

**COUNTY CONTRACT NUMBER 542145**  
**AGREEMENT WITH SECURUS TECHNOLOGIES, INC. FOR**  
**DETENTION FACILITIES – INMATE TELEPHONE SERVICES**

This Agreement (“Agreement”) is made and entered into on the date shown on the signature page (“Effective Date”) by and between the County of San Diego, a political subdivision of the State of California (“County”) and Contractor Securus Technologies, Inc. located at 14651 Dallas Parkway, Suite 600, Dallas, Texas 75254 (“ Contractor”), with reference to the following facts:

**RECITALS**

- A. The County, by action of the Board of Supervisors Minute Order No. 11/08/11 (6) authorized the Director of Purchasing and Contracting, pursuant to Administrative Code section 401, to issue a Request for Proposal and upon successful negotiation award an Agreement for Inmate Telephone Services.
- B. Contractor is specially trained and possesses certain skills, experience, education and competency to perform these services.
- C. The Chief Administrative Officer made a determination that Contractor can perform the services more economically and efficiently than the County, pursuant to Section 703.10 of the County Charter.
- D. The Agreement shall consist of this pro forma Agreement, Exhibit A Statement of Work, Exhibit A-1 Contractor’s Proposal, Exhibit B Insurance Requirements and Exhibit C, Payment Schedule, all of which are attached hereto. In the event that any provision of the Pro Forma Agreement or its Exhibits, A, A-1, B or C, conflicts with any other term or condition, precedence shall be: First (1st) the Pro Forma; Second (2nd) Exhibit B; Third (3rd) Exhibit A; Fourth (4th) Exhibit C; and fifth (5<sup>th</sup>), Exhibit A-1.

NOW THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

**ARTICLE I**  
**PERFORMANCE OF WORK**

- 1.1 Standard of Performance. Contractor shall, in good and workmanlike manner and in accordance with the highest professional standards, at its own cost and expense, furnish all of the labor, technical, administrative, professional and all other personnel, all supplies and materials, equipment, printing, transportation, facilities, and all other means whatsoever, except as herein otherwise expressly specified to be furnished by County, necessary or proper to perform and complete the work and provide the services required of Contractor by this Agreement.
- 1.2 Contractor’s Representative. The person identified on the signature page (“Contractor’s Representative”) shall ensure that Contractor’s duties under this Agreement shall be performed on behalf of the Contractor by qualified personnel; Contractor represents and warrants that (1) Contractor has fulfilled all applicable requirements of the laws of the State of California to perform the services under this Agreement and (2) Contractor’s Representative has full authority to act for Contractor hereunder. Contractor and County recognize that the services to be provided by Contractor’s Representative pursuant to this Agreement are unique; accordingly, Contractor’s Representative shall not be changed during the Term of the Agreement without County’s written consent. County reserves the right to terminate this Agreement pursuant to Clause 7.1, below, “Termination for Default”, if Contractor’s Representative should leave Contractor’s employ, or if, in County’s judgment, the work hereunder is not being performed by Contractor’s Representative.
- 1.3 Contractor as Independent Contractor. Contractor is, for all purposes of this Agreement, an independent Contractor, and neither Contractor nor Contractor’s employees or subcontractors shall be deemed to be employees of the County. Contractor shall perform its obligations under this Agreement according to the Contractor’s own means and methods of work which shall be in the exclusive charge and under the control of the Contractor, and which shall not be subject to control or supervision by County except as to the results of the work. Neither Contractor nor Contractor’s employees or subcontractors shall be entitled to any benefits to which County employees are entitled, including without limitation, overtime, retirement benefits, workers’ compensation benefits and injury leave.
- 1.4 Contractor’s Agents and Employees or Subcontractors. Contractor shall obtain, at Contractor’s expense, all agents, employees and subcontractors required for Contractor to perform its duties under this Agreement, and all such services shall be performed by Contractor’s Representative, or under Contractor’s Representatives’ supervision, by persons authorized by law to perform such services. Retention by Contractor of any agent, employee or subcontractor shall be at Contractor’s sole cost and expense, and County shall have no obligation to pay Contractor’s agents, employees or subcontractors; to support any such person’s or entity’s claim against the Contractor; or to defend Contractor against any such claim.

Any subcontract which is in excess of five thousand dollars (\$5,000) or a combination of subcontracts to the same individual or firm for the Agreement period must have prior concurrence of the Contracting Officer Technical Representative. Contractor shall provide Contracting Officer Technical Representative with copies of all other subcontracts relating to this Agreement entered into by Contractor within 30 days after the effective date of the subcontract. Such subcontractors of Contractor shall be notified of Contractor’s relationship to County. “Subcontractor” means any entity, other than County, that furnishes to

**COUNTY CONTRACT NUMBER 542145**  
**AGREEMENT WITH SECURUS TECHNOLOGIES, INC. FOR**  
**DETENTION FACILITIES – INMATE TELEPHONE SERVICES**

Contractor services or supplies relevant to this Agreement other than standard commercial supplies, office space, and printing services.

- 1.4.1 Contractor Responsibility. In the event any subcontractor is utilized by Contractor for any portion of the project, Contractor retains the prime responsibility for carrying out all the terms of this Agreement, including the responsibility for performance and insuring the availability and retention of records of subcontractors in accordance with this Agreement. No subcontract utilizing funds from this Agreement shall be entered into which has a term extending beyond the ending date of this Agreement.
- 1.4.2 Mandated Clause. All subcontracts shall include the Standard Terms and Conditions required of Contractor herein.
- 1.4.3 County Approval. As identified above, all subcontracts under this Agreement shall have prior written approval of the Contracting Officer Technical Representative.

**ARTICLE 2**  
**SCOPE OF WORK**

- 2.1 Statement of Work. Contractor shall perform the work described in the "Statement of Work" attached as Exhibit "A" to this Agreement, and by this reference incorporated herein, except for any work therein designated to be performed by County.
- 2.2 Right To Acquire Equipment and Services. Nothing in this Agreement shall prohibit the County from acquiring the same type or equivalent equipment and/or service from other sources, when deemed by the County to be in its best interest.
- 2.3 Responsibility For Equipment. Except as otherwise provided for herein, County shall not be responsible nor be held liable for any damage to persons or property consequent upon the use, misuse, or failure of any equipment used by Contractor or any of Contractor's employees, even though such equipment may be furnished, rented, or loaned to Contractor by County or owned by a third party. The acceptance or use of any such equipment by Contractor or Contractor's employees shall be construed to mean that Contractor accepts full responsibility for and agrees to exonerate, indemnify and hold harmless County from and against any and all claims for any damage whatsoever resulting from the use, misuse, or failure of such equipment, whether such damage be to the employee or property of Contractor, other Contractors, County, or other persons. Equipment includes, but is not limited to material, computer hardware and software, tools, or other things.

Contractor shall repair or replace, at Contractor's expense all County equipment or fixed assets that are damaged or lost as a result of Contractor negligence.

Except as otherwise provided for herein, County shall not be responsible nor be held liable for any damage to persons or property of third parties consequent upon the transition of services and equipment between Contractor and existing service provider, Public Communications Services, Inc. (PCS).

- 2.4 Variations in Specifications. The County reserves the right to waive a variation in specifications if, in the opinion of County, such variation does not materially change the services or item or its performance within parameters acceptable to the County.

**ARTICLE 3**  
**DISENTANGLEMENT**

- 3.1 General Obligations  
Contractor shall accomplish a complete transition of the Services being terminated from Contractor and the Subcontractors to County, or to any replacement provider designated by County, without any interruption of or adverse impact on the Services or any other services provided by third parties (the "Disentanglement"). Contractor shall fully cooperate with County and any new service provider and otherwise promptly take all steps, including, but not limited to providing all requested information, required to assist County in effecting a complete Disentanglement. Contractor shall provide all information regarding the Services or as otherwise needed for Disentanglement, including data conversion, files, interface specifications, training staff assuming responsibility, and related professional services. Contractor shall provide for the prompt and orderly conclusion of all work, as County may direct, including completion or partial completion of projects, documentation of work in process, and other measures to assure an orderly transition to County or the County's designee. All services related to Disentanglement shall be performed by Contractor at no additional cost to County beyond what County would pay for the services absent the performance of the Disentanglement services. Contractor's obligation to provide the Services shall not cease until the Disentanglement is satisfactory to County, including the performance by Contractor of all asset-transfers and other obligations of Contractor provided in this Paragraph, has been completed.
- 3.2 Disentanglement Process  
The Disentanglement process shall begin on any of the following dates: (i) the date County notifies Contractor that no funds or insufficient funds have been appropriated so that the Term shall be terminated pursuant to the Agreement, Article 7; (ii) the date designated by County not earlier than sixty (60) days prior to the end of any initial or extended term that County has not elected

**COUNTY CONTRACT NUMBER 542145**  
**AGREEMENT WITH SECURUS TECHNOLOGIES, INC. FOR**  
**DETENTION FACILITIES – INMATE TELEPHONE SERVICES**

to extend pursuant to the Agreement's, Signature Page, Contract Term; or (iii) the date any Termination Notice is delivered, if County elects to terminate any or all of the Services pursuant to the Agreement, Article 7. Subject to Exhibit A Contractor's obligation to perform Disentangled Services, and County's obligation to pay for Disentangled Services, shall expire: (A) when funds appropriated for payment under this Agreement are exhausted, as provided in this Agreement, Article 7; (B) at the end of the initial or extended term set forth in this Agreement's, Signature Page, Contract Term; or (C) on the Termination Date, pursuant to this Agreement, Article 7 (with the applicable date on which Contractor's obligation to perform the Services expires being referred to herein as the "Expiration Date"). Contractor and County shall discuss in good faith a plan for determining the nature and extent of Contractor's Disentanglement obligations and for the transfer of the Disentangled Services in process provided, however, that Contractor's obligation under this Agreement to provide all Disentangled Services shall not be lessened in any respect.

**3.3 Specific Obligations**

The Disentanglement shall include the performance of the following specific obligations:

**3.3.1 No Interruption or Adverse Impact**

Contractor shall cooperate with County and all of the County's other service providers to ensure a smooth transition at the time of Disentanglement, with no interruption of Services, no adverse impact on the provision of Services or County's activities, no interruption of any services provided by third parties, and no adverse impact on the provision of services provided by third parties.

**3.3.2 Third-Party Authorizations**

Without limiting the obligations of Contractor pursuant to any other clause in Exhibit A herein, Contractor shall, subject to the terms of any third-party contracts, procure at no charge to County any third-party authorizations necessary to grant County the use and benefit of any third-party contracts between Contractor and third-party contractors used to provide the Services, pending their assignment to County.

**3.3.3 [Reserved.]**

**3.3.4 Return, Transfer and Removal of Assets**

3.3.4.1 Contractor shall return to County all County assets in Contractor's possession, pursuant to Paragraph 2.4 of the Agreement.

3.3.4.2 County shall be entitled to purchase at net book value those Contractor assets used for the provision of Services to County, other than those assets expressly identified by the Parties from time to time as Shared Resources, such Contractor assets as County may select. Contractor shall promptly remove from County's premises, or the site of the work being performed by Contractor for County, any Contractor assets that County, or its designee, chooses not to purchase under this provision.

**3.3.5 Transfer of Leases, Licenses, and Contracts**

Contractor, at its expense, shall convey or assign to County or its designee such leases, licenses, and other contracts used by Contractor, County, or any other Person in connection with the Services, as County may select, when such leases, licenses, and other contracts have no other use by Contractor. Contractor's obligation described herein, shall include Contractor's performance of all obligations under such leases, licenses, and other contracts to be performed by it with respect to periods prior to the date of conveyance or assignment and Contractor shall reimburse County for any Losses resulting from any claim that Contractor did not perform any such obligations.

**3.3.6 Delivery of Documentation**

Contractor shall deliver to County or its designee, at County's request, all documentation and data related to County, including the County Data, held by Contractor, and Contractor shall destroy all copies thereof not turned over to County, all at no charge to County. Notwithstanding the foregoing, Contractor may retain one (1) copy of the documentation and data, excluding County Data, for archival purposes or warranty support.

**ARTICLE 4**  
**COSTS AND COMPENSATION**

The costs that the Contractor is allowed to charge inmates for telephone calls are set forth in Exhibit C, Pricing/Payment Schedule and the compensation requirement is on the signature page.

**4.1 Fiscal for ARG.**

4.1.1 Contractor will pay County the Annual Revenue Guarantee (ARG), pursuant to the Compensation section on the Signature Page for the work specified in Exhibit A, Statement of Work.

4.1.2 Accounting System and Fiscal Monitoring. Contractor shall provide and maintain an accounting and financial support system to monitor and control costs to assure Agreement completion.

**COUNTY CONTRACT NUMBER 542145**  
**AGREEMENT WITH SECURUS TECHNOLOGIES, INC. FOR**  
**DETENTION FACILITIES – INMATE TELEPHONE SERVICES**

- 4.1.3 Invoices. Payments for services performed under this Agreement shall be in accordance with the Compensation section on the signature page, Exhibit A and Exhibit C, unless other payment methodologies are agreed to in writing by both Contractor and County. Contractor shall submit monthly payments to the COTR for work performed in the monthly period, accordingly. Contractor's monthly payments shall include a statement certifying whether it is in compliance with Paragraph 8.9 of this Agreement.
- 4.1.4 Payments. Contractor agrees to pay County monthly in arrears. Payment shall be NET 30 days.
- 4.1.5 [Reserved.]
- 4.2 Fiscal for Debit/Pre-paid Calling Cards.
- 4.2.1 County will reimburse Contractor one hundred percent (100%) of all revenues, as set forth in Exhibit C, collected from inmate accounts for debit service sold through the County's jail stores.
- 4.2.2 Payments. County agrees to pay Contractor for all cards sold monthly to inmates. Payment shall be NET 30 days.
- 4.2.3 Refunding Inmates. In the event of any unused debit time, upon request by a released inmate, Contractor will be responsible for refunding any unused portion through the standard debit card procedures.
- 4.3 [Reserved.]
- 4.4 Conditions Prerequisite To Payments. County may elect not to make a particular payment if any of the following exists:
- 4.4.1 Misrepresentation. Contractor, with or without knowledge, made any misrepresentation of substantial and material nature with respect to any information furnished to County.
- 4.4.2 Unauthorized Actions by Contractor. Contractor took any action pertaining to this Agreement, which required County approval, without having first received said County approval.
- 4.4.3 Default. Contractor was in default under any-terms and conditions of this Agreement.
- 4.5 County Approval. As identified above, all subcontractors under this Agreement shall have prior written consent of the COTR.

**ARTICLE 5**  
**AGREEMENT ADMINISTRATION**

- 5.1 County's Agreement Administrator. The Director of Purchasing and Contracting is designated as the Contracting officer ("Contracting Officer") and is the only County official authorized to make any Changes to this Agreement. The County has designated the individual identified on the signature page as the Contracting Officer's Technical Representative ("COTR")
- 5.1.1 County's COTR will chair Contractor progress meetings and will coordinate County's Agreement administrative functions. The COTR is designated to receive and approve Contractor invoices for payment, audit and inspect records, inspect Contractor services, and provide other technical guidance as required. The COTR is not authorized to change any terms and conditions of this Agreement. Only the Contracting Officer, by issuing a properly executed amendment to this Agreement, may make changes to the scope of work or total price.
- 5.1.2 Notwithstanding any provision of this Agreement to the contrary, County's COTR may make Administrative Adjustments ("AA") to the Agreement, such as line item budget changes or adjustments to the service requirements, which do not change the purpose or intent of the Statement of Work, the Terms and Conditions, the Agreement period or the total Agreement price. Each AA shall be in writing and signed by COTR and Contractor. All inquiries about such AA will be referred directly to the COTR.
- 5.2 Agreement Progress Meeting. The COTR and other County personnel, as appropriate, will meet periodically with the Contractor to review the Agreement performance. At these meetings the COTR will apprise the Contractor of how the County views the Contractor's performance and the Contractor will apprise the County of problems, if any, being experienced. The Contractor shall also notify the Contracting Officer (in writing) of any work being performed, if any, that the Contractor considers being over and above the requirements of the Agreement. Appropriate action shall be taken to resolve outstanding issues. The minutes of these meetings will be reduced to writing and signed by the COTR and the Contractor. Should the Contractor not concur with the minutes, the Contractor shall set out in writing any area of disagreement. Appropriate action will be taken to resolve any areas of disagreement.
- 5.3 Contractor Key Personnel. Contractor's Account Manager and key personnel shall be assigned to this project for the duration of this Agreement and shall diligently pursue all work and services to meet project requirements. Key Personnel are those individuals who report directly to Contractor's Account Manager. Contractor shall remove and replace the Account Manager or

**COUNTY CONTRACT NUMBER 542145**  
**AGREEMENT WITH SECURUS TECHNOLOGIES, INC. FOR**  
**DETENTION FACILITIES – INMATE TELEPHONE SERVICES**

any key personnel as reasonably requested by the Sheriff within fourteen (14) days of Sheriff's written notice. Sheriff's Project Manager shall review and approve the appointment of the replacement Contractor's Account Manager and key personnel. Said approval shall not be unreasonably withheld.

- 5.4 Contractor shall appoint an Account Manager to be the single point of contact for all telephone agreement operational and related issues. This manager will be reachable at all times and will direct the efforts in fulfilling Contractor's obligation under this Agreement. This Account Manager shall be subject to the approval of the Sheriff and shall not be changed without the written consent of the Sheriff's Project Manager, which consent shall not be unreasonably withheld.
- 5.5 Investigative Assistance. Upon request by the Sheriff's point of contact, contractor shall provide reasonable and timely investigation assistance to the extent permitted by law, to the Sheriff pursuant to any criminal or internal investigation of any persons involving the use of products or services provided by this agreement. Such assistance shall be provided at no cost to the Sheriff.

**ARTICLE 6**  
**CHANGES**

- 6.1 Contracting Officer. The Contracting Officer may at any time, by a written order, make changes ("Changes"), within the general scope of this Agreement, in the definition of services to be performed, and the time (i.e.) hours of the day, days of the week, etc.) and place of performance thereof. If any such Change causes an increase or decrease in the cost of, or the time required for, the performance of any part of the work under this Agreement, whether changed or not changed by an such order, an equitable adjustment shall be made in the Agreement price or delivery schedule, or both, and the Agreement shall be modified in writing accordingly.
- 6.2 Claims. Contractor must assert any claim for adjustment under this clause within 30 days from the date of receipt by the Contractor of the notification of Change; provided, however, that the Contracting Officer, if he decides that the facts justify such action, may receive and act upon any such claim asserted at any time prior to final payment under this Agreement. Where the cost of property made obsolete or excess as a result of a change is included in the Contractor's claim for adjustment, the Contracting Officer shall have the right to prescribe the manner of disposition of such property. Failure to agree to any adjustment shall be a dispute concerning a question of fact within the meaning of the clause of this Agreement entitled "Disputes" (Article 15). However, nothing in this clause shall excuse the Contractor from proceeding with this Agreement as changed.

**ARTICLE 7**  
**TERMINATION**

- 7.1 Termination For Default. Upon Contractor's breach of this Agreement, County shall have the right to terminate this Agreement, in whole or part. Prior to termination for default, County will send Contractor written notice specifying the cause. The notice will give Contractor 10 days from the date the notice is issued to cure the default or make progress satisfactory to County in curing the default, unless a different time is given in the notice. If County determines that the default contributes to the curtailment of an essential service or poses an immediate threat to life, health or property, County may terminate this Agreement immediately upon issuing oral or written notice to the Contractor without any prior notice or opportunity to cure. In the event of termination under this Article, all finished or unfinished documents, and other materials, prepared by Contractor under this Agreement shall become the sole and exclusive property of County.

In the event of such termination, the County may purchase or obtain the supplies or services elsewhere, and Contractor shall be liable for the difference between the prices set forth in the terminated order and the actual cost thereof to the County. The prevailing market price shall be considered the fair repurchase price. Notwithstanding the above, Contractor shall not be relieved of liability to County for damages sustained by County by virtue of any breach of this Agreement by Contractor, and County may withhold any reimbursement to Contractor for the purpose of off-setting until such time as the exact amount of damages due County from Contractor is determined.

If, after notice of termination of this Agreement under the provisions of this clause, it is determined for any reason that the Contractor was not in default under the provisions of this clause, the rights and obligations of the parties shall, if this Agreement contains a clause providing for termination for convenience of the County, be the same as if the notice of termination had been issued pursuant to such clause.

- 7.2 Full Cost Recovery Of Investigation And Audit Costs. Contractor shall reimburse County of San Diego for all direct and indirect expenditures incurred in conducting an audit/investigation when Contractor is found in violation (material breach) of the terms of the Agreement. Reimbursement for such costs shall be withheld from any amounts due to Contractor pursuant to the payment terms of the Agreement, or from any other amounts due to Contractor from County.

**COUNTY CONTRACT NUMBER 542145  
AGREEMENT WITH SECURUS TECHNOLOGIES, INC. FOR  
DETENTION FACILITIES – INMATE TELEPHONE SERVICES**

- 7.3 Termination For Convenience. The County may, by written notice stating the extent and effective date terminate this Agreement for convenience in whole or in part, at any time. The County shall pay the Contractor as full compensation for work performed in accordance with the terms of this Contract until such termination:
- 7.3.1 The unit or pro rata price for any delivered and accepted portion of the work.
  - 7.3.2 A reasonable amount, as costs of termination, not otherwise recoverable from other sources by the Contractor as approved by the County, with respect to the undelivered or unaccepted portion of the order, provided compensation hereunder shall in no event exceed the total price.
  - 7.3.3 In no event shall the County be liable for any loss of profits on the resulting order or portion thereof so terminated.
  - 7.3.4 County's termination of this Agreement for convenience shall not preclude County from taking any action in law or equity against Contractor for:
    - 7.3.4.1 Improperly submitted claims, or
    - 7.3.4.2 Any failure to perform the work in accordance with the Statement of Work, or
    - 7.3.4.3 Any breach of any term or condition of the Agreement, or
    - 7.3.4.4 Any actions under any warranty, express or implied, or
    - 7.3.4.5 Any claim of professional negligence, or
    - 7.3.4.6 Any other matter arising from or related to this Agreement, whether known, knowable or unknown before, during or after the date of termination.
- 7.4 Remedies Not Exclusive. The rights and remedies of County provided in this article shall not be exclusive and are in addition to any other rights and remedies provided by law or under resulting order.

**ARTICLE 8  
COMPLIANCE WITH LAWS AND REGULATIONS**

- 8.1 Compliance with Laws and Regulations. Contractor shall at all times perform its obligations hereunder in compliance with all applicable federal, State, and County laws and regulations.
- 8.2 Contractor Permits and License. Contractor certifies that it possesses and shall continue to maintain or shall cause to be obtained and maintained, at no cost to the County, all approvals, permissions, permits, licenses, and other forms of documentation required for it and its employees to comply with all existing foreign or domestic statutes, ordinances, and regulations, or other laws, that may be applicable to performance of services hereunder. The County reserves the right to reasonably request and review all such applications, permits, and licenses prior to the commencement of any services hereunder.
- 8.3 Equal Opportunity. Contractor shall comply with the provisions of Title VII of the Civil Rights Act of 1964 in that it will not discriminate against any individual with respect to his or her compensation, terms, conditions, or privileges of employment nor shall Contractor discriminate in any way that would deprive or intend to deprive any individual of employment opportunities or otherwise adversely affect his or her status as an employee because of such individual's race, color, religion, sex, national origin, age, handicap, medical condition, sexual orientation or marital status.
- 8.4 Affirmative Action. Each Contractor of services and supplies employing fifteen (15) or more full-time permanent employees, shall comply with the Affirmative Action Program for Vendors as set forth in Article IIIk (commencing at Section 84) of the San Diego County Administrative Code, which program is incorporated herein by reference. A copy of this Affirmative Action Program will be furnished upon request by COTR or from the County of San Diego Internet web-site ([www.co.san-diego.ca.us](http://www.co.san-diego.ca.us)).
- 8.5 Drug and Alcohol-Free Workplace. The County of San Diego, in recognition of individual rights to work in a safe, healthful and productive work place, has adopted a requirement for a drug and alcohol free work place, County of San Diego Drug and Alcohol Use Policy C-25. This policy provides that all County-employed Contractors and Contractor employees shall assist in meeting this requirement.
- 8.5.1 As a material condition of this Agreement, the Contractor agrees that the Contractor and the Contractor employees, while performing service for the County, on County property, or while using County equipment:
    - 8.5.1.1 Shall not be in any way impaired because of being under the influence of alcohol or a drug.
    - 8.5.1.2 Shall not possess an open container of alcohol or consume alcohol or possess or be under the influence of an illegal drug.
    - 8.5.1.3 Shall not sell, offer, or provide alcohol or a drug to another person; provided, however, that the foregoing restriction shall not be applicable to a Contractor or Contractor employee who as part of the performance of normal job duties and responsibilities prescribes or administers medically prescribed drugs.

**COUNTY CONTRACT NUMBER 542145**  
**AGREEMENT WITH SECURUS TECHNOLOGIES, INC. FOR**  
**DETENTION FACILITIES – INMATE TELEPHONE SERVICES**

- 8.5.2 Contractor shall inform all employees who are performing service for the County on County property or using County equipment of the County objective of a safe, healthful and productive work place and the prohibition of drug or alcohol use or impairment from same while performing such service for the County.
- 8.5.3 The County may terminate for default or breach this Agreement, and any other Agreement the Contractor has with the County, if the Contractor, or Contractor employees are determined by the Contracting Officer not to be in compliance with the conditions listed herein.
- 8.6 Board of Supervisors' Policies. Contractor represents that it is familiar, and shall use its best efforts to comply, with the following policies of the Board of Supervisors:  
Board Policy B-67, which encourages the County's Contractors to offer products made with recycled materials, reusable products, and products designed to be recycled to the County in response to the County's requirements; and  
Board Policies B-53 and B-39a, which encourage the participation of small and disabled veterans' business enterprises in County procurements.
- 8.7 Cartwright Act. Following receipt of final payment under the Agreement, Contractor assigns to the County all rights, title and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright act (Chapter 1) (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code, arising from purchases of goods, materials, or services by the Contractor for sale to the County under this Agreement.
- 8.8 Hazardous Materials. Contractor shall comply with all Environmental Laws and all other laws, rules, regulations, and requirements regarding Hazardous Materials, health and safety, notices, and training. Contractor agrees that it will not store any Hazardous Materials at any County Facility for periods in excess of ninety (90) days or in violation of the applicable site storage limitations imposed by Environmental Law. Contractor agrees to take, at its expense, all actions necessary to protect third parties, including, without limitation, employees and agents of the County, from any exposure to Hazardous Materials generated or utilized in its performance under this Agreement. Contractor agrees to report to the appropriate governmental agencies all discharges, releases, and spills of Hazardous Materials that are required to be reported by any Environmental Law and to immediately notify the County of it. Contractor shall not be liable to the County for the County's failure to comply with, or violation of, any Environmental Law. As used in this section, the term "Environmental Laws" means any and all federal, state or local laws or ordinances, rules, decrees, orders, regulations or court decisions (including the so-called "common law"), including, but not limited to, the Resource Conservation and Recovery Act, relating to hazardous substances, hazardous materials, hazardous waste, toxic substances, environmental conditions or other similar substances or conditions. As used in this section the term "Hazardous Materials" means any chemical, compound, material, substance or other matter that: (a) is a flammable, explosive, asbestos, radioactive nuclear medicine, vaccine, bacteria, virus, hazardous waste, toxic, overtly injurious or potentially injurious material, whether injurious or potentially injurious by itself or in combination with other materials; (b) is controlled, referred to, designated in or governed by any Environmental Laws; (c) gives rise to any reporting, notice or publication requirements under any Environmental Laws, or (d) is any other material or substance giving rise to any liability, responsibility or duty upon the County or Lessee with respect to any third person under any Environmental Laws.
- 8.9 Debarment and Suspension. As a sub-grantee of federal funds under this Agreement, Contractor certifies that it, its principals, its employees and its subcontractors:
- 8.9.1 Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal Department or agency;
- 8.9.2 Have not within a 3-year period preceding this Agreement been convicted of or had a civil judgment rendered against them for the commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction; violation of Federal or State anti-trust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- 8.9.3 Are not presently indicted or otherwise criminally or civilly charged by a government entity (Federal, State, or local) with commission of any of the offenses enumerated in the paragraph above; and
- 8.9.4 Have not within a 3-year period preceding this Agreement had one or more public transaction (Federal, State, or local) terminated for cause or default.

**ARTICLE 9**  
**CONFLICTS OF INTEREST; CONTRACTOR'S CONDUCT**

- 9.1 Conflicts of Interest. Contractor presently has no interest, including but not limited to other projects or independent Agreements, and shall not acquire any such interest, direct or indirect, which would conflict in any manner or degree with the performance of

**COUNTY CONTRACT NUMBER 542145**  
**AGREEMENT WITH SECURUS TECHNOLOGIES, INC. FOR**  
**DETENTION FACILITIES – INMATE TELEPHONE SERVICES**

services required to be performed under this Agreement. The Contractor shall not employ any person having any such interest in the performance of this Agreement.

9.1.1 California Political Reform Act and Government Code Section 1090 Et Seq. Contractor acknowledges that the California Political Reform Act ("Act"), Government Code section 81000 et seq., provides that Contractors hired by a public agency, such as County, may be deemed to be a "public official" subject to the Act if the Contractor advises the agency on decisions or actions to be taken by the agency. The Act requires such public officials to disqualify themselves from participating in any way in such decisions if they have any one of several specified "conflicts of interest" relating to the decision. To the extent the Act applies to Contractor, Contractor shall abide by the Act. In addition, Contractor acknowledges and shall abide by the conflict of interest restrictions imposed on public officials by Government Code section 1090 et seq.

9.2 Conduct of Contractor: Privileged Information.

9.2.1 Contractor shall inform the County of all the Contractor's interests, if any, which are or which the Contractor believes to be incompatible with any interests of the County.

9.2.2 The Contractor shall not, under circumstances that might reasonably be interpreted as an attempt to influence the recipient in the conduct of his duties, accept any gratuity or special favor from individuals or organizations with whom the Contractor is doing business or proposing to do business, in accomplishing the work under this Agreement.

9.2.3 Contractor shall not use for personal gain or make other improper use of privileged information, which is acquired in connection with his employment. In this connection, the term "privileged information" includes, but is not limited to, unpublished information relating to technological and scientific development; medical, personnel, or security records of the individuals; anticipated materials requirements or pricing actions; and knowledge of selections of Contractors or subcontractors in advance of official announcement.

9.2.4 The Contractor, or employees thereof, shall not offer directly or indirectly gifts, gratuity, favors, entertainment, or other items of monetary value to an employee or official of the County.

9.3 Prohibited Agreements. As required by Section 67 of the San Diego County Administrative Code, Contractor certifies that it is not in violation of the provisions of Section 67, and that Contractor is not, and will not subcontract with, any of the following:

9.3.1. Persons employed by County or of public agencies for which the Board of Supervisors is the governing body;

9.3.2. Profit-making firms or businesses in which employees described in sub-section 9.3.1, above, serve as officers, principals, partners, or major shareholders;

9.3.3. Persons who, within the immediately preceding twelve (12) months came within the provisions of the above sub-sections and who (1) were employed in positions of substantial responsibility in the area of service to be performed by the Agreement, or (2) participated in any way in developing the Agreement or its service specifications; and

9.3.4. Profit-making firms or businesses, in which the former employees described in sub-section 9.3.3 above, serve as officers, principals, partners, or major shareholders.

**ARTICLE 10**  
**INDEMNITY AND INSURANCE**

10.1 Indemnity. County shall not be liable for, and Contractor shall defend and indemnify County and the employees and agents of County (collectively "County Parties"), against any and all claims, demands, liability, judgments, awards, fines, mechanics' liens or other liens, labor disputes, losses, damages, expenses, charges or costs of any kind or character, including attorneys' fees and court costs (hereinafter collectively referred to as "Claims"), related to this Agreement and arising either directly or indirectly from any act, error, omission or negligence of Contractor or its Contractors, licensees, agents, servants or employees, including, without limitation, Claims caused by the concurrent negligent act, error or omission, whether active or passive, of County Parties. Contractor shall have no obligation, however, to defend or indemnify County Parties from a Claim if it is determined by a court of competent jurisdiction that such Claim was caused by the sole negligence or willful misconduct of County Parties.

10.2 Insurance. Prior to execution of this Agreement, Contractor must obtain at its own cost and expense, and keep in force and effect during the term of this Agreement, including all extensions, the insurance specified in Exhibit "B," "Insurance Requirements," attached hereto.

**ARTICLE 11**  
**AUDIT AND INSPECTION OF RECORDS**

The County shall have the audit and inspection rights described in this section.



**COUNTY CONTRACT NUMBER 542145**  
**AGREEMENT WITH SECURUS TECHNOLOGIES, INC. FOR**  
**DETENTION FACILITIES – INMATE TELEPHONE SERVICES**

- 11.1 Audit And Inspection. Contractor agrees to maintain and/or make available within San Diego County accurate books and accounting records relative to all its activities under this Agreement. Authorized Federal, State or County representatives shall have the right to monitor, assess, or evaluate Contractor's performance pursuant to this Agreement, said monitoring, assessments, or evaluations to include but not limited to audits, inspection of premises, reports, and interviews of project staff and participants.

At any time during normal business hours and as often as County may deem necessary, Contractor shall make available to County, State or Federal officials for examination all of its records with respect to all matters covered by this Agreement and will permit County, State or Federal officials to audit, examine and make excerpts or transcripts from such records, and to make audits of all invoices, materials, payrolls, records of personnel, information regarding clients receiving services, and other data relating to all matters covered by this Agreement. If an audit is conducted, it will be done in accordance with generally accepted government auditing standards as described in "Government Auditing Standards," published for the United States General Accountability Office or the institute of Internal Auditors International Standards for the Professional Practice of Internal Auditing.

If any services performed hereunder are not in conformity with the specifications and requirements of this Agreement, County shall have the right to require the Contractor to perform the services in conformity with said specifications and requirements at no additional increase in total Agreement amount. When the services to be performed are of such nature that the difference cannot be corrected, County shall have the right to (1) require Contractor immediately to take all necessary steps to ensure future performance of the services in conformity with requirements of the Agreement, and (2) reduce the Agreement price to reflect the reduced value of the services performed. In the event Contractor fails to perform the services promptly or to take necessary steps to ensure future performance of the service in conformity with the specifications and requirements of the Agreement, County shall have the right to either (1) by Agreement or to otherwise have the services performed in conformity with the Agreement specifications and charge to Contractor any cost occasioned to County that is directly related to the performance of such services, or (2) terminate this Agreement for default as provided in the Termination clause.

- 11.2 Cost or Pricing Data. If the Contractor submitted cost or pricing data in connection with the pricing of this Agreement or any change or modification thereto, unless such pricing was based on adequate price competition, established catalog or market prices of commercial items sold in substantial quantities of the general public, or prices set by law or regulation, the Contracting Officer or his representatives who are employees of the County or its agent shall have the right to examine all books, records, documents and other data of the Contractor related to the negotiation pricing or performance of such Agreement, change or modification, for the purpose of evaluating the accuracy, completeness and currency of the cost or pricing data submitted.
- 11.3 Availability. The materials described above shall be made available at the office of the Contractor, at all reasonable times, for inspection, audit or reproduction, until the expiration of three (3) years from the date of final payment under this Agreement, or by section 11.3.1 and 11.3.2, below:
- 11.3.1 If this Agreement is completely or partially terminated, the records relating to the work terminated shall be made available for a period of three (3) years from the date of any resulting final settlement.
- 11.3.2 Record which relate to appeals under the "Disputes" clause of this Agreement, or litigation or the settlement of claims arising out of the performance of this Agreement, shall be made available until such appeals, litigation, or claims have been disposed of, or three years after Agreement completion, whichever is longer. County shall keep the materials described above confidential unless otherwise required by law.
- 11.4 Subcontract. The Contractor shall insert a clause containing all the provisions of this Article 11 in all subcontract hereunder except altered as necessary for proper identification of the Contracting parties and the Contracting officer under the County's prime Agreement.

**ARTICLE 12**  
**INSPECTION OF SERVICE**

- 12.1 Subject to Inspection. All performance (including services, materials, supplies and equipment furnished or utilized in the performance of this Agreement, and workmanship in the performance of services) shall be subject to inspection and test by the County at all times during the term of this Agreement. Contractor shall cooperate with any inspector assigned by the County to permit the inspector to determine whether Contractor's performance conforms to the requirements of this Agreement. County shall perform such inspection in a manner as not to unduly interfere with Contractor's performance.
- 12.2 Specification and Requirements. If any services performed by Contractor do not conform to the specifications and requirements of this Agreement, County may require Contractor to re-perform the services until they conform to said specifications and requirements, at no additional cost, and County may withhold payment for such services until Contractor correctly performs them. When the services to be performed are of such a nature that Contractor's cannot correct its performance, the County shall have the right to (1) require the Contractor to immediately take all necessary steps to ensure future performance of services conforms to the requirements of this Agreement, and (2) reduce the Agreement price to reflect

**COUNTY CONTRACT NUMBER 542145  
AGREEMENT WITH SECURUS TECHNOLOGIES, INC. FOR  
DETENTION FACILITIES – INMATE TELEPHONE SERVICES**

the reduced value of the services received by County. In the event Contractor fails to promptly re-perform the services or to take necessary steps to ensure that future performance of the service conforms to the specifications and requirements of this Agreement, the County shall have the right to either (1) without terminating this Agreement, have the services performed, by Agreement or otherwise, in conformance with the specifications of this Agreement, and charge Contractor, and/or withhold from payments due to Contractor, any costs incurred by County that are directly related to the performance of such services, or (2) terminate this Agreement for default.

**ARTICLE 13  
USE OF DOCUMENTS AND REPORTS**

- 13.1 Findings Confidential. Any reports, information, data, etc., given to or prepared or assembled by Contractor under this Agreement which the County requests to be kept as confidential shall not be made available to any individual or organization by the Contractor without the prior written approval of the County.
- 13.2 Publication, Reproduction or Use of Materials. No material produced, in whole or in part, under this Agreement shall be subject to copyright in the United States or in any other country. The County shall have unrestricted authority to publish, disclose, distribute and otherwise use, in whole or in part, any reports, data or other materials prepared under this Agreement. All reports, data and other materials prepared under this Agreement shall be the property of the County upon completion of this Agreement.
- 13.3 Confidentiality. County and Contractor agree to maintain the confidentiality of and take industry appropriate and legally required measures to prevent the unlawful disclosure of any information that is legally required to be kept confidential. Except as otherwise allowed by local, State or federal law or regulation and pursuant to this Section 13.3, County and Contractor agree to only disclose confidential records where the holder of the privilege, whether the County, the Contractor or a third party, provides written permission authorizing the disclosure. Contractor understands that County must disclose certain records pursuant to the California Public Records Act ("the Act"). If Contractor demands that County not disclose requested records Contractor believes qualify for exception or exemption from disclosure pursuant to the Act, County will comply with Contractor's demand if Contractor identifies those records and the applicable exception(s) or exemption(s), in writing, within five (5) business days from receipt of County's notice to Contractor of the request for disclosure of records. If Contractor does not identify the records and reason(s) that it deems some or all of the records to be confidential, County may disclose those records at its sole discretion. Contractor agrees that its defense and indemnification obligations set forth in Section 10.1 of this Agreement extend to any Claim (as defined in Section 10.1) against the County Parties (as defined in Section 10.1) for records the County withholds from disclosure at Contractor's direction. This Section 13.3 shall not prevent the County or its agents or any other governmental entity from accessing the confidential records for the purpose of audits or program reviews if that access is legally permissible under the applicable local, State or federal laws or regulations. Similarly, County or its agent or designee may take possession of the record(s) where legally authorized to do so.
- County may identify, for purposes of clarification, certain laws and regulations that are specifically applicable to Contractor's work under this Agreement. Those laws and regulations may be set forth in Exhibit A – Statement of Work. County, however, is under no obligation to identify all applicable laws and regulations and assumes no liability for identifying confidentiality laws and regulations, if any, applicable to the work under this Agreement.
- 13.4 Maintenance Of Records. Contractor shall maintain all records and make them available within San Diego County for a minimum of three (3) years from the ending date of this Agreement unless County agrees in writing to an earlier disposition or longer where legally required or while under dispute. Contractor shall provide any requested records to County within 48-hours of the request.

**ARTICLE 14  
SOFTWARE AND HARDWARE**

- 14.1 Software License. Contractor grants County a perpetual, nonexclusive, nontransferable, worldwide license for an unlimited number of users to receive and use the Software and the Documentation, subject to the terms and conditions of this Agreement. The foregoing object code right and license may be sublicensed by County to third party outsource providers for the purpose of performing information systems services for the County. All rights and licenses granted under or pursuant to this Agreement by Contractor to County are, and shall otherwise be deemed to be, for purposes of Section 3865(n) of the Bankruptcy Code, licenses of rights to "intellectual property" as defined under Section 101(56) of the Bankruptcy Code. The parties agree that County, as a licensee of such rights under this Agreement, shall retain and may fully exercise all of its rights and elections under the Bankruptcy Code. The parties further agree that, in the event of the commencement of a bankruptcy proceeding by or against Contractor under the Bankruptcy Code, County shall be entitled to a complete duplicate of (or complete access to, as appropriate) any such intellectual property and all embodiments of such intellectual property, and same, if not already in its possession, shall be promptly delivered to County (i) upon any such commencement of a bankruptcy proceeding upon written request therefor by County, unless Contractor elects to continue to perform all of its

**COUNTY CONTRACT NUMBER 542145**  
**AGREEMENT WITH SECURUS TECHNOLOGIES, INC. FOR**  
**DETENTION FACILITIES – INMATE TELEPHONE SERVICES**

obligations under this Agreement, or (ii) if not delivered under (i) above, upon the rejection of this Agreement by or on behalf of Contractor upon written request therefor by County.

14.2 Reserved

14.3 Intellectual Property Indemnification. Contractor shall indemnify, defend and hold harmless County from and against any and all claims, demands, suits, actions, proceedings, judgments, losses, damages, injuries, penalties, costs (including attorneys' fees), expenses and liabilities resulting from a claim that the software, in whole or in part, infringes the intellectual property rights of any third party, including without limitation copyrights, patents, or trademarks. If the software or hardware provided by Contractor, or any part thereof, is held to infringe upon any patent, trademark, copyright, trade secret or other intellectual property or proprietary right of any third party and County's use of such software or hardware, or any part thereof, is enjoined or interfered with in any manner, then Contractor, at its option and sole expense, within thirty (30) calendar days of such injunction or interference, shall either: (a) procure for County the right to continue using such software or hardware free of any liability for infringement or violation; (b) replace or modify such software or hardware with a non-infringing software or product of equivalent or better functionality that is reasonably satisfactory to County; or (c) in the event Contractor is unable, after exercising its best efforts to implement one of the options set forth in subsection (a) or (b) above, accept return of the software or hardware at Contractor's sole cost and expense and refund to County an amount equal to the total amount paid by County to Contractor for the software and hardware.

**ARTICLE 15**  
**DISPUTES**

Notwithstanding any provision of this Agreement to the contrary, the Contracting Officer shall decide any dispute concerning a question of fact arising out of this Agreement that is not otherwise disposed of by the parties within a reasonable period of time. The decision of the Contracting Officer shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, capricious, arbitrary or so grossly erroneous as necessarily to imply bad faith. Contractor shall proceed diligently with its performance hereunder pending resolution by the Contracting Officer of any such dispute. Nothing herein shall be construed as granting the Contracting Officer or any other administrative official, representative or board authority to decide questions of law.

