

# **Billing and Collection Agent Report For period ending November 30, 2007**

To NANC

**December 12, 2007** 

### **NANPA FUND** STATEMENT OF FINANCIAL POSITION November 30, 2007

Ass	ets
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Cash Balance in bank account	\$ 58,965
Dreyfus Government Cash Management Fund	4,553,000
Receivable from US Carriers 266,713	
Receivable from Canada 5,910	
Receivable from Caribbean countries 1,100	
Receivables forwarded to FCC for collection (Over 90 days) 149,662	
Allowance for uncollectible accounts (212,200)	211,185
Interest receivable	 15,297
Total assets	4,838,447
Less: Accrued liabilities (see below for makeup)	(1,058,413)
Fund balance	\$ 3,780,034
Makeup of Accrued Liabilities (see following page for additional details)	

Welch LLP	38,719
NEUSTAR Pooling 1K Block Pooling Expenses	568,121
NEUSTAR Admin Expenses	247,625
Data Collection Agent - USAC	11,488
pANI	87,460
Fund audit	 105,000
	\$ 1,058,413

#### Other items of note

During November 2007, the Dreyfus Government Cash Management Fund earned a rate of return of 4.18%.

Receivables in the amount of \$50,053 was sent to the FCC for collections. Carriers were sent two notices informing them of their outstanding balances.

#### NANPA FUND FORECASTED STATEMENT OF CHANGES IN FUND BALANCE JULY 2007 TO NOVEMBER 2008

		Actu	Actual Budgeted			Budgeted							Variance between
		July 07 - Oct 07	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Total	Budget	forecasted balance at June 30/08 and budget
Revenue													
International Contributions Canada Caribbean countries	(1) (1)	29,551 13,970	5,910	5,910	5,910	5,910	5,910	5,910	5,911 -	-	70,922 13,970	70,922 13,949	- 21
Total International Contributions		43,521	5,910	5,910	5,910	5,910	5,910	5,910	5,911	-	84,892	84,871	21
Domestic Contributions - US carriers	(1)	3,163,348	201,067	199,777	199,777	199,777	199,777	199,777	199,777	-	4,563,077	4,530,185	32,892
Late filing fees for Form 499A	(2)	( 9,100)	900	-	-	-	-	-	-	115,000	106,800	115,000	( 8,200)
Interest income	(3)	78,896	15,493	15,000	15,000	15,000	15,000	15,000	15,000	15,000	199,389	180,000	19,389
Total revenue		3,276,664	223,370	220,687	220,687	220,687	220,687	220,687	220,688	130,000	4,954,158	4,910,056	44,102
Expenses													
NANPA Administration	(4), (8)	499,894	119,467	126,134	115,640	115,640	115,640	115,640	115,640	157,319	1,481,014	1,450,340	30,674
1K Block Pooling Administration	(4), (7)	1,057,607	189,374	214,974	189,375	189,375	189,375	189,375	189,375	189,377	2,598,206	3,200,000	( 601,794)
pANI	(9)	( 429,562)	-	-	-	-	-	-	-	-	( 429,562)	225,000	( 654,562)
Billing and Collection Welch LLP	(4)	79,600	19,900	19,900	19,900	19,900	19,900	19,900	19,900	19,900	238,800	238,800	
Data Collection Agent	(5)	15,208	3,684	4,667	4,667	4,667	4,667	4,667	4,667	4,667	51,561	56,000	( 4,439)
Annual Operations Audit	(6)	-	-	-	-	•	-	-	-	30,000	30,000	30,000	•
Carrier Audits	(10)	-	-	-	-		700,000	-	-	-	700,000	700,000	•
Bad debt expense (recovery)	(11)	56,235	4,107	<del></del>	<u> </u>	<del></del>	<del></del> -	<del></del>	<del></del>	<u> </u>	60,342	•	60,342
Total expenses		1,278,982	336,531	365,675	329,582	329,582	1,029,582	329,582	329,582	401,263	4,730,361	5,900,140	(1,169,779)
Net revenue (expenses)		1,997,683 (	113,161) (	144,988) (	108,895) (	108,895) (	808,895) (	108,895) (	108,894) (	271,263)	223,797 (	990,084)	1,213,881
Opening fund balance		1,895,512	3,893,195	3,780,034	3,635,046	3,526,151	3,417,256	2,608,361	2,499,466	2,390,572	1,895,512	1,990,084	(94,572)
Closing fund balance		3,893,195	3,780,034	3,635,046	3,526,151	3,417,256	2,608,361	2,499,466	2,390,572	2,119,309	2,119,309	1,000,000	1,119,309
Fund balance makeup:													
Contingency Surplus		1,000,000 2,893,195	1,000,000 2,780,034	1,000,000 2,635,046	1,000,000 2,526,151	1,000,000 2,417,256	1,000,000 1,608,361	1,000,000 1,499,466	1,000,000 1,390,572	1,000,000 1,119,309	1,000,000 1,119,309	1,000,000	
		3,893,195	3,780,034	3,635,046	3,526,151	3,417,256	2,608,361	2,499,466	2,390,572	2,119,309	2,119,309	1,000,000	

