**Contract Oversight Subcommittee (COSC)**

*A Committee of the Numbering Administration Oversight Working Group of the North American Numbering Council (NANC)*

Meeting Minutes

October 30, 2018

**Attendees:**

Phil Linse (CenturyLink) (Co-Chair)

Betty Sanders (Charter) (Co-Chair)

Myrva Charles (FCC)

Suzanne Howard (Cox)

Barry Hobbins (Maine)

Richard Kania (Maine)

Rosemary Leist (T-Mobile)

Laura Dalton (Verizon)

Dana Crandall (Verizon Wireless)

Linda Richardson (AT&T)

Kim Nadeau (Welch)

Heather Bambrough (Welch)

**Administrative**

Phil Linse welcomed everyone to the meeting. He covered the agenda for today’s meeting as below:

* Introductions
* FCC Opening Comments
* Meeting Notes
* Remaining dates for 2018 meetings

November 27, 2018

December 11, 2018

**Vendor Reports**

* The meeting proceeded with the B&C Agent report. Welch has been the B&C agent since April 2004. Thanks for a job well done!
* Heather reviewed the cash flow projections and budget impacts as a result of the one year NANPA/PA Bridge contract awarded to SOMOS effective November 2018.
* There was a question about the consistency of uncollectible, whether it was higher or lower than usual. Some years, uncollectible can be higher or lower, not consistent; so the uncollectible is not unusual.
* $57,386 is pending FCC approval of Pooling Change Order #6 & #7 and the application of the amount to appropriate of Vendor contract. Also, no payment of account receivables for September 2018 from treasury.
* During the transition to SOMOS, there will be an expense of $776,964 plus $270,602 (extension) of Neustar’s contract for the period of October – December 2018. A monthly expense of $243,333, will begin in November, 2018. Even using the contingency of $1M and the allocated & unspent $200k for carrier audits, a $1,541,974 deficit will be realized due to the difference with SOMOS contract rate. By April, 2019, monies will be exhausted.
* There was a lot of discussion on the best options to manage and cover this expected budget deficit as follows:
1. Push the excess cost into next fiscal year (2019 -2020) with the development of a new contribution factor. Make a balloon payment of the deficit amount $1.5M, in the last month of the 12 month SOMOS contract, if agreeable to SOMOS. The FCC would need a proposal on this recommendation/option to pay SOMOS the same monthly Neustar amount and pay the remainder cost in the last month of SOMOS contract. This option has been utilized successfully with Neustar in the past, per Rosemary.
2. Establish a new contribution factor (.0000551) to cover the $1.5M deficit plus a $200K (contingency), totaling $1.7M. The new contribution factor would need approval by the NANC at the next NANC meeting schedule on December 4, 2018. With approval, the new contribution factor would be applied to Carrier’s invoices in the mid-year fiscal year 2018-2019. Carriers would realize a mid-year contribution increase of an estimated 25% – 28% that would be billed in May, 2019.



**ACTION ITEMS**

1. Evaluation Matrix updated based on Heather and Phil discussion (Phil)
2. Prepare a narrative on the two options to satisfy the increase in costs of SOMOS NANPA & PA Contract to be sent to the COSC.
3. The FCC would need a proposal on our recommendation listed in #1 option above (Phil)
4. Schedule a subsequent meeting for the Neustar NANPA & PA Reports due to time constraints on this call today. A doodle pool will be established to obtain the best time next week for this meeting.
5. The release of the combined TRD and comment cycle will be forthcoming from the FCC

Phil asked for calendar meeting dates for other Industry committee meetings, which involve COSC members, so that COSC meeting can be scheduled for 2019. Please provide a few options for meeting dates.