**ARTICLE 16**  
**GENERAL PROVISIONS**

- 16.1 Assignment and Subcontracting. Contractor shall not assign any interest in this Agreement, and shall not transfer any interest in the same (whether by assignment or novation), without the prior written consent of the County; County's consent shall not be unreasonably withheld. The Contractor shall make no Agreement with any party for furnishing any of the work or services herein contained without the prior written concurrence of the COTR, pursuant to Paragraph 1.4.
- 16.2 Contingency. This Agreement shall bind the County only following its approval by the Board of Supervisors or when signed by the Purchasing and Contracting Director.
- 16.3 Entire Agreement. This Agreement, together with all Sections attached hereto and other agreements expressly referred to herein, constitute the entire agreement between the parties with respect to the subject matter contained herein. All prior or contemporaneous agreements, understandings, representations, warranties and statements, oral or written, including any proposals from Contractor and requests for proposals from County, are superseded.
- 16.4 Sections and Exhibits: All sections and exhibits referred to herein are attached hereto and incorporated by reference.
- 16.5 Further Assurances: Parties agree to perform such further acts and to execute and deliver such additional documents and instruments as may be reasonably required in order to carry out the provisions of this Agreement and the intentions of the parties.
- 16.6 Governing Law: This Agreement shall be governed, interpreted, construed and enforced in accordance with the laws of the State of California.
- 16.7 Headings: The Article captions, Clause and Section headings used in this Agreement are inserted for convenience of reference only and are not intended to define, limit or affect the construction or interpretation of any term or provision hereof.
- 16.8 Modification; Waiver Except as otherwise provided in Article 6, "Changes," above, no modification, waiver, amendment or discharge of this Agreement shall be valid unless the same is in writing and signed by both parties.
- 16.9 Neither Party Considered Drafter. Despite the possibility that one party may have prepared the initial draft of this Agreement or played the greater role in the physical preparation of subsequent drafts, neither party shall be deemed the drafter of this Agreement and that, in construing this Agreement in case of any claim that any provision hereof may be ambiguous, no such provision shall be construed in favor of one party on the ground that such provision was drafted by the other.

**COUNTY CONTRACT NUMBER 542145**  
**AGREEMENT WITH SECURUS TECHNOLOGIES, INC. FOR**  
**DETENTION FACILITIES – INMATE TELEPHONE SERVICES**

- 16.10 No Other Inducement. The making, execution and delivery of this Agreement by the parties hereto has been induced by no representations, statements, warranties or agreements other than those expressed herein.
- 16.11 Notices. Notice to either party shall be in writing and either personally delivered or sent by certified mail, postage prepaid, return receipt requested, addressed to the party to be notified at the address specified herein. Any such notice shall be deemed received on the date of personal delivery to the party (or such party's authorized representative) or three (3) business days after deposit in the U.S. Mail, as the case may be to the COTR and Contractor's Representative identified on the signature page.
- 16.12 Severability. If any term, provision, covenant or condition of this Agreement is held to be invalid, void or otherwise unenforceable, to any extent, by any court of competent jurisdiction, the remainder of this Agreement shall not be affected thereby, and each term, provision, covenant or condition of this Agreement shall be valid and enforceable to the fullest extent permitted by law.
- 16.13 Successors. Subject to the limitations on assignment set forth in Clause 16.1 above, all terms of this Agreement shall be binding upon, inure to the benefit of, and be enforceable by the parties hereto and their respective heirs, legal representatives, successors, and assigns.
- 16.14 Time. Time is of the essence of each provision of this Agreement.
- 16.15 Time Period Computation. All periods of time referred to in this Agreement shall include all Saturdays, Sundays and state or national holidays, unless the period of time specifies business days, provided that if the date or last date to perform any act or give any notice or approval shall fall on a Saturday, Sunday or State or national holiday, such act or notice may be timely performed or given on the next succeeding day which is not a Saturday, Sunday or State or national holiday.
- 16.16 Waiver. The waiver by one party of the performance of any term, provision, covenant or condition shall not invalidate this Agreement, nor shall it be considered as a waiver by such party of any other term, provision, covenant or condition. Delay by any party in pursuing any remedy or in insisting upon full performance for any breach or failure of any term, provision, covenant or condition shall not prevent such party from later pursuing remedies or insisting upon full performance for the same or any similar breach or failure.
- 16.17 This Agreement may be executed by:
- a. An original written ink signature on paper documents.
  - b. An exchange of facsimile copies or electronic mail containing a scanned PDF file showing the original written ink signature(s) on paper documents. In the event one of these methods are used, the original ink signature(s) on paper documents shall be followed up and transmitted to the County of San Diego's Purchasing and Contracting Director by overnight courier within one business day after a facsimile or email PDF file is transmitted electronically.

The use of any one or a combination of these methods of execution shall constitute a legally binding and valid signing of this Agreement. This Agreement may be executed in one or more counterparts, each of which, when duly executed, shall be deemed an original.

/

/

/

**COUNTY CONTRACT NUMBER 542145  
AGREEMENT WITH SECURUS TECHNOLOGIES, INC. FOR  
DETENTION FACILITIES – INMATE TELEPHONE SERVICES**

**SIGNATURE PAGE**

**AGREEMENT TERM.** This Agreement shall be effective this 7<sup>th</sup> day of August 2012 (“Effective Date”) and end on 6<sup>th</sup> day of August 2015 (“Initial Term”) period of three (3) years.

**OPTION TO EXTEND.** The County’s option to extend is for seven (7) increments of one (1) year each for a total of seven (7) years beyond the expiration of the Initial Term, not to exceed August 6, 2022, pursuant to Exhibit C Payment Schedule. Unless County notifies Contractor in writing, not less than 30 days prior to the expiration date that they do not intend to renew the Agreement, the Agreement will be automatically renewed for another year.

Options To Extend For One To Six Additional Months At End Of Agreement. County shall also have the option to extend the term of this Agreement in one or more increments for a total of no less than one (1) and no more than six (6) calendar months at the discretion of the County Purchasing and Contracting Director. Options shall be exercised by written notice delivered to Contractor no less than fifteen (15) calendar days prior to expiration of any Agreement term.

The rates set forth in Article 4, Exhibit C, or other pricing section of this Agreement shall apply to any option exercised pursuant to this option clause unless provision for appropriate price adjustment has been made elsewhere in this Agreement or by Agreement amendment. All payments are subject to “Availability of Funds.”

**COMPENSATION:** Compensation to be paid to the County of San Diego, Sheriff’s Department, Inmate Services Division, 10159 Mission Gorge Road, Ste. C, Santee, CA 92071.

This is a revenue contract, between the County of San Diego, Sheriff’s and Probation Departments and the Contractor, by which the Contractor will pay the Sheriff’s Department, after the effective date of this contract, a sum of three million five hundred thousand dollars (\$3,500,000) as an annual revenue guaranteed (ARG) amount, plus eighty percent (80%) of any amount in excess of six million four hundred thousand dollars (\$6,400,000) contract year gross revenue. Annual revenue guarantee shall be firm and fixed and subject to change ONLY with the approval of the County of San Diego.

ARG for the Sheriff’s and Probation shall be paid in twelve monthly payments of \$291,666.67 each. The Contractor shall pay the County the full ARG amount of three million five hundred thousand dollars (\$3,500,000) over a twelve month period. Monthly payments to the County shall be within thirty (30) days following the previous month’s gross revenue received by the Contractor.

At the end of each twelve month contract period, the gross revenue shall be calculated. If the gross revenue for that twelve month period exceeds \$6,400,000, the County will receive 80% of the amount that exceeds \$6,400,000 contract year gross revenue. The contractor shall pay the County the money due within 30 days of the end of the contract period.

If any payments due under this section are not received by County within the specified period of NET 30 days, County is entitled to recover interest thereon. Interest shall be at the rate of five (5) percent per annum or any portion thereof calculated from the date payment is due.

Contractor acknowledges that the services in this Agreement are being provided to penological custodial detention facilities and that it may be necessary from time to time for the County to disable the functioning of certain telephones in order to preserve or restore order or for the safety and security of all individual in the facility. Such decisions shall be made in the sole and complete discretion of the Sheriff’s Department personnel, who shall endeavor to disable the least number of telephones for the minimum amount of time necessary.

**COTR.** The County has designated the following individual as the Contracting Officer’s Technical Representative (“COTR”)

Capt. Frank Clamser  
George Bailey Detention Facility  
446 Alta Road Suite 5300  
San Diego, CA 92158  
Tel: (619) 661-2732; Fax: (619) 661-2611; Email: [frank.clamser@sdsheeriff.org](mailto:frank.clamser@sdsheeriff.org)

Aug. 8. 2012 5:03PM

No. 0819 P. 2

**COUNTY CONTRACT NUMBER 542145  
AGREEMENT WITH SECURUS TECHNOLOGIES, INC. FOR  
DETENTION FACILITIES - INMATE TELEPHONE SERVICES**

**CONTRACTOR'S REPRESENTATIVE.** The Contractor has designated the following individual as the Contractor's Representative.

Kristopher Aldeman, Account Manager  
Securus Technologies  
14845 SW Murray Schools Drive, Suite 110-104  
Beaverton, OR 97007  
Phone: 503.913.6118; Email: [kaldeman@securustech.net](mailto:kaldeman@securustech.net)

IN WITNESS WHEREOF, County and Contractor have executed this Agreement effective as of the date first set forth above

COUNTY OF SAN DIEGO

SECURUS TECHNOLOGIES, INC.

By: *Winston F. McColl*  
WINSTON F. McCOLL, Director  
Department of Purchasing and Contracting

By: *Dennis Reinhold*  
DENNIS REINHOLD, Vice President  
General Counsel and Secretary

Date: 08-08-12

Date: 8/8/12

**APPROVED AS TO FORM AND LEGALITY**

By: *Dana DeGala* Date: 8/8/12  
Deputy County Counsel

**COUNTY CONTRACT NUMBER 542145  
AGREEMENT WITH SECURUS TECHNOLOGIES, INC. FOR  
DETENTION FACILITIES – INMATE TELEPHONE SERVICES**

**CONTRACTOR'S REPRESENTATIVE.** The Contractor has designated the following individual as the Contractor's Representative.

Kristopher Aldeman, Account Manager  
Securus Technologies  
14845 SW Murray Schools Drive, Suite 110-104  
Beaverton, OR 97007  
Phone: 503.913.6118; Email: [kaldeman@securustech.net](mailto:kaldeman@securustech.net)

IN WITNESS WHEREOF, County and Contractor have executed this Agreement effective as of the date first set forth above

COUNTY OF SAN DIEGO

SECURUS TECHNOLOGIES, INC.

By:   
WINSTON F. McCOLL, Director  
Department of Purchasing and Contracting

By:   
DENNIS REINHOLD, Vice President  
General Counsel and Secretary

Date: 8/13/2012  
Hudson

Date: 8/13/12

**APPROVED AS TO FORM AND LEGALITY**

By:  Date: 8/13/12  
Deputy County Counsel

/

**COUNTY CONTRACT NUMBER 542145**  
**AGREEMENT WITH SECURUS TECHNOLOGIES, INC. FOR**  
**DETENTION FACILITIES – INMATE TELEPHONE SERVICES**  
**EXHIBIT A – STATEMENT OF WORK**

---

## **1.0 BACKGROUND**

The County of San Diego, through the Sheriff's Department, requires an independent prime contractor to provide automated operator platform local telephone service, equipment, installation and maintenance for inmate telephones located throughout the County of San Diego detention facilities (Sheriff and Probation).

## **2.0 SCOPE**

- 2.1** This is a turnkey project. The services will be for automated operator platform telephone service to include equipment and maintenance to provide local, long distance, international, selected free calls, collect, pre-paid, and debit telephone service in the facilities listed herein. This includes all the necessary labor, circuits interconnecting with the local exchange carrier and/or inter-exchange carrier. The desired system includes open architecture, a flexible call accounting system, and blocked number capabilities. The desired service includes local exchange collect only service, automated operator collect only (0+) and a pre-paid and/or debit calling system. The system must be of an open architecture to allow ease of integration with existing or future systems that operate on either PC based networks, mainframes, or other platforms. This could include interaction on legal calls with such entities as Adult Probation, Public Defender, etc. The system must meet Americans Disability Act (ADA) requirements and Title 24 of the California Board of Corrections Regulations, provide access to English, Spanish and three other most commonly used languages, handle Telecommunication Device for the Deaf and Teletypewriter Device (TDD, TTY) calls and have extensive call blocking and free call capabilities at various levels and various times as deemed necessary by the Sheriff. System monitoring, recording, archiving and administration must be accessible by the Sheriff's Department via a secure connection on the World Wide Web (Internet).
- 2.2** Global Tel\*Link Company (GTL) owns all inmate collect telephone units currently in operation at the County of San Diego detention facilities. This company provides telephone services of local exchange collect, prepaid and debit billing services in its area. GTL will continue to operate and maintain their telephone systems and equipment under the terms and conditions of the existing contract, pending the transition and acceptance of the new inmate telephone system at each detention facility.
- 2.3** Telephone sets consist of an upper and lower housing constructed of high-security steel that provides a level of security against vandalism, firmly secured to a backboard. Telephone sets have a faceplate attached to the upper housing and provides cutouts to expose the dial pad, upper and lower dial instruction signage, and telephone number. The faceplate is secured via screw studs in addition to the upper left-hand logo plate that provides extra support. The Integrated Circuit (IC) set uses a standard Central Office +48 volts of talking battery. The coin return bucket is cemented shut for inmate telephones. Each pay phone has a handset that consists of a molded handle, receiver unit, transmitter cup, receiver and transmitter caps, handset cord and a cotton or polyester acoustical barrier. Each handset utilizes a receiver unit and coil, which provides an external magnetic field for inductive coupling to certain types of hearing aids, which are identified by the blue grommet on the handset. All handsets are equipped with a 12 inch steel handset cable. All receiver and transmitter caps are cemented to the handle to prevent loss.
- 2.4** There are twelve distinct detention facilities. These facilities, commonly called Sheriff's jails or Probation camps, are spread throughout the county. Each facility is much like a city itself. The current average daily population for all of the detention facilities is approximately 5,100, with a total of 786 inmate telephones. For the period July 1, 2010 through June 30, 2011, 786 phones generated 1.33 million calls for a total of 10.64 million minutes.

## **3.0 PROFESSIONAL STANDARDS**

- 3.1** Contractor shall maintain an organizational structure and sufficient staff to administer and supervise all of the functions for which it is responsible under the terms and conditions of this contract and all applicable ordinances, rules, statutes, and laws.



**COUNTY CONTRACT NUMBER 542145**  
**AGREEMENT WITH SECURUS TECHNOLOGIES, INC. FOR**  
**DETENTION FACILITIES – INMATE TELEPHONE SERVICES**  
**EXHIBIT A – STATEMENT OF WORK**

---

- 3.2 All inmate telephone services performed by Contractor under this contract shall be effectuated only by trained technicians or licensed personnel, and shall be performed in compliance with all applicable local, state and federal laws regulating service of process.

**4.0 PAYMENT FOR SERVICES**

- 4.1 Revenue Payment for telephone services shall be in accordance with Exhibit C Pricing/Payment Schedule and the Pro Forma Compensation section.
- 4.2 Contractor shall furnish County a monthly revenue statement that lists each charge for service separately. Contractor shall submit this revenue statement within 5 business days after the end of the month.

**5.0 SERVICE REQUIREMENTS**

Automated Operator Platform Local/Long Distance Service

Contractor shall provide automated operator platform system for local phone service (LEC) to include installation and maintenance of all inmate telephones located throughout the County of San Diego detention facilities. Contractor will be responsible for coordinating the installation of Contractor's instruments in all existing telephone sites and, where required, the installing of telephone enclosures. Contractor will be responsible for any changeover costs associated with installing new inmate telephone instruments, associated equipment and enclosures. Contractor will be required for the phased plan to replace current telephone equipment. Contractor's type of telephone instruments and enclosures shall be subject to approval by the Sheriff. Contractor will additionally be responsible for providing, implementing and managing a prepaid and/or debit calling system at no cost to the County.

**6. LOCATIONS**

County of San Diego Sheriff and Probation currently have inmate telephones for local service and interchange carrier at the following locations:

San Diego Central Jail (SDCJ)  
1173 Front Street, San Diego, CA 92112  
Number of Telephones – 144

Located in downtown San Diego, the SDCJ is a maximum-security facility. It has a Corrections Standards Authority (CSA) rated and Court-Ordered capacity of 944 inmates. The San Diego Central Jail is the central receiving point for adult males arrested in the greater San Diego metropolitan area.

George Bailey Detention Facility (GBDF)  
446 Alta Road, Suite 530, San Diego, CA 92158  
Number of Telephones – 158

The GBDF is a maximum-security facility and the largest of the Sheriff's detention facilities. The CSA rated capacity is 1,380 inmates, a Court-Ordered capacity of 1,888. It is situated in a complex along with the East Mesa Detention Facility, Sheriff's Facility 8, East Mesa Juvenile Detention Facility and C.C.A., a privately-run detention facility for federal inmates. In fiscal year 2010-2011 (July 1, 2010 – June 30, 2011) the GBDF had an average daily population of 1,559 inmates.

East Mesa Detention Facility (EMDF)  
446 Alta Road, Suite 5200, San Diego, CA 92158  
Number of Telephones – 40

The EMDF is a medium-security facility built in conjunction with the George F. Bailey Detention Facility. The facility has a CSA rated capacity of 360 and a 562 Court-Ordered and self-rated inmate capacity. In fiscal year 2010-2011 (July 1, 2010 – June 30, 2011) the EMDF had an average daily population of 365 inmates.

**COUNTY CONTRACT NUMBER 542145  
AGREEMENT WITH SECURUS TECHNOLOGIES, INC. FOR  
DETENTION FACILITIES – INMATE TELEPHONE SERVICES  
EXHIBIT A – STATEMENT OF WORK**

---

Sheriff's Facility 8  
446 Alta Road, Suite 5300  
San Diego, CA 92158  
Number of Telephones – 18

Facility 8 is a medium-security facility built in conjunction with the George F. Bailey Detention Facility. The facility has a CSA rated capacity of 200 and a 300 Court-Ordered and self-rated inmate capacity. In fiscal year 2010-2011 (July 1, 2010 – June 30, 2011) the Facility 8 had an average daily population of 162 inmates.

South Bay Detention Facility (SBDF)  
500 3<sup>rd</sup> Avenue, Chula Vista, CA 91910  
Number of Telephones – 64

This facility is part of a larger Regional complex of courts and other county offices (South Bay Regional Center). The several-story structure has a CSA-rated capacity of 386 and Court-ordered capacity of 431. South Bay is not a booking facility. In fiscal year 2010-2011 (July 1, 2010 – June 30, 2011) the SBDF had an average daily population of 362 inmates.

Las Colinas Detention Facility (LCDF)  
9000 Cottonwood Avenue, Santee, CA 92071  
Number of Telephones – 85

Housing for most all of the Sheriff's female inmates is provided at this facility in a single level, dormitory setting. The CSA-rated capacity is 432 and the court-ordered capacity is 500 inmates at this facility not including an annex at Las Colinas north of approximately 200 inmates. In fiscal year 2010-2011 (July 1, 2010 – June 30, 2011) the LCDF had an average daily population of 616 inmates and booked 15,362 newly arrested individuals.

Vista Detention Facility (VDF)  
325 S. Melrose Drive, Vista, CA 92083  
Number of Telephones – 120

The VDF is the Sheriff's northernmost jail. Multi-story, like South Bay, VDF was built as part of a larger North County Regional complex. Unlike any of the other jails however, it houses both male and a small number of female inmates. This facility has a CSA-rated capacity of 820 and a court-ordered capacity of 886. In fiscal year 2010-2011 (July 1, 2010 – June 30, 2011) the SBDF had an average daily population of 754 inmates and booked 24,219 newly arrested individuals.

Camp Barrett  
21077 Lyons Valley Road, Alpine, CA 91901  
Number of Telephones – 18

Camp Barrett is located in a rural setting located in Lyons Valley. Camp Barrett has the capacity to provide 150 minimum-security beds to male juveniles aged 16 to 24. Camp Barrett is a 24-hour, institutional setting for juvenile males that are wards of the court. The average daily population at Camp Barrett is 135 wards.

Juvenile Ranch Facility (JRF)  
Rancho del Campo/Rayo, 957 Forrest Gate Road, Campo, CA 91902  
Number of Telephones – 27

JRF is located in a rural setting located in Campo, California approximately 50 miles east of downtown San Diego. JRF is also a minimum-security, 24-hour institutional setting for juvenile males with an average daily population of 132 wards. JRF has the capacity to provide 250 minimum security beds for male juveniles aged 12 to 17. Currently three (3) of five (5) dorms are occupied.

**COUNTY CONTRACT NUMBER 542145  
AGREEMENT WITH SECURUS TECHNOLOGIES, INC. FOR  
DETENTION FACILITIES – INMATE TELEPHONE SERVICES  
EXHIBIT A – STATEMENT OF WORK**

---

Kearny Mesa Juvenile Detention Facility (KMJDF)  
2801 Meadowlark Drive, San Diego, CA 92123  
Number of Telephones – 47

KMJDF is centrally located in Kearny Mesa and houses juveniles-male and female, waiting court disposition. KMJDF is a secured 24-hour detention facility. The average daily population at KMJDF is 252 youths.

Girls Rehabilitation Facility (GRF)  
2861 Meadowlark Drive, San Diego, CA 92123  
Number of Telephones – 5

GRF is located directly next to Kearny Mesa Juvenile Detention Facility in Kearny Mesa and is a minimum security, 24-hour detention facility. GRF houses juvenile females only and is considered placement. The average daily population at GRF is 41 girls.

East Mesa Juvenile Detention Facility (EMJDF)  
446 Alta Road, San Diego, CA 92158  
Number of Phones – 60

EMJDF is located adjacent to the George Bailey Detention Facility in the Otay Mesa area of the County. The capacity of EMJDF is 390 beds for male juveniles waiting court disposition or placement in a Probation camp program, a residential treatment facility or a State facility. The average daily population at EMJDF is 248 male juveniles.

The contractor shall provide additional phones at existing or additional locations at no cost to the County.

## **7. CONTRACTOR'S RESPONSIBILITIES**

### **7.1 Equipment and Local Service Area**

- 7.1.1 Contractor will provide all material and labor necessary to install, test, and implement each inmate telephone and any enhanced service(s) to ensure full operational capability of the inmate telephone system.
- 7.1.2 Contractor will be responsible for the full cost of providing, installing, and maintaining tariffed telephone line access services to each telephone.
- 7.1.3 Contractor will provide additional inmate telephones as requested by the Sheriff during the term of this contract, at no cost to the County.
- 7.1.4 Contractor will move, remove or disconnect inmate telephones at the request of the Sheriff at no cost to the County.
- 7.1.5 Contractor shall complete all telephone-related repair requests made by the Sheriff within two weeks from the time the request is made, unless otherwise specified by Sheriff.
  - 7.1.5.1 Repairs shall commence within two hours of service call notification by Sheriff to Contractor.
- 7.1.6 Contractor-Vendor Background Clearance Process
  - 7.1.6.1 All future contracts will indicate the contractor\vendor will comply and adhere to the designated Sheriff's Department background investigation clearance listed below.
  - 7.1.6.2 CLETS\CORJ systems are defined as:
    - 7.1.6.2.1 Systems that access CLETS information (e.g. CLETS switch, CAD, JIMS)
    - 7.1.6.2.2 Systems that contain criminal history information (e.g. Records Index, DA systems, SD Fusion, JIMS, NetRMS)

**COUNTY CONTRACT NUMBER 542145**  
**AGREEMENT WITH SECURUS TECHNOLOGIES, INC. FOR**  
**DETENTION FACILITIES – INMATE TELEPHONE SERVICES**  
**EXHIBIT A – STATEMENT OF WORK**

---

- 7.1.6.3 Vendors that do not possess a Level I clearance will always be escorted either physically or electronically.
- 7.1.6.4 Pursuant to California department of Justice (DOJ) CLETS – Policies, Procedures, section 1.8.2.A.4, requires that all persons, including volunteers, private vendor personnel, contractors and subcontractors with access or potential access to CORI, including, but not limited to, information from CLETS, local County records, CAD, and JIMS, shall receive CORI/CLETS training from a certified CLETS/National Crime Information Center (NCIC) trainer. As access, or potential access to CLETS/CORI, can be in the form of hardcopy documentation, verbal communication, or other forms of information sharing, volunteers and contract staff may have access to Sheriff's facilities where CLETS/CORI is created, stored, handled or discussed. Contractor shall ensure that all employees, volunteers and subcontractors with Level I or Level II status complete CORI/CLETS training within six months of assignment to this contract. CORI/CLETS training will be provided by the Sheriff's Department pursuant to DOJ requirements and other requirements as may be deemed appropriate by Sheriff.
- 7.1.6.4.1 Contractor shall complete the CLETS/CORI Training Request Form (Attachment 1) for all employees, volunteers and subcontractors with Level I or II status that have not received CORI/CLETS training. Contractor shall forward this form, within 30 days of employee, volunteer or subcontractor assignment to this contract, to the Sheriff's Department, Attention Capt. Frank Clamser. As part of the CLETS/CORI training, contractor employees, volunteers and subcontract personnel will be required to sign the Employee/Volunteer Statement Form (Attachment 2)
- 7.1.6.4.2 Fulfillment of the CLETS/CORI: The training requirement shall be evidenced by providing a copy of the certificate of completion of CLETS/CORI training, signed by a certified CLETS/NCIC trainer. Contractor shall provide the copy of the signed certificate to Sheriff Contract Division at the address stated in the contract.
- 7.1.6.4.3 Contractor shall notify Sheriff of any changes in writing or email for employees, volunteers or subcontractors assigned to this contract within thirty days of assignment or termination.

**Level I**

**Unescorted access to CLETS\CORI systems**

**Unescorted physical access to non-detention facility**

**Requirements:**

- Full background (Limited Security Clearance Investigation – LSCI)
- NCIC records check
- Fingerprint check
- CVSA
- Sheriff Contractor ID card issued – unescorted\unsupervised
- Controlled unsupervised remote access allowed to appropriate systems
- Sheriff Network access given for long-term on-site personnel (includes controlled SWW access)
- Complete CLETS/CORI training by a certified CLETS/NCIC trainer in accordance with section 7.1.6.4 above.

**COUNTY CONTRACT NUMBER 542145  
AGREEMENT WITH SECURUS TECHNOLOGIES, INC. FOR  
DETENTION FACILITIES – INMATE TELEPHONE SERVICES  
EXHIBIT A – STATEMENT OF WORK**

---

- Pass CLETS first-level exam administered by the Department's ACC
- Prox-card access given to specific sites on an as needed basis

**Level II**

**Escorted access to CLETS\CORI systems**

**Escorted physical access to all facilities**

**Requirements:**

- Full background (Limited Security Clearance Investigation – LSCI)
- NCIC records check
- Fingerprint check
- No CVSA
- Complete CLETS/CORI training by a certified CLETS/NCIC trainer in accordance with section 7.1.6.4 above.
- Pass CLETS first-level exam administered by the Department's ACC
- Sheriff visitor ID card issued if on-site
  - Escorted by Sheriff personnel at all times
- Escorted electronically via Live Meeting / Web EX when accessed remotely
  - System security enabled (limits access to designated systems)
  - Monitored live by Sheriff employee
  - Will be monitored live by Sheriff employee and recorded if possible

**Level III**

**Escorted access non-CLETS\CORI systems**

**Intermittent (on-call, emergency access, intermittent access) access worker any facility**

**Requirements:**

- Sheriff visitor ID card issued if on-site
  - Escorted by Sheriff personnel at all times
- Escorted electronically via Live Meeting / Web EX when accessed remotely
  - System security enabled (limits access to designated systems)
  - Monitored live by Sheriff employee
  - Will be monitored live by Sheriff employee and recorded if possible

7.1.8 Contractor to setup an orderly transition of phone service with current vendor without interruption to phone service. Transition is to be completed within 30 days from date of contract execution to include utilization or replacement of existing instruments, wire and all related components.

7.1.9 Each instrument and phone enclosure shall be cleaned and wiped each time it is serviced, if needed.

7.1.10 Maintain a register of all equipment breakdowns, including machine number, location, time breakdown discovered or reported, nature of failure, time and date of repair, and cost of repair. This register will be available to Sheriff on request.

**7.2 Maintenance**

7.2.1 Contractor shall provide all necessary labor, parts, materials, and transportation to maintain all telephone and related services equipment in good working order and maintenance must be in

**COUNTY CONTRACT NUMBER 542145  
AGREEMENT WITH SECURUS TECHNOLOGIES, INC. FOR  
DETENTION FACILITIES – INMATE TELEPHONE SERVICES  
EXHIBIT A – STATEMENT OF WORK**

---

- compliance with the equipment manufacturer's specifications through the term of the contract.
- 7.2.2 Contractor shall provide all service calls at no charge or commission adjustments (this includes replacement of broken parts due to vandalism).
- 7.2.3 Contractor shall maintain, in good working order, all inmate telephones and related equipment, any wiring and software required as provided under this contract. New software releases shall be offered as available and shall be fully tested to the satisfaction of the Sheriff's Department before full deployment. The Sheriff's appointed Project Manager will have the ultimate say in the matter of satisfaction.
- 7.2.4 Contractor shall provide telephone equipment personnel who have been fully trained and qualified as Service Technicians in Public Communications on the equipment and software to be serviced and/or certified by the equipment manufacturer if the manufacturer requires such certification.
- 7.2.4.1 Contractor shall provide at least two full-time technicians on-site to proactively and reactively maintain the system.
- 7.2.5 All repair work is the responsibility of the prime contractor. Any work is to be completed by local experienced technicians who have been given security clearance by the County. Any sub-contracted firm used by the prime contractor shall have prior written approval from the Sheriff's Department due to security concerns in the detention facilities.
- 7.2.6 Contractor shall be responsible for determining whether a line access failure is the fault of the local exchange carrier (LEC), the inter-exchange carrier (IEC/IXC) or the provider's equipment. If the Contractor determines that the telephone company is at fault, then the Contractor must contact the telephone company and negotiate the desired services. If the failure is determined to be the fault of the provider's equipment hardware, software or wiring, the problem shall be corrected by the Contractor at no cost to the County. Contractor shall expend its best efforts to isolate and correct all failures within 24 hours. In the event a problem cannot be solved within the 24-hour period, the Contractor must contact the Contract Administrator as to the problem location and propose a plan to correct the problem. Contractor's proposed solution must meet with the satisfaction of and be approved by the Sheriff.
- 7.2.7 Contractor shall absorb the costs of all fraudulent calls including but not limited to unbillable calls, uncollectible calls and any revenue shortage associated with these calls will not be used to reduce the payment to the County.
- 7.2.8 Any act of vandalism or machine break-ins discovered by the Contractor shall be reported immediately to the facility security personnel. The Contractor will be totally responsible for any losses due to acts of vandalism or other loss.
- 7.2.9 Contractor shall have support available at all times (24/7/365), in case of emergency.

## **8. TECHNICAL SPECIFICATIONS AND REQUIREMENTS**

This section sets forth the desired technical specifications for the service and equipment. Any features, equipment or labors not specifically mentioned, but necessary for the fully operational inmate telephone service system, are included. The Contractor shall provide the products and services that meet or exceed all of the specifications and requirements set forth in this Section 8. Contractor shall include other or additional specifications or requirements if mandatory by code or statute or if it will allow for a more economical and efficient system.

### **8.1 EQUIPMENT / SPECIFICATIONS AND SERVICE AREA**

#### **8.1.1 Federal and State Rules and Regulations**

Contractor shall comply with Federal and State regulations specific to, but not limited to, the following:  
The Contractor shall comply with all Federal Communications Commission (FCC) and California Public

**COUNTY CONTRACT NUMBER 542145**  
**AGREEMENT WITH SECURUS TECHNOLOGIES, INC. FOR**  
**DETENTION FACILITIES – INMATE TELEPHONE SERVICES**  
**EXHIBIT A – STATEMENT OF WORK**

---

Utilities Commission (CPUC) rules, regulations and standards. The contractor shall not charge any rates, fees or other charges to the inmate or the inmate's families that are not specifically approved by the County of San Diego, the FCC and the CPUC. This includes but not limited to fees such as Bill Statement Fees and/or Bill Rendering Fees or similar charges that are charged by the Contractor to recover costs associated with the provision and maintenance of the proposed inmate telephone system.

The Contractor must be authorized by the Public Utilities Commission (PUC) to provide Intra- Lata Service

Contractor's instruments must be designed to accommodate use by the hearing impaired. Provisions for the deaf must comply with Federal and State Regulations regarding Telephone Devices for the Deaf (TDD). Each facility requires one TDD telephone except for the San Diego Central Jail and George Bailey Detention Facility which requires two.

Contractor, Sheriff, and all subcontractors shall comply with all current applicable FCC and CPUC rules and regulations throughout the term of this Agreement.

Contractor shall provide and put in place agreements for access to all LEC and IXC necessary for the telephone system to work economically and efficiently.

#### 8.1.2 Electrical Requirements

8.1.2.1 Contractor's instruments, line powered, must be UL and FCC approved. All instrument installation must comply with the National Electrical Code requirements for wiring, conduit, and electrical hookups.

8.1.2.2 Contractor provided wiring must be concealed, i.e., unexposed.

8.1.2.3 The Contractor's telephones shall be line powered, requiring no AC power, backup batteries, and require no electricity to be run to telephones located in the cellblocks and be powered solely by the serving telephone line.

8.1.2.4 The Contractor shall provide system capabilities for prevention of power surges and equipment capabilities for prevention for power outages.

8.1.2.5 The Contractor's telephone system servers, monitoring, recording and archiving equipment must remain operational during a loss of power at any detention facility and shall have an Uninterruptible Power Supply (UPS) system capable of operation for a minimum of four (4) hours or a reasonable time defined and agreed to by the Sheriff's Department. Contractor system shall operate in conjunction with the County's generator back-up power supply.

8.1.2.6 The Contractor shall detail the time frame that the system can remain operable in the event of a loss of commercial power and the method of ensuring operation in the event of a loss of commercial power.

#### 8.1.3 Operating System Compatibility Requirements

8.1.3.1 Compatible with Windows 7.

8.1.3.2 Browser minimum of Internet Explorer 8.

8.1.3.3 Web-based accessibility for reporting to run, view, and print through application or export reports as HTML, XML, PDF and Excel.

8.1.3.4 Compatible with enterprise proxy servers. Ability to leverage browser proxy settings or have internal setting to input proxy settings.

8.1.3.5 If active-X add-ons are used, they all are properly signed.

**COUNTY CONTRACT NUMBER 542145**  
**AGREEMENT WITH SECURUS TECHNOLOGIES, INC. FOR**  
**DETENTION FACILITIES – INMATE TELEPHONE SERVICES**  
**EXHIBIT A – STATEMENT OF WORK**

---

- 8.1.3.6 Contractor does not require that vendor site or servers to be added to trusted or local sites.
- 8.1.3.7 Contractor shall notify designated Sheriff Data Services Division point of contact of ALL planned system changes that will impact the delivery of services to Department staff (e.g. changes of URL, IP address, security settings).
- 8.1.3.8 Sheriff Data Services Division infrastructure unit shall review all custom use of protocols and ports for service access prior to any implementation to ensure continuous service and support.

**9.0 ENVIRONMENT**

Contractor's instruments for outdoor or indoor placement must be capable of providing full service, 24 hours a day, 7 days a week, in the environment mutually selected by the Sheriff and the Contractor. Contractor's instrument will have temperature limits of -20°F low and +120°F high, and humidity limits of 0% low and 100% high.

**10. REQUIREMENTS OF THE INMATE TELEPHONE SYSTEM:**

- 10.1 The system shall process calls and data in real-time without delays.
- 10.2 The system shall network among multiple locations.
- 10.3 The system shall provide currently manufactured and technically supported brands and components. The system shall be fully supported by remote maintenance including remote polling capabilities and system self-diagnostics to create "trouble tickets" when a system problem is discovered.
- 10.4 The system shall include an incoming automated attendant operator. No access to a live operator is allowed.
- 10.5 The system shall provide automated voice prompts in English, Spanish and at least three other languages to be identified by the Sheriff.
- 10.6 Unlimited changes shall be allowed to the system script.
- 10.7 The system shall provide for automated turn on and shut off at designated times and manual system shut off capabilities from designated County control rooms.
- 10.8 The system shall be capable of providing call completion to any point within the continental United States, Alaska and Hawaii. International calls shall be on a prepaid or debit system basis only.
- 10.9 The system shall include, at a minimum, automated call instructions, call initiation, error prompts, initial contact with called party, verification of acceptance of charges, announcement of inmate name, that the call is from an inmate at the detention facility, cost of call, and instructions to accept or reject the call.
- 10.10 The system shall include an activity tracking and alert system that will detect and notify calls made to restricted numbers, calls made by restricted individuals, and calls made from restricted phones.
- 10.11 The system must provide a prepaid and debit calling option for inmates. The prepaid and debit system must allow for international calls and shall not require any assistance from a third party. All prepaid and debit calls shall be subject to the same call restrictions and control as the primary system. The Contractor shall propose in detail how the administration and operation of the prepaid and debit call system will be delivered to the called party and to the inmates. The Contractor prepaid and debit calling system will be through an interface with the Jail Information Management System (JIMS) and integrated with the Sheriff's Jail Stores (Commissary). (We have both systems in-house, so Contractor will not provide these systems. Interface shall function with current Tiburon JIMS and with possible future open architecture JIMS. ) The prepaid and debit system may be an automated inmate account system, debit card or other system. The Contractor is solely responsible for handling all refunds and problems associated with the prepaid and debit calling options and shall provide a toll free number for inmates or inmate families to resolve any billing issues.
- 10.12 The system shall permit collect only, one-way outgoing, station-to-station calls billed to the called party, or charged to a debit system set up for inmate use for the purpose of placing phone calls through this system.



**COUNTY CONTRACT NUMBER 542145**  
**AGREEMENT WITH SECURUS TECHNOLOGIES, INC. FOR**  
**DETENTION FACILITIES – INMATE TELEPHONE SERVICES**  
**EXHIBIT A – STATEMENT OF WORK**

---

- 10.13 The system shall not allow any incoming calls.
- 10.14 The system shall allow specific free calls, such as to the Public Defender's office and other agencies. The Sheriff will determine these telephone numbers.
- 10.15 The phone instrument shall provide immediate system prompts when the handset is off the hook.
- 10.16 The called party shall be able to accept or reject a call from a rotary dial or pulse dial telephone.
- 10.17 The system shall be capable of providing positive acceptance and active consent of the telephone call.
- 10.18 Call Branding shall provide for a recorded greeting to the called party that indicates the call is a collect, prepaid or debit call from the Facility and is subject to recording and/or monitoring, provide the called party with the identity of the calling party and provide the called party with the opportunity to accept or reject the call. The conversation shall be blocked until the called party accepts the call. The called party shall be informed of the cost of the call prior to accepting the call.
- 10.19 Call Blocking shall be provided by specific telephone number and by blocks of telephone numbers by prefix. Calls must also be blocked to certain telephone numbers as specified by the County. All call blocking restrictions are to be programmed from the administrative workstation or an approved remote site and updated as required by the County.
- 10.20 The capability of providing different time limits for different blocks of inmate phone numbers shall be available.
- 10.21 The system will be able to guard against three-way calling, conference calling and call forwarding.
- 10.22 Investigative tools, including Call Monitoring and Recording shall be provided for each and every phone call made from an inmate phone and from phones in social visit areas. System administrator shall have the capability to selectively disable, or place limits on any individual telephone instrument within the telephone system. System may feature biometric and Cellebrite forensics analysis capability. System may feature cell phone detection and blocking capability. (Note that Sheriff will grant a reasonable extension on the 30-day implementation period, to give Contractor time to install needed equipment for social visit recording.) Please describe any other investigative tools available at no cost to the County.
  - 10.22.1 The system shall include an administrative access by the Sheriff and designated administrators via internet/web, with permissions and controls set by the Sheriff.
  - 10.22.2 Equipment, monitoring and recording must be time synchronized with a guarantee that call record time and recording time will match.
  - 10.22.3 The system shall be equipped with suppression/amplification hardware that allows the staff to monitor calls without inmate or called party detection. There shall be no audible tone or loss of volume detected by the inmate when this feature is activated via handset, headset, or amplification instruments.
  - 10.22.4 The system shall be capable of recording calls by phone, by housing unit, by facility, globally and by individual identifier.
  - 10.22.5 The system shall have the capability to disconnect a call that is being monitored.
  - 10.22.6 The system shall provide that recording be terminated on inmate calls when certain predetermined telephone numbers are called.
  - 10.22.7 The recording system shall incorporate proven technology to scan recordings, search recordings, highlight recordings with notes, and transfer recordings for use by the staff in their routine investigations.

**COUNTY CONTRACT NUMBER 542145  
AGREEMENT WITH SECURUS TECHNOLOGIES, INC. FOR  
DETENTION FACILITIES -- INMATE TELEPHONE SERVICES  
EXHIBIT A -- STATEMENT OF WORK**

---

10.22.8 The system shall have the capability, on demand, to store call recordings and emails online. Contractor will retain call recordings and e-mails for three (3) years and will retain associated call records for five (5) years. These records, recordings, and emails must be accessible instantly online during those periods. Upon County request, specified "tagged" records will be retained for the life of the contract. Call recordings are securely stored in fully redundant, geographically separate offsite data centers and available online.

10.23 The system shall allow for on-site and remotely accessed reports on a daily, weekly, monthly, yearly, or real-time basis will be as follows. All reports shall be selectable by any combination of collect/prepaid/debit calls by facility, location, PIN/Booking #, phone, number dialed, time/date, duration, call type, local, intra-lata, inter-lata, interstate, international, call status, etc., through the Contractor system administrator(s) or Sheriff's contracting officer or designee.

- Calls by day
- Calls in state
- Calls out of state
- Calls per hour per phone
- Calls per hour per pod
- Calls per hour per facility
- Calls per hour per system
- Calls by time of day
- Calls by PIN or Booking #
- Calls by duration
- Calls by type of call
- Calls by target number
- Frequently called numbers by phone
- Frequently called numbers by pod
- Frequently called numbers by facility
- Frequently called numbers by system
- Frequently called numbers by PIN or Booking #
- Disallowed calls by phone
- Disallowed calls by pod
- Disallowed calls by facility
- Disallowed calls by system
- Disallowed calls by PIN or Booking #
- Correlation reports by phone
- Correlation reports by pod
- Correlation reports by facility
- Correlation reports by system
- Correlation reports by PIN or Booking #
- Target/Hot numbers by phone
- Target/Hot numbers by pod
- Target/Hot numbers by facility
- Target/Hot numbers by system
- Target/Hot numbers by PIN or Booking #
- Free legal calls by phone
- Free legal calls by pod
- Free legal calls by facility
- Free legal calls by system
- Free legal calls by PIN or Booking #

**COUNTY CONTRACT NUMBER 542145  
AGREEMENT WITH SECURUS TECHNOLOGIES, INC. FOR  
DETENTION FACILITIES – INMATE TELEPHONE SERVICES  
EXHIBIT A – STATEMENT OF WORK**

---

Collect calls by phone  
Collect calls by pod  
Collect calls by facility  
Collect calls by system  
Collect calls by PIN or Booking #  
Collect legal calls by phone (local and long distance)  
Collect legal calls by pod (local and long distance)  
Collect legal calls by facility (local and long distance)  
Collect legal calls by system (local and long distance)  
Collect legal calls by PIN or Booking # (local and long distance)  
Provide real time accounting on a daily basis as required.

The above listed reports are examples, but the reporting capability shall not be limited to those listed above. Offeror shall provide additional reports as requested by Sheriff. A Monthly Project Report, System Management Report and a Year-end Summary Report shall be required from Contractor if not generated directly from report system.

The data used to generate reports shall be archived for two (2) years and be retrievable upon demand. A history of each system change will be maintained and include as a minimum: date and time of change, facilities affected, change implemented, testing completed and the date of acceptance of the change by the contracting officer.

10.24 Social Visit Phone System

- 10.24.1 System shall require inmates to login via key pad utilizing inmate telephone system logon process, PIN.
- 10.24.2 The system shall record all social visits into inmate telephone system. The system shall allow staff to live monitor social visits as they occur.
- 10.24.3 All social visit recording shall retrievable through the inmate telephone system and downloadable to compact disc.
- 10.24.4 Locations of Social Visit Phones by Site:
- Vista Detention Facility** – 39 Social Visit Phone Positions  
(Control A Side – 10, Control B Side – 10, Upper West – 8,  
Lower West – 6, North – 5)
- South Bay Detention Facility** – 15 Social Visit Phone Positions
- George Bailey Detention Facility** – 64 Social Visit Phone Positions  
(House 1 – 10, House 2 – 10, House 3 – 10, House 4 – 10, House 5 – 10, House 6 – 10, Medical – 4)
- Las Colinas Detention Facility** – 49 Social Visit Phone Positions  
(South Side – 19, North Side – 30)
- San Diego Central Jail** – 39 Social Visit Phone Positions  
(2<sup>nd</sup> Floor, 4<sup>th</sup> Floor – 7, 5<sup>th</sup> Floor – 7, 6<sup>th</sup> Floor – 7, 8<sup>th</sup> Floor – 7)
- 10.24.5 Contractor shall provide all necessary labor, parts, materials, and transportation to replace and maintain all existing social visitation equipment necessary to incorporate social visit recording into the inmate telephone system.