	Estillateu			
Jul-08	Aug-08	Sep-08	Oct-08	Nov-08
5,909 13,849	5,909	5,909	5,909	5,909
19,758	5,909	5,909	5,909	5,909
2,354,951	199,777	199,777	199,777	199,777
	-		-	-
15,000	15,000	15,000	15,000	15,000
2,389,709	220,686	220,686	220,686	220,686
118,333	118,333	118,333	118,333	118,333
189,375	189,375	189,375	189,375	189,375
-	-		-	-
19,900	19,900	19,900	19,900	19,900
4,667	4,667	4,667	4,667	4,667
-	-	-		-
-	-	-	-	-
	<del></del>			
332,275	332,275	332,275	332,275	332,275
2,057,434	( 111,589) (	( 111,589) (	111,589) (	111,589)
2,119,309	4,176,743	4,065,154	3,953,565	3,841,976
4,176,743	4,065,154	3,953,565	3,841,976	3,730,387
1,000,000	1,000,000	1,000,000	1,000,002	1,000,003
3,176,743 4,176,743	3,065,154 4,065,154	2,953,565 3,953,565	2,841,974 3,841,976	2,730,384 3,730,387
.,,,,,,	.,500,104	5,550,000	0,0.1,070	3,7 30,007

#### Assumptions

- (1) The US carrier contributions for the period from July 2007 to June 2008 is based upon actual billings. 2007/08 International carrier revenue is based on actual. The contributions for July to November 2008 are estimates based on 2007/0
- (2) These fees represent the \$100 late filling fee charged to those companies that do not file the Form 499A by the due date.
- (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 November 2008 is based on the current contract.
- (5) The expense for the Data Collection Agent is based on estimate of costs by USAC for the 2007 calendar year.
- (6) \$45,000 for 2004/05 and \$30,000 each has been accrued for 2005/06 and 2006/07 fiscal years for the annual operations audit. The contract will be awarded once the FCC reviews some contractual issues regarding the audit contract.
- (7) The December forecasted amount includes the forecasted monthly billing of \$189,375 plus the cost of submitted change orders of \$25,599
- $\textbf{(8)} \ \text{The December forecasted amount includes the forecasted monthly billing of $115,640 \ plus \ approved \ changes \ orders \ of $10,494$.}$
- (9) The cost for pANI of \$87,460 has been provided for as per approved change order #48. It is to cover the time period from initiation to August 14, 2007. Interim p-ANI administration is now covered under the new Pooling contract.
- (10) The budget allowed \$700,000 for 16 carrier audits. There were no audits conducted in the calendar year 2007 to date. The FCC is revising the procurement procedure and will not be conducting any audits until this is in place.
- (11) The allowance covers all accounts considered potentially uncollectible at November 30, 2007. This will be covered by the contingency allowance.

#### Reconciliation of Forecast at June 30, 2008 to Budget

Budgeted fund balance at June 30/08 - contingency	1000000
Shortfall in fund incurred between budget period (March 2006) and June 2006	(94,572)
Additional billings in July and August 2007	32,913
Late filing fees (reversal) for Form 499A - 2006	(8,200)
Additional interest earned in July over budget	19,389
Adjustment to June NANP Admin estimate to actual	7,000
NANP Admin change orders#6, 7, 8, 9. 10 ,11, 12 and 13 not budgeted for	(37,674)
Data Collection fees - Adjust March to September estimates to actual	4,439
Bad debts not budgeted for	(60,342)
Annual operations audit - 2005, 2006 and 2007 not performed yet	-
Unexpended budget for carrier audits not performed in 2006/07 budget year	-
Adjustment of interim p-ANI costs to actual (over budgeted) based on CO#48	429,562
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 budge	9,439
Pooling Change Order #51 not budgeted	(16,987)
Adjustment for Pooling based on actual contract from mid August to June 30th	772,941
Adjustment to April to mid August 2007 Pooling bill estimates to actual	218,635
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)	(189,373)
Forecasted Fund balance at June 30/08	2,119,309

## NANPA FUND CURRENT AND FORECASTED LIABILITIES

		Current							
		Nov-07	Dec-07	Jan-08	Feb-08	<u>Mar-08</u>	<u>Apr-08</u>	May-08	<u>Jun-08</u>
NEUSTAR - NANPA Administration contract - Authorization by the FCC has not been received for payment		247,625	126,134	115,640	115,640	115,640	115,640	115,640	157,319
October 2007 November 2007 Co # 11 & 13	121,858 119,467 6,300 \$ 247,625								
NEUSTAR - Block Pooling contract		568,121	214,974	189,375	189,375	189,375	189,375	189,375	189,377
Authorization by the FCC has not been received for payment     September 2007     October 2007     November 2007	189,374 189,374 189,373 \$ 568,121								
Welch LLP - Billing & Collection Agent - Authorization by the FCC has not been received for payment October	18,819	38,719	19,900	19,900	19,900	19,900	19,900	19,900	19,900
November	19,900 \$ 38,719								
USAC - Data Collection Agent - Payment authorized by the FCC on October 5/07, received by Welch October 24/07 August 2007	4,363	11,488	4,667	4,667	4,667	4,667	4,667	4,667	4,667
- Authorization by the FCC has not been received for payment									
September 2007 October 2007 November - estimate	\$ 3,137 \$ 3,684 4,667 \$ 11,488								
Carrier audits		-	-	-	-	700,000	-	-	-
External auditor- Annual operations audit - \$105,000 represents an accrual for audit fees for the 2004/05, 2005/06 and 2006/07fiscal years of NANPA. Auditor has not been determined	\$ 105,000	105,000	-	-	-	-	-	-	30,000
Neustar - pANI administration - Based on Change Order #48	\$ - \$ 87,460	87,460	-	-	-	-	-	-	-
Total		1,058,413	365,675	329,582	329,582	1,029,582	329,582	329,582	401,263