

**Billing and Collection Agent Report  
For period ending April 30, 2009**

**To NANC**

**May 5, 2009**

**NANPA FUND  
STATEMENT OF FINANCIAL POSITION  
APRIL 30, 2009**

**Assets**

Cash Balance in bank account	\$	70,584	
Dreyfus Government Cash Management Fund		3,325,000	
Receivable from US Carriers		204,289	
Receivable from Canada		5,733	
Receivable from Caribbean countries		1,285	
Receivables forwarded to FCC for collection (Over 90 days)		246,032	
Allowance for uncollectible accounts		<u>(263,000)</u>	194,339
Interest receivable			<u>67</u>
<b>Total assets</b>			<b>3,589,990</b>
<b>Less: Accrued liabilities (see below for makeup)</b>			<b>(341,700)</b>
			<u>-</u>
<b>Fund balance</b>			<b><u>\$ 3,248,290</u></b>

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

Welch LLP	19,900	
NEUSTAR Pooling 1K Block Pooling Expenses	189,374	
NEUSTAR Admin Expenses	123,678	
Data Collection Agent - USAC	8,748	
	-	
	<u>\$ 341,700</u>	

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**Other items of note**

During April 2009, the Dreyfus Government Cash Management Fund earned an average rate of return of 0.022%.

The budget and contribution factor were submitted to the FCC on May 5, 2009 for approval.

**NANPA FUND  
FORECASTED STATEMENT OF CHANGES IN FUND BALANCE  
JULY 2008 TO APRIL 2010**

	Actual		Budgeted		Total	Budget	Variance between forecasted balance at June 30/08 and budget
	July 2008 - March 2009	Apr-09	May-09	Jun-09			
<b>Revenue</b>							
International Contributions							
Canada (1)	51,597	5,733	5,732	-	68,795	68,795	-
Caribbean countries (1)	13,589	-	-	-	13,589	13,589	-
Total International Contributions	65,186	5,733	5,732	-	82,384	82,384	-
Domestic Contributions - US carriers (1)	3,489,572	173,181	178,720		4,011,229	3,895,083	116,146
Late filing fees for Form 499A (2)	( 8,600)	100		115,000	105,500	115,000 ( 9,500)	
Interest income (3)	34,529	99	500	500	35,782	180,000 ( 144,218)	
<b>Total revenue</b>	<b>3,580,687</b>	<b>179,113</b>	<b>184,952</b>	<b>115,500</b>	<b>4,234,895</b>	<b>4,272,467 ( 37,572)</b>	
<b>Expenses</b>							
NANPA Administration (4), (8)	1,164,067	123,678	121,300	121,300	1,652,965	1,408,661	244,304
1K Block Pooling Administration (4), (7)	1,548,763	189,374	256,386	189,374	2,385,600	2,272,483	113,117
pANI (9)	-	-	-	-	-	100,000 ( 100,000)	
Billing and Collection							
Welch LLP (4)	159,200	19,900	19,900	19,900	238,800	238,800	-
Data Collection Agent (5)	30,251	4,248	4,500	4,500	48,537	54,000 ( 5,463)	
Annual Operations Audit (6)	2,500	-	-	32,500	35,000	30,000	5,000
Carrier Audits (10)	-	-	-	-	-	700,000 ( 700,000)	
Bad debt expense (recovery) (11)	( 2,352)	( 11,871)	-	-	17,968	- ( 17,968)	
<b>Total expenses</b>	<b>2,902,429</b>	<b>325,329</b>	<b>402,086</b>	<b>367,574</b>	<b>4,342,934</b>	<b>4,803,944 (461,010)</b>	
<b>Net revenue (expenses)</b>	<b>678,258 ( 146,216) ( 217,134) ( 252,074) ( 108,039) ( 531,477) 423,438</b>						
<b>Opening fund balance</b>	<b>2,887,121</b>	<b>3,394,506</b>	<b>3,248,290</b>	<b>3,031,156</b>	<b>2,887,121</b>	<b>2,730,440</b>	<b>156,681</b>
<b>Closing fund balance</b>	<b>3,565,379</b>	<b>3,248,290</b>	<b>3,031,156</b>	<b>2,779,082</b>	<b>2,779,082</b>	<b>2,198,963</b>	<b>580,119</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	
Surplus	2,565,379	2,248,290	2,031,156	1,779,082	1,779,082	1,198,963	
	<b>3,565,379</b>	<b>3,248,290</b>	<b>3,031,156</b>	<b>2,779,082</b>	<b>2,779,082</b>	<b>2,198,963</b>	