-

**COUNTY CONTRACT NUMBER 542145**  
**AGREEMENT WITH SECURUS TECHNOLOGIES, INC. FOR**  
**DETENTION FACILITIES – INMATE TELEPHONE SERVICES**  
**EXHIBIT A – STATEMENT OF WORK**

---

- 10.24.6 Contractor shall provide all service calls at no charge or commission adjustments (this includes replacement of broken parts due to vandalism).
- 10.24.7 Contractor shall maintain, in good working order, all social visitation phones and related equipment, any wiring and software required as provided under this contract. New software releases shall be offered as available and shall be fully tested to the satisfaction of the Sheriff's Department before full deployment.
- 10.24.8 The Sheriff's appointed Project Manager will have the ultimate say in the matter of satisfaction.
- 10.24.9 Any act of vandalism or machine break-ins discovered by the Contractor shall be reported immediately to the facility security personnel. The Contractor will be totally responsible for any losses due to acts of vandalism or other loss.

**11. ADDITIONAL AND/OR OPTIONAL ADD-ON FEATURES**

Contractor shall describe additional features that may be added at any time at request of Sheriff and at no cost to County. Additions/Options may include the following.

**11.1 Commissary Ordering**

- 11.1.1 The inmate phone system shall have a commissary module that allows inmates to order commissary goods, including debit phone time.
- 11.1.2 The inmate phone system shall have an automated voice menu that inmates can select and order from.
  - 11.1.2.1 Menu shall feature languages of English, Spanish, and up to three additional languages at County's discretion.
  - 11.1.2.2 Orders are validated audibly during order entry, upon item entry, and at end of order.
- 11.1.3 System interfaces with current Atlantis system, JIMS, and future potential open architecture system.
  - 11.1.3.1 System stores all commissary items available in San Diego County's Commissary Services. All item changes must be applied and available to inmate ordering within 24 hours.
  - 11.1.3.2 System transfers orders from its commissary ordering module to San Diego County's Commissary Services.

**NOTE:** San Diego County will be responsible for checking the inmate welfare account for available balance, notify the inmates for insufficient balance, and notify the inmates of received orders and delivery of ordered items to the inmates.

- 11.1.4 System processes orders in County-specified batches (e.g. by inmate, by location)
  - 11.1.4.1 Provide time to verify and adjust orders as needed according to circumstances (e.g. change of inmate location) before finalizing orders.
  - 11.1.4.2 If inmate changes location, system runs checks within batch period to identify an order placed at inmate's old location and fulfill the order at new location.
  - 11.1.4.3 If inmate is released, order is canceled and refund processed to inmate account.
  - 11.1.4.4 System allows for inmate to check or modify order any time prior to batch deadline.
  - 11.1.4.5 System can process multiple orders and deliveries per inmate per week.

**COUNTY CONTRACT NUMBER 542145  
AGREEMENT WITH SECURUS TECHNOLOGIES, INC. FOR  
DETENTION FACILITIES – INMATE TELEPHONE SERVICES  
EXHIBIT A – STATEMENT OF WORK**

---

- 11.1.4.5.1 All orders placed prior to batch deadline shall be consolidated into a single order per inmate.
- 11.1.4.6 System allows allot/set times (e.g. access, deadlines) for ordering by facility.
- 11.1.4.7 System can be turned on and off, by facility.
- 11.1.5. System has security features, including but not limited to the following:
  - 11.1.5.1 Redundant offsite back-up storage
  - 11.1.5.2 Audit trail, including traceability with PIN/ID/password, orders, money, returns, moves, releases, etc.
  - 11.1.5.3. Internal access only; no outside calls.
- 11.1.6 System offers County the ability to test a demonstration prototype at specified location(s) before system wide implementation of this optional function.

**12 DESCRIPTION OF INMATE TELEPHONES / MANDATORY EQUIPMENT REQUIREMENTS**

- 12.1 Contractor's inmate telephones to be deployed must include indoor and outdoor installation
- 12.2 Contractor's inmate telephones will be designed to not accept coins or not to operate on coins.
- 12.3 Each facility will be provided a cart or cordless telephone and outlet at the administrative segregation cell area (up to 30 system-wide). Cart telephone use will be facilitated by facility staff that will connect the phone to the outlet and wheel the telephone to cells for limited inmate access. Cordless telephones use may be facilitated by facility staff if deemed necessary.
- 12.4 All equipment, wiring and supporting equipment and hardware shall be mounted compatible with standard telephone company mountings.
- 12.5 All inmate telephone stations and phone casings shall be designed, engineered and manufactured to guard against inmate abuse and natural elements.
- 12.6 Telephones shall be ADA and Title 24 of the California Code of Regulations compliant.
- 12.7 Telephones shall be surface mount compatible with standard telephone company mountings.
- 12.8 Telephone instruments shall be equipped with a metallic tamper-proof keypad and be vandal resistant with regard to the casing, handset and mounting/enclosures.
- 12.9 Telephone instrument shall have touch-tone keypads.
- 12.10 Telephone instruments shall be equipped with an armored steel handset cord. The length of the cord is to be twelve inches.
- 12.11 Each telephone instrument shall be equipped with an on and off shutoff capability to be located at each local control room or area as designated by the County.
- 12.12 Amplified handsets may be required in specific areas. Those telephones shall be fitted with a volume control device, which will allow the inmate to increase or decrease the volume of the handset carpiece.
- 12.13 Written dialing instructions in English, Spanish and Braille (desired option) must be permanently and prominently displayed on each phone.
- 12.14 The Contractor shall be responsible for providing and installing pedestals, shelters, enclosures, isolation panels, mounting hardware, signage and other ancillary items associated with or necessary to providing the service, at no cost to the County.

**COUNTY CONTRACT NUMBER 542145  
AGREEMENT WITH SECURUS TECHNOLOGIES, INC. FOR  
DETENTION FACILITIES – INMATE TELEPHONE SERVICES  
EXHIBIT A – STATEMENT OF WORK**

---

- 12.15 The Contractor shall provide training on telephone system operations and administration. Training shall include County staff and inmates, as County deems necessary, and shall be at no cost to County.

**13 EQUIPMENT DETAIL**

- 13.1 Contractor's equipment will meet or exceed industry standards used for inmate telephones such as the 1D2 phone set, black and silver or the equivalent.
- 13.2 Contractor's inmate telephones will not require programming at the telephone set. Any programming will be the responsibility of the contractor prior to installation. Programming will be done by Contractor's personnel.
- 13.3 Contractor's phone equipment will be able to distinguish between local, intraLATA, interLATA, intrastate, interstate, and international calls.
- 13.4 Contractor's equipment will offer time-of-day, day-of-week programming.
- 13.5 Contractor's equipment will have universal capability and will work with any of Contractor's central office switches.

**14 OFFICE AND PERSONNEL**

- 14.1 Contractor's technicians will do both installation and repair. Contractor will have technicians that will be subject to do work at detention facilities under this contract, with specific qualified technicians to be assigned to individual County detention facilities.
- 14.1.1 Contractor shall provide at least two full-time technicians on-site to proactively and reactively maintain the system.
- 14.2 Contractor, in the event of an emergency, will have the capability of bringing in additional technicians dedicated solely to public telephone service to perform services under this contract at no cost to the County.
- 14.3 Contractor will provide Sheriff with a list of persons employed by contractor who will require access to a detention facility for the purpose of providing services under this agreement. Sheriff will use said list for the purpose of determining the appropriateness of providing access based on factors determined solely by the Sheriff.

**15 DATA BACK UP AND SECURITY**

- 15.1 The Contractor shall provide all archival hardware, software and supplies and shall perform all system and database backups and archiving.
- 15.2 The Contractor shall be capable of recovering all system data using a system back up.
- 15.3 The Contractor shall provide reliable operating redundancy and contingency systems, with geographic separation.

**16. SHERIFF-SUPPLIED RESOURCES – SHERIFF RESPONSIBILITIES**

16.1 Sheriff's Project Manager

The Sheriff shall appoint a Sheriff's Project Manager. Said Project Manager or his/her designee shall have overall responsibility for the inmate telephone services as set forth herein.

16.1.1 Implementation of Service Requirements

The Sheriff assumes the responsibility for the following during the term of the Agreement:

- 16.1.1.1 Provide adequate working conditions for Contractor's personnel to accomplish their duties as required under this contract.
- 16.1.1.2 Maintain local and/or long distance inmate telephone project control.

**COUNTY CONTRACT NUMBER 542145  
 AGREEMENT WITH SECURUS TECHNOLOGIES, INC. FOR  
 DETENTION FACILITIES – INMATE TELEPHONE SERVICES  
 EXHIBIT A – STATEMENT OF WORK**

16.1.1.3 Coordinate with the Contractor for the installation of all products.

16.2 Detention Facilities

Contractor will be responsible for all Costs related to telephone communications, facsimile communications, and parking facilities while on detention facility sites during the performance of work and services under this Agreement.

16.3 Resources Approval

The Sheriff will be the sole judge as to the approval of any future Sheriff-supplied resources that may be requested by the Contractor. The Sheriff reserves the right to accept or reject any or all of Contractor's requirements for Sheriff-supplied resources and assistance.

**17. GLOSSARY OF TERMS**

Not all terms will necessarily apply.

TERM	DEFINITION
Access surcharge	Charge billed to party responsible for paying the call charges. The surcharge covers the costs associated with the security safeguards and the service tariffs for the first minute of each completed call.
Ad hoc Query	An unscheduled survey requiring the ability to access data from all existing platforms and generate customized reports from a systems administration console at a central location within a specified time period.
Amplified handsets	A telephone handset for use by the hearing impaired which allows volume control based on the individual needs of the user.
Annual Revenue Guarantee (ARG)	A guaranteed payment that the Contractor is committed to pay to the County each year irrespective of the amount of revenue received. Based on the completion of inmate telephone calls (collect, pre-paid, and debit and any other completed call-generating revenue) from the facilities identified herein during the Term of the Agreement and any renewals thereof. Annual Revenue Guarantee (ARG) and Minimum Annual Guaranteed Revenue (MAG) are the same and are used interchangeably.
Annual system management reports	Annual system management reports provided by the contractor's Project Manager shall be a year-to-date report summarizing the information provided in the monthly system management reports and any other reports requested. Annual system management reports shall be broken down by location.
Authorized Call List	A list of telephone numbers used to limit an individual's phone calls to pre-approved telephone numbers only.
Average Daily Inmate Population	The sum of the total number of inmates in each day for a particular period of time, then divided by the same number of days in that particular period.
Background check	The department's inquiry into an individual's personal history that provides sufficient information to determine if the individual is eligible to be given permission to enter the secured areas of the county jail facilities.
Blocked calls	All attempted calls that are not connected that contractor has disallowed for reasons of security, bad debt, court order, or un-

**COUNTY CONTRACT NUMBER 542145  
 AGREEMENT WITH SECURUS TECHNOLOGIES, INC. FOR  
 DETENTION FACILITIES – INMATE TELEPHONE SERVICES  
 EXHIBIT A – STATEMENT OF WORK**

TERM	DEFINITION
	collectable accounts.
Call Acceptance	Occurs when the called party agrees to accept the incoming call and both parties are able to converse
CPUC	California Public Utilities Commission regulates telecommunications, electric, natural gas, water, railroad, rail transit and passenger transportation companies. The CPUC is chartered by the State of California to assure consumers have safe, reliable utility service at reasonable rates.
Call Records	A digital record, stored as an accessible database on a local computer, of all telephone system activities.
Clearance information	The individual's personal information needed to complete a background check and clear the individual for entry into the secured areas of the county jail facilities. Personal information includes: name, date of birth, driver's license number, and social security number.
Closure procedures	A process of ensuring that all reported or discovered system problems have been resolved and the system is operating normally.
Collect calls	The call service whose charges are billed, through the use of monthly invoices, to the party receiving the call.
Communication rooms	Location where multiple phone lines from the facility converge into a central location and are connected with equipment and platforms provided by Contractor.
Completed calls	Attempted calls that are accepted by the receiving party.
Debit calls	See Pre-paid calls
Detentions Bureau	The Division in the San Diego County Sheriff's Department which oversees custody operations.
Downtime Credits	The reimbursement for monetary loss suffered by County due to lost revenue which is caused by the Contractor's telephone platform failure resulting in system outage or non-emergent system maintenance impacting phone revenue.
Entry Application for Detention Facility	Form used by the Sheriff's Department for initial security screening of individuals requesting access to a custody facility.
Escalation procedures	A process whereby additional resources are allocated and persons notified if a problem cannot be resolved with the assigned service resources.
Essential tools	Any tools and materials required to install, maintain, or repair the telephone systems, instruments, and equipment
Family plan	A prepaid telephone billing format where an inmate and his/her family share the same billing account and is restricted to a specific dollar amount.
FCC	Federal Communications Commission, the government agency responsible for regulating telecommunications in the United States.
Follow-up training	Periodically scheduled training throughout the life of the contract provided to Sheriff's Department representatives, who did not receive the initial training in telephone system operation.
Gross inmate call billings	Total claims by contractor against customers for inmate collect call services, reported in the period earned (i.e. sales).



**COUNTY CONTRACT NUMBER 542145  
 AGREEMENT WITH SECURUS TECHNOLOGIES, INC. FOR  
 DETENTION FACILITIES – INMATE TELEPHONE SERVICES  
 EXHIBIT A – STATEMENT OF WORK**

TERM	DEFINITION
Gross inmate call revenue	Total cash received by contractor from customers in payment of claims for inmate call services, reported in the period received (i.e. customer payments).
Inmate Custodial Account	An account maintained by the County in which an inmate's funds are deposited for their use during their stay in custody. Similar to a bank account.
Inter-Lata	Connection between a carrier in one LATA to a carrier in another LATA.
Inter-State	Interstate is any connection made between two states.
Intra-LATA	Connection between two local exchanges within the LATA. Any connection that originates and terminates within the boundaries of a single LATA.
Intra-State	Intrastate is any connection made that remains within the boundaries of a single state.
LATA (local access transport area)	Geographic area covered by one or more local telephone companies, which are legally referred to as local exchange carriers (LEC's).
Long Distance	Generally, this refers to calls that are placed by the user to destinations outside of their coverage area. The parameters of what constitutes long distance varies by carrier, and is usually outlined in detail in that carrier's rate map brochure.
Minimum Annual Guarantee (MAG)	A guaranteed payment that the Contractor is committed to pay to the County each year irrespective of the amount of revenue received. Based on the completion of inmate telephone calls (collect, pre-paid, and debit and any other completed call-generating revenue) from the facilities identified herein during the Term of the Agreement and any renewals thereof. Minimum Annual Guaranteed Revenue (MAG) and Annual Revenue Guarantee (ARG) are the same and are used interchangeably.
Monthly Maintenance Report	A detailed outlining the maintenance performed on a monthly basis to the telephone system and platform installed and maintained by the Contractor.
Monthly Project Reports	Monthly reports summarizing the operation and maintenance activities broken down by jail facility, court, and station. Probation shall receive a separate report broken down by location. <ol style="list-style-type: none"> <li>1. Financial data - calls completed, amounts billed, and commissions earned.</li> <li>2. Unauthorized call data – unauthorized calls detected.</li> <li>3. Maintenance data – maintenance performed, system outages, corrective action taken to resolve.</li> </ol> Monthly reports shall cover the period from the first of the month to the last day of the month and shall be due on the 5 <sup>th</sup> day of the following month.
Monthly System Management Reports	Monthly reports provided by Contractor's Project Manager to the Sheriff's Inmate Services Unit shall be broken down by jail facility, court, and station. A separate report broken down by location shall be provided to Probation Department. <ol style="list-style-type: none"> <li>1. Financial data – call volume, total minutes, amount billed, and commissions earned.</li> </ol>

**COUNTY CONTRACT NUMBER 542145  
 AGREEMENT WITH SECURUS TECHNOLOGIES, INC. FOR  
 DETENTION FACILITIES – INMATE TELEPHONE SERVICES  
 EXHIBIT A – STATEMENT OF WORK**

TERM	DEFINITION
	2. Maintenance activity – problems encountered, corrective action taken to resolve. 3. Summary of complaints – received, corrective action taken to resolve. 4. Summary of usage and non-usage by telephone. Monthly reports shall cover the period from the first of the month to the last day of the month and shall be due on the 5 <sup>th</sup> day of the following month.
Multiple carrier agreement	An agreement between one or more telephone service providers to utilize each other's communications systems. A call initiated on one carrier's system may traverse several "competing" systems en route to the destination. The initiating service provider normally acts as the single point of contact for billing purposes
Non-billable Calls	Attempted calls that are identified as having potential problems in regards to receiving payment for call service charges. Non-billable numbers include destination numbers for which bill payments are determined to be in arrears and/or any destination numbers for which collection of inmate charges is unlikely, such as cell phones, or overseas destinations.
Normal business hours	Monday through Friday, 8:00 a.m. to 5:00 p.m., excluding County holidays.
On-line system maintenance	Digital manipulation of the servers, and software that control the monitoring and recording systems for the purpose of troubleshooting, maintenance, upgrades, configuration, and repair of the system.
Orientation	An organized training session, scheduled and conducted by Sheriff's Department personnel. This is a four-hour session, and covers such topics as jail security, ethics, fraternization, respect based leadership, and the safety of both inmates and jail visitors.
Personnel notifications	The process of notifying designated County representatives, of changes in the telephone system's operational status.
Portable Cordless Telephone	A telephone instrument platform which can be moved and made operational with minimal difficulty to areas of need within the custody environment.
Pre-paid calls	Calls made wherein an inmate deposits an amount with the Contractor via Sheriff's commissary provider and is then given an equivalent amount of airtime credit through use of a calling card or PIN.
Pre-paid call charge	The call service charges are billed, through the use of a pre-paid phone or PIN, to the party initiating the call; or the charges are billed through the use of a pre-paid debit account.
Preventative Maintenance	Routine scheduled maintenance used to prevent failure of the existing telephone system and platform.
Pro-per inmate	An inmate acting as her/his own attorney and defending his/herself in court against criminal charges.
Response Time	The time from the County's initial service request to Contractor's commencement of service
Restricted calls	Calls to or from a location wherein the Contractor limits their telephone service, so that their telephone can only send within a pre-defined geographic area, prevented by court order or Sheriff's policy

**COUNTY CONTRACT NUMBER 542145  
 AGREEMENT WITH SECURUS TECHNOLOGIES, INC. FOR  
 DETENTION FACILITIES – INMATE TELEPHONE SERVICES  
 EXHIBIT A – STATEMENT OF WORK**

TERM	DEFINITION
	(i.e. Pro Pers).
Revenue	Money received as a result of inmate call services billed.
Routine maintenance	Any maintenance work or activity carried out on a regular basis to prevent deterioration of the telephone system's capability.
Status report	A report which describes the current operating condition of the telephone system, including lists of any pending trouble ticket items, and maintenance which might negatively affect the operation of the telephone system.
Subscriber	An individual/entity which holds a contract for telephone service with a telephone service provider.
System Administration Console	A computerized platform enabling the County to monitor the key functions of the telephone system, make required modifications, access data, and generate business reports upon demand.
System administrator "kill box"	A remote operating station which allows a system administrator to selectively disable, or place limits on any individual telephone instrument within the telephone system.
TAT	The time from County's initial service request to Contractor's completion of service and deficiency resolution (Turn Around Time).
Telephone enclosures	A sheltering enclosure which protects both the user and the telephone instrument from weather and environmental noise.
Telephone instruments	The physical device which an inmate makes a communication connection to another, distant, point.
Telephone platform	The hardware, software, ancillary equipment, telephone instruments, patents and licenses which are required to operate as an installed point-to-point, telephonic communication and recording system.
Trouble ticket closure	An accounting and record keeping system which documents that problems reported by County on a trouble ticket has been repaired, and inactivates that trouble ticket when problem is resolved.
Trouble tickets	A piece of paper or a record in a computer system used to report and manage the resolution of telephone, network, or circuit outages as reported by County.
Turnkey system installation	An entire telephone system which hardware and software assembled and installed by a vendor and sold as a total package.
UL Standards	Underwriters Laboratories, Inc. has developed more than 800 Standards for Safety. Standards for Safety are essential to helping insure public safety and confidence, reduce costs, improve quality and market products and services.
Unauthorized calls	Calls made to telephone numbers which are not permitted by San Diego County Sheriff's Department. The Sheriff's Department shall provide a list of these numbers and locations to the telephone service provider.
Year-end summary report	Reports summarizing the operations activities that occurred during the contract year.

/

/

**COUNTY CONTRACT NUMBER 542145**  
**AGREEMENT WITH SECURUS TECHNOLOGIES, INC. FOR**  
**DETENTION FACILITIES – INMATE TELEPHONE SERVICES**  
**EXHIBIT B – INSURANCE AND BONDING REQUIREMENTS**

---

**INSURANCE REQUIREMENTS FOR CONSULTANT**

Without limiting Contractor's indemnification obligations to County, Contractor shall provide at its sole expense and maintain for the duration of this contract, or as may be further required herein, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of the work by the Contractor, his agents, representatives, employees or subcontractors.

**1. Minimum Scope of Insurance**

Coverage shall be at least as broad as:

- A. Commercial General Liability, Occurrence form, Insurance Services-Office form CG0001.
- B. Automobile Liability covering all owned, non owned, hired auto-Insurance Services Office form CA0001.
- C. Workers' Compensation, as required by State of California and Employer's Liability Insurance.
- D. Fidelity coverage proving Employee Dishonesty, Forgery or Alteration, Theft, Disappearance, Destruction, and Computer Fraud coverage covering Contractor's employees, officials and agents.

**2. Minimum Limits of Insurance**

Contractor shall maintain limits no less than:

- A. Commercial General Liability including Premises, Operations, Products and Completed Operations, Contractual Liability, and Independent Contractors Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. The General Aggregate limit shall be \$2,000,000.
- B. Automobile Liability: \$1,000,000 each accident for bodily injury and property damage.
- C. Employer's Liability: \$1,000,000 each accident for bodily injury or disease. Coverage shall include waiver of subrogation endorsement in favor of the County of San Diego.
- D. Fidelity limit: \$1,000,000

**3. Deductibles and Self-Insured Retentions**

Any deductible or self-insured retention must be declared to and approved by County Risk Management. At the option of the County, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the County, the members of the Board of Supervisors of the County and the officers, agents, employees and volunteers; or the Contractor shall provide a financial guarantee satisfactory to the County guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

**4. Other Insurance Provisions**

The general liability and automobile liability policies are to contain, or be endorsed to contain the following provisions:

**A. Additional Insured Endorsement**

Any general liability policy provided by Contractor shall contain an additional insured endorsement applying coverage to the County of San Diego, the members of the Board of Supervisors of the County and the officers, agents, employees and volunteers of the County, individually and collectively.

**B. Primary Insurance Endorsement**

For any claims related to this Contract, the Contractor's insurance coverage shall be primary insurance as respects the County, the members of the Board of Supervisors of the County and the officers, agents, employees and

**COUNTY CONTRACT NUMBER 542145  
AGREEMENT WITH SECURUS TECHNOLOGIES, INC. FOR  
DETENTION FACILITIES – INMATE TELEPHONE SERVICES  
EXHIBIT B – INSURANCE AND BONDING REQUIREMENTS**

---

volunteers of the County, individually and collectively. Any insurance or self-insurance maintained by the County, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.

**C. Notice of Cancellation**

Each required insurance policy shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the County at the address shown in section of Contract entitled "Notices".

**D. Severability of Interest clause**

Coverage applies separately to each insured, except with respect to the limits of liability, and that an act or omission by one of the named insureds shall not reduce or avoid coverage to the other named insureds.

**GENERAL PROVISIONS**

**5. Qualifying Insurers**

All required policies of insurance shall be issued by companies which have been approved to do business in the State of California by the State Department of Insurance, and which hold a current policy holder's alphabetic and financial size category rating of not less than A-, VII according to the current Best's Key Rating guide, or a company of equal financial stability that is approved in writing by County Risk Management.

**6. Evidence of Insurance**

Prior to commencement of this Contract, but in no event later than the effective date of the Contract, Contractor shall furnish the County with certificates of insurance and amendatory endorsements effecting coverage required by this clause. Copies of renewal certificate and amendatory endorsements shall be furnished to County within thirty days of the expiration of the term of any required policy. Contractor shall permit County at all reasonable times to inspect any policies of insurance which Contractor has not delivered to County.

**7. Failure to Obtain or Maintain Insurance; County's Remedies**

Contractor's failure to provide insurance specified or failure to furnish certificates of insurance, amendatory endorsements and certified copies of policies, or failure to make premium payments required by such insurance, shall constitute a material breach of the Contract, and County may, at its option, terminate the Contract for any such default by Contractor.

**8. No Limitation of Obligations**

The foregoing insurance requirements as to the types and limits of insurance coverage to be maintained by Contractor, and any approval of said insurance by the County are not intended to and shall not in any manner limit or qualify the liabilities and obligations otherwise assumed by Contractor pursuant to the Contract, including, but not limited to, the provisions concerning indemnification.

**9. Review of Coverage**

County retains the right at any time to review the coverage, form and amount of insurance required herein and may require Contractor to obtain insurance reasonably sufficient in coverage, form and amount to provide adequate protection against the kind and extent of risk which exists at the time a change in insurance is required.

**10. Self-Insurance**

Contractor may, with the prior written consent of County Risk Management, fulfill some or all of the insurance requirements contained in this Contract under a plan of self-insurance. Contractor shall only be permitted to utilize such self-insurance if in the opinion of County Risk Management, Contractor's (i) net worth, and (ii) reserves for payment of claims of liability against Contractor, are sufficient to adequately compensate for the lack of other insurance coverage

**COUNTY CONTRACT NUMBER 542145  
AGREEMENT WITH SECURUS TECHNOLOGIES, INC. FOR  
DETENTION FACILITIES – INMATE TELEPHONE SERVICES  
EXHIBIT B – INSURANCE AND BONDING REQUIREMENTS**

---

required by this Contract. Contractor's utilization of self-insurance shall not in any way limit liabilities assumed by Contractor under the Contract.

**11. Subcontractors' Insurance**

Contractor shall require that any and all Subcontractors hired by Contractor are insured in accordance with this Contract. If any Subcontractors coverage does not comply with the foregoing provisions, Contractor shall defend and indemnify the County from any damage, loss, cost or expense, including attorney fees, incurred by County as a result of Subcontractors failure to maintain required coverage.

**12. Waiver of Subrogation**

Contractor and County release each other, and their respective authorized representatives, from any Claims (as defined in the Article entitled "Indemnity" of the Contract), but only to the extent that the proceeds received from any policy of insurance carried by County or Contractor, other than any self-insurance, covers any such Claim or damage. Included in any policy or policies of insurance provided by Contractor hereunder shall be a standard waiver of rights of Subrogation against County by the insurance company issuing said policy or policies.

/

/

**COUNTY CONTRACT NUMBER 542145  
AGREEMENT WITH SECURUS TECHNOLOGIES, INC. FOR  
DETENTION FACILITIES – INMATE TELEPHONE SERVICES  
EXHIBIT C – PRICING/PAYMENT SCHEDULE**

**SEE SECURUS BAFO FOLLOWING**

/

**COUNTY CONTRACT NUMBER 542145  
AGREEMENT WITH SECURUS TECHNOLOGIES, INC. FOR  
DETENTION FACILITIES – INMATE TELEPHONE SERVICES  
EXHIBIT A-1 – OFFEROR'S BAFO AND PROPOSAL**

---

**SEE SECURUS BAFO PROPOSAL FOLLOWING**



- Contractor will pay the County a minimum annual guaranteed (“MAG”) revenue of \$3,500,000 based on the completion of inmate telephone calls (collect, pre-paid, debit and any other completed call-generating revenue) from the facilities identified herein during the Term of the Agreement and any renewals thereof. Contractor will pay the County the MAG monthly in twelve (12) equal installments. In addition, Contractor will pay the County eighty percent (80%) of collect and debit calling revenue generated above \$6,400,000 at the calling rates set forth herein. Minimum Annual Guaranteed Revenue (MAG) and Annual Revenue Guarantee (ARG) are the same and are used interchangeably.
- Contractor will charge the rates set forth in the chart below. County understands and acknowledges that such rates do not include surcharges for additional features such as Automated Information Services™ or Continuous Voice Verification™.

Call Type	Collect		Prepaid		Debit	
	Connect	Per Minute Rate	Connect	Per Minute Rate	Connect	Per Minute Rate
Local	3.10	0.10	2.85	0.10	0.00	0.25
Intralata/Intrastate	3.10	0.25	3.10	0.25	0.00	0.25
Interlata/Intrastate	3.10	0.30	3.10	0.30	0.00	0.25
Interlata/Interstate	3.25	0.50	3.15	0.50	0.00	0.25
International	3.25	0.50	3.25	0.50	3.25	0.50

- Contractor will retain call recordings and e-mails for three (3) years and will retain associated call records for five (5) years. Upon County request, specified "tagged" records will be retained for the life of the contract.
- Contractor will hire the County’s two (2) existing site technicians and will train them on Securus’s system.
- Contractor will implement the Instant Pay™ promotional program, which includes Pay Now™ and Text2Connect™, at the County facilities identified herein. Instant Pay™ optimizes the call routing at facilities by connecting as many calls as possible. If a call is attempted but there is no account or calling card open or in use to pay for the call, the call can be routed to the Instant Pay Program. The Instant Pay Program will offer the called party additional options to connect the call as well as provide information and promotional messaging on how to create a prepaid AdvanceConnect™ Account. The Instant Pay™ promotional program is not commissionable or subject to additional compensation. Initial user fee will be \$14.99 for Pay Now™ and \$9.99 for Text2Connect™, which includes the full call length (mutually agreed upon by both parties) and the credit card fee. Any change in fee is subject to County approval.
- Contractor will implement Continuous Voice Verification (“CVV”) at the County facilities identified herein. CVV reviews inmate call recordings so as to verify the inmate voice(s) appearing in the call as the owner of the correct personal identification number (PIN). In exchange for CVV, upon Agreement execution, a non-commissionable per call charge of \$0.25 will apply to all intrastate,

interstate and international calls, which charge will be included in the "per minute" calling rates and will not be billed separately.

- Contractor will implement Inmate Debit at the County facilities identified herein. A Debit account is a prepaid, inmate-owned account used to pay for inmate telephone calls. A Debit account is funded by transfer of inmate's facility trust/commissary account funds to inmate's Debit account. Contractor will also allow inmate Friends & Family members to fund an inmate's Debit account via multiple points-of-sale. Funds deposited by Friends & Family members into an inmate's Debit account become property of the inmate. Contractor establishes inmate Debit accounts which are associated with the inmate's Personal Identification Number ("PIN"). Contractor requires inmate to key in his/her PIN at the beginning of every Debit call in order to complete the call and pay for the call using the inmate's Debit account. County agrees to have the Debit module of Contractor's SCP Call Management System enabled for the Facilities to offer Debit account to inmates. County agrees to use Contractor's SCP User Interface or utilize integration with County's trust account system to process inmate's fund transfer requests. Notwithstanding, Contractor will not be responsible for any delays due to (i) County's failure to perform any of its obligations for the project; (ii) any of County's vendors' failure to perform any of its obligations for the project; or (iii) circumstances outside of Contractor's control. Contractor will invoice County on a monthly basis for all funding amounts transferred from inmates' facility trust/commissary accounts to Inmate Debit accounts. The invoice will be due and payable upon receipt.
- Upon the County's request, Contractor will implement Secure Instant Mail at the County facilities identified herein. Secure Instant Mail™ allows friends & family members to initiate communication with an inmate. Similar to e-mail, communications are sent over the internet and are delivered to the facility for approval and distribution. The County will provide the following access/equipment: internet connection with access to [www.SecurusSIM.com](http://www.SecurusSIM.com); PCs; a printer, including paper and toner; and, if allowing reply messages, fax machine or scanner. The County will have the option of using the video visitation units within the pods once they are installed with Secure Instant Mail thus removing the need for a printer, paper and toner. The end user (sender) is required to set up a Secure Instant Mail™ account to use the Secure Instant Mail™ service. The per-message fee and the terms and conditions will be mutually agreed upon by both parties. Contractor will deduct the usage fees from the end user's Account.
- Contractor will implement Automated Information Services™ ("AIS™") at the County facilities identified herein through Contractor's third-party provider, Telerus. AIS™ automates internal inquiries from detainees and outside calls from friends and family members on one single platform. In addition, the application enables inmates' friends and families to open or fund a pre-paid telephone account as well as fund an inmate's trust account. The application is accessed through a telephone IVR system that is available to all callers. In exchange for AIS™, upon Agreement execution, a non-commissionable per call charge of \$0.10 will apply to all intrastate, interstate and international calls, which charge will be included in the "per minute" calling rates and will not be billed separately. The County reserves the right to terminate the AIS function with 30 days' prior written notice to Contractor. Upon such termination, applicable rates will be reduced by \$.10 per call to reflect removal of AIS service fee.
- Upon the County's request, Contractor will provide the sick call module and Cara Clinicals Medical Department Software at no cost to the County throughout the Term of the Agreement and any renewals thereof.
- Subject to the County's execution of the THREADS™ Use Agreement, the Contractor will implement THREADS™ at no charge to the County. THREADS™ allows authorized law enforcement users to analyze corrections and communications data from multiple sources to generate targeted investigative leads. THREADS™ has three main components: data analysis, data review, and

data import. Securus agrees to include one (1) Cellebrite device to be used with THREADS™. County's use of THREADS™ is governed by and conditioned upon execution of the THREADS™ Use Agreement. The obligations set forth therein are in addition to and not in lieu of the terms and conditions in the Agreement. In the event of a conflict between the Agreement and the terms of the THREADS™ Use Agreement, however, the THREADS™ Use Agreement will prevail. The County has elected to opt in to the community feature. The community feature allows authorized users access to analyze communications data generated from other corrections facilities within the community, as well as any data imported or added by other authorized community members. The County acknowledges and understands that data from its facilities will be made available to the community for analysis and review.

- Upon the County's request, Contractor will implement a state-of-the-art remote Video Visitation system and/or Pod Kiosk Automation package at any or all detentions facilities at no cost to the County and upon terms and conditions mutually agreed to by the parties.
- Securus will provide a no-fee funding mail-in option to the address below where friends and family may fund an account by check or money order free of charge:

**Securus Correctional Billing Services**  
**PO Box 650757**  
**Dallas, TX 75265-0757**

- Upon the County's request, the Contractor will implement the Commissary Order by Phone (COBP) system at any or all detentions facilities, which must interface with County's Jail Information Management System (JIMS) as necessary. The County will incur no fee, and any fee charged to COBP users will require advance County approval.
- County and Contractor will cooperate to develop any interfaces needed between County and Contractor's technological functions, at no cost to County.

**THREADS™ Use Agreement**

This THREADS™ Use Agreement is by and between County of San Diego, a political subdivision of the State of California ("Customer") and Securus Technologies, Inc., ("we," "us," or "Provider") and is part of and governed by the County Contract Number 542145 (the "Agreement") executed by the parties. The obligations set forth herein are in addition to and not in lieu of the terms and conditions of the Agreement, which are incorporated herein by reference. This THREADS™ Use Agreement shall be effective as of the last date signed by either party and shall be coterminous with the Agreement.

**1. COMPLIANCE WITH APPLICABLE LAWS.** Customer will comply with all privacy, consumer protection, marketing, and data security laws and government guidelines applicable to Customer's access to and use of information obtained in connection with or through the THREADS™ application. Customer acknowledges and understands that the Customer is solely responsible for its compliance with such laws and that Provider makes no representation or warranty as to the legality of the use of the THREADS™ application or the information obtained in connection therewith. Provider shall have no obligation, responsibility, or liability for Customer's compliance with any and all laws, regulations, policies, rules or other requirements applicable to Customer by virtue of its use of the THREADS™ application.

**2. SECURITY.** Customer acknowledges that the information available through the THREADS™ application includes personally identifiable information and that it is Customer's obligation to keep all such accessed information secure. Accordingly, Customer shall (a) restrict access to THREADS™ to those law enforcement personnel who have a need to know as part of their official duties; (b) ensure that its employees (i) obtain and/or use information from the THREADS™ application only for lawful purposes and (ii) transmit or disclose any such information only as permitted or required by law; (c) keep all user identification numbers confidential and prohibit the sharing of user identification numbers; (d) use commercially reasonable efforts to monitor and prevent against unauthorized access to or use of the THREADS™ application and any information derived therefrom (whether in electronic form or hard copy); (e) notify Provider promptly of any such unauthorized access or use that Customer discovers or otherwise becomes aware of; and (f) unless required by law, purge all information obtained through the THREADS™ application and stored electronically or on hard copy by Customer within ninety (90) days of initial receipt or upon expiration of retention period required by law.

**3. PERFORMANCE.** Customer understands and acknowledges that all information used and obtained in connection with the THREADS™ application is "AS IS." Customer further understands and acknowledges that THREADS™ uses data from third-party sources, which may or may not be thorough and/or accurate, and that Customer shall not rely on Provider for the accuracy or completeness of information obtained through the THREADS™ application. Customer understands and acknowledges that Customer may be restricted from accessing certain aspects of the THREADS™ application which may be otherwise available. Provider reserves the right to modify, enhance, or discontinue any of the features that are currently part of the THREADS™ application. Moreover, if Provider determines in its sole discretion that the THREADS™ application and/or Customer's use thereof (1) violates the terms and conditions set forth herein and/or in the Agreement or (2) violates any law or regulation or (3) is reasonably likely to be so determined, Provider may, upon written notice, immediately terminate Customer's access to the THREADS™ application and shall have no further liability or responsibility to Customer with respect thereto.

4. **WARRANTIES/LIMITATION OF LIABILITY.** Provider shall have no liability to Customer (or to any person to whom Customer may have provided data from the THREADS™ application) for any loss or injury arising out of or in connection with the THREADS application or Customer's use thereof. If, notwithstanding the foregoing, liability can be imposed on Provider, Customer agrees that Provider's aggregate liability for any and all losses or injuries arising out of any act or omission of Provider in connection with the THREADS™ application, regardless of the cause of the loss or injury, and regardless of the nature of the legal or equitable right claimed to have been violated, shall never exceed \$100.00. Customer covenants and promises that it will not seek to recover from Provider an amount greater than such sum even if Customer was advised of the possibility of such damages. PROVIDER DOES NOT MAKE AND HEREBY DISCLAIMS ANY WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO THE THREADS™ APPLICATION. PROVIDER DOES NOT GUARANTEE OR WARRANT THE CORRECTNESS, COMPLETENESS, LEGALITY, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE OF THE THREADS™ APPLICATION OR INFORMATION OBTAINED IN CONNECTION THEREWITH. IN NO EVENT SHALL PROVIDER BE LIABLE FOR ANY INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES; HOWEVER ARISING, INCURRED BY CUSTOMER FROM RECEIPT OR USE OF INFORMATION OBTAINED IN CONNECTION WITH THE THREADS™ APPLICATION OR THE UNAVAILABILITY THEREOF.

5. Customer hereby agrees to hold Provider harmless from and against any and all costs, claims, demands, damages, losses, and liabilities (including attorneys' fees and costs) arising from or in any way related to Customer's use of the THREADS™ application or information obtained in connection therewith.

AGREED TO AND ACCEPTED:

<b>CUSTOMER:</b>	<b>PROVIDER:</b>
County of San Diego	Securus Technologies, Inc.
By: <i>[Signature]</i>	By: <i>[Signature]</i>
WINSTON F. MCCOILS Director Department of Purchasing and Contracting	Name: Robert Pickens
Title: Chief Operating Officer	Title: Chief Operating Officer
Date: 08-08-12	Date: 8/1/12

APPROVED AS TO FORM AND LEGALITY  
COUNTY COUNSEL

BY: *[Signature]* 8/8/12  
SENIOR DEPUTY

**4. WARRANTIES/LIMITATION OF LIABILITY.** Provider shall have no liability to Customer (or to any person to whom Customer may have provided data from the THREADS™ application) for any loss or injury arising out of or in connection with the THREADS application or Customer's use thereof. If, notwithstanding the foregoing, liability can be imposed on Provider, Customer agrees that Provider's aggregate liability for any and all losses or injuries arising out of any act or omission of Provider in connection with the THREADS™ application, regardless of the cause of the loss or injury, and regardless of the nature of the legal or equitable right claimed to have been violated, shall never exceed \$100.00. Customer covenants and promises that it will not seek to recover from Provider an amount greater than such sum even if Customer was advised of the possibility of such damages. PROVIDER DOES NOT MAKE AND HEREBY DISCLAIMS ANY WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO THE THREADS™ APPLICATION. PROVIDER DOES NOT GUARANTEE OR WARRANT THE CORRECTNESS, COMPLETENESS, LEGALITY, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE OF THE THREADS™ APPLICATION OR INFORMATION OBTAINED IN CONNECTION THEREWITH. IN NO EVENT SHALL PROVIDER BE LIABLE FOR ANY INDIRECT, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, HOWEVER ARISING, INCURRED BY CUSTOMER FROM RECEIPT OR USE OF INFORMATION OBTAINED IN CONNECTION WITH THE THREADS™ APPLICATION OR THE UNAVAILABILITY THEREOF.

**5.** Customer hereby agrees to hold Provider harmless from and against any and all costs, claims, demands, damages, losses, and liabilities (including attorneys' fees and costs) arising from or in any way related to Customer's use of the THREADS™ application or information obtained in connection therewith.

AGREED TO AND ACCEPTED:

<p><b>CUSTOMER:</b> County of San Diego</p> <p>By: <u>Winston F. McColl</u> WINSTON F. MCCOLL, Director Department of Purchasing and Contracting</p> <p>Date: <u>8/13/2012</u> <u>Hudson F. McColl</u></p>	<p><b>PROVIDER:</b> Securus Technologies, Inc.</p> <p>By: <u>Robert Pickens</u> Name: Robert Pickens Title: Chief Operating Officer Date: <u>8/13/12</u></p>
--	--

APPROVED AS TO FORM AND LEGALITY  
COUNTY COUNSEL.

BY: [Signature] 8/13/12  
SENIOR DEPUTY

# Exhibit E

Securus always offers a no-fee funding option. If payments are made by mail or online banking, there is no charge and no minimum to fund a prepaid account.

Description of Payment Processing Charges or Fees and Surcharges	What is the amount of charge or fee	When and How Applied (Monthly, Per Transaction Account Set-Up, etc.)	Will Fee or Surcharge Impact Gross Revenue? (Y / N)	Commissionable? (Y / N) If yes, state the percentage
Check/Money Order Processing Fee	\$0.00	Not applicable	N	N
Automated Phone Payment Fee using Debit/Credit Cards	\$6.95 <sup>3</sup>	Per transaction	N	N
Customer Service Rep. Payment Fee using Debit/Credit Cards	\$6.95 <sup>3</sup>	Per transaction	N	N
Website Payment Fee using Debit or Credit Cards	\$6.95 <sup>3</sup>	Per transaction	N	N
<ul style="list-style-type: none"> <li>• Money Gram Fee</li> <li>• Western Union Fee</li> </ul>	Up to \$10.95 Up to \$12.95	Per transaction (Fee Not Charged by Securus)	N	N
Account Set-Up Fee	\$0.00	Not Applicable	N	N
Account Maintenance Fee	\$0.00	Not Applicable	N	N
Account Closing Fee	\$0.00	Not Applicable	N	N
Regulatory and Carrier Cost Recovery Fee	\$0.00	Not Applicable	N	N
Refunding Fee (e.g. debit or prepaid refund processing fee)	Securus Prepaid refund processing fee = \$0	Per transaction	N	N
Securus' Biometrics Features Charge / Fee	\$0.25	Per call (if applicable)	N	N
Continuous Voice Verification Biometrics Identification Fee	\$0.25	Per call (if applicable)	N	N

Description of Payment Processing Charges or Fees and Surcharges	What is the amount of charge or fee	When and How Applied (Monthly, Per Transaction Account Set-Up, etc.)	Will Fee or Surcharge Impact Gross Revenue? (Y / N)	Commissionable? (Y / N) If yes, state the percentage
State Regulatory Recovery Fee	\$0.00	Not Applicable	N	N
Transaction Funding Fee	\$6.95 <sup>3</sup>	Per Transaction	N	N
Third Party Payment Processing Fee	Please refer to Money Gram/ Western Union fees shown above	Per transaction	N	N
Inmate Station Service Charge	Please see proposed rates	Per call	Y	Y
Non-Subscriber Line Service Charge	N/A	N/A	N	N
Cellular Telephone Surcharge (initial or on-going cell phone termination fee)	\$2.99 <sup>5</sup>	Monthly (applicable only to any prepaid account with a wireless telephone number authorized to receive calls)	N	N
Universal Service Fund Fee	Multiple USF funds apply (e.g. CA Lifeline fund is based on 1.15% of intrastate end user revenue (less uncollectible))	Monthly	N	N
Universal Service Fund Recovery Fee	N/A	N/A	N	N
Miscellaneous or other surcharges and fees not listed above (itemize below)				
Bill Statement Fee	\$3.49 <sup>2</sup>	Monthly (only if customer is billed through their Local Exchange Carrier)	N	N
Return Check Charge	\$25.00 <sup>4</sup>	Per occurrence	N	N
Federal Regulatory Recovery Fee	\$3.49 <sup>1</sup>	Monthly (only if Interstate or international calls accepted)	N	N



## Fee Explanations

**Sales Taxes & Other Fees** – The actual city, county, and state sales taxes and Universal Service fees applicable to a bill are based on the taxes and fees in effect where the calls terminate so the rates will vary. The federal universal service fund (USF) fee varies each quarter. As an example, the federal USF decreased from 14.4 percent for the third quarter of 2011 to 15.3 percent for the fourth quarter of 2011. A Telecommunications Relay Service (TRS) fund fee allowing deaf or speech impaired people to place calls to standard telephone users may also apply to the bill.

