

**Billing and Collection Agent Report
For period ending March 31, 2025**

To Numbering Administration Oversight Working Group

NANPA FUND
STATEMENT OF FINANCIAL POSITION
March 31, 2025

Assets

Cash in bank - NANP	\$	5,451,871	
Cash in bank - RND		2,068,684	
Receivables			
Receivable from US Carriers	108,632		
Refunds due back to US Carriers (<i>see note below</i>)	(248,011)		
Receivable from Canada	-		
Receivable from other member countries	8,669		
Receivables forwarded to Treasury for collection	57,838		
Allowance for uncollectible accounts	<u>(68,900)</u>	(141,772)	
RND advance on payment of future administrative expenses			<u>(11,000)</u>
Total assets			7,367,783
Less: Accrued liabilities			
Welch LLP	32,700		
SOMOS - NANPA & Pooling	603,180		
Data Collection Agent	<u>4,167</u>	(640,047)	
RND fees repayable to carriers			<u>(2,058,861)</u>
NANP Fund balance			<u>\$ 4,668,875</u>

The credit balance of \$248,011 at the end of March consists of approximately \$180,199 relating to the special project and the remainder of \$67,812 relates to overpayments or non-special credit notes on account.

The RND advance on future expenses is to be drawn down on a monthly basis for the B&C Agent fees related to RND administration. This covers B&C Agent fees to July 2026. Any additional administrative costs (audit fees and bank fees) will be funded by Somos as they occur.

**NANP FUND
STATEMENT OF CHANGES IN FUND BALANCE
OCTOBER 2024 TO SEPTEMBER 2025**

		Actual						Forecasted						Total	Budget	Variance between forecasted results and budget at Sept 30/25
		Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25			
Revenue																
International Contributions																
	Canada (1)	25,062	12,531	12,531	12,531	12,531	12,531	12,531	12,531	12,531	12,531	12,531	-	150,372	150,372	-
	Caribbean countries (1)	29,312	-	-	-	-	-	-	-	-	-	-	-	29,312	29,312	-
Total International Contributions		54,374	12,531	12,531	12,531	12,531	12,531	12,531	12,531	12,531	12,531	12,531	-	179,684	179,684	-
Domestic Contributions - US carriers (1)		5,945,435	86,598	87,992	87,840	89,388	90,752	86,779	86,779	86,779	86,779	86,779	-	6,821,900	6,766,776	55,124
Late filing fees for Form 499A (2)		400	1,100	1,200	1,100	300	1,800	-	-	-	-	-	55,000	60,900	55,000	5,900
Interest income (3)		8,193	7,076	6,179	4,841	3,987	4,203	8,000	8,000	8,000	8,000	8,000	8,000	82,479	96,000	(13,521)
Total revenue		6,008,402	107,305	107,902	106,312	106,206	109,286	107,310	107,310	107,310	107,310	107,310	63,000	7,144,963	7,097,460	47,503
Expenses																
NANPA Administration (4)		578,778	578,778	603,440	577,160	580,135	578,778	581,695	581,695	581,694	581,694	581,694	581,694	6,987,235	6,980,336	(6,899)
Billing and Collection																
	Welch LLP (5)	32,700	32,700	32,700	32,700	32,700	32,700	32,700	32,700	32,700	32,700	32,700	32,700	392,400	392,400	-
	Data Collection Agent (6)	4,402	7,153	7,116	7,231	7,410	7,438	7,417	7,417	7,417	7,417	7,417	7,417	85,252	89,000	3,748
Annual Operations Audit (7)		-	-	-	-	-	-	-	-	-	-	-	59,000	59,000	59,000	-
Bank Charges (8)		9,127	11,803	3,495	2,912	2,916	2,777	4,167	4,167	4,167	4,167	4,167	4,167	58,032	50,000	(8,032)
Carrier Audits (9)		-	-	-	-	-	-	-	-	-	-	-	200,000	200,000	200,000	-
Bad debt expense (recovery) (10)		(5,000)	(5,800)	7,500	(1,500)	(600)	(365)	1,667	1,667	1,666	1,666	1,666	1,666	4,233	20,000	15,767
Total expenses		620,007	624,634	654,251	618,503	622,561	621,328	627,646	627,646	627,644	627,644	627,644	886,644	7,786,152	7,790,736	4,584
Net revenue (expenses)		5,388,395	(517,329)	(546,349)	(512,191)	(516,355)	(512,042)	(520,336)	(520,336)	(520,334)	(520,334)	(520,334)	(823,644)	(641,189)	(693,276)	52,087
Opening fund balance		1,884,746	7,273,141	6,755,812	6,209,463	5,697,272	5,180,917	4,668,875	4,148,539	3,628,203	3,107,869	2,587,535	2,067,201	1,884,746	1,693,276	191,470
Closing fund balance		7,273,141	6,755,812	6,209,463	5,697,272	5,180,917	4,668,875	4,148,539	3,628,203	3,107,869	2,587,535	2,067,201	1,243,557	1,243,557	1,000,000	243,557
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 (deficit)	6,273,141	5,755,812	5,209,463	4,697,272	4,180,917	3,668,875	3,148,539	2,628,203	2,107,869	1,587,535	1,067,201	243,557	243,557	-	-
		7,273,141	6,755,812	6,209,463	5,697,272	5,180,917	4,668,875	4,148,539	3,628,203	3,107,869	2,587,535	2,067,201	1,243,557	1,243,557	1,000,000	-