Estimated									
Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10
5,912	5,912	5,912	5,912	5,912	5,912	5,912	5,912	5,912	5,912
14,467	-	-	-	-	-	-	-	-	-
20,379	5,912	5,912	5,912	5,912	5,912	5,912	5,912	5,912	5,912
1,226,845	102,900	102,900	102,900	102,900	102,900	102,900	102,900	102,900	102,900
-	-	-	-	-	-	-	-	-	-
833	833	833	833	833	833	833	833	833	833
1,248,057	109,645	109,645	109,645	109,645	109,645	109,645	109,645	109,645	109,645
122,967	122,967	122,967	122,967	122,967	122,967	122,967	122,967	122,967	122,967
189,373	188,936	188,498	188,498	188,498	188,498	188,498	188,498	188,498	188,498
16,666	16,666	16,666	16,666	16,666	16,666	16,666	16,666	16,666	16,666
19,900	19,900	19,900	19,900	19,900	19,900	19,900	19,900	19,900	19,900
4,450	4,450	4,450	4,450	4,450	4,450	4,450	4,450	4,450	4,450
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	700,000	-	-
-	-	-	-	-	-	-	-	-	-
353,356	352,919	352,481	352,481	352,481	352,481	352,481	1,052,481	352,481	352,481
894,701 ( 243,274) ( 242,836) ( 242,836) ( 242,836) ( 242,836) ( 242,836) ( 942,836) ( 242,836) ( 242,836)									
2,779,082	3,673,783	3,430,509	3,187,673	2,944,837	2,702,001	2,459,165	2,216,329	1,273,493	1,030,657
3,673,783	3,430,509	3,187,673	2,944,837	2,702,001	2,459,165	2,216,329	1,273,493	1,030,657	787,821
500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
3,173,783	2,930,509	2,687,673	2,444,837	2,202,001	1,959,165	1,716,329	773,493	530,657	287,820
3,673,783	3,430,509	3,187,673	2,944,837	2,702,001	2,459,165	2,216,329	1,273,493	1,030,657	787,821

**Assumptions:**

- The US carrier contributions for the period from July 2008 to June 2009 and the International carrier revenue is based upon actual billings. The contributions for July 2009 - April 2010 are estimated based on the
- These fees represent the \$100 late filing fee charged to those companies that do not file the Form 499A by the due date.
- Interest income projections are estimates
- The expenses for the NANPA Administration, 1K Block Pooling and Welch LLP are based on contracts in force. NANPA Administration contract expired June 2008. The expense for NANPA Administration for July 2008 - December 2008 is based on the current contract based on the option to extend exercised by the FCC. The expense for the January 2009 to April 2010 is based on the option to extend.
- The expense for the Data Collection Agent is based on estimate of costs by USAC for the 2008 calendar year.
- The contract for the annual operations audit has been awarded to Ernst & Young. The cost will be \$32,500
- The May forecasted amount includes the forecasted monthly billing of \$189,375 plus change orders 5-7 in the amount of \$67012.
- The May forecasted amount includes the forecasted monthly billing of \$121,300.
- Interim p-ANNI administration is now covered under the new Pooling contract. \$100,000 has been allowed for the cost of permanent pANI in 2008/09. No change order has been issued.
- The budget allowed \$700,000 for 16 carrier audits. The FCC is revising the procurement procedure and are not conducting any audits until this is in place.
- The allowance covers all accounts considered potentially uncollectible at April 30, 2009. This will be covered by the contingency allowance.

**Reconciliation of Forecast at June 30, 2009 to Budget**

<b>Budgeted fund balance at June 30/09 - contingency</b>	<b>1,000,000</b>
Unexpended surplus carried forward - as per budget	1,198,963
Increase in fund balance between budget period (February 2008) and June 2008	156,681
Additional billings in July 2008 - April 2009	116,146
Late filing fees (reversal) for Form 499A - 2008	(9,500)
Reduced interest earned to date compared to budget	(144,218)
NANP - change orders and contract extension fixed monthly amount	(175,931)
NANP Admin change order #15 originally included in 2007/08 surplus but not expended	(68,373)
Data Collection fees - Adjustment to actual from budget	5,463
Bad debts (recovery) not budgeted for	17,968
Annual Operations Audit	(5,000)
Unexpended budget for carrier audits not performed in 2008/09 budget year	700,000
Cost of permanent pANI not expended	100,000
Pooling change orders	(113,117)
<b>Forecasted fund balance at June 30/09</b>	<b>2,779,082</b>