<sup>1</sup>**Federal Regulatory Recovery Fee** – The Federal Regulatory Recovery Fee helps recover costs associated with the provision of state-to-state and international long distance services including the administration of the federal universal service fund (USF), other federal regulatory fees, proceedings and compliance items. The Federal Regulatory Recovery Fee of \$3.49 applies each month in which an end-user accepts state-to-state and/or international calls.

<sup>2</sup>**Bill Statement Fee** - A bill statement fee of up to \$3.49 may be applied to an end user's local exchange carrier bill in each month in which collect calls from confinement facilities are billed, regardless of the number of calls accepted. The bill statement fee is a monthly charge to recover some of the company's expenses associated with calls from confinement facilities served by the company and that are billed through local exchange carriers. No fee will be assessed in any month if no collect calls are accepted. This fee will not be assessed on end users that prepay for their services or those that are directly billed by the company.

<sup>3</sup>**Credit Card Processing Fee** – Customers remitting payment by Credit Card will be charged a fee of up to \$6.95. Customers are advised they may also remit a check or money order payment via the U.S. Postal Service, or using the on-line bill payment service of their bank, in order to avoid this fee.

<sup>4</sup>**Return Check Charge** – A return check charge of up to \$25.00 may be assessed for checks returned for insufficient funds.

<sup>5</sup>**Wireless Administration Fee** – a monthly fee of up to \$2.99 is applicable to any AdvanceConnect account with a wireless telephone number included as a number authorized to receive calls. This fee applies once per month, per account regardless of the number of wireless telephone numbers authorized. The fee amount will be deducted from the AdvanceConnect account balance on a monthly basis as long as a wireless number remains on the AdvanceConnect account.

Date Issued: February 14, 2012  
RFP Number: #5337

COUNTY OF SAN DIEGO REQUEST FOR PROPOSALS  
THIS IS NOT AN ORDER

MAIL OR DELIVER YOUR PROPOSAL TO:  
County of San Diego, Department of Purchasing and Contracting  
10089 Willow Creek Road, Suite 150, Mail Stop O32  
San Diego, California 92131-1699

FOR INFORMATION, PLEASE  
E-MAIL: [tracy.hudson@sdccounty.ca.gov](mailto:tracy.hudson@sdccounty.ca.gov)

Proposals shall be *received* at the above address  
prior to 3:00 PM LOCAL TIME, Thursday, March 29,  
2012

**SUBMIT PROPOSAL IN A SEALED ENVELOPE OR PACKAGE MARKED  
ON THE OUTSIDE WITH THE RFP NUMBER AND THE PROPOSER'S NAME AND ADDRESS**

DESCRIPTION

The County of San Diego is seeking proposals from qualified firms to provide automated, operator-platform local telephone service, equipment, installation and maintenance for inmate telephones located throughout the twelve County of San Diego detention facilities (Sheriff and Probation). The County anticipates awarding one contract for these services. This will be a revenue contract, with the contractor compensating the County according to Exhibit C- Pricing/Payment Schedule and the Compensation Clause located on the Signature Page of the contract.

CONTRACT PERIOD

The initial contract term will be for a period of three (3) years with seven (7) one-year options.

PRE-PROPOSAL CONFERENCE

A pre-proposal conference will be held on Tuesday, February 28, 2012 at 1:30 PM in the offices of the County of San Diego Department of Purchasing and Contracting, 10089 Willow Creek Road, Suite 150, San Diego, CA 92131. Questions regarding the process will be addressed. Requests for clarification related to definition or interpretation of this RFP shall be made in writing and submitted via e-mail to Tracy Hudson at [tracy.hudson@sdccounty.ca.gov](mailto:tracy.hudson@sdccounty.ca.gov). Oral explanations or instructions shall not be considered binding on behalf of the County.

TYPE OR USE BLACK INK TO COMPLETE THE OFFEROR INFORMATION BELOW

Offeror hereby acknowledges receipt of the RFP and Addenda Number 1 through [ 7 ].

<b>OFFEROR INFORMATION:</b>		<b>AUTHORIZATION FOR OFFER (Must be signed):</b>	
Firm Name: Securus Technologies, Inc.			
Street: 14651 Dallas Pkwy, Suite 600			
City/State/Zip: Dallas, TX 75254		By: <u>Robert E. Pickens</u>	<u>04/23/12</u>
Phone No: ( ) 972-277-3300 Fax No: ( ) 972-277-0514		Signature	Offer Date
E-mail Address: <a href="mailto:bpickens@securustech.net">bpickens@securustech.net</a>		Name: Robert E. Pickens	
Contact Person (If other than above):		Title: Chief Operating Officer	
Name: Kris Aldeman	Phone No: ( ) 503-913-6118	FAX: ( ) 972-277-0514	
Title: Account Manager			
E-Mail Address: <a href="mailto:kaldeman@securustech.net">kaldeman@securustech.net</a>			

NOTE: RFP's, associated documents and addenda may be obtained from the Department of Purchasing and Contracting at 10089 Willow Creek Road, Suite 150, San Diego, California 92131-1699 or by downloading from the department's Website "BuyNet" at [www.sdccounty.ca.gov](http://www.sdccounty.ca.gov). It is the Offeror's responsibility to periodically check the Website for addendum that may be issued to implement changes or clarification to the RFP, prior to the due date.

SUBMIT THIS COMPLETED FORM AS THE COVER PAGE OF THE PROPOSAL

P&C 600 FORM (PC-600)

Rev. 9/24/07



County of San Diego, Sheriff's Department RFP #5337 for  
Detention Facilities — Inmate Telephone Services

© 2012 Securus Technologies, Inc. All rights reserved.

**COUNTY OF SAN DIEGO, SHERIFF'S DEPARTMENT  
REQUEST FOR PROPOSAL (RFP #5337)  
DETENTION FACILITIES - INMATE TELEPHONE SERVICES  
REPRESENTATIONS AND CERTIFICATIONS**

County of San Diego  
Department of Purchasing and Contracting  
**REPRESENTATIONS AND CERTIFICATIONS**

The following representations and certifications are to be completed, signed and returned with the offer.

1. **NOT-FOR-PROFIT ORGANIZATIONS** Not Applicable  
Attach proof of status and omit Paragraph 3
2. **INTERLOCKING DIRECTORATE**  
In accordance with Board of Supervisors Policy A-79, if Offeror is a non-profit as indicated in paragraph 1 above Offeror is required to identify any related for-profit subcontractors in which an interlocking directorate, management or ownership relationship exists. By submission of this offer, Offeror certifies it will not enter into a subcontract relationship with a related for-profit entity if Offeror is a non-profit entity. If Offeror is a non-profit and will be subcontracting with a related for-profit entity, Offeror must list the entity(ies) on an attached separate sheet listing them all and the contract must be approved by the Board of Supervisors.
3. **BUSINESS REPRESENTATION**
  - 3.1. **REPRESENTATION AS DISABLED VETERANS BUSINESS ENTERPRISE**  
"Disabled Veterans Business Enterprise" means a business which is at least fifty-one (51%) owned and operated by one or more veterans with a service related disability as certified by Equal Opportunity Management Office (EOMO), California Department of General Services, Office of Small Business and members of Joint Agencies Contracting Opportunities (JACO), (California Military and Veterans code Article 8, section 9509)  
  
This Offeror represents as a part of this offer that the ownership, operation and control of the business are in accordance with the specific definition in 3.1. I am currently certified by  
  
Certifying Government Agency Not applicable  
Certification # Not applicable
4. **CERTIFICATE REGARDING DEBARMENT, SUSPENSION AND RELATED MATTERS**  
Offeror hereby certifies to the best of its knowledge that neither it nor any of its officers:
  - 4.1. Are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency, and
  - 4.2. Have within a three (3) year period preceding this agreement been convicted of or had a civil judgment rendered against them for commission of fraud or criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction, violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property, and
  - 4.3. Are presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, State, or local) with the commission of any of the offenses enumerated in paragraph 4.2 of this certification and
- 4.4. Have within a three (3) year period preceding this agreement had one or more public transactions (Federal, State or local) terminated for cause or default
- 4.5. Are presently the target or subject of any investigation, accusation or charges by any Federal, State or local law enforcement, licensing or certification body and if they are the appropriate information is included in the proposal as requested in the Submittal Requirements
- 4.6. Contractor will report in writing to the County Department of Purchasing and Contracting within five business days of knowing or having any reason to know any change in status as certified in the preceding paragraphs 4.1 through 4.5, and that occur prior to award (in the case of bids) and contract execution (in the case of negotiated procurements)
- 4.7. Offeror and its proposed subcontractors, agents and consultants have not previously contracted with the County to perform work on this project (e.g. preparing components of the statement of work or plans and specifications for this project). If Offeror or any of its subcontractors, agents or consultants, have previously contracted with the County to perform work on this project, Offeror shall identify those previous agreement(s) and submit that list along with the proposal
5. **CERTIFICATE OF CURRENT COST OR PRICING**  
This is to certify that, to the best of my knowledge and belief, cost and/or pricing data submitted with this offer, or specifically identified by reference if actual submission of the data is impracticable, is/are accurate, complete, and current as of the date signed below.
6. **CERTIFICATE OF INDEPENDENT PRICING**  
By submission of this offer, each Offeror certifies and in the case of a joint offer, each party thereto certifies as to its own organization, that in relation to this procurement:
  - 6.1. The prices in this offer have been arrived at independently, without consultation, communication, or agreement, for the purpose of restricting competition, as to any matter relating to such prices with other Offeror, with any competitor, or with any County employee(s) or consultant(s) involved in this or related procurements, and
  - 6.2. Unless otherwise required by law, the prices which have been quoted in this offer have not been knowingly disclosed by the Offeror and will not knowingly be disclosed by the Offeror prior to opening, in the case of a bid, or prior to award, in the case of a proposal, directly or indirectly to any other Offeror or to any competitor, and
  - 6.3. No attempt has been made or will be made by the Offeror to induce any other person or firm to submit or not to submit an offer for the purpose of restricting competition
7. The Offeror understands that prior to receiving a contract award from the County, the Offeror must submit a completed IRS W-9 form to provide a Federal Tax ID number, or if not available to provide a Social Security Number (SSN).  
Fed Tax ID: 75-2722144

**CERTIFICATION**

The information furnished in Paragraphs 1 through 7 is certified to be factual and correct as of the date submitted and this certification is made under penalty of perjury under the laws of the State of California

Name Robert E. Pickens Signature *Robert E. Pickens*  
Title Chief Operating Officer Date 4/23/12  
Company/Organization Securus Technologies, Inc.

**SUBMIT THIS FORM AS DIRECTED IN THE REQUEST FOR SOLICITATION DOCUMENTS OR WITH THE OFFER**

DPC 201107-26-11 - C0014 & P00271

Form <b>W-9</b> (Rev. November 2005) Department of the Treasury Internal Revenue Service	<b>Request for Taxpayer                  Identification Number and Certification</b>	Give form to the requester. Do not send to the IRS.
---	--	---

Print or type  
See Specific Instructions on page 2.

Name (as shown on your income tax return) <b>SECURUS TECHNOLOGIES, INC.</b>	
Business name, if different from above	
Check appropriate box: <input type="checkbox"/> Individual/ Sole proprietor <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Other	<input type="checkbox"/> Exempt from backup withholding
Address (number, street, and apt. or suite no.) <b>14651 DALLAS PARKWAY STE. 600</b>	Requester's name and address (optional)
City, state, and ZIP code <b>DALLAS, TX 75254</b>	
List account number(s) here (optional)	

**Part I Taxpayer Identification Number (TIN)**

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I Instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number
or
Employer identification number
7   5   2   7   2   2   1   4   4

**Part II Certification**

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
- I am a U.S. person (including a U.S. resident alien).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

Sign Here	Signature of U.S. person ▶ <i>[Handwritten Signature]</i>	Date ▶ <i>8/19/10</i>
-----------	---	-----------------------

**Purpose of Form**

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

**U.S. person.** Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee.

In 3 above, if applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

For federal tax purposes, you are considered a person if you are:

- An individual who is a citizen or resident of the United States,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States, or
- Any estate (other than a foreign estate) or trust. See Regulations sections 301.7701-6(a) and 7(a) for additional information.

**Special rules for partnerships.** Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,

## Table of Contents

---

Cover Page .....	1
Representations & Certifications Form.....	2
Table of Contents .....	3
Cover Letter.....	5
Executive Summary.....	6
Narrative Description of Technical Proposal.....	7
Résumés.....	42
2009 Audited Financial Statements.....	94

## Cover Letter

---

April 23, 2012

San Diego County Department of Purchasing and Contracting  
Attn: Tracy Hudson (tracy.hudson@sdcounty.ca.gov)  
10089 Willow Creek Road, Suite 150, San Diego, California 92131-1699

**RE: Securus' Response for RFP #5337 for Detention Facilities – Inmate Telephone Services**

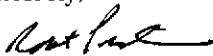
Securus Technologies, Inc. ("Securus") thanks San Diego County for the opportunity to respond to RFP #5337. Securus provides options that comply or exceed the required RFP specifications, and provide more benefits. Securus has a solution for San Diego County that will deliver:

- **More Automation** via guaranteed integration capabilities
- **More Support**; targeted support before, during, and after the seamless transition
- **More System Scalability and Adaptability** to meet the County's needs today and as your facilities grow due to ever-changing government policies, such as AB 109.
- **More Safety** for your officers and your community via proven, patented technologies
- **More Revenue** supports the County's goals and provides low rates with no-fee funding options
- **More Technology**, 85+ patents delivering 500+ independent features
- **More Investigative Features** including Call Analytics, Voice Biometrics, and the ability to share valuable intelligence with more than 1,600 facilities using the same system
- **More Efficiency and Revenue** through the best, no-cost, medical module (Cara Clinicals), video visitation, and kiosk capabilities in the industry

We take our promises seriously, and we keep them, as proven by our national customer base of 2,200+ facilities. Our technology, support, and service for law enforcement and friends and family have been fine-tuned over 25 years serving sheriff's departments and corrections agencies of all sizes. Our customers' needs has guided our direction, and we will continue that path in our service to San Diego County while providing more impactful capabilities than any other provider

Kris Aldeman will serve as the main point of contact and can be reached by phone (503-913-6118) or email ([kaldeman@securustech.net](mailto:kaldeman@securustech.net)) with any questions. Thank you for the opportunity to submit our proposal, and we look forward to serving the San Diego County Sheriff's Office and your community.

Sincerely,



Robert E. Pickens, Chief Operating Officer at Securus Technologies, Inc.  
14651 Dallas Parkway, Suite 600, Dallas, TX 75254

## Executive Summary

---

The inmate telephone industry is currently undergoing a transformation that will impact the San Diego County Sheriff's Office's Jail system for years to come. Companies are merging, new companies are entering the space, and existing companies are forging new partnerships. The choice you are about to make is critical and your ability to separate the reality from the hype will determine the service and technology that will be deployed in your facilities for the next three years or more and aid in protecting your community. It will also determine with whom you will collaborate for the next three years. Your current vendor merged with another company and is no longer the company you originally. One can argue that the best way to predict the next three years is to look at the last three years.

During the past three years, Securus has stood the test of time and met the challenges of the evolving industry. While we have not been perfect, we have stayed steadfast in our determination to build a company based on quality customer service for friends and families and to deliver new technologies for our clients that provides features for corrections officers designed, in part, to save lives. Generating commissions is just part of what we do. Our Secure Call Platform, which is upgraded three to four times annually at no cost, includes more than 500 distinct features, many of which are specifically designed to enhance the safety and security of the public and your staff. With Securus, you will not only get more from your inmate telephone system; you'll get more of everything.

So, how does the future look since we have reviewed the past?

One of the ways to evaluate what Securus will be in the future is to consider the commitment we have made in our response and understand we would not make the commitments if we could not deliver. We have promised to:

1. Do our homework to understand your unique operating environment and to make sure we understand the technical interfaces required, such as automated debit via the Sheriff's Commissary program, so your operation continues uncompromised.
2. Provide the very best centralized calling platform in the industry that is robust enough for your call volume and still have room to grow supported by the vendor that developed it to provide more control and more calling capabilities for inmates and called parties.
3. Provide more additional capabilities to expand efficiencies and enhance investigative return
4. Provide more account management and customer service than you and family and friends are presently receiving

We appreciate the opportunity to respond to your request for proposal and look forward to building a long term, mutually beneficial relationship with San Diego County and bringing you more of what you deserve in an inmate telephone provider.

# Narrative Description of Technical Proposal

---

## 1. Program Description

Provide a program description for the proposed service to include Offeror's understanding of the requirements to be accomplished in Exhibit A -Statement of Work. Include the following information:

✓ **Securus has read, understands, and complies.**

Securus meets or exceeds all requirements (Section 1.0 through Section 17.0) of Exhibit A—Statement of Work.

### **Project Overview**

The foundation of Securus' proposal is the Secure Call Platform (SCP). Our inmate telephone system (ITS) is a centralized, automated inmate calling platform that processes collect, AdvanceConnect (Friends and Family prepaid), and debit calls to provide San Diego County with **more features, more functionality, and more automation.**

With SCP, San Diego County will have the industry-leading inmate call platform that includes an open architecture, flexible call accounting system, blocked number capabilities, collect service, automated operator services, prepaid/debit calling, and much more. The Web-based SCP system allows easy integration with current and future systems.

The SCP includes a simple user interface that is accessible from any computer with Internet access. Our proposal includes all the required workstations and network connections, as well as interfaces with JIMS and Commissary, required for all investigative and administrative users at no cost to San Diego County; this is truly a turnkey project.

Our proposal includes all required integrations that exist today, as well as any future integrations, to provide critical interfaces to existing commissary and banking processes and to provide PIN administration as well as assist San Diego County with reports or administrative tasks. We have not cut corners with our program, but have developed a solution that will proudly serve the San Diego County Sheriff's Office.

Securus will install all new equipment for the latest generation of the SCP ITS. This project will be a "turnkey" solution that Securus will own and maintain throughout the life of the contract, providing local, long distance, international, select free calls, collect, prepaid, and debit calls in the facilities herein.

Our system is backed by multiple call processing centers, and the network is continuously monitored by Securus and AT&T, using the latest in network monitoring tools. Our Dallas-based Network Operations Center is staffed 24x7x365 and continually pings the network and components to ensure that we know if there is trouble before you do, and we take action. With very little equipment onsite at your facilities, service is less disruptive for your staff. The equipment we do have on site is easily exchanged in the event of a storm or part failure. Our onsite technicians will be



## Narrative Description of Technical Proposal

certified in all aspects of supporting our customized solution for San Diego County, and will be supported by our existing service infrastructure in California.

### **Investigative Tools Available to San Diego County**

Securus' SCP provides industry-leading investigative technology through our patented technology. Securus will provide these investigative tools, including call monitoring and recording, for every phone call made from an inmate phone and from phones in social visit areas. Authorized personnel can selectively disable or place limits on individual telephones within the SCP system using the SCP user interface.

It is no longer enough to just process phone calls through an ITS. As such, Securus has the largest documented investment in new technologies through its annual capital expenditure and Patent portfolio. Securus' SCP provides the following investigative solutions, fully integrated and inherent in the SCP system.

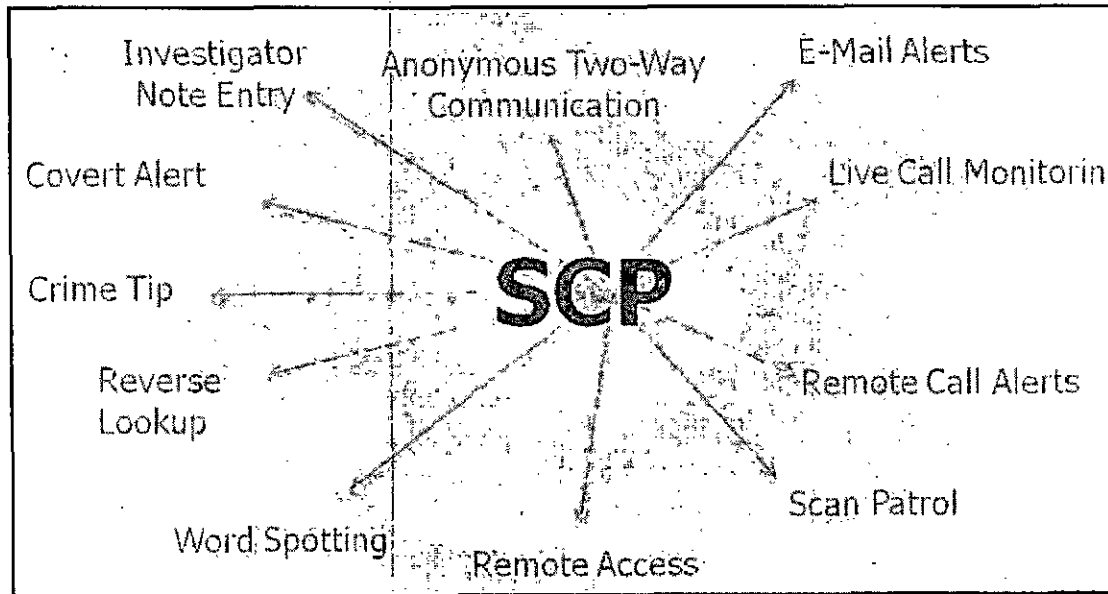
In addition to the investigative solutions inherent in the SCP system, Securus can provide additional investigative tools, such as continuous voice verification and call analytics compatible with Cellebrite UFED.

Our goal is to provide San Diego County with the best ITS, the best service, and the most sophisticated investigative platform in the industry. The Securus SCP includes more than 500 distinct features, many of which are specifically designed to identify potential criminal activity perpetrated through use of the inmate telephones. Examples of our investigative features that increase our customers' potential to prevent crime are presented in the following figure.

Further details on all the investigative features are provided in Appendix A in the Appendices binder.

# Narrative Description of Technical Proposal

## Investigative Features



### Threads

With Securus' Threads product, San Diego County will have that and more to enhance investigative efforts. The unique algorithms used within Threads were designed by real investigators with many years of experience analyzing communications data and training other investigative units on how to analyze data.

Securus understands that during the course of an investigation, the law enforcement community is inundated with data. Data is coming from different sources in different formats with numerous potential leads that can be followed. Each lead potentially creates many more leads to be followed and so on. Leads can be generated from:

- Various Sources of External Data:
  - Confiscated cell phones (calls, text messages, emails, videos, contacts, etc.)
  - Public phone records
  - Events and places of interest
  - Mail
  - Lexus Nexus
  - SS7 information
- Corrections Information:
  - Inmate call records
  - Inmate personal information (name, account number, PIN, DOB, SSN, etc.)
  - Who the inmate is allowed to call vs. who they actually called
  - Called party billing name and address information

# Narrative Description of Technical Proposal

- Corrections facility information in proximity to calling behaviors

## Investigative Benefits to San Diego County

San Diego County will realize the following investigative benefits that only Threads can provide:

- Cell Forensics Analysis
- Identify Accomplices
- Offenders contact people on the outside indirectly; identify who they are *really* contacting
- Identify linkages
- Identify an offenders inner circle
- Identify associated gang members
- Identify offenders communication within jail
- Find unique patterns in communication data
- Combine all the data into a single system
- Analyze all of this valuable information with enhanced reporting tools

Securus' Threads is an exclusive offering that no other provider can offer to the correctional industry. Threads is available as an optional product and empowers San Diego County with the latest in investigative technology and one of the most powerful tools in the Intelligence Community.

For complete details on this feature, please refer to Appendix A in the Appendices binder.

## Automated Information Services (AIS)

AIS is the industry's first and only hosted interactive voice response (IVR) system that automatically provides general facility information and inmate specific information to detainees and outside callers over the phone.

In addition to this core functionality, AIS can allow friends and family to open or fund a pre-paid telephone account or fund an inmate's trust account over the phone. These additional funding options make it easier and more convenient for friends and family to contribute funds while increasing your facilities potential commissionable revenue. All of this functionality is automatically available around the clock, which means constituents will always be able to get the information they need when they need it.

AIS provides unmatched secure access into facility and inmate information. This information is pulled from a facility's various MIS systems, including your JMS and Court Systems every 15 minutes. The service offers an English and Spanish interface, playback of inmate names, and touchtone and speech recognition interface. Friends and family access AIS by calling your normal telephone number; inmates access their information by speed dial from any inmate telephone.

## Covert Alert with Barge-In

Covert Alert can automatically call and alert authorized designated County staff and offer live call monitoring. Covert Alert bridges a call to an authorized remote number for those dialed numbers, phones, or inmate's PIN, that are under surveillance by investigators. Authorized personnel can monitor a call from any designated remote location while the call is in progress.

## Narrative Description of Technical Proposal

While on the covert alert call, the investigator can terminate the call between the inmate and the called party by pressing a predetermined code. In addition to being able to disconnect the call, the investigator can also barge into the inmate conversation and speak to both the inmate and the called party.

### Scan Patrol

Authorized County personnel who are monitoring calls can use our Scan Patrol feature to scan through live calls via the live monitoring application. Users can enter a specific time for which the system will play each call before moving to the next active call.

### Word Spotting

SCP's Word Spotting is an investigative tool that automatically finds specified keywords and short phrases within inmate conversations. This technology speeds investigations and reduces labor demands, but also increases investigative capabilities with full reporting capabilities.

SCP's Word Spotting features include:

- A default dictionary of 7,500+ words that can be customized to meet your needs, including slang and jargon not found in standard dictionaries.
- A user-friendly interface where suspicious inmates or phone numbers can be selected for ongoing searches.
- A search engine that automatically processes inmates or phone numbers.
- Integrated reporting to identify calls where specified keywords were spoken.
- A feature to select suspicious recordings and search them.

#### **Securus' Word Spotting: Fully Integrated with SCP**

Other similar tools in the industry use off-the-shelf systems that are intended to be used for call centers or professors. These systems do not account for the ever-changing landscape of criminal investigations or the evolving mentality of inmates. In many instances, these systems also force investigators to copy calls to local machines or move calls to a separate tool to identify specified words spoken throughout the call.

In contrast, Word Spotting is fully integrated with the SCP platform. Through this integration, Word Spotting searches for specified keywords in calls without the need to switch programs or download calls.

### Reverse Lookup

SCP's reverse lookup feature allows San Diego County staff to identify the billing name and address (BNA) of a dialed phone number captured in a call detail record. SCP allows users to associate the BNA information to a phone number on an inmate's PAN list.

# Narrative Description of Technical Proposal

Reverse lookup allows users to access the results from anywhere the number exists in the system:

- Call detail reports
- Blocked number lists
- Global allowed lists
- Call frequency reports
- BNA search screen, a dedicated BNA investigative tool

## **Viewing BNA Information on an Online Map**

Securus' SCP easily integrates with Google Maps providing a quick and easy way to view the location of the address associated with the telephone number.

## **Crime Tip**

Securus' Crime Tip feature is a crime reporting tool that provides inmates with a secure way to provide crime tips and/or leave anonymous contact information for follow-up. The SCP anonymously records all messages left on the Crime Tip Hotline, allowing inmates to provide crucial information without being exposed as an informant.

## **Call Tracker**

Securus' SCP allows authorized users to add notes and tracking numbers to call detail records associated with recordings. The Call Tracker feature allows authorized users to add a tracking number, gang affiliation, or duration into the call, and any other notes associated with the call. Also, this feature allows authorized users to keep the note private to their own investigation, or to selectively share the note with other users.

## **Additional Add-On Features**

### **Commissary Order by Phone (COBP)**

Securus' patented COBP product allows inmates to order commissary items, including phone time, using the same inmate telephones used to place calls to friends and family members.

COBP saves facility staff time processing commissary orders and handling commissary order complaints. Inmates can place orders when they want to, as frequently as they want to without waiting on facility staff. It is convenient, easy, and accessible.

### **Securus Video Visitation**

Securus can provide San Diego County with a no cost, state-of-the-art Securus Video Visitation system, enabling you to conduct visitations safely, securely, and with less burden on facility staff. This advanced optional solution provides San Diego County with multiple benefits, including:

- Enhance facility security by reducing the possibility of inmate confrontation
- Enhance facility operations
- Improve the ability of the inmate to communicate with legal representation/bail-bond/family, and any other persons authorized by San Diego County administration
- Reduce contraband infiltration

## Narrative Description of Technical Proposal

- Reduce inmate and visitor movement through a facility
- Increase security for visitors
- Increase inmate and visitor morale with increased opportunities to visit
- Reduce man-hours needed to escort inmates and visitors to visiting areas
- Generate income for the facility as a shared revenue producer

The Securus Video Visitation solution is a centralized system, similar to the SCP system, that allows automatic technology and feature upgrades. After the County's system is implemented, it is easy for Securus to enable new features and modules by activating the feature in the centralized system.

The Securus Video Visitation solution enables video arraignment and visitation sessions between inmates and their friends or family members, attorneys, and law enforcement officers. However, The Securus Video Visitation solution is much more. In addition to traditional video visitation sessions, it also provides:

- Visitation registration and scheduling
- Chat features for internal communication between San Diego County users, such as attorneys, probation officers, and jail administrators
- Inmate information kiosk
- Sick call requests
- Commissary order interface
- Long-term storage of recorded visitation sessions
- Automated retrieval and playback of sessions
- Browser-based system administration
- Call history record
- Usage reporting

### **Continuous Voice Verification**

Securus, in partnership with JLG Technologies, is proud to offer the "Investigator Pro" advanced voice identification technology originally developed for the U.S. Department of Defense for covert surveillance.

Prior to its development, no technology existed that was capable of performing the type of advanced surveillance functions to meet their needs. This feature was developed by the Department of Defense and the Massachusetts Institute of Technology (MIT). MIT was tasked with creating a system to automatically monitor and analyze phone calls. The foundation of the technology is to identify when a person other than the offender or the original called party that accepted the call is engaged in the telephone conversation.

Through its relationship with MIT, JLG Technologies was granted an exclusive license to bring this revolutionary technology to the corrections community. Through our partnership with JLG, Securus is proud to offer this technology to San Diego County. Please refer to the brochure on JLG Technologies Investigator Pro Product in Appendix C in the Appendices binder.

# Narrative Description of Technical Proposal

1.1 Describe established automated operator-platform local telephone service, equipment, installation and maintenance for inmate telephones.

✓ **Securus has read, understands, and complies.**

Securus will meet and exceed all requirements of this RFP through the use of its SCP. Our SCP is a state-of-the-art system designed to provide San Diego County with the ultimate in inmate call control and reporting. With more than 1,600 platforms installed nationwide, SCP is, by far, the most used platform in the industry.

### **Secure Call Platform Service**

SCP's advanced features provide extremely powerful and flexible tools for controlling inmate calling, reducing fraud, increasing investigative capabilities, and generating valuable administrative reports, more than any other inmate calling platform in the industry.

The Securus Development team custom-built SCP for the corrections industry, making this platform a fully integrated system of simple-to-use software tools, and computer and telephony hardware. SCP's hardware and software components readily adapt to the changing needs of a facility's operations. SCP can monitor, record, and block/unblock inmate telephone calls; generate reports; and seamlessly integrate multiple systems (JIMS, Sheriff's Commissary), all in real time.

Our SCP provides security to the public through the following features:

- Automated operators instead of live operators
- Real-time inmate call monitoring and recording for investigative and safety purposes
- Call duration settings and telephone on/off times
- Call detail records for investigative purposes
- Fraud control features
- Seamless integration of multiple systems (JIMS, Sheriff's Commissary)

The system is scalable and flexible, reducing labor demands by automating many tasks. Routine inmate calling operations can be configured to require minimal administration, allowing your staff to focus on what they do best—maintaining a safer, more secure correctional environment.

SCP also increases usability by providing anywhere, anytime access for authorized personnel. All of the investigative and administrative resources are available to approved personnel through our single-point access, the SCP user interface. Access can be made from any Windows-based computer with access to the Internet.

### **Prepaid and Debit System Administration and Operation**

Securus' SCP will provide a prepaid and debit calling option for the inmates. The system will allow for prepaid and debit calls to be placed to international locations, and will not require any assistance from a third party. All call restrictions in place for collect calling will remain in place for prepaid and debit calling, including three-way and remote call forward detection. Securus has reviewed the current process in place for ordering phone time, including orders via the Sheriff's

# Narrative Description of Technical Proposal

Commissary website, and thoroughly supports this type of integration, in addition to any improvements desired by the Sheriff's Office.

The system will be administered through the integrations with the Jail Information Management Systems (JIMS) and Sheriff's Jail Stores (Commissary). Our technical support group and local field services will provide any support required for the process. Inmates will have a PIN assigned that will be provided via automated interface. Inmates will use this PIN for each call, regardless of how the call is funded, and will select either a collect or debit (prepaid) call. The cost of the call and the remaining balance left on the account will be noted prior to each call. The called party will still accept the call and hear all of the prompts as they normally would, except for the charge for the call; all call controls will remain in place.

Calling purchases can be made by either the inmate or the called party through the Sheriff's Commissary or via Securus. With our integration, Securus will support the current look-up process in place on the Sheriff's Commissary website, in addition to providing the same capability through kiosks, if desired. Securus can also support funding through our US-based call center to further increase revenues. Debit purchase transactions will include inmate ID and the dollar amount transferred, and will be sent electronically from the commissary to Securus' secure server. The resulting electronic data exchange immediately updates the ITS to show the inmate identification and amount of debit time added to the phone account (by each inmate).

When an inmate is released from San Diego's facility, the release information is transmitted to SCP. The Inmate Debit account is closed in SCP, and the remaining unused balance is made available for refund to the inmate. Securus can remit the unused funds to San Diego to be refunded to the inmate via San Diego's current refund process. Or, Securus will make the refunds available to the inmates directly via Western Union's more than 470,000 worldwide retail locations. Again, Securus will provide the debit program in the manner desired by the Sheriff's Office and guarantees our ability to provide this integration.

Securus will be solely responsible for handling all refunds and problems associated with the prepaid and debit calling options and will support the resolution of any billing issues for inmates or inmates' families via toll free number through our internally operated, multi lingual, U.S.-based call center.

## Equipment

### Onsite Equipment

To support our minimal amount of required premise-based equipment, the majority of our provisioning is provided through AT&T Multi-protocol Label Switching (MPLS) T-1s. Premise equipment includes routers and Integrated Access Device (IAD) equipment converting VoIP to analog, which are procured through Adtran and Cisco. The telephone instruments are standard inmate shock-resistant WinTel telephone sets, which are hearing-aid-compatible and will be mounted to American Disability Act (ADA) standards, where applicable.

### Uninterruptible Power Supply

In addition, Securus will provide an uninterruptible power supply (UPS) device for all San Diego County Detention Facilities. The onsite equipment will remain operational during a loss of power at any San Diego County Detention Facility through the use of a four-hour UPS device. The Integrated



## Narrative Description of Technical Proposal

Access Devices (IADs) and uninterruptible power supply (UPS) maintain all currently ongoing telephone calls while blocking any additional call attempts after the event. After the UPS system is exhausted (4 hours), the system powers down to a quiescent state that allows it to resume full operation automatically after commercial power is restored. After power is restored, the system immediately restores call processing.

When commercial power is lost, there is no change in the operational characteristics of the system. If commercial power is not restored prior to exhausting UPS power, the system terminates all calls in progress and shuts down. If commercial power is restored prior to exhausting UPS power, no change occurs in the operational characteristics of the system.

### Off-Site Equipment

The off-premise SCP equipment is currently located in an AT&T data center composed of carrier-class, commercial-grade, high-performance, managed ITS built to the latest technology standards. This includes all hardware and software in maintaining fraud controls, investigative features, user utilities, call processing, and recording conversations. The system will provide the capability to immediately access three years of online recording storage through any Internet-enabled computer with appropriate credentials. Call recordings are securely stored in fully redundant, geographically separate off-site data centers and are available online.

### Installation Overview

Averaging more than one site install per day has enabled our project management approach to be one of Securus' core competencies. With the industry-leading provider of inmate systems (Securus), San Diego County will benefit from the experience of our people and their talents who support ITS throughout the United States and have completed more than 1,600 installations on the proposed system. Our plan contemplates the secure nature of your facilities and balances that with the schedule you would like us to follow for implementation. Our proposed implementation plan can be found in Appendix D in the "Appendices" binder.

Our organization structure will provide uninterrupted service during a seamless transition. Effectively coordinating, monitoring, and managing staff is critical to achieving our objectives for service excellence and continuous quality improvement. Securus transitions systems in the evening to minimize the effect on the inmate population and staff, focusing on bringing up critical areas immediately and then transitioning the remaining phones prior to the phones coming online the following morning. The transition is invisible to the inmate population outside of the educational postings Securus provides for the inmate and lobby areas to help inform both parties of available services.

Securus will provide multiple onsite resources throughout the transition in addition to our multiple install groups. Prior to the transition, Securus can provide training to staff in different departments and on multiple shifts in a classroom-style setting to ensure that all have a thorough understanding of the system prior to cutover. Our training staff will also be supported onsite by our Sales Engineer to work with the County on any integrations, as well as several administrative personnel to help track and support each phase of the transition.

Securus has extensive experience transitioning service from GTL customers to our SCP system and will professionally work with the incumbent on a seamless transition to our proposed services that

# Narrative Description of Technical Proposal

will not interfere with the staff or inmate population. Securus has the wherewithal to install and operate large prison facility telecommunications systems and guarantees our ability to provide a transition that will exceed the expectations of San Diego County.

Securus recently transitioned the Missouri DOC (a former PCS/GTL customer). Highlights include:

- o Less than three months to complete the installation
- o More than 32,000 Missouri state inmates eligible for phone privileges
- o Installation of approximately 1,750 phones at 22 inmate facilities

## Upgrades

Securus will provide three to four SCP system upgrades per year, with the approval of the County, for the life of the contract, including any extensions to prevent the system from ever becoming obsolete. The SCP architecture is built to implement software upgrades in real time, limiting disruption to the phone service. Securus has the largest deployed Research and Development team in the industry, backed by 85+ patents specific to inmate telecommunications. This is more than all other vendors in the industry combined.

## Maintenance Overview

Securus will provide the two required, trained full-time Onsite Technicians to support San Diego County both proactively and reactively. In addition to these technicians, San Diego County will have Securus' National Field Service and Sales organization supporting its needs.

Securus employs approximately 160 field service associates including 9 Regional Managers and a centralized Field Dispatch team in support of our National customer base. The Field Service Technicians (FST) are strategically positioned to meet the response time needs of our customers and reside near each customer location. The FSTs will carry a complete set of tools and standard truck stock of parts to handle most repairs and can order parts overnight or counter-to-counter from our central warehouse if needed. These trained technicians are ready to support the two, full-time onsite technicians to support the inmate calling system and the needs of the San Diego County Sheriff's Office.

## Workflow

Securus will provide, as part of its proposal, two dedicated On-Site Technicians who will perform all duties required by the County, but will also be trained to perform additional technical duties, thus allowing these technicians to serve as FSTs. The FST will meet with the primary contact for repairs. Upon completion of the repairs, the FST will verify resolution with the primary contact and obtain approval on the repairs. After approval, the FST will record the transaction in our problem management system through his/her laptop.

1.2 Describe the proposed procedures and methods to transfer data by secure internet connection.

✓ Securus has read, understands, and complies.

# Narrative Description of Technical Proposal

The dedicated Securus Integration team is the exclusive team that designs, develops, tests and implements all custom integrations with corrections industry and banking systems. Our mission is to deliver fast and flexible solutions for our customers. This process is incorporated into the overall project plan (see Appendix D in the "Appendices" binder) for the installation of the Securus SCP inmate telephone system.

## Importing JMS Data

The Securus SCP system has the capability to interface with the Facility's booking/jail management system (JMS) or Sheriff's Commissary so that inmate PINs can be automatically transferred, activated and deactivated in the inmate telephone system based on status. If an inmate is released, the inmates PIN information is stored and can be reactivated along with call detail records and inmate recordings if the inmate returns to the facility.

Examples of fields that we may automatically populate in SCP if and when we receive the data from the JMS integration include the following:

- First, Middle, and Last Names
- Birth Date and Social Security Number
- Account Number and Inmate PIN
- Activate and Book Dates
- Gender and Race
- Housing
- Alert Level
- Max Call Duration
- Three-Way Detection
- Language Preference
- Suspended and Suspend Start and End Dates

As long as the JMS stores these fields and they are included in our integration, San Diego County will be able to determine which fields they wish to be automatically updated in SCP.

## Methods and Technology Used to Transfer Data:

The most common technologies Securus uses to integrate with your systems include: HTTP, FTP push or pull of files in any textual format, SOAP Web Services, JSON, XML-RPC, and TCP Sockets. All methods are performed over a secure connection.

The primary method of data transfer over a secure Internet connection used by Securus is Transport Layer Security (TLS). TLS encrypts the segments of network connections above the Transport Layer, using asymmetric cryptography for key exchange, symmetric encryption for privacy, and message authentication codes for message integrity. The TLS protocol allows client-server applications to communicate across a network in a way designed to prevent eavesdropping and tampering

### 1.3 Describe tracking and quality control measures

#### ✓ Securus has read, understands, and complies.

Securus tracks all events for accuracy of the repair and customers' satisfaction with the work completed using technology and direct customer feedback. We use this feedback to improve all services to our customers. Securus provides several tracking and quality control measures, including:

# Narrative Description of Technical Proposal

- Network Operations Center
- HEAT® Ticket Tracking System
- Measurement and Feedback Systems
- System and Platform Design
- Internal Controls

## Network Operations Center

The Securus Network Operations Center (NOC) is located within our corporate headquarters in Dallas, Texas. The center is staffed 24 hours a day, 7 days a week, 365 days a year. The center is staffed with highly skilled administrators trained to monitor, diagnose and resolve any potential system or network abnormality, or escalate the issue to appropriate Information Technology (IT) support personnel.

## Premium Network Monitoring Capabilities

Securus proactively identifies potential system and network abnormalities through a centralized diagnostic application, Orion by Solar Winds. This network management software allows Securus personnel to continuously monitor all hardware, software and system metrics. Through our network monitoring practices, we can:

- Enable proactive repairs to a system before it goes down
- Alert remote or on-site engineers of any system threshold inconsistencies or alarms
- Receive real time alerts when the system detects an error
  - Identifies that the Network Elements health threshold has been exceeded or if any other potential system issue has been discovered
- Monitor call traffic patterns, bandwidth detail, and network life cycle management to ensure sufficient resources are in place
- Centrally monitor all calling traffic and reporting to determine if increase or decreases in the number of telephones are needed

## HEAT® Ticket Tracking System

For all service-related event logging, Securus' Technical Support Center (TSC) uses a tracking system to log, track, manage and assure appropriate response to all service requests. The service request generates a HEAT trouble ticket with priority level assignment, which drives diagnosis and response processes.

