

**Billing and Collection Agent Report
For period ending May 31 2008**

To NANC

June 30, 2008

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

Assets

Cash Balance in bank account	\$	61,953
Dreyfus Government Cash Management Fund		3,606,000
Receivable from US Carriers	253,240	
Receivable from Canada	5,910	
Receivable from Caribbean countries	1,137	
Receivables forwarded to FCC for collection (Over 90 days)	181,417	
Allowance for uncollectible accounts	<u>(214,000)</u>	227,704
Interest receivable		<u>5,894</u>
Total assets		3,901,551
Less: Accrued liabilities (see below for makeup)		(720,860)
		<u>-</u>
Fund balance		<u>\$ 3,180,691</u>

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

Welch LLP	36,772	
NEUSTAR Pooling 1K Block Pooling Expenses	378,747	
NEUSTAR Admin Expenses	244,642	
Data Collection Agent - USAC	10,699	
Fund audit	<u>50,000</u>	
	<u>\$ 720,860</u>	

Other items of note

During May 2008, the Dreyfus Government Cash Management Fund earned a rate of return of 1.96%.

The annual fiscal audit is being performed by Ernst & Young. They will performing the audit for the three fiscal years 2004/05, 2005/06 and 2006/07. The cost of the audit is \$50,000.

**NANPA FUND
FORECASTED STATEMENT OF CHANGES IN FUND BALANCE
JULY 2007 TO MAY 2009**

	Actual		Budgeted	Total	Budget	Variance between forecasted balance at June 30/08 and budget
	July 07 - April 08	May-08	Jun-08			
31-May-08						
Revenue						
International Contributions						
Canada (1)	65,011	5,911	-	70,922	70,922	-
Caribbean countries (1)	13,970	-	-	13,970	13,949	21
Total International Contributions	78,981	5,911	-	84,892	84,871	21
Domestic Contributions - US carriers (1)	4,372,252	197,668	-	4,569,920	4,530,185	39,735
Late filing fees for Form 499A (2)	(8,100)	(500)	147,700	139,100	115,000	24,100
Interest income (3)	149,098	5,940	15,000	170,038	180,000	(9,962)
Total revenue	4,592,231	209,019	162,700	4,963,950	4,910,056	53,894
Expenses						
NANPA Administration (4), (8)	1,219,578	126,143	228,812	1,574,533	1,450,340	124,193
1K Block Pooling Administration (4), (7)	2,146,052	189,374	189,373	2,524,799	3,200,000	(675,201)
pANI (9)	(433,847)	-	-	(433,847)	225,000	(658,847)
Billing and Collection						
Welch LLP (4)	199,000	19,900	19,900	238,800	238,800	-
Data Collection Agent (5)	40,907	1,365	4,667	46,939	56,000	(9,061)
Annual Operations Audit (6)	-	(55,000)	30,000	25,000	30,000	(5,000)
Carrier Audits (10)	-	-	-	-	700,000	(700,000)
Bad debt expense (recovery) (11)	62,547	52	-	62,599	-	62,599
Total expenses	3,234,237	281,834	472,752	3,988,823	5,900,140	(1,911,317)
Net revenue (expenses)	1,357,994	(72,815)	(310,052)	975,127	(990,084)	1,965,211
Opening fund balance	1,895,512	3,253,506	3,180,691	1,895,512	1,990,084	(94,572)
Closing fund balance	3,253,506	3,180,691	2,870,639	2,870,639	1,000,000	1,870,639
Fund balance makeup:						
Contingency	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	-
Surplus	2,253,506	2,180,691	1,870,639	1,870,639	-	-
	3,253,506	3,180,691	2,870,639	2,870,639	1,000,000	-

Assumptions:

- (1) The US carrier contributions for the period from July 2007 to June 2008 and the International carrier revenue is based upon actual billings. The contributions for July 2008 to April 2009 are based on actual billings for:
- (2) These fees represent the \$100 late filing fee charged to those companies that do not file the Form 499A by the due
- (3) Interest income projections are estimates
- (4) The expenses for the NANPA Administration, 1K Block Pooling and Welch LLP are based on contracts in force. NANPA Administration contract expires June 2008. The expense for NANPA Administration for July 2008 - March 2009 is based on the current contract based on the option to extend exercised by the FCC.
- (5) The expense for the Data Collection Agent is based on estimate of costs by USAC for the 2008 calendar year.
- (6) \$45,000 for 2004/05 and \$30,000 each had been accrued for 2005/06 and 2006/07 fiscal years for the annual operations audit. The contract has been awarded to Ernst & You. The audit for the three years was awarded for \$50,000.
- (7) The June forecasted amount includes the forecasted monthly billing of \$189,375.
- (8) The June forecasted amount includes the forecasted monthly billing of \$134,803 plus approved changes orders of \$94,009
- (9) 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.
- (10) The budget allowed \$700,000 for 16 carrier audits. The FCC indicated that no audits have been performed or will be before June 2008. The FCC is revising the procurement procedure and are not conducting any audits until this is in place.
- (11) The allowance covers all accounts considered potentially uncollectible at May 31, 2008. This will be covered by the contingency allowance.