See Assumptions and Reconciliation to Budget on following page

NANP FUND
STATEMENT OF CHANGES IN FUND BALANCE
OCTOBER 2024 TO SEPTEMBER 2025

Reconciliation of forecasted to budget

Budgeted fund balance at September 30, 2025 - contingency	\$ 1,000,000
Increase (decrease) in opening fund balance between budget period and actual	191,470
Additional billings over estimate from budget	55,124
Late filing fees (reversal) for Form 499A	5,900
Interest earned - variance between actual and budget	(13,521)
NANPA - variance between actual and budget	(6,899)
Data Collection fees - variance between actual and budget	3,748
Annual operations audit - variance between actual and budget	-
Bad debts - variance between actual and budget	15,767
Carrier audits that are anticipated not to be performed	-
Bank fees - variance between actual and budget	(8,032)
Billing & Collection fees - variance between actual and budget	-
Forecasted fund balance at September 30, 2025	\$ 1,243,557

Assumptions:

- (1) The US carrier contributions for the period from October 2024 to September 2025 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 current contract.
- (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 March 31, 2025.

Deliverables Report

Distributing invoices

The invoices for carriers were emailed/mailed on March 12th. Payment is due April 12th.

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 March 13th to all carriers with overdue balances. A total of 29 demand notices and statements of account were sent out. During the same period last year, 34 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 Excel file including the date, Filer ID, nature of query, name of person making the request, who responded to the query and the resolution date. In March, 14 calls and 50 emails were received (2024 - 21 calls and 25 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/credit note was for, and asking how to make a payment, asking about the refund check received. There was an increase in emails in March which was due to Welch reaching out to carriers who had not cashed previously issued checks for the RND refund to confirm/obtain current mailing addresses.

Staffing

There are no changes to staffing.

Status of Contracts

The Billing and Collection Agent contract was awarded to Welch LLP in July 2024. The contract is for a 3 year period from August 1, 2024 to July 31, 2027 plus 2 one-year extensions ending July 31, 2029.

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 since NANP is reported as a disclosure entity in their footnotes instead of as a consolidated entity. The kick-off meeting for the audit for fiscal year 2025 was on March 20, 2025 which Welch attended.

Independent Audit: The independent audit by Ernst & Young LLP of the financial statements and specified procedures for 2024 fiscal year commenced on November 18, 2024. Final audit reports were issued January 8, 2025.