## Securus Technical Support Center

Securus provides customer service capabilities from a state-of-the-art customer service center at our headquarters in Carrollton, Texas. No competitor can match Securus' TSC experience working with corrections officials to quickly resolve and manage calling programs.

Securus' TSC serves as a single point of contact for facility staff to request service or make inquiries 24 hours a day, 7 days a week, 365 days per year and has four convenient methods of contact:

- Telephone: 866-558-2323

# Narrative Description of Technical Proposal

- Email: [technicalsupport@securustech.net](mailto:technicalsupport@securustech.net)
- Fax: 800-368-3168
- Web portal @ <https://www.securustech.net/facility/Default.asp>

## Measurement and Feedback Systems

An important foundation of our quality focus is our measurement system. We use measurement techniques and feedback mechanisms to make improvements in our company. Securus uses quantitative and qualitative tools to solicit feedback from customers and develop our quality improvement process. These tools include the following:

- Transactional Surveys
- Relationship Surveys
- User Groups

A low score on any of these surveys requires a management review, immediate contact with the customer, and an action plan to address the problem. Many of our industry-leading patents have come from customer suggestions regarding security enhancement and ways we could make their operations run smoother. We would welcome the opportunity to establish a quarterly technology forum with the San Diego County Sheriff's Office to share our upcoming roadmap and discuss any challenges on which we could partner.

## System and Platform Design

We use a professional and formal approach to platform and process design that ensures quality software and functionality releases. All modifications to the platform undergo rigorous testing in a test environment prior to being released.

## Software Development

Securus' commitment to excellence is demonstrated through our use of information technology (IT) best practices, quality measurement tools, and strict environmental controls to ensure system functionality and availability for our 1,600+ clients using our flagship SCP system every day.

The Securus Platform Team uses the Waterfall Software Development Lifecycle (SDLC) to ensure high quality deliverables. The feature/functionality enhancements process comprises the following stages:

- Analysis
- Design
- Development
- Quality Assurance
- Implementation
- Post Implementation Support

Each phase has specific deliverables and gates/controls to ensure proper quality, and to minimize rework. Securus uses the following distinct system environments in conjunction with our SDLC:

- **Development** – Create and unit test new enhancements
- **Quality Assurance** – Test and certify new enhancements and bug fixes
- **Pre-Production** – Validate hot fixes for production and final validation/mock deployment of major functionality releases

# Narrative Description of Technical Proposal

- **Production**

Securus uses an industry-standard HP Quality Center for defect tracking and follows a rigorous test cycle. Functionality Verification and all levels of testing from load through regression and exception.

Our quality control continues through site installation. We use a defined quality checklist process to work with the customer to install the system meeting their unique requirements. As described and included with our installation plan, Securus uses the following quality control checkpoints:

- Quality Control Checkpoint 1: Provisioning
- Quality Control Checkpoint 2: Pre-Installation
- Quality Control Checkpoint 3: Equipment Testing/Functional Validation
- Quality Control Checkpoint 4: Acceptance

These tools verify that work is completed properly before moving to the next step in our process. We do not proceed until we receive approval that work has been completed correctly. Our onsite technicians will follow these processes, incorporating any best practices suggested by San Diego County, to ensure we provide more support than is expected.

## Internal Controls

Securus developed the best internal controls in the industry to follow our processes and maintain accurate, secure information. We are the only inmate call platform provider to be Sarbanes Oxley certified. Further, we are the only provider to have achieved an SOC-1 (formerly known as SAS 70 Type II Audit) certification. These certifications require us to pass rigorous evaluations on internal controls by an outside auditor. Not only do we have to have solid controls, but we have to prove they are effective. No other inmate phone provider has been able to obtain either of these certifications, further demonstrating how Securus does more than is required to better serve our customers and their communities. Our internal controls benefit you because you know your information safe, our systems are accurate in regards to commission payments and call ratings, and our financial controls are effective so that we can operate our business in a responsible manner.

### 1.4 Please describe, in detail, the administrative features of your Inmate Telephone System.

✓ **Securus has read, understands, and complies.**

Securus understands that Addendum #4 added requirement 1.4. The SCP is a highly featured, flexible, state-of-the-art system designed to provide our customers with the ultimate in inmate call control, fraud control and tracking, security, reporting, and investigative capabilities offering 500+ individual system features.

### **Secure Call Platform User Interface**

SCP's user interface is San Diego County's window to all of these features. Because it is entirely Web-based, authorized users access the system at any time, from any location. We call this anytime/anywhere access. This design delivers investigative recordings with digital clarity and provides easy remote monitoring from any secure Web browser with Internet access.

# Narrative Description of Technical Proposal

Authorized users can easily apply settings and configurations to turn on a phone to a pod, restrict a phone, change a blocked number, and turn on or off a feature or application—all in real time. All features are completely integrated and can easily be accessed with the click of a mouse. As a result, San Diego County will experience:

- Increased efficiency for staff
- Increased flexibility
- Quicker “on-demand” access to call detail records and call recordings
- Unequaled investigative access to potential criminal activity

## Searching for Answers

San Diego County investigators can perform searches on any kind of information captured in the system, putting one of the most robust tools in their arsenal literally at their fingertips.

To access the SCP interface, users open Internet Explorer and enter the URL: <https://commandcenter.securustech.net>. They then enter a valid user name and password.

The following administrative features are available with Securus' SCP system:

- |  |  |                                   |
|--|--|-----------------------------------|
| ✓ Anywhere/Anytime Access                                  | ✓ Automated Information Services (AIS)                     | ✓ Automated Operator              |
| ✓ Alerts   | ✓ Announcements and Voice Prompts                          | ✓ Burning Calls to External Media |
| ✓ Call Recording Management, including emailing recordings | ✓ Call Blocking  | ✓ Call Tracker                    |
| ✓ Call Restrictions  | ✓ Calling Schedules  | ✓ Call Security and Privacy       |
| ✓ Centralized System Architecture                          | ✓ Chain of Evidence  | ✓ Commissary Order by Phone       |
| ✓ Covert Alert with Barge In                               | ✓ Crime Tip  | ✓ DTMF Prevention/Detection       |
| ✓ DTN Lock   | ✓ Global Allowed Numbers                                   | ✓ Officer Check-In                |
| ✓ Identify Station   | ✓ Informant Line   | ✓ Inmate Name Re-use              |
| ✓ Integration with JMS and Commissary Provider             | ✓ Language Choices   | ✓ Line Supervision                |
| ✓ Live Monitoring  | ✓ Lobby and Booking Kiosk with Optional Debit Release Card | ✓ Name Recording                  |
| ✓ Number Restrictions                                      | ✓ Mute Acceptance Call Progression                         | ✓ Online Help                     |

# Narrative Description of Technical Proposal

- ✓ Personal Identification Number (PIN) Feature Suite
- ✓ E-Imports
- ✓ Recording Storage Options
- ✓ Security Templates
- ✓ Scan Patrol
- ✓ System Logging
- ✓ Visitation (Monitoring and Recording)
- ✓ Word Spotting
- ✓ Personal Allowed Number (PAN) Feature Suite
- ✓ Phone on/off Soft Switch
- ✓ Remote Call Forwarding Detection and Prevention
- ✓ Securus Voice Biometrics
- ✓ Speed Dialing
- ✓ TDD/TTY
- ✓ Voice Mail
- ✓ PermaBlock
- ✓ Pro Bono
- ✓ Reverse Number Lookup
- ✓ Secure Instant Mail (Email)
- ✓ System Access
- ✓ Three Way Detection and Prevention
- ✓ Facility Portal

Each user is assigned access rights by the administrator, which allows the County to control security based on the facility's clearance objectives. Administrators can limit individual access to each application, but they can also limit access to each function within each application. To help manage access, a user log is provided that illustrates the user name, time of access, and modules accessed and users may be restricted to a specific IP address within certain time limits.

Securus applies a high level of security to protect against cyber-pirates. Applications transmitting data across public networks are supporting SSL, Certs, and encryption. Cisco and Juniper firewalls, used throughout the network to protect SCP and our customers, create DMZ networks. In addition, all servers, laptops, and workstations require anti-virus and anti-spyware protection software, and the latest operating system patches. Securus supports both AVG and Symantec anti-virus software.

## Facility Portal

San Diego County will have access to Securus' exclusive, one-of-a-kind Facility Portal to review revenue and commission data. The Facility Portal allows all facility customers to gain access to their commission reports, preliminary revenue reports, investigative tools, trouble ticket system, and a wide variety of other time-saving and revenue generating features and services. These new tools provide unmatched visibility into financial and operational performance while automating administrative tasks.

A full description of Facility Portal can be found in Appendix E in the "Appendices" binder.

1.5 Please describe how the County can add or delete users, track users by name or password and create/print reports for management purposes.

### ✓ Securus has read, understands, and complies.

Securus understands that Addendum #4 added requirement 1.5. San Diego County can add, delete, or track users by name or password and create/print reports through the SCP user interface. Securus' SCP provides an advanced multi-level password scheme specifically designed to provide



# Narrative Description of Technical Proposal

facility administrators with the ability to assign their own unique levels of access to individuals who will use different features of the SCP. Also, there are view and change options for each module depending on the need of the user.

## **Adding/Deleting Users**

The Administrator may modify the initial access levels and/or create additional levels based on facility clearance objectives and designated entry to each tool in accordance with this requirement. A user log is provided illustrating the user name, time of access, and modules accessed.

The Administrator Role is normally assigned to one or two people within an agency. This helps control who can or cannot create new users, expand users capabilities, change agency phone policy (phone schedules), and add, change, or delete security templates.

## **Security Templates**

User Profile settings can be configured within SCP. The Administrator Role is normally assigned to one or two people within an agency. This helps control who can or cannot create new users, expand users capabilities, change agency phone policy (phone schedules), and add, change, or delete security templates.

Adding new roles customizes the capabilities assigned to specific users within the organization, including the following:

- Administrator - Recording, Security Templates, and User Management
- Covert Alerts - View/Edit All Covert Alert and View/Edit Own Covert Alert
- Monitor - Forward Call, Listen to Live Calls and Recordings, Terminate Call Monitor, Terminate Monitored Calls, and View Live Calls
- Report - Blocked Call Detail, Call Detail, Call Detail, Call Frequency, Covert Alert Report, Covert Alert Report, and Hourly Usage
- Report - Informant Line Call CDR Report, PAN Frequency and PAN Frequency Detail
- System - Call Forward List Administration, Call Party Accounts, Call Schedules, Global Lists, and Global Lists
- System - Phone Configuration, Phone Group Configuration, Site Configuration, and Velocity Restrictions

## **Tracking Users**

SCP's audit and tracking feature logs all users' specific activities for investigative purposes. This feature creates an activity log that can be accessed by specified site administrators only or by site personnel with authorized security credentials. The system tracks users' activities to ensure that you have complete control and audit of your system. The following activities are tracked and logged to ensure that system usage integrity is maintained at all times:

- When users log in to the system
- How long users stay in the system
- Which recordings were monitored or played by a specific user
- What the user did with a recording

# Narrative Description of Technical Proposal

In addition, changes to custody accounts, PANs, global list entries, security templates, etc., are also comprehensively tracked and logged for each event.

## Creating and Printing Reports

Securus' SCP has a dedicated reports writer that provides investigative information based on the call detail records. This sophisticated reporting tool provides a reporting interface into all calling activities. Reports can be generated online and exported in:

- Excel
- CSV (Comma Separated Values)
- Adobe PDF format

Users can search and analyze call details on all calls placed from each inmate telephone through SCP. These details include date, time and duration, telephone number or origination and destination—if used—inmate ID, reason for termination, and much more. SCP retains call details on all call attempts. Users can customize the standard reports by varying search criteria, such as date range, facility, or call length.

A full set of reports that administrative users need daily, as well as a full set of investigative reports, makes Securus' Standard Reports generator anything but standard. Please refer to Appendix F in the "Appendices" binder for sample SCP Reports.

## 2. Experience, Expertise and Qualifications

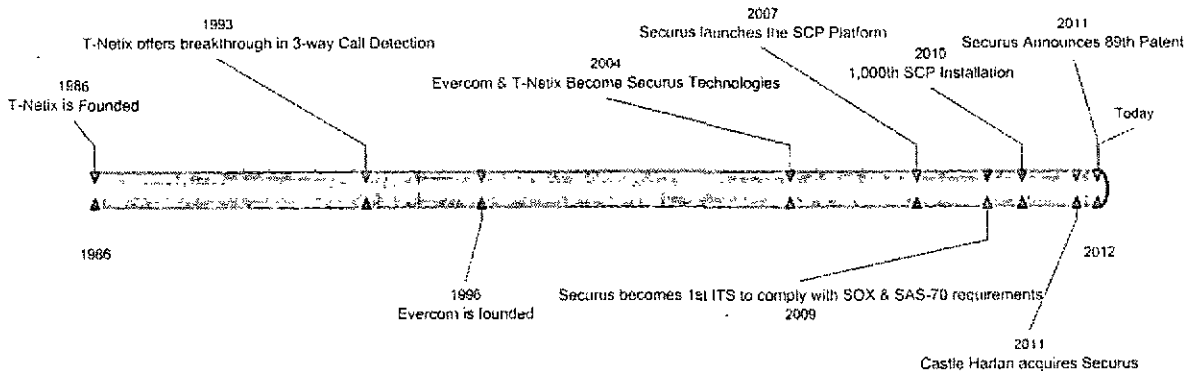
2.1 Offeror's Resume - Provide a resume of Offeror's experience within the last ten (10) years, including any and all names used to provide inmate telephone services. Include the following information:

### ✓ **Securus has read, understands, and complies.**

Securus Technologies, Inc. and its affiliated subsidiaries have been providing Inmate Telecommunications since 1986. Securus Technologies, Inc. (formerly Evercom Systems, Inc.) was incorporated August 22, 1997 in the State of Delaware. Securus has been operating under its current name since August 2, 2010. From its inception until July 1992, Securus and its subsidiaries primarily engaged in designing, manufacturing, marketing, and servicing public payphones, including pay telephones for use in correctional facilities. In 1991, the company began to focus on providing specialized telecommunications services for the inmate calling market as the result of U.S. Justice Department mandates to prevent inmates from committing massive credit card fraud from prisons. The following figure presents a timeline of the Securus history, including major landmarks.

# Narrative Description of Technical Proposal

## Securus' Timeline



### Over the last 10 years:

- Securus has been awarded:
  - Missouri DOC
  - Connecticut DOC
  - Louisiana Department of Public Safety & Corrections
  - Texas Department of Criminal Justice (TDCJ)
  - Florida DOC
  - Harris County, TX
  - Broward County, TX
  - Suffolk County, NY
- Securus has:
  - Designed, built, and staffed an in-house Customer Service Center
  - Installed the SCP system at more than 1,600 facilities
  - Been awarded more than 85 patents (with approximately 35 in progress)
  - Purchased Primonics Video Visitation and developed secure at-home visitation capabilities

T-Netix, Inc. began under the name Tele-Matic Corporation, which was incorporated under the laws of the State of Colorado on February 6, 1987. In 1993, T-Netix met the inmate fraud control challenge and was the first company to introduce to the corrections marketplace the capability to detect a three-way call.

From its inception until July 1992, T-Netix was primarily engaged in designing, manufacturing, marketing and servicing public payphones, including pay telephones for use in correctional facilities. In 1991, the company began to focus on providing specialized telecommunications services for the inmate calling market as the result of US Justice Department mandates to prevent inmates from committing massive credit card fraud from prisons.

# Narrative Description of Technical Proposal

In 2004, Securus Technologies Holdings, Inc. was created as the parent company of Securus Technologies, Inc., formerly known as Evercom Systems, Inc. and T-Netix, Inc. Securus' product lines are driven by an understanding of our customers' needs, derived from more than 25 years of hands-on teaming with partnering facilities. Our product offerings are a direct result of our commitment to technological excellence and our services are driven by our goal of providing outstanding customer service to correctional institutions, inmates and friends and family members of inmates.

Today, Securus provides service to approximately 2,200 correctional facilities nationwide, including locations operated by city, county, state, and federal authorities, juvenile detention centers, and private facilities.

## Corporate Experience

By developing and being awarded 85+ technology patents today along with approximately 35 patents pending with the U.S. Patent Office, Securus is the leading technology innovator in our industry, and has been for more than 25 years. This patent portfolio is more than all other vendors in the industry combined. Every large inmate telecom provider in our industry uses our patent technology under our license agreements. Correctional facilities have come to rely on the technology Securus develops to provide inmates and friends and family members vital telephone security and protection.

Unlike most vendors, Securus has extensive experience serving customers of the size and scope of San Diego County, which ensures that the County receives a vendor capable of transitioning service in a professional, efficient manner, thus minimizing any perceived difficulties in a transition. We serve hundreds of DOC, "mega-county" and private prison facilities that house thousands of inmates including Cook County, IL, Broward County, FL, Harris County, TX, and Orleans Parish, LA to name a few, providing Securus with the needed experience that others do not have to transition facilities the size and scope of San Diego County.

Securus has the wherewithal to install and operate large prison facility telecommunications systems. Case in point - in 2011, Securus installed on time and under budget the Missouri Department of Corrections telephone system — serving more than 30,000 inmates and 24 facilities. Missouri chose Securus because of its industry experience, reputation and "best in class" network platform. Securus beat out its largest competitor (GTL) in Missouri and won was selected as the winning bidder for the Connecticut and Louisiana Departments of Corrections, further demonstrating our ability to serve mega correctional facility customers. Securus has the only centralized packet-based network platform that can serve DOC institutions like Missouri and mega-county facilities like San Diego, unlike our largest competitors.

Also, San Diego County can benefit from a service infrastructure that includes outstanding support to its constituency. While others in the industry are moving their call centers offshore, Securus retains the largest onshore customer service center dedicated to the constituents of San Diego County. This call center based in Dallas, TX, provides end users with bilingual support and the confidence of communicating with representatives based in the United States.

Unlike our competitors that do not provide transparency or vigor in their financial reporting, Securus is proud to be the only inmate telecommunications provider in the U.S. that is Sarbanes-

# Narrative Description of Technical Proposal

Oxley Section 404 compliant. Becoming Sarbanes-Oxley compliant in 2009 meant that an independent accounting and auditing firm completed a comprehensive and in-depth evaluation and testing of Securus' internal controls over financial reporting, reinforcing that our financial statements provide the necessary *depth and accuracy* required for investors, rating agencies, and our correctional facilities customers.

Additionally, Securus, unlike any other provider in the industry, can also claim the distinction of being SOC-1 (formerly known as SAS-70 Type II) certified as well. In 2009, Securus successfully completed an American Institute of Certified Public Accountants Statement on Auditing Standards No. 70 (SAS 70) certification.

Securus successfully designed, implemented, and monitored many multi-institutional networked inmate telephone systems as the prime contractor. We are pleased to provide the following examples of three of our networked ITS that include recording and monitoring all calls and handling a similar to the volume of calls and minutes as San Diego County.

## **Broward County Sheriff's Office (BSO)**

**ADP: 5,283**

Securus has proudly served the BSO (5,283 ADP) since March 2002. With the installation of Securus' SCP and automated email systems, Securus worked with BSO to introduce key project members and review requirements, facility listing, implementation, timeline, staff, responsibilities, project manager, weekly reporting and status, project plan outline, hardware replacement, integration issues, and data conversion.

This project required converting existing PIN and PAN lists to SCP inmate PIN/PAN lists, educating inmates and called parties on reduced call rate plans for each facility, integrating through Securus' E-Imports feature, reviewing engineering options, training staff on the new system at four centralized locations, enrolling inmates in voice biometrics, and providing ongoing periodic reviews of systems and service.

Project was completed ahead of schedule to the satisfaction of BSO with virtually no interruption of ITS. Detail deputies were used for any work done during period of short staffing. Ongoing technical and onsite support will continue throughout the term of the agreement. Customer has been very satisfied with system capabilities and support provided by Securus. Securus provides ongoing support for both inmate calling, as well as consultative support on other correctional technologies.

## **Arizona Department of Corrections (AZ DOC)**

AZ DOC awarded a five-year statewide contract to Securus in October 2007 through October 2012. The contract required Securus to implement and operate a turnkey network-based offender telephone system with integrated recording and monitoring capabilities. This included the installation and use of voice biometrics, centralized database/administration with integration into AZ DOC Offender Management System. For offender behavior modification, Securus installed call velocity restrictions based on various custody levels. Our installation team successfully installed approximately 1,180 telephone devices, including over 550 pedestal installations, serving more than 35,000 offenders at more than 20 AZ DOC state-operated and privately managed locations.

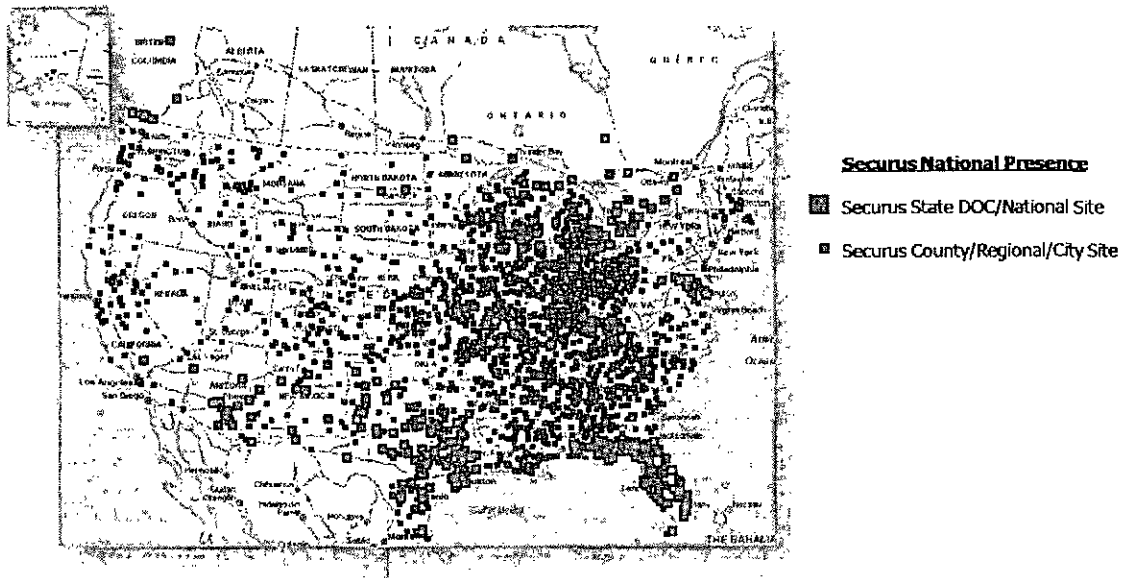
The service installed at the AZ DOC is the same service being proposed to the County.

# Narrative Description of Technical Proposal

## 2.1.1 Areas served

✓ **Securus has read, understands, and complies.**

Securus currently serves correctional facilities operated by city, county, state, and federal authorities and other types of confinement facilities such as juvenile detention centers and private jails nationwide. Securus provides services to approximately 2,200 correctional facilities in 44 states, the District of Columbia, and Canada. More than 850,000 inmates are served by Securus at these facilities. Securus national presence is reflected in the following figure.



**Securus serves approximately 2,200 correctional facilities and more than 850,000 inmates.**

In the state Department of Corrections (DOC) space, Securus currently serves 10 of the 50 DOCs in the United States, including such states as Texas, Florida, Arizona, Missouri, Maryland, Kentucky, North Dakota, Alaska, New Mexico, and Wisconsin. We were also recently selected as the winning bidder on Connecticut and Louisiana DOCs. We also serve many "mega-county" facilities that house thousands of inmates including Cook County, IL, Broward County, FL, Orleans Parish, LA and Harris County, TX. Additionally, we are largest provider of inmate services to private prison companies such as Corrections Corporation of America ("CCA") and GEO.

## 2.1.2 Credentials, licenses and abilities of Offeror

✓ **Securus has read, understands, and complies.**

With industry-leading credentials, licenses, and abilities, Securus is best positioned to continue to invest in technology and service to make sure your inmate phone system continues to meet your

## Narrative Description of Technical Proposal

needs both now and in the future. Securus is the only provider in the industry who can demonstrate the results of an ongoing commitment to excellence, as demonstrated by our:

- Number of patents – 85+ awarded with approximately 35 pending in process
- Industry association memberships – Securus is an active member and supporter of the American Jail Association (AJA), the American Correctional Association (ACA), the National Sheriff's Association, and a Member – California State Sheriffs' Association Corporate 100 Partners Program
- Sarbanes-Oxley Section 404 compliance
- SOC-1 (formerly known as American Institute of Certified Public Accountants Statement on Auditing Standards No. 70 (SAS 70)) certification

### Industry Association Memberships

Nationally, Securus is aligned with San Diego County and values good corporate citizenship, affirmative action, and environmental preservation policies. Securus has conducted annual giving campaigns for the United Way since 2008.

In addition, our employees sponsor and purchase holiday gifts for the Scottish Rite Hospital in Dallas. In the past we have donated to various area food banks and collected gifts for the Salvation Army Angel Tree Program and Prison Fellowship Ministries. Our associates have volunteered their time at the local Salvation Army Soup Kitchen. Annually we support our United States Military Troops by sending care packages to those servicing abroad and we conduct quarterly blood drives in Dallas.

Securus maintains an *Affirmative Action program* and encourages diversity through our management training program series. Where appropriate or requested in an RFP, we staff on-site positions with local citizens. We are committed to preserving the environment as our Dallas offices participate in office wide recycling and we use a document removal service to recycle paper waste.

### Federal and State Rules and Regulations

Securus has included a copy of the certificate granted by the California Public Utilities Commission to provide service. Please refer to Appendix G in the "Appendices" binder.

2.1.3 Provide criteria and procedures used in hiring, training and monitoring staff

✓ **Securus has read, understands, and complies.**

Securus is committed to a continuous effort to enhance quality in our company and to maximize customer satisfaction levels. We do this through a comprehensive approach that involves our culture, our employee selection process, measurements and feedback mechanisms, system and process design, and internal controls. We look for more in our employees so we can provide more to our customers.

### Our Culture

Commitment to quality starts with our culture. We emphasize quality and customer satisfaction every day. Each employee is focused on customer satisfaction and quality of work objectives, and

# Narrative Description of Technical Proposal

every employee is evaluated each year on performance. Further, each department at our company measures customer satisfaction each month and reports on the results.

## Employee Selection

Having a quality-oriented culture is vital, but making sure we have employees are committed to our values and perform at the highest level is what sets us apart. Securus uses a formal process for employee selection involving multiple departments and management levels in the selection process. We have an in-house recruiter who seeks top candidates for open positions. Our Human Resource organization matches candidates to the requirements and performs background checks to ensure we hire employees with the highest integrity. Our formal process ensures that only the best are selected—*from these top candidates, we expect high performance standards*. Our commitment to you is carried by our employees, and we believe we have the best team in the industry.

## Employee Training

All employees complete quarterly online training modules through "Securus University." The quarterly training provides employees with resources for skill improvement, professional development, and performance support.

Securus University provides training to employees who are required to complete training and certifications necessary to fulfill the requirements of their job position. For example, IT professionals can complete additional training on topics such as CompTIA A+ certification, and Field Service employees can complete additional training on electrical safety.

## Training for the Onsite Technicians

Securus will hire the Onsite Technician positions for San Diego County. However, this Onsite Technician will be a fully trained Securus employee, not a third-party contractor or subcontractor; the County's current Onsite Technicians will have first right of refusal for the positions. The onsite technicians will receive the following training:

- The on-site technicians will be fully trained after hiring. This training is an in-depth view of all platform features. Refresher training will be given every four to six months and also covers new features of the interface.
- The onsite technicians will be given training on node, network switches, and telephones. This training will teach how to repair, replace, and configure hardware. *During this training, the technicians will receive documentation to assist in maintaining the telephone equipment.*
- The technicians will be shown how to perform tests to the hardware and how to look for potential equipment failure. The technician will receive a timeline of how often each component needs to be tested.
- HEAT ticket training will give the technicians the policies for how we manage repair, PM, administrative, and MAC (move, add, change) tickets.
- Onsite technicians will also use Securus University. The field service department has required courses that are assigned to Field Service Technicians to improve their skills.



## Narrative Description of Technical Proposal

2.2 Proposed Organizational Charts and Staffing - Provide an organizational chart that describes the Offeror's overall organization. Describe management structure, sufficiency of resources and rationalization for allocation of resources.

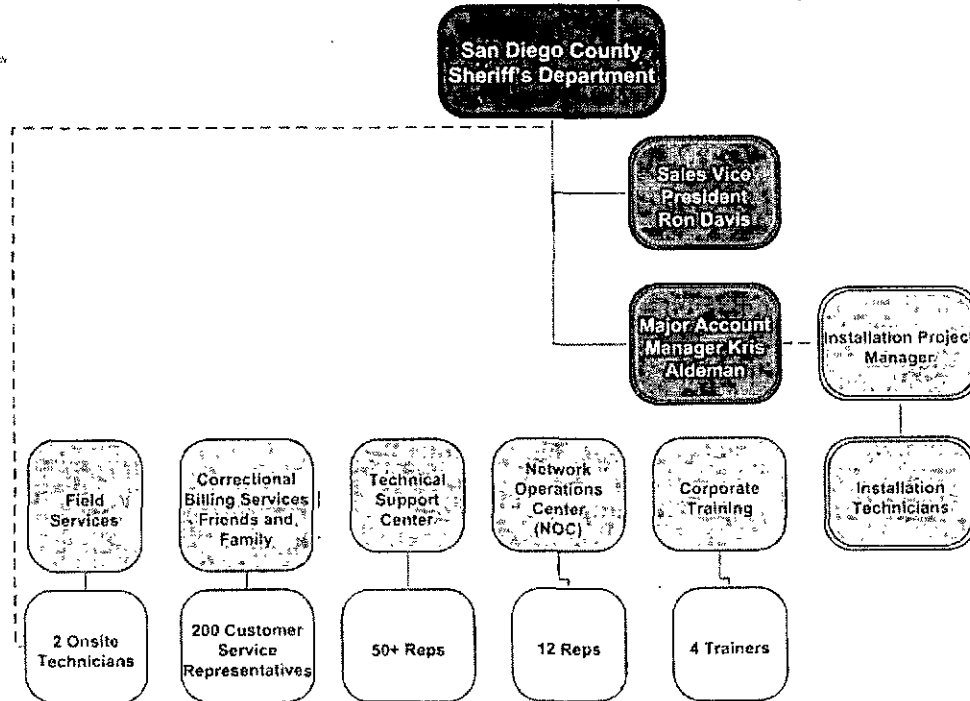
✓ **Securus has read, understands, and complies.**

Securus understands the needs of our facility customers and the growing trends of the industry. We recognize the need to recruit the best people, meeting the geographical needs and skills requirements our customer's expect in a service provider, in addition to meeting the specific requirements of their job function. We expect more from our employees so we can provide more to our customers. The corporate structure is organized around meeting the customer's needs and industry trends, including:

- Providing an industry-leading centralized packet-based network platform
- Providing an in-depth product set to help with criminal investigations and prevention
- Developing leading technology, as evidenced by our patent portfolio
- Provide ongoing support to our facility customers through exceptional Sales, Field Services, Installation, and Technical Support teams
- Providing outstanding customer service to the end-users through our in-sourced customer call center, located in the Dallas metropolitan area.

The following figure represents the San Diego project organizational chart, demonstrating Securus' resources devoted to supporting the County and its needs.

# Narrative Description of Technical Proposal



Securus' corporate structures and resources are organized around meeting these goals. For example, to support our industry-leading network platform, we reinvested \$100+ million and applied 300,000+ man hours to developing this platform. It was necessary to allocate more resources to our IT department, including expanding the department to include Corporate Development, Network Operations, and Applications departments. These expanded departments help future-proof the call platform network by increasing our storage capacity, increasing network speed and reliability, and developing new technology.

Organizing all of these supporting departments under our Chief Operating Officer ensures that Securus provides a cohesive, consistent experience to the facilities and end users.

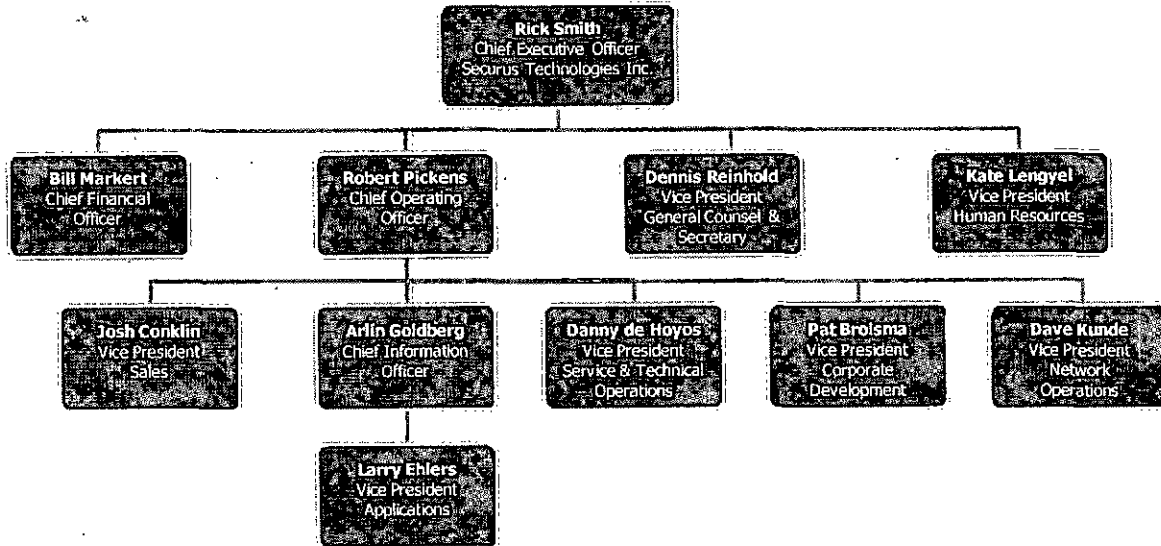
## Management Structure

Richard A. Smith serves as Securus' Chief Executive Officer. Mr. Smith and Securus' executives possess 190+ years of combined telecommunications and/or inmate telecommunications experience. Many members of the current executive team previously ran a highly successful publicly traded competitive local exchange carrier called Eschelon Telecom, Inc. (NASDAQ: ESCH).

The following figure presents the Securus leadership organization structure. Additional information about each of these executives can be found in under the Résumés section on page 42.

# Narrative Description of Technical Proposal

## Securus' Corporate Organizational Chart



### Information Technology (IT) Departments

In 2011, we added 30 associates to the IT Departments. This was executed with the explicit intent on separating duties to dedicate resources to specific areas of operations within the IT Departments. Specifically, resources were added to the Network Engineering Team to ensure there are resources dedicated to customer facing network operations separate from resources dedicated to internal networking operations. This ensures that adequate resources are dedicated to customer-facing projects to implement new features and functionality on the platform, work trouble tickets, and build greater platform stability, while at the same time allowing for internal back office project development and support. Last, we added system engineers and help desk personnel to the back office so that engineers and support personnel do not need to be pulled into internal associate-facing issues and projects, allowing the platform IT personnel to provide solutions and stability to customers.

### Service and Operations

#### In-Sourced Customer Call Center

Securus' strategic decision to move away from outsourcing call center functions offshore and create a 200-seat in-sourced call center, located in Texas, has significantly improved customer service levels. The state-of-the-art center provides 24x7x365 service. ***Our goal is to provide not only the most efficient call center in the industry but also a world class call center that is unrivaled in any industry, worldwide.***

Securus invested \$2+ million implementing the latest call center equipment, applications, and training necessary to provide fast response times and one-call resolution to customers. These investments allow the company to operate the largest and most-advanced call center dedicated to serving the needs of friends and family members of inmates in the country. ***The investments we***

# Narrative Description of Technical Proposal

*made impacted our customers in positive and meaningful ways, providing more services and faster response times.*

## Field Services Organization

The onsite technicians for San Diego County will receive the same training our existing FSTs do so that they can understand our systems and the specialized industry we serve. Securus will provide the County's existing onsite technicians with first right of refusal, if the County desires.

## Allocation of Resources

Securus structures our field and service organization based on our existing base of customers and our areas, such as the Southwestern United States, recognized for expansion. We use the knowledge gained over 25 years of serving law enforcement nationally to develop a staffing needs plan for each area. As we add customers, we increase our overall headcount for sales, field operations, and our call centers to allow for the appropriate increase in service and community support needs. In many cases, such as with a county similar to San Diego, Securus would immediately increase headcount to ensure service in excess of the County's expectations.

- 2.3 Staff Resumes - Offeror shall provide resumes of all owners and technical managerial personnel who will be assigned to the project in the event of award, including a description of anticipated roles in the project.

✓ **Securus has read, understands, and complies.**

Because the résumés do not count towards the 35-page limit, Securus has included the résumés in a separate section (on page 42) to facilitate an accurate page-limit count.

All resumes must clearly indicate skills commensurate with the technical and professional requirements of this RFP. Information on related experience, education and knowledge should include a delineation of work on specific projects which relate to County's requirements. You do NOT need to include the resumes of line staff unless they have decision-making authority in the performance of their duties.

✓ **Securus has read, understands, and complies.**

Securus has included the résumés in a separate section (on page 42) to facilitate an accurate page-limit count.

- 2.4 References - Provide a minimum of four (4) business references for which Offeror provided inmate telephone services of similar size and scope. Each reference should be summarized in no more than one page and should include the following:

✓ **Securus has read, understands, and complies.**

In addition to the following references, Securus has provided additional letters of reference in Appendix H in the "Appendices" binder.

## Securus' Reference #1

Organization	Arizona Department of Corrections
Contact Name and Title	Jeffery Stewart, Network Services Manager

## Narrative Description of Technical Proposal

Telephone Number	602-542-3879
Volume of Service	40,000 inmates
Summary	SCP, JMS integration, custom call velocity restrictions, and installed 12,000 phones, 550 pedestals, throughout 25 AZ DOC locations

### Securus' Reference #2

Organization	New Mexico Department of Corrections
Contact Name and Title	Dwayne Santistevan, NM DOC Security Threat Group Unit Administrator
Telephone Number	505-827-8275
Volume of Service	3,700 inmates
Summary	SCP, prepaid calling cards, 6 NM DOC sites

### Securus' Reference #3

Organization	Suffolk County Correctional Facility
Contact Name and Title	Michael Franchi, Deputy Warden
Telephone Number	631-852-3080
Volume of Service	2,000 inmates
Summary	SCP, Automated Information Services (AIS) in process, Inmate Debit with JMS and Commissary integration in process

### Securus' Reference #4

Organization	Jefferson County Detention Services
Contact Name and Title	Gary Gittens, Captain Jennifer Van Dorn, Administrative Specialist
Telephone Number	303-271-5620 303-271-5349
Volume of Service	1,300 inmates
Summary	SCP, AIS, integration with Keefe Commissary for debit products, integration with Tiburon JMS

### Securus' Reference #5

Organization	Harris County
Contact Name and Title	Patty Kenyon, Contracts Administrator
Telephone Number	713-755-7909

# Narrative Description of Technical Proposal

<b>Volume of Service</b>	10,000 inmates
<b>Summary</b>	SCP with automated PIN and Inmate Debit calling

### Securus' Reference #6

<b>Organization</b>	Broward County Sheriff's Department
<b>Contact Name and Title</b>	Kathleen Casey, Enterprise Technology Division
<b>Telephone Number</b>	954-321-4611
<b>Volume of Service</b>	5,000 inmates
<b>Summary</b>	SCP, E-Imports with in-house JMS

### Securus' Reference #7

<b>Organization</b>	Travis County, Texas
<b>Contact Name and Title</b>	Lisa Brown, Captain
<b>Telephone Number</b>	512-854-5336
<b>Volume of Service</b>	2,450 inmates
<b>Summary</b>	SCP, Voicemail, SIM, voice biometrics, video visitation

2.4.1 Provide name, title, and telephone number of contact person representing the reference organization. *The reference contact person must be familiar with the Offeror and Offeror's relevant experience and performance.*

**Securus has read, understands, and complies.**

Please see Securus' response to Section 2.4, above.

2.4.2 Provide volume of service for each business reference

**Securus has read, understands, and complies.**

Please see Securus' response to Section 2.4, above.

2.5 Government Contracts - List all Government contracts and include type of contracted services, length of contract, performance outcomes, and compliance issues. County staff will verify contract information.

**Securus has read, understands, and complies.**

Please refer to Reference #1 in the Exhibit - Confidential/Proprietary binder for all of Securus' government contracts. Securus considers this information highly proprietary and confidential and respectfully requests that it be removed prior to public display of proposals.

2.6 Litigation - Provide a description of any litigation, active or inactive, and their resolution in the past five (5) years related to the contractor's performance. Provide a copy of a letter

# Narrative Description of Technical Proposal

from the Offeror's attorney and/or in-house legal counsel concerning the status of lawsuits and pending litigation for the most recent year

✓ **Securus has read, understands, and complies.**

Securus has not had any litigation related to performance in the past five years. An attachment detailing all litigation for the last year is located in Reference #2 in the Exhibit – Confidential/Proprietary binder.

2.7 Please explain if Offeror or any of its officers are presently the target or subject of any investigation, accusation or charges by any federal, State or local law enforcement, licensing or certification body as certified in Paragraph 4.5 of the Representations and Certifications form.

✓ **Securus has read, understands, and complies.**

As certified in Paragraph 4.5 of the Representations and Certifications form, none of Securus' officers are presently the target or subject of any investigation, accusation, or charges by any federal, state, or local law enforcement, licensing or certification body.

### 3. Fiscal

3.1. Provide the following information for the last three (3) fiscal years:

3.1.1 Audited financial statements with applicable notes;

✓ **Securus has read, understands, and complies.**

Please refer to the Section marked "2009 Audited Financial Statements" in this volume for Securus' 2009 statements, and refer to References #3 and #4 in the Exhibit – Confidential/Proprietary binder for the financial statements for 2010 and 2011, respectively. With industry leading financial performance, Securus is best positioned to continue to invest in technology and service to make sure your inmate phone system continues to meet your needs both now and in the future. Securus is the only provider in the industry who can demonstrate the results of ongoing financial stability as indicated by our:

#### Experience

- **Longevity:** Securus has been serving the correctional industry for 25 years.
- **Size:** Securus is the largest inmate telecom company in the world, serving approximately 2,200 facilities and more than 850,000 inmates nationwide.
- **Securus' associates:** Securus has invested more than any other provider to create a workforce of approximately 750 trained Securus associates.

#### Investments

#### Experience that Matters

- 25 years of experience
- 2,200 facilities and 850,000+ inmates
- 1,600 SCP installations
- Approximately 750 trained Securus associates (no outsourcing)

#### Investments that Matter

- \$100M and 300k hours developing our Secure Call Platform
- Over 85 patents, approximately 35 pending.
- \$10M invested in the past year to advance our technology.
- 500 features, average of 50 new features offered yearly, and up to 4 automatic upgrades at no cost to you.
- \$2M to build a US-based call center

# Narrative Description of Technical Proposal

- **Long Term:** Over the past 20 years, Securus has spent more than \$100 million dollars and devoted 300,000 man-hours developing our advanced network platform and an additional \$2 million building an in-sources call center.
- **Ongoing:** We commit an average of \$10 million each year to advance our industry-leading capabilities.
- **More Features and Frequent Technology Upgrades:** Securus has more than 500 distinct, and active SCP features, and we add 50 new features on average each year.

## Financial Controls that Matter

- Sarbanes-Oxley compliant in 2009 and 2010
- SAS-70 Type II (now known as SOC-1) certified in 2009 and 2010

## Profitability

- **Cash:** We have the best cash position in the industry, with more than \$50 million of available cash and financing available to us.
- **Leverage:** Securus has the best debt-to-earnings ratio of large inmate telecommunications providers in the industry.
- **Earnings:** Securus has the best earnings ratios in the industry.
- **Backing:** We have strong financial backing from our equity sponsor as well as other large US-based lending institutions.

## Strong Financial Controls

- **Sarbanes-Oxley Section compliant:** Securus is proud to be the *only* inmate telecommunications provider in the U.S. who is Sarbanes-Oxley Section 404 compliant.
- **SOC-1 (formerly "SAS-70 Type II") certified:** Securus, unlike any other provider in the industry, can also claim the distinction of SOC-1 certification as well.

