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| ***MEETING MINUTES*** |  |

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| **Meeting Name/Subject**: | **Billing and Collection Agent Oversight Working Group (B&C WG)** |
| **Date**:  | **Thursday, January 29, 2013** | **Time**:  |  **10:00-11:00pm Eastern** |
| **Type** **of Meeting/Location:** | **Conference Call**  |
| **Meeting Attendees:** |

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| **Company** | **Participant List/ Attendance in Bold**  |
| **AT&T** | **Mark Lancaster** |
| **Century Link** | **Mary Retka** |
| Cox Communications | **Beth O'Donnell** |
| **Sprint** | **Rosemary Emmer**, **Karen Riepenkroger** |
| **T-Mobile** | Michele Thomas |
| **Verizon Communications** | **Tim Decker** |
| **FCC** | Ann Stevens, Gary Remondino |
| **NANC** | Chairman Betty Ann Kane |
| **Welch LLP** | **Faith Marcott**, Garth Steele, **Heather Bambrough** |

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| **Author:** | **Rosemary Emmer** |

| Meeting Notes | Actionee/Due Date |
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| ***Proposed Agenda:*****Open Portion:*** Approve December 18,2012 meeting notes
* Review December NANP Report (Welch)
* Review DRAFT BUDGET
* Contingency Plan Draft Review and next steps -- thanks to Mary Retka and Michele Thomas

**Closed Portion:*** Deliverable Doc
 |  * Dec 18 Meeting Minutes approved
* Chairs to call Gary to discuss the budget/NANC report
* NANC report (draft) to be sent to the team by Rosemary
* Goal is to provide the NANC with a contribution factor ‘range’ for consideration in the February meeting --- then when the actual factor is discussed gain NANC consensus via email – this way we avoid reaching consensus on a specific factor as we have in previous years and then having to rework/redo consensus when/if it changes.
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| **Welch Deliverables Report****Distributing invoices**The monthly and annual invoices for carriers were mailed by December 12, 2012**Processing Payments**Payment information from the lockbox service at Mellon Bank is now downloaded on a daily basis. Thedeposit information is recorded daily.**Late/Absent Payments**Statements were mailed November 12, 2012. We started collection calls in October to carriers withoutstanding balances.**FCC Red Light Notices**The new process for the red light is now in effect. At a minimum, an updated red light report is posted to theFCC server for processing once a week. When required, additional updates are posted.**Helpdesk Queries**All queries are directed to a helpdesk 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 istracked. Calls are returned usually within 3 business days. 10 calls were received in December. Most callswere questions about the invoice received, the late filing fee, how to pay, request for copies of invoices,change of address, they are out of business or requesting a W9 and about the date of the invoice.**Staffing Changes**Nothing new to report.**Contract Renewal**The contract expired October 1, 2009. Welch LLP is on the USGSA list. Welch LLP received a 5 monthinterim contract and a 3 month transition which will cover the period from August 1, 2012 to March 31, 2013**Accounts Receivable**We are setting up the database to track the debt that has previously been sent to Treasury and for futuredebt submissions to Treasury. We are in the process of reconciling the debt at Treasury to our records. |  |
| **First Draft Budget – Contribution Factors to consider:**1. The first scenario uses the entire anticipated fund surplus at June 30, 2013 of $453,782. The US carriers would be required to fund $5,290,573 with a funding factor of 0.0000267. This option leaves only the $750,000 in the surplus account which represents the contingency provision.
2. The second scenario is designed to reduce the surplus by approximately one-half resulting in a contribution factor of 0.0000279. This scenario reduces the surplus by $226,891. The total contribution by the US carriers would be $5,517,464. There would be $226,891 excess surplus that could be carried forward to subsidize contributions in the future.
3. The third scenario is designed to leave the surplus in the fund resulting in a contribution factor of 0.0000291. The total contribution by the US carriers would be $5,744,355. There would be $453,782 excess surplus that could be carried forward to subsidize contributions in the future.

**2nd Draft Budget/Contribution Factors as discussed on our call: (provided by Heather)****US Carrier Contribution and Contribution Factor**The US carriers are required to contribute $6,005,354 to the Fund by direct contributions and by reduction in the fund surplus. The International Participants (Canada and Caribbean countries) contribute the remaining $128,592 of the projected costs. The options set out below assume the use of the entire anticipated surplus at June 30, 2013 of $453,782 leaving $5,551,572 to be funded by US carriers. This would leave only the $1,000,000 in the surplus account which represents the contingency provision. There are three scenarios for consideration set out below which are based on three different estimates of industry revenue. The first scenario is based on a revenue base of $198B. This option would result in a contribution factor of 0.000028.The second scenario is based on a revenue base of $196B. This option would result in a contribution factor of 0.0000283.The third scenario is based on a revenue base of $194B. This option would result in a contribution factor of 0.0000286.**Revenue Contribution Base**The revenue estimates were determined by first reviewing the actual 2011 US carrier revenues reported on the April 1, 2012 Form 499A. Given the economic climate this revenue figure was adjusted downwards based on prior years. Three different revenue estimates are provided. This allows analysis of how the contribution factor is affected given various possible revenue scenarios. This figure will be reviewed at the end of April 2013 when preliminary revenue figures from the 2013 Form 499A will be available. The preliminary revenue figures will be analyzed to finalize the revenue assumption and consequently finalize the contribution factor.  |
| **Contingency Plan**Background:* It was noted that after the Dec 6th B&C WG meeting, Mary Retka sent a detailed email to the team reiterating her ask that the B&C WG and Welch come up with a ‘contingency plan’.
* Originally the team thought Mary’s ask was to plan a contingency for just this year– and after much discussion with the team and with the FCC we believe our budget will be in tack without having to use a contingency plan.
* Mary reminded the team that by law we can’t run in the red – and in fact Mary’s original ask was for a full contingency plan to have ‘on file’ going forward for due diligence.
* A high level white paper was submitted for the last meeting.
* Mary Retka and Michele Thomas worked on a more robust plan for this meeting.

January 29, 2013 meeting update:* Mary walked the team through the document.
* Rosemary has version control of V3, and made a few administrative upgrades to the clean V2 version to send to the team in the form of redline.
* There is a citation that needs to be researched and Mary indicated she thought Michele was researching.
* Next steps are for the team to review and consider v3. At the next meeting we will finalize the document, and the Chairs will take it to the FCC for review. Ultimately the team would like to present this doc to the NANC to make them aware of the plan.
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| **Next Call:****Tuesday, February 19, 2013****10:00am Eastern 1 hour***Verizon Bridge***Bridge Number: 866.798.6697****Pass Code: 286.3906#*****Proposed Agenda:*****Open Portion:*** Approve January 29, 2013 meeting notes
* Review January NANP Report (Welch)
* Operational Review (Welch)
* Budget/Contribution factor update (Welch)
* Contingency Plan Update

**Closed Portion:*** Deliverable Doc (December)
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