	Estimated										
	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09	Apr-09	May-09
	5,733	5,733	5,733	5,733	5,733	5,733	5,733	5,733	5,733	5,733	5,733
	13,589	-	-	-	-	-	-	-	-	-	-
	19,322	5,733	5,733	5,733	5,733	5,733	5,733	5,733	5,733	5,733	5,733
	1,920,783	178,780	178,780	178,780	178,780	178,780	178,780	178,780	178,780	178,780	178,780
	-	-	-	-	-	-	-	-	-	-	-
	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
	1,955,105	199,513	199,513	199,513	199,513	199,513	199,513	199,513	199,513	199,513	199,513
	117,388	117,388	117,388	117,388	117,388	117,388	117,388	117,388	117,388	117,388	117,388
	189,373	189,373	189,373	189,373	189,373	189,373	189,373	189,373	189,373	189,373	189,373
	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333
	19,900	19,900	19,900	19,900	19,900	19,900	19,900	19,900	19,900	19,900	19,900
	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500	4,500
	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	700,000	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
	339,494	339,494	339,494	339,494	339,494	339,494	339,494	1,039,494	339,494	339,494	339,494
	1,615,611	(139,981)	(139,981)	(139,981)	(139,981)	(139,981)	(139,981)	(839,981)	(139,981)	(139,981)	(139,981)
	2,870,639	4,486,250	4,346,269	4,206,288	4,066,307	3,926,326	2,246,554	2,106,573	1,266,592	1,126,611	986,630
	4,486,250	4,346,269	4,206,288	4,066,307	3,926,326	3,786,345	2,106,573	1,266,592	1,126,611	986,630	846,649
	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
	3,486,250	3,346,269	3,206,288	3,066,307	2,926,326	2,786,345	1,106,573	266,592	126,611	(13,370)	(153,351)
	4,486,250	4,346,269	4,206,288	4,066,307	3,926,326	3,786,345	2,106,573	1,266,592	1,126,611	986,630	846,649

Reconciliation of Forecast at June 30, 2008 to Budget

Budgeted fund balance at June 30/08 - contingency	1,000,000
Shortfall in fund incurred between budget period (March 2007) and June 2007	(94,572)
Additional billings in July 2007 to May 2008	39,756
Late filing fees (reversal) for Form 499A - 2006	24,100
Additional interest earned to date over budget	(9,962)
Adjustment to June NANP Admin estimate to actual	7,000
NANP Admin change orders#6 - 14 not budgeted for	(131,193)
Data Collection fees - Adjust March 2007 to May 2008 estimates to actual	9,061
Bad debts not budgeted for	(62,599)
Annual operations audit - adjusted to awarded amount	55,000
Unexpended budget for carrier audits not performed in 2006/07 budget year	700,000
Adjustment of interim p-ANI costs to actual (over budgeted) based on CO#48	433,847
p-ANI costs included in Pooling contract - not a separate item as budgeted	225,000
Change order #46 cancelled, adjustments to CO # 44,47,49 and 51 from budgeted	35,039
Pooling Change Order #51 not budgeted	(16,987)
Adjustment for Pooling based on actual contract from mid August to June 30th	763,212
Adjustment to April to mid August 2007 Pooling bill estimates to actual	218,646
Pooling - award fee	(9,056)
Pooling - merit bonus re old contract (Jan 1/07 to August 14/07)	(183,805)
Pooling - Fixed fee re old contract (Jan 1/07 to August 14/07)	(131,848)
Forecasted Fund balance at June 30/08	2,870,639

**NANPA FUND
CURRENT AND FORECASTED LIABILITIES**

	Current								
	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	
NEUSTAR - NANPA Administration contract	244,642	228,812	117,388	117,388	117,388	117,388	117,388	117,388	117,388
- Authorization by the FCC has not been received for payment									
April 2008	121,580								
May 2008	123,062								
	<u>\$ 244,642</u>								
NEUSTAR - Block Pooling contract	378,747	189,373	189,373	189,373	189,373	189,373	189,373	189,373	189,373
- Authorization by the FCC has not been received for payment									
April 2008	189,373								
May 2008	189,374								
	<u>\$ 378,747</u>								
Welch LLP - Billing & Collection Agent	36,772	19,900	19,900	19,900	19,900	19,900	19,900	19,900	19,900
- Authorization by the FCC has not been received for payment									
April 2008	18,394								
May 2008	18,378								
	<u>\$ 36,772</u>								
USAC - Data Collection Agent	10,699	4,667	4,500	4,500	4,500	4,500	4,500	4,500	4,500
- Authorization by the FCC has not been received for payment									
March 2008	(167)								
April 2008	4,593								
May 2008	6,273								
	<u>\$ 10,699</u>								
Carrier audits	-	-	-	-	-	-	-	-	-
External auditor- Annual operations audit	50,000	30,000	-	-	-	-	-	-	-
- \$105,000 represents an accrual for audit fees for the 2004/05, 2005/06 and 2006/07 fiscal years of NANPA. Auditor has not been determined									
	<u>\$ 50,000</u>								
NEUSTAR - pANI administration	\$ -	-	-	8,333	8,333	8,333	8,333	8,333	8,333
Total	<u>720,860</u>	<u>472,752</u>	<u>339,494</u>	<u>339,494</u>	<u>339,494</u>	<u>339,494</u>	<u>339,494</u>	<u>339,494</u>	<u>339,494</u>