3.1.2 Independent Auditor's Report on Compliance and Internal Control over Financial Report based on an Audit of the Financial Statements in Accordance with Government Account Standards;

### ✓ Securus has read, understands, and complies.

Securus' audited financial statements include an independent auditor's report. Please refer to the Section marked "2009 Audited Financial Statements" in this volume for Securus' 2009 statements, and refer to References #3 and #4 in the Exhibit - Confidential/Proprietary binder for the financial statements for 2010 and 2011, respectively.

3.1.3 Independent Auditor's Statement of Findings and Questioned Costs.

### ✓ Securus has read, understands, and complies.

## Profitability that Matters

- \$50 million of available cash and financing.
- Best debt-to-earnings ratio of similar providers.
- Strongest earnings.
- Strong financial backing.



## Narrative Description of Technical Proposal

Securus' audited financial statements include an independent auditor's report. Please refer to the Section marked "2009 Audited Financial Statements" in this volume for Securus' 2009 statements, and refer to References #3 and #4 in the Exhibit – Confidential/Proprietary binder for the financial statements for 2010 and 2011, respectively.

If Offeror has not had an audit conducted within the past three (3) fiscal years, Offeror shall provide the following unaudited financial statements for the last three (3) fiscal years:

3.1.4 Statement of Financial Position (Balance Sheet);

**Securus has read, understands, and complies.**

Please refer to the Section marked "2009 Audited Financial Statements" in this volume for Securus' 2009 statements, and refer to References #3 and #4 in the Exhibit – Confidential/Proprietary binder for the financial statements for 2010 and 2011, respectively.

3.1.5 Statement of Activities (Income Statement);

**Securus has read, understands, and complies.**

Please refer to the Section marked "2009 Audited Financial Statements" in this volume for Securus' 2009 statements, and refer to References #3 and #4 in the Exhibit – Confidential/Proprietary binder for the financial statements for 2010 and 2011, respectively.

3.1.6 Statement of Cash Flows.

**Securus has read, understands, and complies.**

Please refer to the Section marked "2009 Audited Financial Statements" in this volume for Securus' 2009 statements, and refer to References #3 and #4 in the Exhibit – Confidential/Proprietary binder for the financial statements for 2010 and 2011, respectively.

# Narrative Description of Technical Proposal

## **5 Pro Forma Contract Acceptance/Clause Exception(s) Statement**

The County has made a determination that it will use the County's form of agreement and insurance requirements as the basis for the contract. The County's preferred form of pro forma service contract that the County is prepared to execute as a binding contractual agreement is set forth herein and is accessible in electronic form.

You are to indicate your acceptance or rejection of the proposed pro forma contract and insurance requirements, including insurance terms. If you do not accept the terms of any clause as written, propose the specific language changes (deletions and insertions) that would make the term acceptable to your organization; if you need clarification indicate specific wording that you find unclear, and why you consider it unclear. Statements that you find the agreement "generally acceptable" or that you "reserve the right to negotiate particular provisions," or that certain terms need "to be discussed" may be deemed non-responsive. Failure to specifically reject a proposed term will be deemed an acceptance of such term. In addition, if you intend to propose terms that are more favorable to the County than the terms of the pro forma contract, do so and propose the specific language changes that would make the terms more favorable. Submit a marked draft in electronic form indicating any changes to the pro forma contract.

The County may or may not elect to negotiate any exceptions taken as part of its pre-selection or post-selection process. Should Offeror take exception(s) to the pro forma agreement, Offeror understands that the County may, as part of its evaluation process, conclude that exceptions are so numerous and/or material as to make Offeror's response to the solicitation unacceptable.

Failure to comply with any of the requirements herein may render the proposal non-responsive.

### **Securus has read, understands, and complies.**

Securus fully complies with all requirements herein and does not take exception to any of the requirements of the Pro Forma Contract and Exhibits, including the insurance requirements.

Securus has included a sample copy of our certificate of insurance in Appendix I in the "Appendices" binder.



## **2009 Audited Financial Statements**

---

Please refer to the following pages for Securus' 2009 audited financial statements.

10-K 1 form10-k.htm 2009 FORM 10-K

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

**FORM 10-K**

**ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2009

OR

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number 333-124962

**SECURUS TECHNOLOGIES, INC.**  
(Exact name of registrant as specified in its charter)

**Delaware**  
State or other jurisdiction of  
incorporation or organization

**20-0673095**  
(I.R.S. Employer  
Identification Number)

14651 Dallas Parkway, Suite 600  
Dallas, Texas 75254-8815  
(972) 277-0300

(Address, including zip code, and telephone number, including area code, of Registrant's principal executive offices)

Securities registered pursuant to Section 12(b) of the Act:

**None**

Securities registered pursuant to Section 12(g) of the Act:

**11% Second-priority Senior Secured Notes due 2011**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes  No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes  No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§229.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer  Accelerated filer  Non-accelerated filer  Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act) Yes  No

No established published trading market exists for either the common stock, par value \$0.001 per share, of Securus Technologies, Inc. or the Class B common stock, par value \$0.001 per share, of Securus Technologies, Inc.

Shares outstanding of each of the registrant's classes of common stock:

Class	Outstanding at March 1, 2010
Class A Common Stock	14,132 shares
Class B Common Stock	135,221 shares

Documents Incorporated By Reference

1

## TABLE OF CONTENTS

<u>PART I</u>	3
<u>ITEM 1. BUSINESS</u>	3
<u>ITEM 1A. RISK FACTORS</u>	12
<u>ITEM 1B. UNRESOLVED STAFF COMMENTS</u>	25
<u>ITEM 2. PROPERTIES</u>	25
<u>ITEM 3. LEGAL PROCEEDINGS</u>	25
<u>ITEM 4. RESERVED</u>	26
<u>PART II</u>	27
<u>ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES</u>	27
<u>ITEM 6. SELECTED FINANCIAL DATA</u>	28
<u>ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS</u>	30
<u>ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK</u>	40
<u>ITEM 8. CONSOLIDATED FINANCIAL STATEMENTS</u>	43
<u>ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURES</u>	66
<u>ITEM 9A. CONTROLS AND PROCEDURES</u>	67
<u>ITEM 9B. OTHER INFORMATION</u>	69
<u>PART III</u>	69
<u>ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATION GOVERNANCE</u>	69
<u>ITEM 11. EXECUTIVE COMPENSATION</u>	73
<u>ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS</u>	80
<u>ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE</u>	81
<u>ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES</u>	82
<u>PART IV</u>	84
<u>ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES</u>	84

## PART I

### ITEM 1. BUSINESS

#### Overview

We are one of the largest independent providers of inmate telecommunications services to correctional facilities operated by city, county, state and federal authorities and other types of confinement facilities, such as juvenile detention centers and private jails, in the United States and Canada. With 66 patents and approximately 55 patent applications filed or in process, we believe we are the leading technology innovator in the correctional industry. As of December 31, 2009, we provided service to approximately 2,400 correctional facilities in the United States and Canada, and processed over 10 million calls per month during 2009.

Our core business consists of installing, operating, servicing and maintaining sophisticated call processing systems in correctional facilities and providing related services. We enter into multi-year agreements (generally three to five years) directly with the correctional facilities in which we serve as the exclusive provider of telecommunications services to inmates. In exchange for the exclusive service rights, we pay a negotiated commission to the correctional facility based upon revenues generated by actual inmate telephone use. On a limited basis, we may also partner with other telecommunications companies whereby we provide our equipment and, as needed, back office support including validation, billing and collections services, and charge a fee for such services. Based on the particular needs of the corrections industry and the requirements of the individual correctional facility, we also sell platforms and specialized equipment and services such as law enforcement management systems and call activity reporting.

We sell information management systems that work in conjunction with our communications systems and allow facilities managers and law enforcement personnel to analyze and manage data to reduce costs, prevent and solve crimes and facilitate inmate rehabilitation through a single user interface. We also offer investigative tools and bad debt risk management services based on the particular needs of the corrections industry and the requirements of the individual correctional facility.

In addition, we sell offender management systems and related systems and services through our wholly-owned subsidiary Syscon Holdings, Ltd. ("Syscon"). Syscon is an enterprise software development company for the correctional facility industry. Syscon's core product is a sophisticated and comprehensive software system utilized by correctional facilities and law enforcement agencies for complete offender management. Syscon's system provides correctional facilities with the ability to manage and monitor inmate parole and probation activity and development at a sophisticated level. We believe our offender management software represents the leading enterprise solution for the corrections industry. Our offender management software is operating in more than 500 correctional facilities and probation offices maintaining records for over 400,000 offenders in the United States, Canada, the United Kingdom and Australia.

The inmate telecommunications industry requires highly specialized systems and related services in order to address the unique needs of the corrections industry. Security and public safety concerns require that correctional facilities have the ability to control inmate access to telephones and certain telephone numbers and to monitor inmate telephone activity. In addition, concerns regarding fraud and the credit quality of the parties billed for inmate telephone usage have led to the development of billing and validation systems and procedures unique to this industry.

We estimate that the inmate telecommunications market opportunity for city, county, state and federal correctional facilities in the United States is approximately \$1.2 billion and the offender management technology market opportunity is approximately \$1.0 billion worldwide.

Our business is conducted primarily through our three principal subsidiaries: T-Netix, Inc. ("T-Netix"), acquired in March 2004, Evercom Holdings, Inc. ("Evercom"), acquired in September 2004, and Syscon, acquired in June 2007.

For the year ended December 31, 2009, our revenues were \$363.4 million, of which approximately 86% represented direct call provisioning to correctional facilities, 6% represented sales and services related to our offender management software and 8% represented the wholesale service provision of solutions, telecommunications and billing services to our telecommunication carrier partners.

Securus was incorporated in Delaware on January 12, 2004. We maintain a web site with the address [www.securustech.net](http://www.securustech.net). We are not including the information contained on our web site as a part of, or incorporating it by reference into, this Annual Report on Form 10-K.

## Industry Overview

The corrections industry has experienced sustained growth over the last two decades as a result of societal and political trends. Anti-crime legislation, limitations on parole and spending authorizations for crime prevention and construction of additional correctional facilities have contributed to this industry growth.

The United States has one of the highest incarceration rates of any country in the world. The U.S. Department of Justice estimates that as of year end 2008, there were approximately 2.3 million inmates housed in U.S. correctional facilities, or approximately one inmate for every 133 U.S. residents. Of this total, approximately two-thirds were housed in federal and state prisons and approximately one-third were housed in city and county correctional facilities. According to U.S. Department of Justice statistics, the inmate population in federal and state prisons, which generally house inmates for longer terms than city and county facilities, increased from approximately 1.2 million at December 31, 1998 to approximately 1.5 million at December 31, 2008, representing an average annual growth rate of approximately 2.2%. The inmate population in city and county facilities, which generally house inmates for terms of one year or less, increased from approximately 0.6 million at December 31, 1998 to approximately 0.8 million at December 31, 2008, an average annual growth rate of approximately 2.9%. Between December 31, 1998 and December 31, 2008, the overall incarcerated population grew an average of 2.4% annually. Population growth during the 12-month period ending December 31, 2008 was higher in local jails (up 0.7%) than in federal prisons (up 0.6%), and state prisons showed no growth.

The corrections industry requires specialized information technology, telecommunications systems and related services. Security and public safety concerns associated with inmate telephone use require that correctional facilities have the ability to control inmate access to telephones and to certain telephone numbers and to monitor inmate telephone activity. In addition, concerns regarding fraud and the credit quality of the parties billed for inmate telephone usage have also led to the development of systems and procedures unique to this industry. Correctional facilities also have unique information technology requirements relating to managing and monitoring inmate (and probation) activity and development. These include offender management, financial applications, health and activity records as well as predictive tools for future inmate behavior. Facilities are increasingly seeking to utilize enhanced automated systems to offset the challenges of budget cuts, understaffing and prison overpopulation.

Within the inmate telecommunications industry, companies compete for the right to serve as the exclusive provider of inmate calling services within a particular correctional facility. Contracts may be awarded on a facility-by-facility basis, such as for most city or county correctional systems, which generally include small and medium-sized facilities, or system-wide, such as for most state and the federal prison systems. Generally, contracts for federal facilities and state systems are awarded pursuant to a competitive bidding process, while contracts for city and county facilities are awarded both through competitive bidding and negotiations with a single party. Contracts generally have multi-year terms and typically contain renewal options. As part of the service contract, the service provider generally installs, operates and maintains all inmate telecommunications equipment. In exchange for the exclusive contract rights, the service provider pays a commission to the operator of the correctional facility based upon inmate telephone use. These commissions have historically been used by the facilities to support their law enforcement activities.

Historically, offender management systems have been developed independently and internally by government agencies to provide basic information management capabilities to run the business of an incarceration facility. Often, these agencies have outsourced design, or certain aspects thereof, to third party consultants. We are one of a very small group of providers offering a comprehensive off-the-shelf software package for offender management and related activities. The market is highly fragmented and it is our belief that most of the "home-grown" systems may not effectively manage the inmate, parole and probation populations. We believe that only a fraction of the market has been outsourced to firms that develop enterprise inmate systems like we do, and that we have the largest portion of the outsourced market. Our systems currently track over 400,000 of the approximate 10 million people estimated to be incarcerated worldwide. For extremely large projects, we often partner with larger systems integrators, such as IBM and Hewlett Packard (formerly Electronic Data Systems).

**Competition**

In the inmate telecommunications business, we historically have competed with numerous independent providers of inmate telephone systems such as Global Tel\*Link, as well as regional bell operating companies (“RBOCs”), local exchange carriers (“LECs”) and interexchange carriers (“IXCs”) that include AT&T and Embarq. Unisys also has recently entered the market. We believe that the principal competitive factors in the inmate telecommunications industry are system features and functionality, system reliability and service, the ability to customize inmate call processing systems to the specific needs of the particular correctional facility, relationships with correctional facilities, rates of commissions paid to the correctional facilities, end-user rates, called party and inmate customer satisfaction levels and the ability to identify and manage credit risks and bad debt. We seek to compete for business on local, county, state and federal levels, and in privately managed correctional facilities.

We believe that we are well positioned to expand our market share by offering new and enhanced products to our existing customers, and attracting new facilities with “one stop shopping” for their communications and technology needs at a lower cost than our competitors. We believe we are well positioned relative to our competitors because of our belief that our costs are lower as a result of our packet-based architecture and proprietary bad debt risk management systems. These lower costs coupled with our technological capabilities and robust patent portfolio enable us to make attractive bids to our prospective or existing customers.

In the offender management market, we compete with a small group of offender management software providers, each of whom we believe is smaller than we are. We also compete with large and small software consultant organizations who do not offer off-the-shelf prepackaged software, but who can develop systems from scratch to the client’s specifications.

**Primary Sources of Revenues**

The following chart summarizes the primary sources of our revenues by reportable segment for the year ended December 31, 2009. See Note 5, Segment Information, in the Notes to the Consolidated Financial Statements in Part II of this report for financial information about each of our segments.

<b>Revenue Source</b>	<b>% of Total Revenues</b>	<b>Description</b>
Direct Call Provisioning	86%	Direct call provisioning services through multi-year contracts directly to local correctional facilities as well as large county jails and state departments of corrections facilities. No direct customer accounted for more than 6% of our total direct call provisioning revenues for the year ended December 31, 2009.
Wholesale Services	8%	Wholesale Services include both solutions and billing services (validation, fraud management and billing and collection services to third parties including some of the world’s largest communication service providers) and telecommunications services (equipment, security enhanced call processing, validation and customer service and support to corrections facilities through contracts with other inmate telecommunications providers).
Offender Management Software	6%	Software sales and development services for complete offender management, providing correctional facilities with the ability to manage and monitor inmate, parole and probation activity and development at a sophisticated level.



### ***Direct Call Provisioning***

We provide inmate telecommunications services directly as a state-certificated telecommunications provider to correctional facilities. In a typical arrangement, we operate under a site-specific, exclusive contract, generally for a period of three to five years. We provide the equipment, security-enhanced call processing, validation, and customer service and support directly to the facility. We bill calls via the called party's local telephone bill, via our own proprietary billing platform or through prepaid products purchased by the inmate or the inmate's called party. Direct call provisioning margins are substantially higher than that of our wholesale services because we receive the entire retail value of the call. In our direct call provisioning business, we are responsible for paying customer commissions, line charges and other operating costs, including billing and bad debt costs. Consequently, our gross profit dollars are higher compared to our wholesale services.

### ***Wholesale Services***

Our wholesale services business consists of (1) validation, uncollectible account management and billing services (solutions services), (2) equipment, security enhanced call processing, call validation and service and support through the primary inmate telecommunications providers (telecommunications services) and (3) the sale of equipment to other telecommunications companies as customers or service partners. In 2009, we decided to no longer pursue a wholesale strategy but rather will pursue business on a direct call provisioning basis only.

In our direct call provisioning and wholesale services businesses, we accumulate call activity data from our various installations and bill our revenues related to this call activity against prepaid customer accounts or through direct billing agreements with LEC billing agents, or in some cases through billing aggregators that bill end users. We also receive payment on a prepaid basis for the majority of our services and record deferred revenue until the prepaid balances are used. In each case, we recognize revenue when the calls are completed and record the related telecommunication costs for validating, transmitting, billing and collection, bad debt, and line and long-distance charges, along with commissions payable to the facilities. In our telecommunications services business, our service partner bills the called party and we either share the revenues with our service partner or receive a prescribed fee for each call completed. We also charge fees for additional services such as customer support and advanced validation.

### ***Offender Management Software***

We develop enterprise software for the correctional facility industry. We believe that we have the most functionally complete offender management system available on the market. Our core product is a sophisticated and comprehensive software system, "ELITE," utilized by correctional, probation and parole agencies for complete offender management. Our system enables these clients to address the increasing challenge of managing an ever-growing number of offenders in confinement and in the community on a cost-efficient basis.

Our offender management software is the centerpiece for the United Kingdom's National Offender Management Information System for Her Majesty's Prison Service project, with Hewlett Packard (formerly Electronic Data Systems Inc. ("EDS")) providing overall project management and certain testing and consulting services. Our offender management software operates in more than 500 correctional facilities and probation and parole offices maintaining records for over 400,000 offenders in the United States, Canada, the United Kingdom and Australia.

Our offender management revenues have four main components:

- License fees: The product purchase cost, providing clients with the license to use the core platform;
- Implementation fees: The revenue associated with the physical installation of the system;
- Consulting fees: Most of this work is done prior to implementation. The primary activities include: planning, design, consultation, debugging, customization, etc.
- Software maintenance and support: These post-sale fees provide a future annuity stream as we continue to generate fees from assistance with new modules, training, version upgrades, etc.

### ***Customers***

We have direct contracts with federal, state and local agencies to provide inmate telecommunications services on either an exclusive basis or jointly with another provider to approximately 2,400 correctional facilities ranging in size from small municipal jails to large, state-operated facilities, as well as other types of confinement facilities, including juvenile detention

centers and private jails.

Most of our direct call provisioning contracts have multi-year terms (generally three to five years) and typically contain renewal options. We often seek to negotiate extensions of our contracts before the end of their stated terms. For the year ended December 31, 2009, we retained approximately 84% of our annualized revenue up for renewal. Many of our contracts provide for automatic renewal unless terminated by written notice within a specified period of time before the end of the current term.

In the offender management software segment, our customers consist typically of large national and state or provincial incarceration agencies, including Her Majesty's Prison Service in the United Kingdom via a sub-contracting agreement with Hewlett Packard (formerly EDS), along with several states and provinces in the United States, Canada and Australia. We believe that once a customer has selected us for offender management software and related services, it is less likely to switch systems due to the high cost of switching. As a result, we have a strong growing base of customers for our new versions, modules and ongoing maintenance. We believe that this allows us to derive sustainable revenue from new modules and versions of our software rather than from long-term contracts.

### **Sales and Marketing**

We seek new direct contracts by participating in competitive bidding processes and by negotiating directly with the individuals or entities responsible for operating correctional facilities. We market our inmate telecommunications services through a sales staff largely made up of former law enforcement officials and others with experience in the corrections and telecommunications industries who understand the specialized needs of correctional facilities. Our marketing strategy emphasizes our specialized products and services, our proprietary technology, our knowledge, experience and reputation in the inmate telecommunications industry and our high level of service. We believe we have the largest national sales force dedicated to serving the inmate telecommunications industry, and we rely on the experience and background of this sales staff to effectively communicate our capabilities to both existing and potential customers. In addition to conducting in-person sales calls to the operators of correctional facilities, we participate in trade shows and are active in local law enforcement associations.

### **Principal Products and Services**

We believe that the specialized products and services we offer differentiate us from our competitors. Unlike many of our competitors who specialize in specific segments of the market (such as call management systems, jail management systems, etc.), our strategy is centered on the production and distribution of applications and services focused on the entire operation of a facility. Our applications are designed to streamline the operations of corrections facilities and empower administrators with administrative, investigative and economic capabilities. Additionally, we believe that the timely development of new products and enhancements to existing products is essential to maintain our competitive position. We conduct ongoing development of new products and enhancement of existing products that are complementary to our existing product line. Our principal specialized applications and services include:

#### ***SCA Architecture™***

Our *SCA Architecture™* is comprised of a robust data repository housing multiple data marts, each holding billions of bytes of stored information gathered from multiple sources. SCA's intelligent retrieval system retrieves all this information and processes all user requests through a cross application, cross data-mart retrieval process. The backbone of our entire system, SCA is expected to result in significantly lower operating and capital costs as its full implementation is realized. We currently operate numerous inmate calling applications that preceded our development of this architecture. We are migrating the majority of our customer installations to our new systems utilizing this architecture as current contracts expire, a process likely to take several years.

#### ***SCN Secure Connect Network™***

Our *SCN Secure Connect Network™* is a packet-based, digital transmission system for all communications transport. SCN allows our calling platform to provide real-time turn-on/turn-off flexibility for most system features, 24-7 offsite monitoring, immediate system upgrades and repairs from one central location.

#### ***Secure Call Platform™***

Our *SCP Secure Call Platform™* call management system services correctional facilities as well as detainees and friends and family members. Utilizing SCP allows this fully integrated inmate calling applications manager to offer innovative feature applications that give facilities extensive administrative and investigative control. The system offers networking functions, robust system and application stability and redundancy, heightened security features, user auditing and password-specific utilities.

### ***The Securus User Interface***

Access to many of our applications is accomplished through our S-GATE™ user interface. This portal provides single point access to programs, applications and services.

### ***Securus Support***

We provide support through our own professional, dedicated customer support centers:

- Accessible 24-7
- Independent visibility into customers' account activity and information
- Site status is monitored continuously by support systems and proactive actions are instituted to correct issues before customers are impacted
- Our field support services provides nationwide support by local area responsive technicians

### ***Prepaid Calling Programs***

Inmate telecommunications systems historically allowed calls to be placed as collect only, without the involvement of a live operator. Our prepaid calling systems offer a paperless, card-free prepaid calling solution for called parties or inmates. Because prepayment greatly reduces bad debt, fewer calls are blocked and correctional facilities recognize the financial benefits of higher call volumes. Our prepaid products include Advanced Connect, Inmate Debit and Prepaid Calling Cards.

### ***Correctional Billing Services (CBS)***

We are one of the few companies in the industry to provide an in-sourced, nationwide customer care and billing center dedicated to the inmate's friends and family members. We offer multiple payment options including prepayment of charges, remittance directly to the local phone company, credit card payments and check by phone.

### ***Intelligent Call and Billing Management Solution (ICBS)***

We develop and provide our customers with an Intelligent Call and Billing Management Solution, or ICBS system, which is a proprietary call validation and billing technology that is designed to minimize bad debt expense. ICBS allows us to rapidly identify and block collect calls from being connected to potential non-paying call recipients through a continuously growing and improving database. As an enhancement to revenues, the blocked call recipient is notified that an inmate has attempted contact and, upon request, can receive inmate calls through various prepaid methods. We believe our technology provides us with generally lower bad debt expense as a percentage of revenues, while offering the broadest, most sophisticated suite of payment method alternatives in the industry.

### ***Additional Securus Applications***

We also offer a multitude of additional applications and features that provide task-specific solutions designed to satisfy focused areas of a facility's operations. These applications assist correctional facility investigators, administrators, and support personnel with investigative capabilities, recidivism programs, fraud prevention and detainee identifications. In addition, we partner with other companies to offer value-added services that create operational efficiencies within the facilities we serve, including providing two-way interactive voice response capabilities that allow routine questions to be answered without using staff resources, installing jail management software to meet the software needs of smaller sites and adding e-mail, voice mail and video conferencing capabilities to improve security and provide better labor utilization for correctional facilities.

### ***"ELITE" Software***

The ELITE system provides correctional facilities with the ability to manage inmates and monitor parole and probation activity and development at a very sophisticated level. The key functions of the system include management of incarcerated prisoners, management and monitoring of offenders on parole and probation, financial applications and electronic health records. The ELITE system has more than 40 different modules and is a "smart" application that not only provides monitoring tools, but has predictive tools for future inmate behavior.

We are continually developing new suites of applications that are designed to provide a wide array of solutions-based, technologically advanced, fully integrated, industry best-practices applications and services for the criminal justice community. These applications and services are focused on providing solutions targeted at the identified needs of the criminal justice community.

### **Systems and Equipment**

We currently utilize automated operator calling systems that consist of third-party and internally developed software applications installed on specialized equipment. We have transitioned the majority of our customer installations from these legacy systems to our Secure Connect Network as existing contracts expire. Our specialized systems limit inmates to collect calls or prepaid calls, validate and verify the payment history of each number dialed for billing purposes, and confirm that the destination number has not been blocked. If the number is valid and has not been blocked, the system automatically requests the inmate's name, records the inmate's response, and waits for the called party to answer. When the call is answered the system informs the called party that there is a collect call, plays back the name of the inmate in the inmate's voice, and instructs the called party to accept or reject the call. The system completes calls that have been accepted by the called party.

The system automatically records the number called and the length of the call and transmits the data to our centralized billing center for bill processing and input into our call activity database. Our database of telephone numbers and call activity allows us to provide extensive call activity reports to correctional facilities and law enforcement authorities, in addition to identifying numbers appropriate for blocking, thus helping to reduce the number of uncollectible calls. These include reports that can further assist law enforcement authorities in connection with ongoing investigations. We believe this database offers competitive advantages, particularly within states in which we have achieved substantial market penetration.

### **Maintenance, Service and Support Infrastructure**

We provide and install telephone systems in correctional facilities at no cost to the facility and generally perform all maintenance activities. We maintain a geographically dispersed staff of trained field service technicians and independent contractors, which allows us to respond quickly to service interruptions and perform on-site repairs and maintenance. In addition, we have the ability to make certain repairs remotely through electronic communication with the installed equipment without the need of an on-site service call. We believe that system reliability and service quality are particularly important in the inmate telecommunications industry because of the potential for disruptions among inmates if telephone service remains unavailable for extended periods.

### **Billing and Collection**

For some services, we use LEC and third-party clearinghouse billing agreements to bill and collect phone charges. Under these agreements, the LEC includes collect call charges for our services on the local telephone bill sent to the recipient of the inmate collect call. We generally receive payment from the LEC for such calls 50 to 60 days after the end of the month in which the call is submitted to the LEC for billing. The payment that we receive is net of a service fee and net of write-offs of uncollectible accounts for which we previously received payment, or net of a reserve for future uncollectible accounts.

Unlike many smaller independent service providers with lower telecommunications traffic, we have been able to enter into direct billing agreements with LECs in most of our markets because of our high market penetration. We believe that direct billing agreements with LECs decrease bad debt expense and billing expenses by eliminating an additional third-party billing entity, while expediting and increasing collectibility. In addition, direct billing agreements help us resolve disputes with billed parties by facilitating direct communication between us and the called party, thereby reducing the number of charge-offs.

In the absence of a LEC direct billing arrangement, we bill and collect our collect calls through third-party billing and collection clearinghouses that have billing and collection agreements with LECs, or through our proprietary direct billing. When we employ third-party billing and collection clearinghouses, the account proceeds are forwarded by the various LECs to the clearinghouses, which then forward the proceeds to us, less a processing fee. With both LEC direct and third-party billing and collection agreements, we reconcile our call records with collections and write-offs on a regular basis. The entire billing and collection cycle (including reconciliation), takes on average, between six to nine months after we submit the call record to the LEC or to third-party billing and collection clearinghouses.

Our specialized billing and bad debt management system integrates our LEC direct billing arrangements with our call blocking, validation and customer inquiry procedures.

### **Patents and Other Proprietary Rights**

We rely on a combination of patents, copyrights and trade secrets to establish and protect our intellectual property rights. We have 66 patents issued and approximately 55 patents pending. We believe that our intellectual property portfolio provides our customers leading edge technology that is recognized as technologically superior within the inmate telecommunications industry. We consider any patents issued or licensed to us to be a significant factor in enabling us to more effectively compete in the inmate calling industry, and we vigorously defend our patents from infringement by other inmate telecommunications providers.

Although we have filed many patent applications and hold several patents related to our internally developed call processing and other technology, such technology and intellectual property rights could be contested or challenged or deemed to infringe on other parties' intellectual property rights. Should our call processor or any material feature of our call processor or other proprietary technology be determined to violate applicable patents, we may be required to cease using these features or to obtain appropriate licenses for the use of that technology, and we could be subject to material damages if our infringement were determined to be lengthy or willful.

### **Regulation**

The inmate telecommunications industry is subject to varying degrees of federal, state and local regulation. Regulatory actions have affected, and are likely to continue to affect, our correctional facility customers, our telecommunications service provider customers, our competitors and us.

The inmate telecommunications market is regulated at the federal level by the Federal Communications Commission ("FCC") and at the state level by public utilities commissions or equivalent agencies ("PUCs") of the various states. In addition, from time to time, Congress or the various state legislatures may enact legislation that affects the telecommunications industry generally and the inmate telecommunications industry specifically. Court decisions interpreting applicable laws and regulations may also have a significant effect on the inmate telecommunications industry. Changes in existing laws and regulations, as well as the adoption of new laws and regulations applicable to our activities or other telecommunications businesses, could have a material adverse effect on us. See "Risk Factors — Regulatory Risks."

#### ***Federal Regulation***

Prior to 1996, the federal government's role in the regulation of the inmate telecommunications industry was relatively limited. The enactment of the Telecommunications Act of 1996 (the "Telecom Act"), however, marked a significant change in scope of federal regulation of the inmate telecommunications service. Generally, the Telecom Act (i) opened local exchange service to competition and preempted states from imposing barriers preventing such competition, (ii) imposed new unbundling and interconnection requirements on incumbent local exchange carrier networks, (iii) removed prohibitions on inter-local access and transport area services ("LATA") and manufacturing when certain competitive conditions are met, (iv) transferred any remaining requirements of the consent decree governing the 1984 Bell System divestiture (including its nondiscrimination provisions) to the FCC's jurisdiction, (v) imposed requirements to conduct certain competitive activities only through structurally separate affiliates, and (vi) eliminated many of the remaining cable and telephone company cross-ownership restrictions.

This legislation and related rulings significantly changed the competitive landscape of the telecommunications industry as a whole. For the inmate telecommunications industry, the Telecom Act added Section 276 to the principal U.S. federal communications statute, the Communications Act of 1934. Section 276 directed the FCC to implement rules to overhaul the regulation of the provisioning of pay phone service, which Congress defined to include the provisioning of inmate telecommunications service in correctional institutions.

Before the adoption of the Telecom Act, the regulatory landscape allowed the LECs to subsidize their inmate telecommunications operations from regulated revenues. This allowed the LECs to offer commissions to correctional facilities that were often significantly higher than those that independent inmate telecommunications service providers can offer. The Telecom Act directed the FCC to adopt regulations to end the subsidization. Congress also directed the FCC to ensure that the RBOCs could not discriminate in favor of their own operations to the competitive detriment of independent inmate telecommunications service providers.

#### ***State Regulation***

In most states, inmate telecommunications service providers must obtain prior authorization from, or register with, the PUC and file tariffs or price lists of their rates. The most significant state involvement in the economic regulation of inmate telecommunications service is the limit on the maximum rates that can be charged for intrastate collect calls set by many states, referred to as "rate caps." Since collect calls are the only kind of calls that can be made by inmates at many facilities, such state-imposed rate caps can have a significant effect on our business.

In many states, the rate caps on inmate collect calls are tied to the rates charged by the LEC or "dominant" long distance carrier and subject to state regulatory approval. Thus, where the LEC or dominant long distance carrier chooses not to raise their rates, independent inmate telecommunications service providers are precluded from raising theirs. Prior to the passage of the Telecom Act, the LECs and dominant long distance carriers had less incentive to raise their rates than independent inmate telecommunications service providers because they were able to subsidize their inmate telecommunications service operations and discriminate in their favor, as described above. See "Federal Regulation."

In its rulemaking in implementing the Telecom Act, the FCC declined to address these state rate caps. The FCC ruled that inmate telecommunications providers must first seek relief from the state rate caps at the state level. The outcome of any such proceedings at the state level, if undertaken, is uncertain. Further, despite reserving the right to do so, it is uncertain whether the FCC would intervene or if so, how, in the event a state failed to provide relief.

In addition to imposing rate caps, the states may regulate various other aspects of the inmate telecommunications industry. While the degree of regulatory oversight varies significantly from state to state, state regulations generally establish minimum technical and operating standards to ensure that public interest considerations are met. Among other things, most states have established rules that govern the service provider in the form of postings or verbal announcements, and requirements for rate quotes upon request.

The foregoing discussion does not describe all present and proposed federal, state and local regulations, legislation, and related judicial or administrative proceedings relating to the telecommunications industry, including inmate telecommunications services, and thereby affecting our business. The effect of increased competition on our operations will be influenced by the future actions of regulators and legislators, who are increasingly advocating competition. While we would attempt to modify our customer relationships and our service offerings to meet the challenges resulting from changes in the telecommunications competitive environment, there is no assurance we would be able to do so.

#### **Employees**

As of December 31, 2009, we employed 736 full-time equivalent employees, of which 422 are salaried and 314 are hourly employees. None of our employees are represented by a labor union, and we have not experienced any material work stoppages to date. We believe that management has a good relationship with our employees.

## FORWARD LOOKING STATEMENTS

This Annual Report on Form 10-K and, in particular, the description of our Business set forth in Item 1 and our Management's Discussion and Analysis of Financial Condition and Results of Operations set forth in Item 7 contain or incorporate a number of forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, including statements regarding:

- projected future sales growth;
- expected future revenues, operations, expenditures and cash needs;
- estimates of the potential for our products and services, including the anticipated drivers for future growth;
- sales and marketing plans; and
- assessment of competitors and potential competitors.

In addition, any statements contained in or incorporated by reference into this report that are not statements of historical fact should be considered forward-looking statements. You can identify these forward-looking statement by use of the words "thinks," "believes," "expects," "anticipates," "plans," "may," "will," "would," "intends," "estimates" and other similar expressions, whether in the negative or affirmative. We cannot guarantee that we actually will achieve the plans, intentions or expectations disclosed in the forward looking statements made. There are a number of important risks and uncertainties that could cause our actual results to differ materially from those indicated by such forward-looking statements. These risks and uncertainties include, without limitation, those set forth below under the heading "Risk Factors." We do not intend to update publicly any forward-looking statements whether as a result of new information, future events or otherwise.

### **ITEM 1A. RISK FACTORS**

*You should carefully consider the risks described below, together with all of the other information contained in this Form 10-K, before making an investment decision. The risks described below are not the only ones facing us. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial may also materially and adversely affect our financial condition, results of operations or cash flow. Any of the following risks could materially and adversely affect our financial condition or results of operations.*

#### **Risks Related to our Senior Notes**

*We have a substantial amount of debt outstanding and have significant interest payments.*

We have a significant amount of debt outstanding. As of December 31, 2009, we had \$287.8 million of long-term debt outstanding (net of \$1.6 million of OID for our 11% Second-priority Senior Secured Notes due 2011 and \$2.0 million of fair value attributable to warrants) and stockholders' deficit of \$148.2 million.



Our substantial debt could have significant consequences. For example, it could:

- require us to dedicate a substantial portion of our cash flow from operations to make payments on our debt, thereby reducing funds available for operations, future business opportunities and other purposes;
- limit our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate;
- make it more difficult for us to satisfy our obligations with respect to our debt obligations;
- limit our ability to borrow additional funds, or to sell assets to raise funds, if needed, for working capital, capital expenditures, acquisitions or other purposes;
- increase our vulnerability to general adverse economic and industry conditions, including changes in interest rates;
- place us at a competitive disadvantage compared to our competitors that have less debt; and
- prevent us from raising the funds necessary to repurchase notes tendered to us if there is a change of control, which would constitute a default under the indenture governing the notes and our revolving credit facility.

We cannot assure you that we will generate sufficient cash flow to service and repay our debt and have sufficient funds left over to achieve or sustain profitability in our operations, meet our working capital and capital expenditure needs or compete successfully in our markets. If we cannot meet our debt service and repayment obligations, we would be in default under the terms of the agreements governing our debt, which would allow the lenders under our revolving credit facility to declare all borrowings outstanding to be due and payable, which would in turn trigger an event of default under the indenture and the agreements governing our senior subordinated debt. In addition, our lenders could compel us to apply all of our available cash to repay our borrowings. If the amounts outstanding under our revolving credit facility or the notes were to be accelerated, we cannot assure you that our assets would be sufficient to repay in full the money owed to the lenders or to our other debt holders. In addition, we may need to refinance our debt, obtain additional financing or sell assets, which we may not be able to do on commercially reasonable terms or at all. Any failure to do so on commercially reasonable terms could have a material adverse effect on our business, operations and financial condition.

***We may be able to incur more debt, including secured debt, and some or all of this debt may effectively rank senior to the notes and the guarantees.***

Subject to the restrictions in our revolving credit facility, the indenture governing the notes and the senior subordinated debt financing agreements, we may be able to incur additional debt, including secured debt that would effectively rank senior to the notes. As of December 31, 2009, we would have been able to incur approximately \$30.0 million of additional secured debt under our revolving credit facility. Although the terms of our revolving credit facility, the indenture and the senior subordinated debt financing agreements contain restrictions on our ability to incur additional debt, these restrictions are subject to a number of important exceptions. If we incur additional debt, the risks associated with our substantial leverage, including our ability to service our debt, would increase.

***There may not be sufficient collateral to pay all or any of the notes.***

Indebtedness under our revolving credit facility (referred to herein as the "First-Priority Lien Obligations") is secured by a first-priority lien on substantially all of our and our subsidiary guarantors' tangible and intangible assets, except for certain excluded collateral. The notes are secured by a second-priority lien on the assets that secure the First-Priority Lien Obligations, other than our current assets. In the event of a bankruptcy, liquidation, dissolution, reorganization or similar proceeding against us or any future domestic subsidiary, the assets that are pledged as shared collateral securing the First-Priority Lien Obligations and the notes must be used first to pay the First-Priority Lien Obligations, as well as any other obligation secured by a priority lien on the collateral, in full before making any payments on the notes.

At December 31, 2009, we had no outstanding balance under the senior indebtedness (excluding the notes and guarantees); however, as of the same date, we could have borrowed approximately \$30.0 million additional First-Priority Lien Obligations under our revolving credit facility.

Certain of our assets, such as our accounts receivable and inventory and any proceeds thereof, are not part of the collateral securing the notes, but do secure the First-Priority Lien Obligations. With respect to those assets that are not part of the collateral securing the notes but that secure other obligations, the notes will be effectively junior to these obligations to the extent of the value of such assets. There is no requirement that the lenders of the First-Priority Lien Obligations first look to these excluded assets before foreclosing, selling or otherwise acting upon the collateral shared with the notes.

The value of the collateral for our indebtedness at any time will depend on market and other economic conditions, including the availability of suitable buyers for the collateral. By their nature, some or all of the pledged assets may be illiquid and may have no readily ascertainable market value. The value of the assets pledged as collateral for the notes could be impaired in the future as a result of changing economic conditions, our failure to implement our business strategy, competition and other future trends. In the event of a foreclosure, liquidation, bankruptcy or similar proceeding, no assurance can be given that the proceeds from any sale or liquidation of the collateral will be sufficient to pay our obligations under the notes, in full or at all, after first satisfying our obligations in full under the First-Priority Lien Obligations and any other obligations secured by a priority lien on the collateral.

Accordingly, there may not be sufficient collateral to pay all or any of the amounts due on the notes. Any claim for the difference between the amount, if any, realized by holders of the notes from the sale of the collateral securing the notes and the obligations under the notes will rank equally in right of payment with all of our other unsecured unsubordinated indebtedness and other obligations, including trade payables.

***Holders of notes do not control decisions regarding collateral.***

The holders of the First-Priority Lien Obligations control substantially all matters related to the collateral securing the First-Priority Lien Obligations and the notes. The holders of the First-Priority Lien Obligations may cause their administrative agents to dispose of, release or foreclose on, or take other actions with respect to the shared collateral with which holders of the notes may disagree or that may be contrary to the interests of holders of the notes. The security documents generally provide that, so long as the First-Priority Lien Obligations are in effect, the holders of the First-Priority Lien Obligations may change, waive, modify or vary the security documents without the consent of the holders of the notes, provided that any such change, waiver or modification does not disproportionately affect the rights of the holders of the notes relative to the other secured creditors. Furthermore, as long as no event of default under the indenture governing the notes has occurred, the security documents generally allow us and our subsidiaries to remain in possession of, retain exclusive control over, to freely operate, and to collect, invest and dispose of any income from, the collateral securing the notes.

***The capital stock securing the notes will automatically be released from the second-priority lien and no longer be deemed to be collateral to the extent the pledge of such capital stock would require the filing of separate financial statements for any of our subsidiaries with the SEC.***

The indenture governing the notes and the security documents provide that, to the extent that separate financial statements of any of our subsidiaries would be required by the rules of the SEC (or any other governmental agency) due to the fact that such subsidiary's capital stock or other securities secure the notes, then such capital stock or other securities will automatically be deemed not to be part of the collateral securing the notes to the extent necessary to not be subject to such requirement. As a result, holders of the notes could lose a portion of their security interest in the capital stock or other securities while any such rule is in effect. Currently, the provisions described above would have the effect of limiting the amount of capital stock of T-Netix, Evercom and Syscon that constitutes collateral to, in each case, 19.9% of the outstanding capital stock.

***The indenture and revolving credit facility contain covenants that can limit the discretion of our management in operating our business and could prevent us from capitalizing on business opportunities and taking other corporate actions.***

The indenture, our revolving credit facility and the senior subordinated debt financing agreements impose significant operating and financial restrictions on us. These restrictions will limit or restrict, among other things, our and most of our subsidiaries' ability to:

- incur additional debt and issue certain types of preferred stock;
- make restricted payments, including paying dividends on, redeeming, repurchasing or retiring our capital stock;
- make investments and prepay or redeem debt;
- enter into agreements restricting our subsidiaries' ability to pay dividends, make loans or transfer assets to us;
- create liens;
- sell or otherwise dispose of assets, including capital stock of subsidiaries;
- engage in transactions with affiliates;
- engage in sale and leaseback transactions;
- make capital expenditures; and
- consolidate or merge.

In addition, the indenture governing the notes, our revolving credit facility and our senior subordinated debt financing agreements require, and any future credit facilities may require, us to comply with specified financial covenants, including, in each case, interest coverage ratios and, in the case of our revolving credit facility, minimum EBITDA levels and capital expenditure limits. Our ability to comply with these covenants may be affected by events beyond our control. Furthermore, the indenture governing the notes may require us to use a significant portion of our cash generated from operations to make an offer to purchase notes on a pro rata basis. The restrictions contained in the indenture, our revolving credit facility and the senior subordinated debt financing agreements could:

- limit our ability to plan for or react to market conditions, meet capital needs or otherwise restrict our activities or business plans; and
- adversely affect our ability to finance our operations, enter into acquisitions or engage in other business activities that would be in our interest.

A breach of any of the covenants contained in our revolving credit facility, debt agreements or any other future credit facilities, or our inability to comply with the financial ratios could result in an event of default, which would allow the lenders to declare all borrowings outstanding to be due and payable, which would in turn trigger an event of default under the indenture. In addition, our lenders could compel us to apply all of our available cash to repay our borrowings. If the amounts outstanding under our revolving credit facility or the notes were to be accelerated, we cannot assure you that our assets would be sufficient to repay in full the money owed to the lenders or to our other debt holders. As of December 31, 2009, we were in compliance with all debt covenants.

