174,200
Audit fees	(4) 24,450	18,600	-	-	-	5,850	-	-	-	-	-	-	-	-	24,450
Bank fees	(5) 5,283	5,283	-	-	-	-	-	-	-	-	-	-	-	-	5,283
Total costs	<u>1,948,097</u>	<u>1,937,447</u>	<u>1,200</u>	<u>1,200</u>	<u>1,200</u>	<u>7,050</u>	<u>1,200</u>	<u>1,200</u>	<u>1,200</u>	<u>1,200</u>	<u>1,200</u>	<u>1,200</u>	<u>1,200</u>	<u>1,200</u>	<u>1,957,697</u>
<b>Balance of funds available</b>		<u><b>1,282,790</b></u>													

**Notes:**

(1) This figure represents actual amounts received to date

(1) (a) This represents RND fees still unpaid by carriers.

(2) This represents the amount to be paid to the RNDA administrator for the creation of the database.

(3) This represents additional fees for the B&C Agent to administer the RND collection of fees and payments. A change order has been approved at \$5,000/mth starting October 2020 until April 2023. Costs from May 2023 to April 2024 are based on a one year contract extension. Costs over April 2024 are estimated based on the one year contract extension.

(4) This represents additional audit fees that will be incurred to perform additional audit procedure on the collection and payment of the RND funds. This will be an annual cost until the program is completed

(5) This represents monthly bank fees (net of interest earned) incurred specifically for the RND account. Included in the bank fees is the cost to collateralize the bank account.

(6) The budget provided that \$6M of fees were to be collected for the creation of the RND. In June 2021 the FCC approved the refund of \$2M of the total fees invoiced as the cost of the creation of the RND were lower than was provided in the budget. As a result, the carriers who were paying their fees monthly had their portion applied against their July and August RND fee obligation. The effect of this resulted in these companies not having to continue the payment of RND fees for July and August. In addition to this, those carriers who had not yet paid their portion of the RND creation fee had their fees reversed in an amount equivalent to their applicable portion of the refund.

In 2023, the FCC approved the second tranche repayment of \$2M. The refund was done via an offset against the 2023 annual NANP fees. The carriers who did not have a 2023 NANP obligation were sent a refund check, subject to the red light rules.