

**Billing and Collection Agent Report
For period ending July 31, 2008**

To NANC

September 16, 2008

**NANPA FUND
STATEMENT OF FINANCIAL POSITION
JULY 31, 2008**

Assets

Cash Balance in bank account	\$	80,442
Dreyfus Government Cash Management Fund		4,869,000
Receivable from US Carriers	427,268	
Receivable from Canada	5,733	
Receivable from Caribbean countries	1,696	
Receivables forwarded to FCC for collection (Over 90 days)	174,942	
Allowance for uncollectible accounts	<u>(293,000)</u>	316,640
Interest receivable		<u>7,087</u>
Total assets		5,273,169
Less: Accrued liabilities (see below for makeup)		(419,774)
		<u>-</u>
Fund balance		<u>\$ 4,853,395</u>

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	121,333	
Data Collection Agent - USAC	9,167	
Fund audit	<u>80,000</u>	
	<u>\$ 419,774</u>	

Other items of note

During July 2008, the Dreyfus Government Cash Management Fund earned a rate of return of 1.826%.

**NANPA FUND
FORECASTED STATEMENT OF CHANGES IN FUND BALANCE
JULY 2008 TO JULY 2009**

	Actual	Budgeted											Total	Budget	Variance between forecasted balance at June 30/08 and budget	Estimated Jul-09		
		Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09	Apr-09	May-09					Jun-09	
Revenue																		
International Contributions																		
Canada (1)	11,466	5,733	5,733	5,733	5,733	5,733	5,733	5,733	5,733	5,733	5,732	-	68,795	68,795	-		5,733	
Caribbean countries (1)	13,589	-	-	-	-	-	-	-	-	-	-	-	13,589	13,589	-		13,589	
Total International Contributions	25,055	5,733	5,733	5,733	5,733	5,733	5,733	5,733	5,733	5,733	5,732	-	82,384	82,384	-		19,322	
Domestic Contributions - US carriers (1)	2,269,639	178,720	178,720	178,720	178,720	178,720	178,720	178,720	178,720	178,720	178,720		4,056,839	3,895,083	161,756		2,269,639	
Late filing fees for Form 499A (2)	(500)											115,000	114,500	115,000	(500)		-	
Interest income (3)	7,225	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	172,225	180,000	(7,775)		15,000	
Total revenue	2,301,419	199,453	199,453	199,453	199,453	199,453	199,453	199,453	199,453	199,453	199,452	130,000	4,425,948	4,272,467	153,481		2,303,961	
Expenses																		
NANPA Administration (4), (8)	121,333	215,325	121,825	121,825	121,825	121,825	121,825	121,825	121,825	121,825	121,825	121,825	1,554,908	1,408,661	146,247		121,825	
1K Block Pooling Administration (4), (7)	189,373	189,373	189,373	189,373	189,373	189,374	189,374	189,374	189,374	189,374	189,374	189,374	2,272,483	2,272,483			189,373	
pANI (9)	-	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	91,663	100,000	(8,337)		8,333	
Billing and Collection																		
Welch LLP (4)	19,900	19,900	19,900	19,900	19,900	19,900	19,900	19,900	19,900	19,900	19,900	19,900	238,800	238,800	-		19,900	
Data Collection Agent (5)	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	54,000	54,000			4,500	
Annual Operations Audit (6)	-	-	-	-	-	-	-	-	-	-	-	30,000	30,000	30,000			-	
Carrier Audits (10)	-	-	-	-	-	-	-	700,000	-	-	-	-	700,000	700,000			-	
Bad debt expense (recovery) (11)	39	-	-	-	-	-	-	-	-	-	-	-	39	-	39		-	
Total expenses	335,145	437,431	343,931	343,931	343,931	343,932	343,932	1,043,932	343,932	343,932	343,932	373,932	4,941,893	4,803,944	137,949		343,931	
Net revenue (expenses)	1,966,274	(237,978)	(144,478)	(144,478)	(144,478)	(144,479)	(144,479)	(844,479)	(144,479)	(144,479)	(144,479)	(243,932)	515,945	(531,477)	15,532		1,960,030	
Opening fund balance	2,887,121	4,853,395	4,615,417	4,470,939	4,326,461	4,181,983	4,037,504	3,893,025	3,048,546	2,904,067	2,759,588	2,615,108	1,895,512	2,730,440	156,681		2,371,176	
Closing fund balance	4,853,395	4,615,417	4,470,939	4,326,461	4,181,983	4,037,504	3,893,025	3,048,546	2,904,067	2,759,588	2,615,108	2,371,176	1,379,567	2,198,963	172,213		4,331,206	
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			1,000,000	
Surplus	3,853,395	3,615,417	3,470,939	3,326,461	3,181,983	3,037,504	2,893,025	2,048,546	1,904,067	1,759,588	1,615,108	1,371,176	379,567	1,198,963			3,331,206	
	4,853,395	4,615,417	4,470,939	4,326,461	4,181,983	4,037,504	3,893,025	3,048,546	2,904,067	2,759,588	2,615,108	2,371,176	1,379,567	2,198,963			4,331,206	