***We are a holding company and we may not have access to sufficient cash to make payments on the notes. In addition, the notes are effectively subordinated to the liabilities of our subsidiaries.***

Securus Technologies, Inc., the issuer of the notes, is a holding company with no direct operations. Its principal assets are the equity interests it holds, directly and indirectly, in its subsidiaries. Since all of our operations are conducted through our subsidiaries, our ability to service our indebtedness, including the notes, will be dependent upon the earnings of our subsidiaries and the distribution of those earnings, or upon loans or other payments of funds, by our subsidiaries to us. Our subsidiaries are legally distinct from us and have no obligation to pay amounts due on our debt or to make funds available to us for such payment. The payment of dividends and the making of loans and advances to us by our subsidiaries may be subject to various restrictions, including restrictions under our revolving credit facility more fully described below. In addition, the ability of our subsidiaries to make such payments or advances to us may be limited by the laws of the relevant jurisdictions in which our subsidiaries are organized or located, including, in some instances, by requirements imposed by regulatory bodies that oversee the telecommunications industry in such jurisdictions. In certain circumstances, the prior or subsequent approval of such payments or advances by our subsidiaries to us is required from such regulatory bodies or other governmental entities. The notes, therefore, without giving effect to any guarantees of the notes, will be effectively subordinated to creditors (including trade creditors) of our subsidiaries. Although the indenture contains limitations on the amount of additional indebtedness that we and our restricted subsidiaries may incur, the amounts of such indebtedness could be substantial and such indebtedness may be First-Priority Lien Obligations. In addition, each of our subsidiaries has other liabilities, including contingent liabilities (including the guarantee obligations under our revolving credit facility and the senior subordinated debt financing) that may be significant.

In addition, our revolving credit facility will restrict all payments from our subsidiaries to us during the continuance of a payment default and will also restrict payments to us for a period of up to 180 days during the continuance of a non-payment default.

Our revolving credit facility is, and future credit facilities may be, guaranteed by our domestic restricted subsidiaries and certain foreign subsidiaries. Although the indenture contains limitations on the amount of additional indebtedness that we and our restricted subsidiaries may incur, the amounts of such indebtedness could be substantial and such indebtedness may be secured. As of December 31, 2009, we would have been able to incur approximately \$30.0 million of additional secured debt constituting First-Priority Lien Obligations under our revolving credit facility.

***U.S. bankruptcy or fraudulent conveyance law may interfere with the payment of the notes and the guarantees and the enforcement of the security interests.***

Our incurrence of debt, such as the notes and the guarantees, as well as the security interests related to the notes and the guarantees, may be subject to review under U.S. federal bankruptcy law or relevant state fraudulent conveyance laws if a bankruptcy proceeding or lawsuit is commenced by us or on behalf of our unpaid creditors. Under these laws, if in such a proceeding or lawsuit a court were to find that, at the time we incurred debt (including debt represented by the notes and the guarantees),

- we incurred such debt with the intent of hindering, delaying or defrauding current or future creditors; or
- we received less than reasonably equivalent value or fair consideration for incurring such debt and we:
- were insolvent or were rendered insolvent by reason of any of the transactions;
- were engaged, or about to engage, in a business or transaction for which our remaining assets constituted unreasonably small capital to carry on our business;
- intended to incur, or believed that we would incur, debts beyond our ability to pay as these debts matured (as all of the foregoing terms are defined in or interpreted under the relevant fraudulent transfer or conveyance statutes); or
- were defendants in an action for money damages or had a judgment for money damages entered against us (if, in either case, after final judgment such judgment is unsatisfied);

then that court could avoid or subordinate the amounts owing under the notes to our presently existing and future debt, void or decline to enforce the security interest and take other actions detrimental to you.

The measure of insolvency for purposes of the foregoing considerations will vary depending upon the law of the jurisdiction that is being applied in any proceeding. Generally, a company would be considered insolvent if, at the time it incurred the debt:

- the sum of its debts (including contingent liabilities) was greater than its assets, at fair valuation;
- the present fair saleable value of its assets was less than the amount required to pay the probable liability on its total existing debts and liabilities (including contingent liabilities) as they became absolute and mature; or
- it could not pay its debts as they became due.

We cannot predict what standards a court would use to determine whether we or our subsidiary guarantors were solvent at the relevant time, or whether the notes, the guarantees or the security interests would be avoided or further subordinated on another of the grounds set forth above.

***We may be unable to repurchase the notes upon a change of control as required by the indenture.***

Upon the occurrence of a change of control, we will be required to make an offer to repurchase all outstanding notes. In addition, our revolving credit facility contains prohibitions of certain events that would constitute a change of control or require such senior indebtedness to be repurchased or repaid upon a change of control. Moreover, the exercise by the holders of their right to require us to repurchase the notes could cause a default under such agreements, even if the change of control itself does not, due to the financial effect of such repurchase on us. Under any of these circumstances, we cannot assure you that we will have sufficient funds available to repay all of our senior debt and any other debt that would become payable upon a change of control and to repurchase the notes. Our failure to purchase the notes would be a default under the indenture, which would in turn trigger a default under our revolving credit facility. We would need to refinance our revolving credit facility or cure the defaults thereunder before making the change of control offer.

The definition of change of control includes a phrase relating to the sale or other transfer of "all or substantially all" of our assets. There is no precise definition of the phrase under applicable law. Accordingly, in certain circumstances there may be a degree of uncertainty in ascertaining whether a particular transaction would involve a disposition of "all or substantially all" of our assets, and therefore it may be unclear as to whether a change of control has occurred and whether the holders of the notes have the right to require us to repurchase such notes.

***Rights of holders of notes in the collateral may be adversely affected by bankruptcy proceedings.***

The right of the administrative agent of the First Lien Priority Obligations to repossess and dispose of the collateral securing the notes upon acceleration is likely to be significantly impaired by federal bankruptcy law if bankruptcy proceedings are commenced by or against us or any of our subsidiaries prior to or possibly even after the administrative agent has repossessed and disposed of the collateral. Under the U.S. Bankruptcy Code, a secured creditor, such as the administrative agent, is prohibited from repossessing its security from a debtor in a bankruptcy case, or from disposing of security repossessed from a debtor, without bankruptcy court approval. Moreover, bankruptcy law permits the debtor to continue to retain and to use collateral, and the proceeds, products, rents or profits of the collateral, even though the debtor is in default under the applicable debt instruments, provided that the secured creditor is given "adequate protection." The meaning of the term "adequate protection" may vary according to circumstances, but it is intended in general to protect the value of the secured creditor's interest in the collateral and may include cash payments or the granting of additional security, if and at such time as the court in its discretion determines, for any diminution in the value of the collateral as a result of the stay of repossession or disposition or any use of the collateral by the debtor during the pendency of the bankruptcy case. In view of the broad discretionary powers of a bankruptcy court, it is impossible to predict how long payments under the notes could be delayed following commencement of a bankruptcy case, whether or when the administrative agent would repossess or dispose of the collateral, or whether or to what extent holders of the notes would be compensated for any delay in payment or loss of value of the collateral through the requirements of "adequate protection." Furthermore, in the event the bankruptcy court determines that the value of the collateral is not sufficient to repay all amounts due on the notes, the holders of the notes would have "undersecured claims" as to the difference. Federal bankruptcy laws do not permit the payment or accrual of interest, costs and attorneys' fees for "undersecured claims" during the debtor's bankruptcy case.

**Risk Factors Relating to Our Business**

***Economic conditions, particularly the continued economic slowdown, could adversely impact our financial condition and results of operations.***

Our business is directly affected by market conditions, trends in our industry and finance, legislative and regulatory changes, and changes in the economy, all of which are beyond our control. Continued deterioration in economic conditions could result in the following consequences, among others, any of which could have an adverse impact on our business operations, results of operations and financial condition:

- Demand for our products and services may continue to decline, resulting in lower billed calls and minutes, revenues and operating income;
- Our bad debt may rise and we may be required to further limit credit to billed parties, which would reduce our revenues;
- Our existing and prospective software customers may continue to delay or defer spending on software and services;
- Volatile credit markets can impact borrowing availability.

These risks are not the only risks facing us. Additional risks and uncertainties not currently known to us or those we currently view to be immaterial may also materially and adversely affect our business, financial condition, or results of operations.

***Our financial results are dependent on the success of our billing and bad debt risk management systems.***

The inmate telecommunications business is subject to significant risk of bad debt or uncollectible accounts receivable. In 2009, our direct provisioning bad debt expense was approximately 8% of our direct provisioning revenues. Many calls are collect calls paid by the called or billed party. Historically, such billed party's ability to pay for collect calls has been tied to economic conditions, and unemployment rates in particular, that exist in their community. However, we have developed statistical methods to identify high-risk customers who we require to prepay. In 2008, approximately 46% of our direct call provisioning revenue was prepaid, while over 55% of our direct provisioning revenue was prepaid in 2009. Due to current economic conditions in the country and high unemployment rates, it is possible that bad debt results could deteriorate. Because our bad debt visibility is delayed by six to nine months for calls that are placed on LEC bills, risks exist that we will incur future write-offs causing bad debt to increase.

We bill our direct and wholesale services call records through LECs and billing aggregators, which aggregate our charges with other service providers and bill through the applicable LEC. Our agreements with the LECs and the billing aggregators specify that the LECs get paid their portion of a bill prior to ours and we share the remaining risk of nonpayment with other non-LEC service providers. In certain circumstances, LECs are unable to trace the collect call to a proper billed number and the call is unbillable. We are also subject to the risks that the LEC decides not to charge for a call on the basis of billing or service error and that we may be unable to retain our current billing collection agreements with LECs, many of which are terminable at will.

There is a significant lag time (averaging six to nine months) between the time a call is made and the time we learn that the billed party has failed to pay for a call when we bill through LECs and billing aggregators. During this period, we may continue to extend credit to the billed party prior to terminating service and thus increase our exposure to bad debt. Additionally, because of the significant lag time, deteriorating trends in collection rates may not be immediately visible and bad debt may therefore increase prior to our ability to adjust our algorithms and reduce credit limits. This risk is heightened in light of the recent economic downturn. We seek to minimize our bad debt expense by using multi-variable algorithms to adjust our credit policies and billing. We have enhanced our bad debt management systems by reducing the processing time of call records through our back office systems. However, we cannot assure you that these initiatives will always be successful or that our algorithms will remain accurate as circumstances change. Moreover, to the extent we overcompensate for bad debt exposure by limiting credit to billed parties, our revenues and profitability may decline as we allow fewer calls to be made. To the extent our billing and bad debt risk management systems are less than effective or we are otherwise adversely affected by the foregoing factors, our results of operations could be negatively impacted.

***We expect significant declines in our wholesale revenues, which if not replaced by direct call provisioning or other revenues, could have an adverse impact on our financial condition.***

Our wholesale revenues, which accounted for approximately 8% of our revenues in 2009, are expected to continue to decline over the next few years. Our wholesale customers have historically been comprised of large telecommunications carriers, which began exiting the inmate telecommunications business in early 2005. Since their exit, the larger county and state facilities that they served are increasingly being serviced by independent inmate communications companies. As a result, our wholesale revenues decreased by approximately \$1.8 million, or 5.9%, from 2008 to 2009. Global Tel\*Link comprised 31% of our wholesale revenue in 2009. Global's master agreement with us expired on March 1, 2008 and we will stop providing services to them as their underlying contracts at the individual facilities expire.

***We are dependent on third party vendors for our information, billing and offender management systems.***

Sophisticated information and billing systems are vital to our ability to monitor and control costs, bill customers, process customer orders, provide customer service and achieve operating efficiencies. We currently rely on internal systems and third party vendors to provide all of our information and processing systems. Some of our billing, customer service and management information systems have been developed by third parties for us and may not perform as anticipated. In addition, our plans for developing and implementing our information and billing systems rely substantially on the delivery of products and services by third party vendors.

We also license critical third-party software for our offender management products that we incorporate into our own software products and are likely to incorporate additional third-party software into our new product offerings. The operation of our products would be impaired if errors occur in the third-party software that we utilize. It may be more difficult for us to correct any defects in third-party software because the software is not within our control. Accordingly, our business could be adversely affected in the event of any errors in this software. There can be no assurance that these third parties will continue to invest the appropriate levels of resources in their products and services to maintain and enhance the capabilities of their software. If the cost of licensing any of these third-party software products significantly increases, our gross margin levels could significantly decrease.





Our right to use these systems is dependent upon license agreements with third party vendors. Some of these agreements are cancelable by the vendor, and the cancellation or nonrenewable nature of these agreements could impair our ability to process orders, bill our customers or sell our offender management products. Since we rely on third party vendors to provide some of these services or products, any switch in vendors could be costly and could affect operating efficiencies.

Additionally, if our relations with any of our third-party information and offender management systems providers are impaired or the third-party software infringes upon another party's intellectual property rights, our business could be harmed. Although these third party software vendors generally indemnify us against claims that their technology infringes on the proprietary rights of others, such indemnification is not always available for all types of intellectual property. Sometimes software vendors are not well capitalized and may not be able to indemnify us in the event that their technology infringes on the proprietary rights of others. Defending such infringement claims, regardless of their validity, could result in significant cost and diversion of resources. As a result, we may face substantial exposure to liability in the event that technology we license from a third-party infringes on another party's proprietary rights.

***We face challenges in growing our offender management software business.***

Our future success and our ability to meet forecasted operating results and pay interest and principal on the notes will depend in part on our ability to sustain our market share of the offender management software business. In 2009 and prior years, the majority of these revenues were associated with our ongoing implementation of our software for Her Majesty's Prison Service in the United Kingdom, through a sub-contracting agreement with Hewlett Packard (formerly EDS). We will need to continue to generate new contracts to compensate for the loss of this revenue.

Our offender management software business has been affected by the poor economy as government budgets have been negatively impacted. Corrections agencies have increased the amount of time they take to evaluate proposals, process contracts and change orders, and in some cases have deferred or cancelled orders for the purchase of technology solutions. Agencies are being extremely careful as all purchases are under increased scrutiny and require additional steps before approval. If we are unable to continue to generate new contracts we will face the risk of not meeting our targeted revenue goals for 2010, which could further reduce profitability or operating losses and may materially and adversely affect our business, financial condition and results of operations.

***A number of our customers individually account for a large percentage of our revenues, and therefore the loss of one or more of these customers could harm our business.***

If we lose existing customers and do not replace them with new customers, our revenues will decrease and may not be sufficient to cover our costs. For the year ended December 31, 2009, our top five customers accounted for approximately 20% of our total revenues. If we lose one or more of these customers our revenues will be adversely affected, which could harm our business.

***Our success depends on our ability to protect our proprietary technology and ensure that our systems are not infringing on the proprietary technology of other companies.***

Our success depends to a significant degree on our protection of our proprietary technology, particularly in the areas of three-way call prevention, automated operators and call processing technology, bad debt risk management, revenue generation and ancillary products and services. The unauthorized reproduction or other misappropriation of our proprietary technology could enable third parties to benefit from our technology without paying us for it. Although we have taken steps to protect our proprietary technology, these steps may be inadequate. We rely on a combination of patent and copyright law and non-disclosure agreements to establish and protect our proprietary rights in our systems. However, existing trade secret, patent, copyright and trademark laws offer only limited protection. Despite our efforts to protect our proprietary rights, unauthorized parties may attempt to copy aspects of our products or obtain and use trade secrets or other information we regard as proprietary. If we resort to legal proceedings to enforce our intellectual property rights, the proceedings would be burdensome and expensive and could involve a high degree of risk.

We cannot assure you that a third party will not accuse us of infringement on its intellectual property rights. There has been litigation in the telecommunications industry regarding alleged infringement of certain of the technology used in internet telephony services. Although this litigation involves companies unrelated to us, and we believe, technology different from ours, it is possible that similar litigation could be brought against us in the future. Certain parties to such litigation have significantly greater financial and other resources than us. Any claim of infringement could cause us to incur substantial costs defending against the claim, even if the claim is not valid, and could perhaps prevent us from adequately defending the claim. Such a claim would also distract our management from our business. A claim may also result in a judgment involving substantial damages or an injunction or other court order that could prevent us from selling our products and services or operating our network architecture. Any of these events could have a material adverse effect on our business, operating results and financial condition.



***We may not be able to adapt successfully to new technologies, to respond effectively to customer requirements or to provide new services.***

The communications and software industries, including inmate communications and offender management systems, are subject to rapid and significant changes in technology, frequent new service introductions and evolving industry standards. As a result, it is difficult for us to estimate the life cycles of our products. Technological developments may reduce the competitiveness of our services and require unbudgeted upgrades, significant capital expenditures and the procurement of additional services that could be expensive and time consuming. To the extent our existing or future competitors are successful in developing competitive technologies, including through deployment of the packet based architecture that we believe provides us with a competitive advantage, our competitive position, market share and the price we receive for services may be adversely affected. To be competitive, we must develop and introduce product enhancements and new products. New products and new technology often render existing information services or technology infrastructure obsolete, excessively costly, or otherwise unmarketable. As a result, our success depends on our ability to create and integrate new technologies into our current products and services and to develop new products. If we fail to respond successfully to technological changes or obsolescence or fail to obtain access to important new technologies, we could lose customers and be limited in our ability to attract new customers or sell new services to our existing customers. The failure to adapt to new technologies could have a material adverse effect on our business, financial condition and results of operations.

The successful development of new services, which is an element of our business strategy, is uncertain and dependent on many factors, and we may not generate anticipated revenues from such services. In addition, as communications networks are modernized and evolve from analog-based to digital-based systems, certain features offered by us may diminish in value. We cannot guarantee that we will have sufficient technical, managerial or financial resources to develop or acquire new technology or to introduce new services or products that would meet our customers' needs in a timely manner.

***Our business could be adversely affected if our products and services fail to perform or be performed properly.***

Products as complex as ours may contain undetected errors or "bugs," which could result in product failures or security breaches and render us unable to satisfy customer expectations. Further, our products must integrate with the many computer systems and software programs of our customers. Any failure of our systems or an inability of our customer to implement or integrate our products could result in a claim for substantial damages against us, regardless of our responsibility for the failure. Although we test our products and maintain general liability insurance, including coverage for errors and omissions, we cannot assure you that we will detect every error or that our existing coverage will continue to be available on reasonable terms or will be available in amounts sufficient to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim. The occurrence of errors could result in a loss of data to us or our customers, which could cause a loss of revenues, failure to achieve acceptance, diversion of development resources, injury to our reputation, or damages to our efforts to build brand awareness, any of which could have a material adverse effect on our market share and, in turn, our operating results and financial condition.

***A system failure could cause delays or interruptions of service, which could cause us to lose customers.***

To be successful, we will need to continue to provide our customers with reliable service. Some of the events that could adversely affect our ability to deliver reliable service include:

- physical damage to our network operations centers;
- disruptions beyond our control;
- power surges or outages; and
- software defects.

Disruptions may cause interruptions in service or reduced capacity for customers, either of which could cause us to lose customers and incur unexpected expenses.

***We are dependent on the communications industry, which subjects our business to risks affecting the communications industry generally.***

Although we focus on the inmate communications industry, our business is directly affected by risks facing the communications industry in general. The communications industry has been, and we believe it will continue to be, characterized by several trends, including the following:

- rapid development and introduction of new technologies and services;
- increased competition within established markets from current and new market entrants that may provide competing or alternative services;
- the increase in mergers and strategic alliances that allow one telecommunications provider to offer increased services or access to wider geographic markets; and
- continued changes in the laws and regulations affecting rates for collect and prepaid calls.

The market for communications services is highly competitive. Our ability to compete successfully in our markets will depend on several factors, including the following:

- how well we market our existing services and develop new technologies;
- the quality and reliability of our network and service;
- our ability to anticipate and respond to various competitive factors affecting the communications industry, including a changing regulatory environment that may affect us differently from our competitors, pricing strategies and the introduction of new competitive services by our competitors, changes in consumer preferences, demographic trends and economic conditions; and
- our ability to successfully defend claims against us.

Competition could intensify as a result of new competitors and the development of new technologies, products and services. Some or all of these risks may cause us to have to spend significantly more in capital expenditures than we currently anticipate in order to retain existing and attract new customers.

Some of our competitors have brand recognition and financial, personnel, marketing and other resources that are significantly greater than ours. In addition, due to consolidation and strategic alliances within the communications industry, we cannot predict the number of competitors that will emerge, especially as a result of existing or new federal and state regulatory or legislative actions. Increased competition from existing and new entities could lead to higher commissions paid to correctional facilities, loss of customers, reduced operating margins or loss of market share.

***Most of our customers are governmental entities that require us to adhere to certain policies that may limit our ability to attract and retain customers.***

Our customers include U.S. and foreign federal, state and local governmental entities responsible for the administration and operation of correctional facilities. We are subject, therefore, to the administrative policies and procedures employed by, and the regulations that govern the activities of, these governmental entities, including policies, procedures, and regulations concerning the procurement and retention of contract rights and the provision of services. Our operations may be adversely affected by the policies and procedures employed by, or the regulations that govern the activities of, these governmental entities and we may be limited in our ability to secure additional customer contracts, renew and retain existing customer contracts, and consummate acquisitions as a result of such policies, procedures and regulations.

***Our offender management software's lengthy sales cycle and limited number of large non-recurring licenses sales make it difficult to predict quarterly revenue levels and operating results.***

It is difficult for us to forecast the timing and recognition of revenues from sales of our offender management products because our existing and prospective customers often take significant time evaluating our products before licensing them. The sales process for our offender management software products is lengthy and can exceed one year. License and implementation fees for our offender management software products tend to be substantial when they occur. Additionally, the purchasing of our offender management software products is relatively discretionary and the purchasing decision typically involves members of our customers' senior management. Accordingly, the timing of our license revenues is difficult to predict. The delay of an order could cause our quarterly revenues to fall substantially below our expectations and those of public market analysts and investors.

Moreover, to the extent that we succeed in shifting customer purchases away from individual software products and toward more costly integrated suites of software and services, our sales cycle may lengthen, which could increase the likelihood of delays and cause the effect of a delay to become more pronounced. Delays in our offender management software sales could cause significant shortfalls in our revenues and operating results for any particular period and could lead to future impairment of goodwill or long-lived assets. The period between initial customer contact and a purchase by a customer may vary from nine months to more than one year. During the evaluation period, prospective customers may decide not to purchase or may scale down proposed orders of our products for various reasons, including:

- reduced demand for offender management software solutions;
- introduction of products by our competitors;
- lower prices offered by our competitors; and
- reduced need to upgrade existing systems.

Additionally, because our customers and potential customers are federal, state and local government agencies that may have limited funds allocated to information technology, decreases in any of our customers' budgets for information technology could result in order cancellations that could have a significant adverse affect on our revenues and quarterly results.

***We may not be successful in convincing potential customers to migrate to our offender management software products.***

Many correctional institutions have historically used internally developed software for their offender management systems and to manage other resources. These institutions may not be willing to incur the costs or invest the resources necessary to initially implement our software products or complete upgrades to current or future releases of our products. Consequently, it may be difficult for us to convince these institutions to make substantial capital expenditures to migrate to our products. This may impede our ability to increase our market share in existing markets as well as penetrate other geographic markets or to generate new or recurring revenues.

***Our international operations and sales subject us to risks associated with unexpected events.***

The international reach of our business could cause us to be subject to unexpected, uncontrollable and rapidly changing events and circumstances. The following factors, among others, could adversely affect our business and earnings:

- failure to properly comply with foreign laws and regulations applicable to our foreign activities including, without limitation, software localization requirements;
- compliance with multiple and potentially conflicting regulations in Europe, Australia and North America, including export requirements, tariffs, import duties and other trade barriers, as well as intellectual property requirements;
- difficulties in managing foreign operations and appropriate levels of staffing;
- longer collection cycles;
- seasonal reductions in business activities, particularly throughout Europe;
- reduced protection for intellectual property rights in some countries;
- proper compliance with local tax laws, which can be complex and may result in unintended adverse tax consequences;
- anti-American sentiment due to the wars in Iraq and Afghanistan and other American policies that may be unpopular in certain countries;
- difficulties in enforcing agreements through foreign legal systems;
- fluctuations in exchange rates may affect product demand and may adversely affect the profitability in U.S. dollars of products and services provided by us in foreign markets where payment for our products and services is made in the local currency;
- changes in general economic and political conditions in countries where we operate; and
- restrictions on downsizing operations in Europe and expenses and delays associated with any such activities.

#### **Regulatory Risks**

*The FCC is currently reviewing challenges and alternatives to the rates applicable to interstate inmate telecommunications service that, if implemented, could have an adverse effect on our business.*

The FCC has opened several rulemaking proceedings that question whether the current regulatory regime applicable to the rates for interstate inmate telecommunications services is responsive to the needs of correctional facilities, inmate telecommunications service providers, the inmates and their families. Parties participating in these proceedings generally include prison inmates and their families, parties receiving calls from inmates, several national inmate advocacy organizations such as Citizens United for the Rehabilitation of Errants and providers of inmate telecommunications services. In general, the position of those challenging the current regulatory regime is that inmate telecommunications service rates are excessive due to compensation paid to correctional facilities in the form of "commissions" and that the FCC should establish rate caps, prohibit commissions to correctional facilities and mandate the offering by inmate telecommunications service providers of inmate debit or prepaid card alternatives to collect calling. Such a regime would require a new and complex set of federal regulations that, if adopted, could reduce our revenues derived from existing contracts and could lead to increased costs associated with regulatory compliance. Moreover, if implementation of these regulations leads to technological or structural changes in the industry, it could diminish the value of our intellectual property and our customer relationships and lead to a reduction in profitability of calls originating from correctional facilities.

*We operate in a highly regulated industry, and are subject to restrictions in the manner in which we conduct our business and a variety of claims relating to such regulation.*

Our operations are subject to federal regulation, and we must comply with the Communications Act of 1934, as amended, and FCC regulations promulgated there under. We are also subject to the applicable laws and regulations of various states and other state agencies, including regulation by public utility commissions. Federal laws and FCC regulations generally apply to interstate telecommunications (including international telecommunications that originate or terminate in the United States), while state regulatory authorities generally have jurisdiction over telecommunications that originate and terminate within the same state. Generally, we must obtain and maintain prior authorization from and/or register with, regulatory bodies in most states where we offer intrastate services and must obtain or submit prior regulatory approval of rates, terms and conditions for our intrastate services in many of these jurisdictions. We are also in some cases required, along with other telecommunications providers, to contribute to federal and state funds established for universal service, number portability, payphone compensation and related purposes. Laws and regulations in this industry such as those identified above, and others including those regulating call recording and call rate announcements, and billing, collection, customer collection management, and solicitation practices are all highly complex and burdensome, making it difficult to be in complete compliance. The difficulty is sometimes exacerbated by technology issues. Although we actively seek to comply with all laws and regulations and remedy areas in which we become aware of inadvertent non-compliance, we may not always be in full compliance with all regulations applicable to us. Once non-compliance is identified, remedies are sought and implemented as quickly as possible. Failure to comply with these requirements can result in potentially significant fines, penalties, regulatory sanctions and claims for substantial damages. Claims may be widespread, as in the case of class actions commenced on behalf of inmates or the called parties of inmates. Significant fines, penalties, regulatory sanctions and damage claims could be material to our business, operating results and financial condition. Additionally, regulation of the telecommunications industry is changing rapidly, and the regulatory environment varies substantially from state to state. Future regulatory, judicial or legislative activities may have an adverse effect on our operations or financial condition, and domestic or international regulators or third parties may raise material issues with regard to our compliance or non-compliance with applicable regulations.

#### **ITEM 1B. UNRESOLVED STAFF COMMENTS**

None.

#### **ITEM 2. PROPERTIES**

Our principal executive office is located in, and a portion of our operations are conducted from, leased premises located at 14651 Dallas Parkway, Suite 600, Dallas, Texas 75254-8815. We also lease additional regional facilities located in Carrollton, Texas, from which we conduct our technical support operations, in-sourced call center, and warehouse operations, and our data centers located in Allen and Dallas, Texas and Atlanta, Georgia. We have offices in Richmond, British Columbia and London, United Kingdom. We believe that our facilities are suitable and the space contained by them adequate for their respective operations.

#### **ITEM 3. LEGAL PROCEEDINGS**

We have been, and expect to continue to be, subject to various legal and administrative proceedings or various claims in the normal course of business. We believe the ultimate disposition of these matters will not have a material effect on our financial condition, liquidity, or results of operations.

From time to time, inmate telecommunications providers, including the Company, are parties to judicial and regulatory complaints and proceedings initiated by inmates, consumer protection advocates or individual called parties alleging, among other things, that excessive rates are being charged with respect to inmate collect calls, that commissions paid by inmate telephone service providers to the correctional facilities are too high, that a call was wrongfully disconnected, that security notices played during the call disrupt the call, that the billed party did not accept the collect calls for which they were billed or that rate disclosure was not provided or was inadequate. On occasion, we are also the subject of regulatory complaints regarding our compliance with various matters including tariffing, access charges, payphone compensation requirements and rate disclosure issues. In March 2007, the FCC asked for public comment on a proposal from an inmate advocacy group to impose a federal rate cap on interstate inmate calls. This proceeding could have a significant impact on the rates that we and other companies in the inmate telecommunications industry may charge. Similar proposals have been pending before the FCC for more than four years without action by the agency. This newest proceeding remains under review by the FCC and has received strong opposition from the inmate telecommunications industry. In August 2008, a group of inmate telephone service providers provided the FCC with an "industry wide" cost of service study for their consideration. That proceeding remains ongoing and we have no information as to when, if ever, it will be resolved. We cannot predict the outcome at this time.

In June 2000, T-Netix was named, along with AT&T, in a lawsuit in the Superior Court of King County, Washington, in which two private citizens allege violations of state rules requiring pre-connect audible disclosure of rates as required by Washington statutes and regulations. T-Netix and other defendants successfully obtained dismissal and a "primary jurisdiction" referral in 2002. In 2005, after several years of inactivity before the Washington Utilities and Transportation Commission ("WUTC"), the state telecommunications regulatory agency, T-Netix prevailed at the trial court in securing an order entering summary judgment on grounds of lack of standing, but that decision was reversed by an intermediate Washington state appellate court in December 2006. T-Netix's subsequent petition for review by the Washington Supreme Court was denied in January 2008, entitling plaintiffs to continue to pursue their claims against T-Netix and AT&T. This matter was referred to the WUTC on the grounds of primary jurisdiction, in order for the WUTC to determine various regulatory issues. On May 22, 2008, AT&T filed with the trial court a cross-claim against T-Netix seeking indemnification. T-Netix moved to dismiss AT&T's cross-claim, but the court denied that motion and deferred resolution of whether AT&T's belated indemnification claim is within the statute of limitations for summary judgment. Motions by both T-Netix and AT&T for summary determination were briefed to the WUTC in September 2009 and remain pending before an administrative law judge. As merits and damages discovery are not completed, however, we cannot estimate the Company's potential exposure or predict the outcome of this dispute.

In July 2009, Evercom filed a complaint against Combined Public Communications, Inc. ("CPC"), alleging tortious interference with Evercom's contracts for the provision of telecommunications services with correctional facilities in the Commonwealth of Kentucky and the State of Indiana. Evercom claims CPC has misrepresented that the correctional facility has a statutory right to terminate its contract with Evercom upon the election of a new Sheriff. Accordingly, Evercom seeks a declaration that under Kentucky law its contracts with its customers are not personal services contracts and that under both Indiana and Kentucky law, its contracts with correctional facilities are not void for not being terminable within thirty days, as well as an award of compensatory and punitive damages. On July 29, 2009, CPC filed a motion to dismiss for failure to state a claim. On August 14, 2009, Evercom filed its response in opposition to dismiss, and on September 9, 2009, the court denied CPC's motion to dismiss. On January 8, 2009, the court entered a scheduling order setting forth the pre-trial deadlines. This matter is in its early stages and we cannot predict the outcome at this time.

In July 2009, the Company filed a petition with the Federal Communications Commission ("FCC") seeking affirmation of the Company's right to block attempts by inmates to use services, which the Company calls "call diversion schemes," designed to circumvent its secure calling platforms. These illicit services are not permitted to carry calls from any correctional facility, and the Company has received strong support from its correctional authority clients to stop this activity. The FCC has long-standing precedent that permits inmate telecommunications service providers to block such attempts. The FCC had asked that interested parties file comments to the Company's petition by August 31, 2009; and thereafter, the Company filed reply comments. This matter is in its early stages and we cannot predict the outcome at this time.

In September 2009, T-Netix filed suit against Combined Public Communications, Inc. in the United States Federal District Court for the Western District of Kentucky, for patent infringement of various T-Netix patents. The court has scheduled a Rule 26(f) scheduling conference for February 10, 2010 and the parties are negotiating an agreed discovery plan to present at the hearing. This matter is in its early stages and we cannot predict the outcome at this time.

In October 2009, T-Netix filed suit in the United States Federal District Court for the Eastern District of Texas against Pinnacle Public Services, LLC for patent infringement of various T-Netix patents. Pinnacle has served its answer and filed a motion to transfer venue to the Northern District of Texas. This matter is in its early stages and we cannot predict the outcome at this time.

In October 2009, the Company, along with Evercom and T-Netix, and one of the Company's competitors were sued in the Federal District Court for the Southern District of Florida by Millicorp d/b/a ConsCallHome. Millicorp, a proprietor of what the Company has described to the FCC as a call diverter, has sued these companies under the Communications Act of 1934, alleging that the companies have no right to block attempts by inmates to use the call diversion scheme. The FCC has permitted inmate telecommunications service providers to block such attempts since 1991, and the Company had sought re-affirmance of that permission in the petition for declaratory ruling described above. All defendants have filed motions to dismiss all claims with prejudice. Discovery has not yet commenced. This matter is in its early stages and we cannot predict the outcome at this time.

In October 2009, the Company filed suit in the District Court of Dallas County, Texas, against Lattice Incorporated ("Lattice", formerly known as Science Dynamics Corporation) alleging breach of contract, tortious interference, unfair competition, damage to goodwill and injunctive relief as a result of Lattice's breach of certain provisions of a December 2003 asset purchase agreement between Evercom and Science Dynamics Corporation. On October 2, 2009, the court issued a temporary restraining order against Lattice, and ordered Lattice to immediately cease and desist from, among other things, (i) renewing any customer contracts in the law enforcement industry; (ii) marketing, selling or soliciting, directly or indirectly, any of its products and/or services to any customers in the law enforcement industry; and (iii) interfering with any of the



Company's business relationships in the law enforcement industry in the United States. On January 4, 2010, the parties entered into a settlement agreement and mutual release, and a patent license agreement wherein Lattice was granted a license to use one (1) of the Company's patents.

In January 2010, T-Netix and Evercom filed suit in the United States Federal District Court for the Eastern District of Texas against Legacy Long Distance International, Inc. dba Legacy International, Inc. and Legacy Inmate Communications for patent infringement of various T-Netix's and Evercom's patents. This matter is in its early stages and we cannot predict the outcome at this time.

**ITEM 4. RESERVED**

26

---

## PART II

**ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES**

**Market Information.** Our common stock is not registered and there is currently no established public trading market for our issued and outstanding equity securities.

**Holders of Record.** As of March 1, 2010, we had three holders of Series A Redeemable Convertible Preferred Stock, seven holders of Class A Common Stock and twenty-two holders of Class B Common Stock. In December 2007, we effected a 1 for 1,000 reverse stock split for our Class A Common Stock and Class B Common Stock in connection with the issuance of the Series A Redeemable Convertible Preferred Stock.

**Dividends.** We have never declared or paid any cash dividends on our Common Stock. Our Series A Redeemable Convertible Preferred Stock accrues dividends at 12.5% annually. We currently intend to retain earnings, if any, to support our business strategy and do not anticipate paying cash dividends in the foreseeable future. Payment of future dividends, if any, will be at the sole discretion of our board of directors after taking into account various factors, including restrictions on our ability to pay dividends, our financial condition, operating results, capital requirements and any plans for expansion. Our revolving credit facility, the indenture governing our Second-priority Senior Secured Notes, and the note purchase agreement governing our senior subordinated notes contain certain negative covenants that restrict our ability to declare dividends. See "Management's Discussion and Analysis of Financial Conditions and Results of Operations—Debt and Other Obligations."

**Securities Authorized for Issuance Under Equity Compensation Plans.** The following table provides information about the securities authorized for issuance under our equity compensation plans as of December 31, 2009:

	Equity Compensation Plan Information		
	(a)	(b)	(c)
Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (1)	Weighted-average exercise price of outstanding Options, warrants and rights	Number of Securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by security holders(2)	126,660	\$ .01	48,340
Equity compensation plans not approved by security holders	-	-	-
Total	126,660	\$ .01	48,340

(1) Includes 126,660 shares of restricted stock issued under the 2004 Restricted Stock Plan.

(2) In March 2009, the Company filed a Fourth Amendment and Restated Certificate of Incorporation which 1,685,000 shares of stock were authorized, of which 10,000 shares are designated Preferred Stock, \$.001 par value per share (the "Preferred Stock"), 1,500,000 shares are designated Common Stock, \$.001 par value per share (the "Common Stock"), and 175,000 shares are designated Class B Common Stock, \$.001 par value per share (the "Class B Common Stock").

**Unregistered Sales of Equity Securities.** As of December 31, 2009, we had sold to certain members of management and our board of directors a total of 126,660 restricted shares of Class B Common Stock at a purchase price of \$.01 per share pursuant to the 2004 Restricted Stock Plan. In 2009, we issued 4,566 shares and 2,000 shares of Class B Common Stock on February 19, 2009 and March 1, 2009, respectively. The shares are subject to certain contractual limitations, including provisions regarding forfeiture and disposition, as provided in each executive's restricted stock purchase agreement and the 2004 Restricted Stock Plan. The restricted period ends upon the occurrence of certain events or the lapse of time. The sale of the Class B Common Stock was made pursuant to the exemption set forth in Section 4(2) of the Securities Act of 1933 for transactions not involving a public offering, and regulations promulgated thereunder.

On March 25, 2009, the Company filed a Fourth Amended and Restated Certificate of Incorporation, which authorized 1,685,000 shares of capital stock. Additionally, the Board of Directors issued a unanimous resolution to adopt a Fourth Amendment to the 2004 Restricted Stock Plan which increased the number of shares of Class B Common Stock authorized for issuance thereunder from 165,000 to 175,000 shares. The Fourth Amended and Restated Certificate of Incorporation designated 1,500,000 shares as Class A Common Stock, 10,000 shares as Preferred Stock, of which 5,100 were designated as Series A Convertible Preferred Stock, and 175,000 shares as Class B Common Stock. All issued shares of Common Stock are entitled to vote on a one share/one vote basis.

#### ITEM 6. SELECTED FINANCIAL DATA

The following selected consolidated historical financial data should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the consolidated financial statements and the related notes thereto appearing elsewhere in this Form 10-K. The selected historical consolidated financial and other data presented below for the fiscal years ended December 31, 2007, 2008 and 2009 have been derived from our audited consolidated financial statements.

	For the Year Ended December 31.				
	2005	2006	2007	2008	2009
<b>Consolidated Statement of Operations</b>					
Operating revenues (1)	\$ 377.4	\$ 401.9	\$ 391.9	\$ 388.6	\$ 363.4
Cost of service (1)	279.7	293.1	286.8	271.9	247.2
Selling, general and administrative expenses (1)	57.9	69.4	74.4	74.7	66.1
Depreciation and amortization	23.9	30.3	37.1	34.4	31.4
Other operating expenses (2)	0.6	-	0.6	0.2	-
Operating income (loss)	15.3	9.1	(7.0)	7.4	18.7
<b>Other Income Expense:</b>					
Interest and other expenses, net	(26.6)	(27.8)	(31.5)	(41.9)	(39.1)
Loss before income taxes	(11.3)	(18.7)	(38.5)	(34.5)	(20.4)
Income tax expense (benefit)	(2.2)	1.4	1.9	(0.5)	0.7
Net loss	(9.1)	(20.1)	(40.4)	(34.0)	(21.1)
Accrued dividends on preferred stock	-	-	-	(1.4)	(1.5)
Net loss available to common stockholders	<u>\$ (9.1)</u>	<u>\$ (20.1)</u>	<u>\$ (40.4)</u>	<u>\$ (35.4)</u>	<u>\$ (22.6)</u>
<b>Other Financial Data:</b>					
Direct provisioning revenues (1)	\$ 303.3	\$ 341.2	\$ 338.7	\$ 333.6	\$ 312.6
Wholesale services revenues (1)	74.1	60.7	45.2	29.9	28.1
Offender management software	-	-	7.9	25.1	22.7

	For the Year Ended December 31,				
	2005	2006	2007	2008	2009
<b>Other Data:</b>					
Deficiency of earnings to fixed charges	\$ 9.1	\$ 20.1	\$ 40.4	\$ 35.4	\$ 22.6
<b>Consolidated Cash Flow Data:</b>					
Cash flows from operating activities	\$ 29.8	\$ 19.1	\$ 20.5	\$ 17.4	\$ 26.8
Cash flows from investing activities	(26.3)	(27.1)	(64.0)	(17.0)	(16.3)
Cash flows from financing activities (3)	(2.8)	6.0	46.5	1.1	(12.3)
Capital Expenditures	26.3	27.2	21.4	17.0	16.5
<b>Balance Sheet Data (End of Period)</b>					
Cash and cash equivalents and restricted cash	\$ 4.0	\$ 2.0	\$ 3.6	\$ 8.2	\$ 4.0
Total current assets (4)	80.7	76.4	62.9	61.6	51.7
Net property and equipment	43.9	46.4	40.8	35.4	28.8
Total assets	266.9	259.6	292.1	259.0	240.1
Total long-term debt (including current portion)	198.0	210.6	263.3	288.3	287.8
Stockholders' deficit	\$ (31.9)	\$ (51.9)	\$ (88.9)	\$ (128.8)	\$ (148.2)

- (1) Includes reclassification of certain amounts in prior years to conform with current period presentation. No impact on operating income (loss), net loss, cash flows or the financial position of the Company for the prior periods presented.
- (2) Includes gain on sale of assets, compensation expense on employee restricted stock, severance and restructuring costs.
- (3) The 2007 amount reflects \$40 million of indebtedness incurred through the issuance of additional Second-priority Senior Secured Notes in connection with our acquisition of Syscon.
- (4) Current assets decreased in 2007, 2008, and 2009 primarily as a result of a decline in receivables due to a significant increase in prepaid revenues as a percentage of total revenues, coupled with a decline in overall direct call provisioning and wholesale services revenues.

**ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

The following information should be read in conjunction with our historical consolidated financial statements and related notes, our audited consolidated financial data and related notes and other financial information included elsewhere in this Form 10-K.

**Overview**

We are one of the largest independent providers of inmate telecommunications services to correctional facilities operated by city, county, state and federal authorities and other types of confinement facilities such as juvenile detention centers and private jails in the United States and Canada. As of December 31, 2009, we provided service to approximately 2,400 correctional facilities.

Our core business consists of installing, operating, servicing and maintaining sophisticated call processing systems in correctional facilities and providing related services. We enter into multi-year agreements (generally three to five years) directly with the correctional facilities in which we serve as the exclusive provider of telecommunications services to inmates. In exchange for the exclusive service rights, we pay a negotiated commission to the correctional facility based upon revenues generated by actual inmate telephone use. In addition, on a limited basis we may partner with other telecommunications companies whereby we provide our equipment and, as needed, back office support including validation, billing and collections services, and charge a fee for such services. Based on the particular needs of the corrections industry and the requirements of the individual correctional facility, we also sell platforms and specialized equipment and services such as law enforcement management systems, call activity reporting and call blocking.

Our subsidiary Syscon is an enterprise software development company for the correctional facility industry. Syscon's core product is a sophisticated and comprehensive software system utilized by correctional facilities and law enforcement agencies for complete offender management. Syscon's system provides correctional facilities with the ability to manage and monitor inmate parole and probation activity and development at a sophisticated level.

Certain amounts in the prior periods' consolidated financial statements have been reclassified to conform to the current period presentation. We believe this reclassification will result in a clearer presentation of our results of operations. As a result, we have revised our Management's Discussion and Analysis of Financial Condition and Results of Operations for prior periods to reflect this reclassification.