**NANPA FUND  
CURRENT AND FORECASTED LIABILITIES**

	Current								
	<u>Apr-09</u>	<u>May-09</u>	<u>Jun-09</u>	<u>Jul-09</u>	<u>Aug-09</u>	<u>Sep-09</u>	<u>Oct-09</u>	<u>Nov-09</u>	
<b>NEUSTAR - NANPA Administration contract</b>	123,678	121,300	121,300	122,967	122,967	122,967	122,967	122,967	
- Payment authorized by the FCC on March 18/09, received by Welch April 2/09 February 2009 Amendment 25	126,629 44,080								
- Payment authorized by the FCC on April 7/09, received by Welch April 13/09 March 2009	122,620								
- Authorization by the FCC has not been received for payment April 2009	<u>123,678</u> <u>\$ 123,678</u>								
<b>NEUSTAR - Block Pooling contract</b>	189,374	256,386	189,374	189,373	188,498	188,498	188,498	188,498	
- Payment authorized by the FCC on March 18/09, received by Welch April 2/09 February 2009 CO #3	189,374 12,330								
- Payment authorized by the FCC on April 7/09, received by Welch April 13/09 January 2009	189,373								
- Authorization by the FCC has not been received for payment April 2009	<u>\$ 189,374</u> <u>\$ 189,374</u>								
<b>Welch LLP - Billing &amp; Collection Agent</b>	19,900	19,900	19,900	19,900	19,900	19,900	19,900	19,900	
- Payment authorized by the FCC on March 9/09, received by Welch April 2/09 February 2009	18,743								
- Payment authorized by the FCC on April 7/09, received by Welch April 13/09 March 2009	18,671								
- Authorization by the FCC has not been received for payment April 2009	<u>\$ 19,900</u> <u>\$ 19,900</u>								
<b>USAC - Data Collection Agent</b>	8,748	4,500	4,500	4,450	4,450	4,450	4,450	4,450	
- Payment authorized by the FCC on March 9/09, received by Welch April 2/09 December 2008	5,592								
- Payment authorized by the FCC on April 7/09, received by Welch April 13/09 February 2009	3,946								
- Authorization by the FCC has not been received for payment March 2009 April 2009 (estimate)	<u>4,248</u> <u>4,500</u> <u>\$ 8,748</u>								
<b>Carrier audits</b>	-	-	-	-	-	-	-	-	
<b>Ernst &amp; Young LLP- Annual operations audit</b>	-	-	32,500	-	-	-	-	-	
<b>NEUSTAR - pANI administration</b>	\$ -	-	-	16,666	16,666	16,666	16,666	16,666	
<b>Total</b>	<u>341,700</u>	<u>402,086</u>	<u>367,574</u>	<u>353,356</u>	<u>352,481</u>	<u>352,481</u>	<u>352,481</u>	<u>352,481</u>	

# **Deliverables Report**

## **Distributing invoices**

The invoices for carriers who pay monthly were mailed by April 12, 2009. Invoices were also prepared in April for adjustments and/or first billing as a result of updated revenue data from USAC (Data Collection Agent).

## **Processing Payments**

Payment information from the lockbox service at Mellon Bank is received every Monday for the prior week's deposits. The deposit information is recorded on either Monday or Tuesday each week.

## **Late/Absent Payments**

Statement of accounts are printed at the end of each month. Only those whose accounts were outstanding less than 90 days were mailed.

## **FCC Red Light Notices**

\$660.97 was collected by the FCC in March and refunded to NANP. This represented 107 carriers.

## **Complaints/Queries**

All queries are directed to a voice mailbox. The information is transferred to an Access database. The date, nature of call, name of caller, Filer ID, who responded and on what date and the resolution is tracked. Calls are responded usually within 3 business days. Many queries are dealing with companies who are no longer in business and need to know how to de-activate their Filer ID. Others want to know what NANP is about, they want copies of their invoices.

## **Staffing Changes**

Nothing new to report.

## **Contract Renewal**

The FCC has not started this process yet. The contract expires October 1, 2009. Welch LLP is on the USGSA list.

## **Accounts Receivable**

The old receivables are gradually being cleared up as USAC identifies and verifies companies that are inactive.

We have received procedures from the FCC as to how to apply for approval to write off debt. This has to be done on an individual carrier basis. The FCC has to approve each request for write off.

We have started the process of clearing up the old inactive accounts. We posed some questions to the FCC the end of February and they have not responded with any answers.