- 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 are estimated based on billings for 2008/09.
 - 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 2009 is based on the current contract based on the option to extend exercised by the FCC.
 - The expense for the Data Collection Agent is based on estimate of costs by USAC for the 2009 calendar year.
 - The contract for the annual operations audit has been awarded to Ernst & Young. The cost will be \$30,000.
 - The August forecasted amount includes the forecasted monthly billing of \$189,375.
 - The August forecasted amount includes the forecasted monthly billing of \$121,825 plus approved changes orders of \$93,500.
 - Interim p-ANI administration is now covered under the new Pooling contract. \$100,000 has been allowed for the cost of permanent pANI in 2008/09.
 - 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 July 31, 2008. This will be covered by the contingency allowance.

Reconciliation of Forecast at June 30, 2009 to Budget

Budgeted fund balance at June 30/09 - contingency	1,000,000
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	161,756
Late filing fees (reversal) for Form 499A - 2008	(500)
Additional interest earned to date over budget	(7,775)
NANP transitional costs being charged - not included in budget	(52,747)
NANP Admin change order #15 originally included in 2007/08 surplus but not expended	(93,500)
Data Collection fees - Adjustment to actual from budget	-
Bad debts not budgeted for	(39)
Annual Operations Audit	-
Unexpended budget for carrier audits not performed in 2008/09 budget year	-
Cost of permanent pANI not expended	8,337
	-
Forecasted fund balance at June 30/09	2,371,176

**NANPA FUND
CURRENT AND FORECASTED LIABILITIES**

		Current <u>Jul-08</u>	<u>Aug-08</u>	<u>Sep-08</u>	<u>Oct-08</u>	<u>Nov-08</u>	<u>Dec-08</u>	<u>Jan-09</u>	<u>Feb-09</u>
NEUSTAR - NANPA Administration contract		121,333	215,325	121,825	121,825	121,825	121,825	121,825	121,825
- Payment authorized by the FCC on July 2/08, received by Welch July 21/08									
May 2008	123,062								
June 2008	119,468								
- Authorization by the FCC has not been received for payment									
July 2008		121,333							
		-							
		<u>\$ 121,333</u>							
NEUSTAR - Block Pooling contract		189,374	189,373	189,373	189,373	189,373	189,374	189,374	189,374
- Payment authorized by the FCC on July 2/08, received by Welch July 21/08									
May 2008	189,373								
June 2008	189,373								
- Authorization by the FCC has not been received for payment									
July 2008		189,373							
		-							
		<u>\$ 189,373</u>							
Welch LLP - Billing & Collection Agent		19,900	19,900	19,900	19,900	19,900	19,900	19,900	19,900
- Payment authorized by the FCC on July 15/08, received by Welch July 21/08									
May 2008	19,900								
June 2008	17,537								
- Authorization by the FCC has not been received for payment									
Jul-08		19,900							
		-							
		<u>\$ 19,900</u>							
USAC - Data Collection Agent		9,167	4,500	4,500	4,500	4,500	4,500	4,500	4,500
- Payment authorized by the FCC on July 15/08, received by Welch July 21/08									
March 2008	(167)								
April 2008	4,592								
May 2008	6,273								
- Authorization by the FCC has not been received for payment									
June 2008 (estimate)		4,667							
July 2008 (estimate)		4,500							
		-							
		<u>\$ 9,167</u>							
Carrier audits		-	-	-	-	-	-	-	700,000
External auditor- Annual operations audit		80,000	-	-	-	-	-	-	-
- \$50,000 represents the cost for audit fees for the 2004/05, 2005/06 and 2006/07fiscal years of NANPA. \$30,000 is the cost for the 2007/08 audit that will be done in the fall of 2008.									
		<u>\$ 80,000</u>							
NEUSTAR - pANI administration		\$ -	8,333	8,333	8,333	8,333	8,333	8,333	8,333
Total		<u>419,774</u>	<u>437,431</u>	<u>343,931</u>	<u>343,931</u>	<u>343,931</u>	<u>343,932</u>	<u>343,932</u>	<u>1,043,932</u>