PIIA (Payment Integrity Act) Performance Audit: The audit began December 12th with a kick off meeting. Biweekly audit meetings are attended by Welch. The majority of the documents requested were submitted on December 11th. This audit is wrapping up.

Deliverable Reports Submission Dates

Quarterly Crosswalk reporting package - not applicable for this month

Quarterly Treasury Report on Receivables - due April 14, 2025

February NAOWG report - submitted March 10, 2025

Accounts Receivable

In March, \$758.65 was received from Treasury for delinquents debt collected from eight filers.

Reassigned Numbers Database (RND) Activities

Budgeted contributions	(6)	<u>6,000,000</u>
Contributions received	(1)	5,890,418
Contributions still receivable	(1) (a)	<u>1,177</u>
		<u>5,891,595</u>
Balance to be repaid to carriers		<u>2,058,861</u>
Funds received from SOMOS to cover future admin costs		<u>11,000</u>

	Actual							Forecasted							Cumulative Forecasted to Sept 2025
	Actual Total to Date	Cumulative Sept 2020 to Sept 2024	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	
Contributions received from carriers	5,890,418	5,890,303	-	-	-	115	-	-	-	-	-	-	-	-	5,890,418
Repayment from SOMOS	<u>1,976,379</u>	<u>1,473,484</u>	<u>86,746</u>	<u>86,746</u>	-	<u>43,373</u>	<u>43,373</u>	<u>242,657</u>	-	-	-	-	-	-	<u>1,976,379</u>
Total monies received	<u>7,866,797</u>	<u>7,363,787</u>	<u>86,746</u>	<u>86,746</u>	-	<u>43,488</u>	<u>43,373</u>	<u>242,657</u>	-	-	-	-	-	-	<u>7,866,797</u>
Refunds issued															
Refunds (applied) reversed directly to NANP fee	(2,669,475)	(2,669,568)	46	-	47	-	-	-	-	-	-	-	-	-	(2,669,475)
Refund checks returned- undeliverable/uncashed	48,180	45,470	1,855	-	325	-	505	25	-	-	-	-	-	-	48,180
Refund checks issued to companies >\$500	(1,154,016)	(1,154,016)	-	-	-	-	-	-	-	-	-	-	-	-	(1,154,016)
Refund checks issued to deactivated filers	<u>(57,428)</u>	<u>(55,953)</u>	-	-	-	-	<u>(1,450)</u>	<u>(25)</u>	-	-	-	-	-	-	<u>(57,428)</u>
Refunds issued	<u>(3,832,739)</u>	<u>(3,834,067)</u>	<u>1,901</u>	-	<u>372</u>	-	<u>945</u>	-	-	-	-	-	-	-	<u>(3,832,739)</u>
Less expected costs:															
RND Administrator	(2) 1,753,764	1,753,764	-	-	-	-	-	-	-	-	-	-	-	-	1,753,764
B&C Agent fees	(3) 175,777	172,111	611	611	611	611	611	611	611	611	611	611	611	611	179,443
Audit fees	(4) 30,550	24,450	-	-	-	-	6,100	-	-	-	-	-	-	-	30,550
Bank fees	(5) 5,283	5,283	-	-	-	-	-	-	-	-	-	-	-	-	5,283
Total costs	<u>1,965,374</u>	<u>1,955,608</u>	<u>611</u>	<u>611</u>	<u>611</u>	<u>611</u>	<u>6,711</u>	<u>611</u>	<u>611</u>	<u>611</u>	<u>611</u>	<u>611</u>	<u>611</u>	<u>611</u>	<u>1,969,040</u>
Balance of funds available		<u>2,068,684</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 from April 2024 to July 2024 are based on the 3 month extension. The costs for the periods after August 2024 is based on the current base contract which runs to July 31, 2027.

(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 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.