**Revenues**

We derived approximately 86% of our revenues for each of the years ended December 31, 2008 and 2009 from our direct operation of inmate telecommunication systems and the provision of related services located in correctional facilities within 43 states and the District of Columbia. We enter into multi-year agreements under direct or "prime" contracts with the correctional facilities, pursuant to which we serve as the exclusive provider of telecommunications services to inmates within each facility. In exchange for the exclusive service rights, we pay a commission to the correctional facility based upon inmate telephone use. We install and generally retain ownership of the telephones and the associated equipment and provide additional services tailored to the specialized needs of the corrections industry and to the requirements of each individual correctional facility, such as call activity recording and call blocking. In our direct call provisioning business, we earn the full retail value of the call and pay corresponding line charges and commissions.

We derived approximately 6% of our revenues from our offender management software business for each of the years ended December 31, 2008 and December 31, 2009. Offender management systems are platforms that allow facilities managers and law enforcement personnel to analyze data to reduce costs, prevent and solve crimes and facilitate rehabilitation through a single user interface. Revenue related to the offender management software business is recognized using the residual method when the fair value of vendor specific objective evidence ("VSOE") of the undelivered element is determined. If the VSOE of fair value cannot be determined for any undelivered element or any undelivered element is essential to the functionality of the delivered element, revenue is deferred until such criteria are met or recognized as the last element is delivered. Under the residual method, the fair value of the undelivered elements is deferred and the difference between the total arrangement fee and the amount recorded as deferred revenue for the undelivered elements is recognized as revenue related to the delivered elements.

We derived approximately 8% of our revenues for each of the years ended December 31, 2008 and 2009 from the wholesale services business. We derive this revenue through (1) validation, uncollectible account management and billing services (solutions services), (2) providing equipment, security enhanced call processing, call validation and service and support through the primary inmate telecommunications providers (telecommunications services), and (3) the sale of equipment to other telecommunications companies as customers or service partners.

In our direct call provisioning and wholesale services business, we accumulate call activity data from our various installations and bill our revenues related to this call activity against prepaid customer accounts or through direct billing agreements with local exchange carrier ("LEC") billing agents, or in some cases through billing aggregators that bill end users. We receive payment on a prepaid basis for the majority of our services and record deferred revenue until the prepaid balances are used. In each case, we recognize revenue when the calls are completed and record the related telecommunication costs for validating, transmitting, billing and collection, bad debt, and line and long-distance charges, along with commissions payable to the facilities. In our wholesale services business, our service partner may bill the called party and we either share the revenues with our service partner or receive a prescribed fee for each call completed. We also charge fees for additional services such as customer support and advanced validation.

### Cost of Service

Our principal cost of service for our direct call provisioning business consists of commissions paid to correctional facilities, which are typically expressed as a percentage of either gross or net direct call provisioning revenues and are typically fixed for the term of the agreements. Our cost of service for direct call provisioning also includes (1) bad debt expense from uncollectible accounts; (2) billing and collection charges; (3) telecommunication costs such as telephone line access, long distance and other charges; (4) call validation costs; and (5) field operations and maintenance costs for service on our installed base of inmate telephones. We pay monthly line and usage charges to Regional Bell Operating Companies ("RBOCs") and other LECs for interconnection to local networks to complete local calls. We also pay fees to interexchange and long distance carriers for long distance calls completed. Third-party billing charges consist of payments to LECs and other billing service providers for billing and collecting revenues from called parties.

Cost of service associated with our offender management software business primarily includes salaries and related costs of employees and contractors that provide technological services to develop, customize or enhance the software for our clients.

Cost of service for our wholesale service business includes billing and collection, call validation, bad debt expense and service costs for correctional facilities, including salaries and related personnel expenses, inmate calling systems repair and maintenance expenses and the cost of equipment sold to service partners.

*Facility Commissions.* In our direct call provisioning business, we pay a facility commission typically based on a percentage of our billed revenues from such facility. Commissions are set at the beginning of each facility contract.

*Bad Debt.* We account for bad debt as a direct cost of providing telecommunications services. We accrue the related telecommunications cost charges along with an allowance for uncollectible calls, based on historical experience. We use a proprietary, specialized billing and bad-debt management system to integrate our billing with our call blocking, validation and customer inquiry procedures. We seek to manage our higher risk revenues by proactively requiring certain billed parties to prepay collect calls or be directly billed by us. This system utilizes multi-variable algorithms to minimize bad debt expense by adjusting our credit policies and billing. For example, when unemployment rates are high, we may decrease credit to less creditworthy-billed parties or require them to purchase prepaid calling time in order to receive inmate calls.

Bad debt expense tends to rise with higher unemployment rates and as the economy worsens, and is subject to other factors, some of which may not be known. To the extent our bad debt management system overcompensates for bad debt exposure by limiting credit to billed parties, our revenues and profitability may decline as fewer calls are permitted to be made. In 2008, we tightened our credit policy to reduce our risk of loss from bad debts. Consequently, billed minutes and associated revenues may have been negatively impacted in the latter part of 2008 and in 2009. Since our bad debt visibility is delayed an average of six to nine months, risk exists that future write-offs may be incurred.

*Field Operations and Maintenance Costs.* Field operations and maintenance costs consist of service administration costs for correctional facilities. These costs include salaries and related personnel expenses, communication costs, and inmate calling systems repair and maintenance expenses.

### Selling, General & Administrative Expenses

Selling, general and administrative ("SG&A") expenses consist of corporate overhead and selling expenses, including accounting, marketing, legal, regulatory, and research and development costs.

#### Industry Trends

The corrections industry, which includes the inmate calling and offender management software markets, is and can be expected to remain highly competitive. We compete directly with numerous other suppliers of inmate call processing systems and other corrections-related products (including our own wholesale service provider customers) that market their products to our same customer base. Contracts to service correctional facilities are typically subject to competitive bidding, and as we seek to secure inmate telecommunications contracts with larger county and state departments of corrections, we may be required to provide surety bonds or significant up-front payments such as signing bonuses and guaranteed commissions, as well as incur the cost of equipment and installation costs. We provide our wholesale products and services to inmate telecommunications service providers, such as Global Tel\*Link, Embarq, AT&T, and FSH Communications.

Our offender management software business has been affected by the poor economy and government budget shortfalls. As corrections agencies have increased the amount of time they take to evaluate proposals, process contracts and change orders, and in some cases have deferred or cancelled orders for the purchase of technology solutions. Agencies are being extremely careful, as all purchases are under increased scrutiny and many require additional steps before approval. The U.S. federal government economic stimulus programs have provided some relief domestically. The global nature of the downturn is having a similar impact overseas.

#### Results of Operations for the Year Ended December 31, 2009 Compared to December 31, 2008

The following table sets forth the primary components of revenue for 2008 and 2009.

	<b>For the Twelve Months Ended</b>		<b>Variance</b>	<b>% Change</b>
	<b>December 31, 2008</b>	<b>December 31, 2009</b>		
<b>(Dollars in thousands)</b>				
Direct call provisioning	\$ 333,564	\$ 312,614	\$ (20,950)	(6.3)%
Offender management software	25,137	22,698	(2,439)	(9.7)
Wholesale services	29,902	28,124	(1,778)	(5.9)
Total revenue	<u>\$ 388,603</u>	<u>\$ 363,436</u>	<u>\$ (25,167)</u>	<u>(6.5)%</u>

#### Revenues

Compared to the year ended December 31, 2008, consolidated revenues decreased for the year ended December 31, 2009 by \$25.2 million, or 6.5 %, to \$363.4 million. The primary components of the decrease in revenues are discussed below:

Direct call provisioning revenues decreased \$21.0 million, or 6.3%, to \$312.6 million resulting primarily from lower call volumes and revenues per call due primarily to the economic recession. Additionally, in 2009 we experienced a change in revenue recognition from a partnering arrangement that reduced our revenues by approximately \$8.2 million from the prior year. In 2008, inmate calls were processed on our platforms and revenues and expenses were recorded on a gross basis. The new equipment owned and managed by our partner was installed at the various sites and, accordingly, our share of revenue is now recorded net of expenses. This change in revenue recognition from a gross to net basis will continue to affect revenues over the term of the underlying facility contract.

Offender management software revenues decreased \$2.4 million, or 9.7%, to \$22.7 million. The majority of our offender management revenues have been associated with the implementation of our software for Her Majesty's Prison Service in the United Kingdom through a sub-contracting agreement with HP Enterprise Services (formerly EDS). The implementation phase of this contract was successfully completed during the second quarter of 2009 causing the expected decline in revenues. During the fourth quarter of 2009, we started to generate revenues from new contracts in the United States as well as extended our work in the United Kingdom and Australia, and we continually seek to win new contracts. We were impacted by the global economic recession in 2009 which has affected government budgets causing corrections agencies to delay or defer technology spending or cancel orders altogether, which, in turn, made it more difficult to generate new contracts during this recessionary period. In connection with the acquisition of Syscon we valued the existing customer contracts and related deferred revenues at fair value, which impacted the amount of revenue and profit recognized on the acquired contracts. Our 2008 offender management software revenues and operating profits were \$3.5 million lower than what would have been reported resulting from the amortization of acquired customer contracts, as required by purchase accounting. 2009 revenues and operating profits were not significantly impacted by the amortization of acquired customer contracts.

Wholesale services revenues decreased by \$1.8 million, or 5.9%, due to the ongoing trend of our wholesale partners, who also compete directly with us, not renewing our services as their underlying facility contracts expire. This revenue attrition was partially offset by a \$7.1 million increase in revenues related to installation and project management services associated with the Texas Department of Criminal Justice (TDCJ) contract. With the exception of the TDCJ contract, we expect our wholesale services revenues to continue to decline in the future as wholesale contracts expire.

**Cost of Service.** Total cost of service for the year ended December 31, 2009 decreased by \$24.7 million, or 9.1%, from the year ended December 31, 2008 due to lower direct call provisioning and offender management software revenues and the implementation of direct cost reduction initiatives. A comparison of the components of our business segment gross margins is provided below (dollars in thousands):

	Year Ended December 31,			
	2008		2009	
<b>Direct Call Provisioning</b>				
Revenue	\$	333,564	\$	312,614
Cost of service		243,807	73.1%	221,572
Segment gross margin	\$	89,757	26.9%	\$ 91,042
				29.1%
<b>Offender Management Software</b>				
Revenue	\$	25,137	\$	22,698
Cost of service		13,540	53.9%	9,624
Segment gross margin	\$	11,597	46.1%	\$ 13,074
				57.6%
<b>Wholesale Services</b>				
Revenue	\$	29,902	\$	28,124
Cost of service		14,543	48.6%	16,032
Segment gross margin	\$	15,359	51.4%	\$ 12,092
				43.0%

Cost of service in our direct call provisioning segment decreased as a percentage of revenue to 70.9% from 73.1% due to efficiencies gained from our packet-based architecture, cost savings initiatives implemented during 2008 and 2009, as well as our strategy to shift customers to our prepaid products, which carry a higher gross margin since bad debt risk is greatly reduced. In 2008, approximately 46% of our direct call provisioning revenues were prepaid while 55% of our direct call provisioning revenues were prepaid in 2009, generating an improvement in bad debt expense as a percentage of revenues even in the current recessionary environment. Because our bad debt visibility is delayed an average of six to nine months, risk exists that we may incur future write-offs.

Cost of service in our offender management software segment as a percentage of revenue decreased to 42.4% from 53.9%. Excluding the impact of the amortization of acquired contracts on revenues in the prior year, cost of service as a percentage of revenues would have been 47.3% of revenues in 2008. The cost improvement in 2009 is primarily due to more efficient utilization of personnel coupled with the completion and delivery of several older projects that had yielded lower margins. Cost of service for the offender software segment primarily represents salaries and related costs of employees and contractors, who provide technological services to develop, customize or enhance the software for our clients.

Cost of service in our wholesale services segment as a percentage of our revenue increased to 57.0% from 48.6% as a result of low margins for project management and installation labor revenues associated with the TDCJ contract. The wholesale services cost structure currently includes a mix of field service costs resulting from implementation of the TDCJ sites. Margins related to the TDCJ contract are expected to improve in 2010 as we generate a higher mix of billing and collection revenues from this contract.





**SG&A.** SG&A expenses of \$66.1 million were \$8.6 million, or 11.5%, lower than the prior year primarily due to cost reduction initiatives implemented beginning in the third quarter of 2008 that have allowed us to reduce our administrative expenses by over \$7.4 million in 2009. Both 2008 and 2009 include non-recurring executive reorganization costs of \$1.2 million and \$0.5 million, respectively. Proceeds from favorable intellectual property dispute settlements were recorded against SG&A expense in both 2008 and 2009 as we had previously incurred substantial legal and other professional service fees related to these settlements.

**Depreciation and Amortization Expenses.** Depreciation and amortization expenses were \$31.3 million for the year ended December 31, 2009, a decrease of \$3.1 million, or 9%, from the year ended December 31, 2008. The decrease is primarily attributable to assets that became fully depreciated or amortized as well as lower capital spending in 2008 and 2009 versus previous years.

**Interest and Other Expenses, net.** Interest and other expenses, net of \$39.1 million decreased by \$2.8 million, or 7%, from the prior year due to foreign exchange gains of \$2.3 million in 2009 compared to foreign exchange losses of \$3.8 million in 2008. Offsetting this gain was an increase in interest expense of \$3.4 million due primarily to the increasing principal on the Senior Subordinated Notes from paid-in-kind interest accumulation.

**Income Tax Expense.** Income tax expense for the year ended December 31, 2009 was \$0.7 million compared to a benefit of \$0.5 million for the year ended December 31, 2008 and principally arose from changes in valuation allowances on our deferred tax assets. The Company's net operating losses are fully reserved by valuation allowances since the Company has a history of generating net losses.

#### Results of Operations for the Year Ended December 31, 2008 Compared to December 31, 2007

The following table sets forth the primary components of revenue for 2007 and 2008

	For the Twelve Months Ended		Variance	% Change
	December 31, 2007	December 31, 2008		
(Dollars in thousands)				
Direct call provisioning	\$ 338,703	\$ 333,564	\$ (5,139)	(1.5)%
Offender management software	7,933	25,137	17,204	216.9
Wholesale services	45,214	29,902	(15,312)	(33.9)
Total revenue	<u>\$ 391,850</u>	<u>\$ 388,603</u>	<u>\$ (3,247)</u>	<u>(0.8)%</u>

#### Revenues

Compared to the year ended December 31, 2007, consolidated revenues decreased for the year ended December 31, 2008 by \$3.2 million, or 0.8 %, to \$388.6 million. The primary components of the decrease in revenues are discussed below:

Direct call provisioning revenues decreased \$5.1 million, or 1.5%, to \$333.6 million. This resulted from a decrease of \$20 million due primarily to the loss of direct business contracts with several departments of corrections that expired during the second half of 2007, combined with the lower revenues due to the worsening economy, which caused us to tighten credit controls in an effort to reduce our bad debt exposure. In addition, in 2008 we sought to improve our margins in bidding for new state and county contracts, which resulted in the loss of some contracts that did not meet acceptable profitability standards. We monitor contracts coming up for renewal on the same basis. The decrease in revenue was partially offset by \$14.9 million of revenues from department of corrections and mega-county contracts won from competitors, net of accounts not renewed. Large accounts installed in 2008 generated \$7.3 million in 2008, and are expected to generate \$16 million annually over the term of the contracts.

Offender management software revenues increased \$17.2 million or 216.9% to \$25.1 million primarily due to only two quarters of operations in 2007 compared to a full year in 2008. The majority of our offender management revenues were associated with the implementation of our software for Her Majesty's Prison Service in the United Kingdom, through a sub-contracting agreement with Electronic Data Systems, Inc. In connection with the Syscon acquisition, we valued Syscon's existing customer contracts and related deferred revenues at fair value, which impacted the amount of revenue and profit we recognized. As a result, for the years ended December 31, 2008 and 2007, respectively, our offender management software revenues and operating profits were reduced by \$3.5 million and \$1.4 million related to the amortization of acquired customer contracts, as required by purchase accounting.

Wholesale services revenues decreased by \$15.3 million, or 33.9%, primarily due to terminations of service by AT&T and Global Tel\*Link as their underlying facility contracts expire.



**Cost of Service.** Total cost of service for the year ended December 31, 2008 decreased by \$14.9 million over cost of service for the year ended December 31, 2007, or 5.2%, to \$271.9 million.

Cost of service in our direct call provisioning segment decreased as a percentage of revenue to 73.1% from 75.8% due to lower bad debt, commission and field operations expenses, offset slightly by higher billing and collection fees and network costs. Bad debt expense declined 31.5%, from 11.2% to 7.8% as a percentage of direct call provisioning revenues, as a result of our shift to selling products on our prepaid platforms, further tightening of our credit policies due to the deteriorating economy, and the impact of a one-time write-off of \$1.7 million in 2007 related to complications arising from our billing system conversion. Historically, our bad debt has been highly correlated to unemployment rates; however, we have developed statistical methods to identify high risk customers who we require to prepay for services. In 2007, approximately 35% of our direct provision revenues were prepaid, while 46% of our direct provisioning revenues were prepaid in 2008. Field operations expense declined \$0.9 million year over year due to efficiencies gained from our packet-based architecture.

Cost of service in our offender management software segment as a percentage of revenue decreased to 53.9% from 77.0% mainly due to more efficient utilization of personnel in 2008. Cost of service for the offender software segment primarily represents salaries and related costs of employees and contractors who provide technological services to develop, customize or enhance the software for our clients. Time incurred for research and development or administrative activities by these employees is classified as SG&A expense in 2008.

Cost of service in our wholesale services segment as a percentage of our revenue decreased to 48.6% from 53.3% as a result of our bad debt savings initiatives discussed above. Cost of service is a more volatile component of wholesale services relative to our direct call provisioning business because most of the cost is comprised of bad debt expense. Therefore, a rise in unemployment rates may cause a significant erosion of wholesale profitability should bad debt results deteriorate.

**SG&A.** SG&A expenses of \$74.7 million were \$0.4 million, or 0.5%, higher than the year ended December 31, 2007. The increase was due primarily to \$6.3 million in additional SG&A expenses in our offender management software segment as 2007 results included only two quarters of Syscon expenses compared to a full reporting year in 2008. Additionally, we incurred \$1.2 million related to the reorganization of the executive team of the Company. These increases were offset by a decrease of approximately \$1.0 million related to one-time costs incurred in 2007 for bonuses tied to the closing of the Syscon acquisition, severance and death benefits paid to the family of an executive and lease exit costs. Legal fees were lower in 2008 as a result of settling several intellectual property lawsuits during the third quarter of 2008. Proceeds from the intellectual property settlements were recorded against SG&A costs, as we had incurred substantial legal and other professional service fees related to these settlements in SG&A expense since the fourth quarter of 2006. In the third quarter of 2008, we implemented cost cutting initiatives which lowered administrative costs by approximately \$0.7 million during the last six months of 2008.

**Restructuring Costs.** During 2008, we incurred \$0.2 million related to the realignment of our field service organization because of efficiencies gained from our packet-based architecture, which we began to install in 2006 and will continue to install as customer contracts are renewed. In 2007, restructuring charges of \$0.6 million were incurred related to the consolidation of our customer care function into the Dallas office, comprised of \$0.2 million of severance expense and \$0.4 million of facility exit costs for the Selma, Alabama location.

**Depreciation and Amortization Expenses.** Depreciation and amortization expenses were \$34.4 million for the year ended December 31, 2008, a decrease of \$2.6 million or 7.1% over the year ended December 31, 2007. The decrease was primarily attributable to lower amortization of intangibles related to the Evercom acquisition that became fully amortized in 2007. This was partially offset by an increase in amortization of new software development and purchases and four quarters of depreciation and amortization related to Syscon versus two quarters in 2007.

**Interest and Other Expenses, net.** Interest and other expenses, net, of \$41.9 million for the year ended December 31, 2008, increased by \$10.4 million or 33.1% over the year ended December 31, 2007. The increase relates primarily to the increasing principal on the Senior Subordinated Notes due to the accumulation of interest being paid-in-kind and additional interest expense on the \$40 million 11% Second-priority Senior Secured Notes due 2011 issued on June 29, 2007. Additionally, we experienced a foreign exchange transaction loss of \$3.8 million during the year ended December 31, 2008 compared to a gain of \$1.5 million in 2007.

**Income Tax Expense.** We had an income tax benefit of \$0.5 million for the year ended December 31, 2008 and an expense of \$1.9 million for the year ended December 31, 2007. In 2007, we generated tax expense as a result of changes in valuation allowances on our deferred tax assets. In 2008, a tax benefit of \$2.5 million was recorded related to our foreign operations, offset by \$2.0 million in expense as a result of changes in valuation allowances on deferred tax assets in the United States.

**Accrued Dividends on Redeemable Preferred Stock.** Dividends accrue on the Series A Redeemable Preferred Stock issued in December 2007. Each share of the preferred stock has a stated value of \$2,000 and accrues dividends annually at 12.5% of the stated value. As of December 31, 2008, the Company had accrued dividends of \$1.3 million for the Series A Preferred Stock.

## Liquidity and Capital Resources

### General

Our principal liquidity requirements are to service and repay debt and meet our capital expenditure and operating needs. We are significantly leveraged. Our ability to make payments on and to refinance indebtedness and to fund planned capital expenditures will depend on our ability to generate cash in the future and our ability to maintain compliance with covenants in our credit facilities, which, to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond our control. Based on our current and expected level of operations, we believe our cash flow from operations, available cash and available borrowings under our \$30.0 million revolving credit facility will be adequate to make required capital expenditures, service our indebtedness and meet our other working capital needs for at least twelve months from our balance sheet dated December 31, 2009. However, due to the economy and other uncertainties referred to above, there are no assurances that our available sources of cash will be sufficient to enable us to make such capital expenditures, service our indebtedness or to fund our other working capital needs. Further, in the event we wish to make additional acquisitions, we may need to seek additional financing. We are continuing to evaluate alternatives to refinance our existing debt arrangements in an effort to provide greater flexibility to meet long-term capital requirements, reduce interest expense and extend maturity dates.

As of December 31, 2009, we had a total stockholders' deficit of \$148.2 million and \$291.4 million in total debt outstanding before considering \$1.6 million of original issue discount on our Second-Priority Senior Secured Notes and \$2.0 million of fair value attributable to warrants issued in connection with our Senior Subordinated debt financing, both of which are reflected as discounts to outstanding long-term debt in our consolidated financial statements (see additional information on our long and short-term debt under "Debt and Other Obligations" below). As of December 31, 2009, we had availability of \$30 million under our working capital facility (See Note 4).

### Cash Flows

The following table provides our cash flow data for the years ended December 31, 2007, 2008 and 2009 (in thousands):

	<b>For the Year Ended December 31,</b>		
	<b>2007</b>	<b>2008</b>	<b>2009</b>
Net cash provided by operating activities	\$ 20,459	\$ 17,406	\$ 26,752
Net cash used in investing activities	\$ (64,000)	\$ (17,046)	\$ (16,253)
Net cash provided by (used in) financing activities	\$ 46,506	\$ 1,094	\$ (12,313)

Net cash provided by operating activities was \$20.5 million, \$17.4 million, and \$26.8 million for the years ended December 31, 2007, 2008 and 2009, respectively. Net cash provided by operating activities of \$26.8 million consisted of operating income of \$50.1 million before considering non-cash expenses, such as depreciation and amortization of \$31.3 million, offset by \$22.8 million of cash paid for interest and \$0.5 million of working capital use. In 2008, lower wholesale services volumes caused the payable to our partners to decline, thus using working capital. In 2009, we experienced a reduction in receivables and accrued liabilities arising from an increased percentage of calls made on a prepaid basis, lower call volumes and differences in the timing of cash payments made.

Net cash used in investing activities was \$64.0 million, \$17.0 million and \$16.3 million for the years ended December 31, 2007, 2008 and 2009, respectively. The \$16.3 million spending in 2009 was utilized primarily for investments in infrastructure technology, equipment and intangibles to maintain and grow the direct call provisioning business. The decline in spending from 2008 was principally due to less tangible equipment installed at customer sites and improved management oversight of our capital spending.

Net cash provided by financing activities was \$46.5 million and \$1.1 million for the years ended December 31, 2007 and 2008, respectively, and net cash used in financing activities was \$12.3 million for the year ended December 31, 2009. The 2009 use of \$12.3 million primarily related to \$16.5 million in net payments on the Company's revolving credit facility, offset partially by a \$4.3 million benefit from a timing difference in outstanding checks. In 2008, \$11.5 million in net advances on the revolver funded cash used to pay outstanding checks and repay a loan to Syscon's former stockholder. As of March 10, 2010, there were no borrowings and \$30.0 million of availability under the revolving credit facility.

#### ***Debt and other Obligations***

***Revolving Credit Facility*** — On September 30, 2008, we and certain of our subsidiaries entered into a senior credit agreement with a lending institution and the other lenders party thereto (the "Credit Agreement") to refinance our existing revolving credit facility. The Credit Agreement provides us with a \$10.0 million letter of credit facility and a revolving facility of up to the lesser of (i) \$30.0 million and (ii) 125% of consolidated EBITDA (as defined in the Credit Agreement) for the preceding 12 months less the face amount of outstanding letters of credit. The Credit Agreement expires on June 9, 2011. Advances bear interest at an annual rate of our option equal to either: (a) LIBOR plus 4.0%, or (b) a rate equal to the Base Rate plus 3.0%. The Base Rate is the greater of (i) 5%, (ii) the Federal Funds rate plus 0.5%, or (iii) the prime rate (as defined in the Credit Agreement), which was 3.25% as of December 31, 2009. Interest is payable in arrears on the first day of each month. The unused availability under the Credit Agreement is subject to a fee based on a per annum rate of 0.375% due monthly. Borrowings under the Credit Agreement are secured by a first lien on substantially all of our and certain of our subsidiaries' assets. We draw from the available credit under the Credit Agreement to cover normal business cash requirements. As of December 31, 2009, we had \$30.0 million of borrowing availability under the Credit Agreement.

***Second-priority Senior Secured Notes*** — We have \$194.0 million of the 11% Second-priority Senior Secured Notes outstanding. These notes were issued at a discount of \$4.5 million, or 97.651% of face value. The Second-priority Senior Secured Notes are secured by a second lien on substantially all of our and certain of the subsidiaries' assets other than accounts receivable, inventory and real property.

All \$194.0 million of principal is due September 9, 2011. To the extent we generate excess cash flow (as defined in the indenture) in any calendar year, we are required by the Second-priority Senior Secured Notes to offer to repay principal equal to 75% of such excess cash flow at a rate of 102.75% of face value through September 1, 2010 and 100.00% thereafter. No excess cash flow payment was due for the year ended December 31, 2009, because an Excess Cash Flow Amount (as defined in the Indenture governing the terms of the Second-priority Senior Secured Notes) was not generated. In the event we determine that the Excess Cash Flow Amount is likely to exceed \$5.0 million in 2010, we may purchase Second-priority Senior Secured Notes in the open market, by negotiated private transactions or otherwise, to reduce the aggregate Excess Cash Flow Amount to less than \$5.0 million. We and our affiliates may from time to time seek to retire or purchase our outstanding debt, including the Notes, through cash purchases and/or exchanges, in open market purchases, privately negotiated transactions or otherwise. Such repurchases or exchanges, if any, will depend on prevailing market conditions, our liquidity requirements, contractual restrictions and other factors. The amounts involved may be material. Interest is payable semiannually on March 1 and September 1. The effective interest rate is 11.3% on the Second-priority Senior Secured Notes.

The fair values associated with our Senior Secured Notes were quoted as of December 31, 2009, at trading prices of \$96.00 and \$80.00, increases of 80.3% and 22.1%, respectively, from the quoted values at December 31, 2008. We believe the increase in fair values was due to our improved operating performance and an improvement in the credit markets in 2009.

*Senior Subordinated Notes* — We have outstanding \$97.4 million of Senior Subordinated Notes that are unsecured and subordinate to the revolving credit facility, and bear interest at an annual rate of 17%. Interest is payable at the end of each calendar quarter, or, as restricted by our revolving credit facility, is paid-in-kind by adding accrued interest to the principal balance of the Senior Subordinated Notes. All outstanding principal, including interest paid-in-kind, is due on September 9, 2014 and a mandatory prepayment equal to \$20.0 million plus 50% of all outstanding interest paid-in-kind is due on September 9, 2013. In connection with the issuance of the Senior Subordinated Notes, we issued warrants to acquire 51.01 shares of our common stock at an exercise price of \$10 per share to the Senior Subordinated Notcholders. As a result, we discounted the face value of the Senior Subordinated Notes by \$2.9 million, representing the estimated fair value of the warrants at the time of issuance. For the twelve months ended December 31, 2009, \$14.9 million of paid-in-kind interest was added to the principal balance of the Senior Subordinated Notes. The effective interest rate is 18.5% on the Senior Subordinated Notes.

All of our domestic subsidiaries and certain of our foreign subsidiaries (the "Subsidiary Guarantors") are jointly and severally liable for the working capital facility, Senior Subordinated Notes and Second-priority Senior Secured Notes. The Subsidiary Guarantors are wholly-owned. We have not included separate financial statements of our subsidiaries because (a) our aggregate assets, liabilities, earnings and equity are presented on a consolidated basis, and (b) we believe that separate financial statements and other disclosures concerning subsidiaries are not material to investors.

Our credit facilities contain financial and operating covenants that require the maintenance of certain financial ratios, including specified fixed interest coverage ratios, maintenance of minimum levels of operating cash flows and maximum capital expenditure limitations. These covenants also limit our ability to incur additional indebtedness, make certain payments including dividends to shareholders, invest and divest company assets, and sell or otherwise dispose of capital stock. In the event that we fail to comply with the covenants and restrictions, as specified in the credit agreements, we may be in default, at which time payment of the long term debt and unpaid interest may be accelerated and become immediately due and payable. As of December 31, 2009, we were in compliance with all covenants associated with our credit facilities.

#### *Capital Requirements*

As of December 31, 2009, our contractual obligations and commitments on an aggregate basis were as follows:

	<b>Payments by Period</b>					
	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>Thereafter</b>
Long-term debt (1)	\$ -	\$ 194,000	\$ -	\$ 48,714	\$ 48,713	\$ -
Unrecognized tax benefits	-	-	-	-	-	357
Operating leases	3,518	2,144	2,016	1,779	1,794	450
Minimum commission payments	3,367	720	488	98	-	-
Minimum purchase guarantees	2,087	155	-	-	-	-
Other long-term liabilities	290	290	290	240	540	-
Total contractual cash obligations and commitments	<u>\$ 9,262</u>	<u>\$ 197,309</u>	<u>\$ 2,794</u>	<u>\$ 50,831</u>	<u>\$ 51,047</u>	<u>\$ 807</u>

(1) Does not include any amounts that may be drawn under our Credit Agreement, which expires on June 9, 2011, or accrued interest under our long-term debt. Assumes no repurchases of second-priority senior secured notes or senior subordinated notes during such period whether or not mandatory.

#### **Critical Accounting Policies**

A "critical accounting policy" is one that is both important to the portrayal of a company's financial condition and results and requires management's most difficult, subjective or complex judgments, often as a result of the need to make estimates about the effect of matters that are inherently uncertain. Our financial statements prepared in accordance with generally accepted accounting principles in the United States, or GAAP. The process of preparing financial statements in conformity with GAAP requires us to use estimates and assumptions to determine certain of our assets, liabilities, revenues and expenses. We base these determinations upon the best information available to us during the period in which we are accounting for our results. Our estimates and assumptions could change materially as conditions within and beyond our control change or as further information becomes available. Further, these estimates and assumptions are affected by management's application of accounting policies. Changes in our estimates are recorded in the period the change occurs. Our critical accounting policies include, among others:

- Revenue recognition and bad debt reserve estimates;
- goodwill and other intangible assets;
- accounting for income taxes; and
- capitalization of internally developed software costs.

The following is a discussion of our critical accounting policies and the related management estimates and assumptions necessary for determining the value of related assets or liabilities.

#### ***Revenue Recognition and Bad Debt Reserve Estimates***

Revenues related to collect and prepaid calling services generated by the direct call provisioning segment are recognized during the period in which the calls are made. In addition, during the same period, we accrue the related telecommunication costs for validating, transmitting, billing and collection, and line and long distance charges, along with commissions payable to the facilities and allowances for uncollectible calls, based on historical experience.

Revenues related to the wholesale services segments are recognized in the period in which the calls are processed through the billing system, or when equipment and software is sold. During the same period, we accrue the related telecommunications costs for validating, transmitting, and billing and collection costs, along with allowances for uncollectible calls, as applicable, based on historical experience.

We record call revenues related to the wholesale services segment at the net amount since we are acting as an agent on behalf of another provider. For records processed through our billing system, this is the amount charged to the end user customer less the amount paid to the inmate telecommunications provider.

Revenues associated with multiple-deliverable arrangements are recognized using the residual method when the fair value of vendor specific objective evidence ("VSOE") of the undelivered element is determined. If the VSOE of fair value cannot be determined for any undelivered element or any undelivered element is essential to the functionality of the delivered element, revenue is deferred until such criteria are met or recognized as the last element is delivered. Under the residual method, the fair value of the undelivered elements is deferred and the difference between the total arrangement fee and the amount recorded as deferred revenue for the undelivered elements is recognized as revenue related to the delivered elements.

Services related to the implementation, customization, and modification of software are not separable and are essential to the functionality for the customer. Accordingly, we account for the combined upfront software license fee and customization revenue under contract accounting, recognizing revenue and related costs using the percentage-of-completion method. The percentage of completion is calculated using hours incurred to date compared to total estimated hours to complete the project. Our estimates are based upon the knowledge and experience of project managers and other personnel, who review each project to assess the contract's schedule, performance, technical matters and estimated hours to complete. When the total cost estimate exceeds revenue, the estimated project loss is recognized immediately. Support contracts, which require our ongoing involvement, are billed in advance and recorded as deferred revenue and amortized over the term of the contract, typically one year.

In evaluating the collectibility of our trade receivables, we assess a number of factors including historical cash reserves held by our LEC billing agents, collection rates with our billing agents and a specific customer's ability to meet the financial obligations to us, as well as general factors, such as the length of time the receivables are past due, historical collection experience and economic conditions including unemployment rates. Based on these assessments, we record reserves for uncollectible receivables to reduce the related receivables to the amount we ultimately expect to collect from our customers.

If circumstances related to specific customers change or economic conditions worsen such that our past collection experience is no longer relevant, our estimate of the recoverability of our trade receivables could be further reduced or increased from the levels provided for in our financial statements. Because the majority of our receivables are collected through our LEC billing agents and such agents typically do not provide us with visibility as to collection results for an average six to nine month period, our bad debt reserves are estimated and may be subject to substantial variation.



### ***Goodwill and Other Intangible Assets***

The calculation of amortization expense is based on the cost and estimated economic useful lives of the underlying intangible assets, intellectual property assets, capitalized computer software, and patent license rights. Goodwill represents the excess of costs over fair value of assets of businesses acquired. Goodwill and intangible assets acquired in a purchase business combination and determined to have an indefinite useful life are not amortized, but instead tested for impairment at least annually. Intangible assets with estimable useful lives are amortized over their respective estimated useful lives to their estimated residual values, and reviewed for impairment. We review our unamortized intangible assets whenever events or changes in circumstances indicate that the carrying amount may not be recoverable or the estimated useful life has been reduced. We estimate the future cash flows expected to result from operations, and if the sum of the expected undiscounted future cash flows is less than the carrying amount of the intangible asset, we recognize an impairment loss by reducing the unamortized cost of the long-lived asset to its estimated fair value.

We perform an annual impairment test of goodwill and other intangible assets with indefinite useful lives as of the last day of each fiscal year. The goodwill test is a two-step process and requires goodwill to be allocated to our reporting units. Reporting units are defined by us to be the same as the reportable segments (see Note 5). In the first step, the fair value of the reporting unit is compared with the carrying value of the reporting unit. If the fair value of the reporting unit is less than the carrying value, a goodwill impairment may exist and the second step of the test is performed. In the second step, the implied fair value of the goodwill is compared with the carrying value of the goodwill. An impairment loss is recognized to the extent that the carrying value of the goodwill exceeds the implied fair value of the goodwill. An impairment loss is recognized by reducing the carrying value of the asset to its estimated fair value.

### ***Accounting for Income Taxes***

We recognize deferred tax assets and liabilities for the expected future tax consequences of transactions and events. Under this method, deferred tax assets and liabilities are determined based on the difference between the financial statement and tax bases of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. If necessary, deferred tax assets are reduced by a valuation allowance to an amount that is determined to be more likely than not recoverable. We must make significant estimates and assumptions about future taxable income and future tax consequences when determining the amount of the valuation allowance.

We account for the uncertainty in income taxes on the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. The tax benefit from an uncertain tax position may be recognized only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities. The determination is based on the technical merits of the position and presumes that each uncertain tax position will be examined by the relevant taxing authority that has full knowledge of all relevant information.

### ***Capitalization of Internally Developed Software Costs***

We capitalize labor associated with software developed for internal use. Software is considered for internal use if acquired, internally developed or modified solely to meet the entity's internal needs and if during the software's development or modification, no plan exists to market the software externally. Costs incurred during the application development stage are capitalized. Capitalization of cost begins when the preliminary project stage is completed and management with the relevant authority authorizes and commits to funding a computer software project and believes that it is probable that the project will be completed and the software will be used to perform the function intended. Capitalization ceases when the project is complete or it is no longer probable that the project will be completed.

### ***Financial Reporting Changes***

See Note 1, paragraph (v) of the Consolidated Financial Statements for information about recent accounting pronouncements.

### ***ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK***

We are exposed to market rate risk for changes in interest rates related to our revolving line of credit. Our market risks as of December 31, 2009 were substantially equivalent, in all material aspects, to the market risks we faced in 2008. Interest expense on our floating rate debt will increase if interest rates rise. Our \$30.0 million revolving line of credit bears an interest rate equal to one of the following, at our option: (a) LIBOR plus 4.0%, or (b) a rate equal to the Base Rate plus 3.0%. The Base Rate is the greater of (i) 5%, (ii) the Federal Funds rate plus 0.5%, or (iii) the prime rate (as defined in the Credit Agreement). The effect of a 10% fluctuation in the interest rate on our revolving line of credit would have had a negligible impact on our interest expense for the twelve months ended December 31, 2008 and 2009. There were no borrowings

outstanding at December 31, 2009 related to our variable rate debt.

We are exposed to foreign currency exchange rates on the earnings, cash flows and financial position of our international operations. We are not able to project the possible effect of these fluctuations on translated amounts or future earnings due to our constantly changing exposure to various currencies, the fact that all foreign currencies do not react in the same manner in relation to the U.S. dollar and each other, and the number of currencies involved; however we do not believe the effect of this exposure would materially impact our financial position. Our most significant exposure is to the British pound.

40

---

**Report of Independent Registered Public Accounting Firm**

To the Board of Directors and Stockholders  
Securus Technologies, Inc.

We have audited the accompanying consolidated balance sheet of Securus Technologies, Inc. and Subsidiaries as of December 31, 2009, and the related consolidated statements of operations, stockholders' deficit and comprehensive loss, and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Securus Technologies, Inc. and Subsidiaries as of December 31, 2009, and the results of their operations and their cash flows for the year then ended, in conformity with United States generally accepted accounting principles.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), Securus Technologies, Inc. and Subsidiaries' internal control over financial reporting as of December 31, 2009, based on criteria established in *Internal Control — Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated March 15, 2010 expressed an unqualified opinion on the effectiveness of Securus Technologies, Inc. and Subsidiaries' internal control over financial reporting.

McGladrey & Pullen, LLP  
Dallas, Texas  
March 15, 2010

**Report of Independent Registered Public Accounting Firm**

The Board of Directors and Stockholders  
Securus Technologies, Inc.:

We have audited the accompanying consolidated balance sheet of Securus Technologies, Inc. and subsidiaries as of December 31, 2008 and the related consolidated statements of operations, stockholders' deficit and comprehensive loss, and cash flows for each of the years in the two-year period ended December 31, 2008. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Securus Technologies, Inc. and subsidiaries as of December 31, 2008, and the results of their operations and their cash flows for each of the years in the two-year period ended December 31, 2008, in conformity with U.S. generally accepted accounting principles.

KPMG LLP  
Dallas, Texas  
March 27, 2009

**ITEM 8. CONSOLIDATED FINANCIAL STATEMENTS****SECURUS TECHNOLOGIES, INC. AND SUBSIDIARIES  
CONSOLIDATED BALANCE SHEETS**

(Dollars in thousands, except per share amounts)

	<b>December 31,</b>	
	<b>2008</b>	<b>2009</b>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 6,576	\$ 2,668
Restricted cash	1,599	1,366
Accounts receivable, net	45,316	40,010
Prepaid expenses	6,116	6,183
Current deferred income taxes	1,973	1,487
Total current assets	<u>61,580</u>	<u>51,714</u>
Property and equipment, net	35,364	28,767
Intangibles and other assets, net	98,550	92,207
Goodwill	63,468	67,386
Total assets	<u>\$ 258,962</u>	<u>\$ 240,074</u>
<b>LIABILITIES, REDEEMABLE CONVERTIBLE PREFERRED STOCK AND STOCKHOLDERS' DEFICIT</b>		
Accounts payable	\$ 14,743	\$ 19,010
Accrued liabilities	44,371	38,285
Deferred revenue and customer advances	15,069	14,755
Current deferred income taxes	817	893
Total current liabilities	<u>75,000</u>	<u>72,943</u>
Deferred income taxes	10,893	11,306
Long-term debt	288,341	287,802
Other long-term liabilities	2,238	3,357
Total liabilities	<u>376,472</u>	<u>375,408</u>
Commitments and contingencies		
Series A redeemable convertible preferred stock, stated value \$2,253 and \$2,534 at December 31, 2008 and December 31, 2009; total redemption value \$11,489 and \$12,925 at December 31, 2008 and December 31, 2009; 5,100 shares authorized and outstanding at December 31, 2008 and 2009.	11,321	12,820
Stockholders' deficit:		
Common stock, \$0.001 stated value; 1,355,000 and 1,675,000 shares authorized at December 31, 2008 and 2009; 161,037 and 140,792 shares issued and outstanding at December 31, 2008 and 2009, respectively.	8	8
Additional paid-in capital	34,304	32,806
Accumulated other comprehensive income (loss)	(2,701)	560
Accumulated deficit	(160,442)	(181,528)
Total stockholders' deficit	<u>(128,831)</u>	<u>(148,154)</u>
Total liabilities, redeemable convertible preferred stock and stockholders' deficit	<u>\$ 258,962</u>	<u>\$ 240,074</u>

See accompanying notes to consolidated financial statements.

**SECURUS TECHNOLOGIES, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
**For the Years Ended December 31, 2007, 2008 and 2009**  
(Dollars in thousands)

	<u>For the Year Ended December 31,</u>		
	<u>2007</u>	<u>2008</u>	<u>2009</u>
<b>Revenue:</b>			
Direct call provisioning	\$ 338,703	\$ 333,564	\$ 312,614
Offender management software	7,933	25,137	22,698
Wholesale services	45,214	29,902	28,124
Total revenue	<u>391,850</u>	<u>388,603</u>	<u>363,436</u>
<b>Cost of service (exclusive of depreciation and amortization shown separately below):</b>			
Direct call provisioning, exclusive of bad debt expense	218,824	217,918	197,713
Direct call provisioning bad debt expense	37,776	25,889	23,859
Offender management software expense	6,110	13,540	9,624
Wholesale services expense	24,104	14,543	16,032
Total cost of service	<u>286,814</u>	<u>271,890</u>	<u>247,228</u>
Selling, general and administrative expenses	74,369	74,721	66,128
Restructuring costs	614	224	-
Depreciation and amortization	37,048	34,400	31,333
Total operating costs and expenses	<u>398,845</u>	<u>381,235</u>	<u>344,689</u>
Operating income (loss)	(6,995)	7,368	18,747
Interest and other expenses, net	31,487	41,896	39,114
Loss before income taxes	(38,482)	(34,528)	(20,367)
Income tax expense (benefit)	1,922	(509)	719
Net loss	(40,404)	(34,019)	(21,086)
Accrued dividends on redeemable convertible preferred stock	-	(1,351)	(1,499)
Net loss available to common stockholders	<u>\$ (40,404)</u>	<u>\$ (35,370)</u>	<u>\$ (22,585)</u>

See accompanying notes to consolidated financial statements.

**SECURUS TECHNOLOGIES, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIT**  
**AND COMPREHENSIVE LOSS**  
**For the Years Ended December 31, 2007, 2008 and 2009**  
(Dollars in thousands)

	Common Shares	Amount	Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Deficit
Balance at December 31, 2006	610	\$ 6	\$ 34,140	\$ (86,019)	\$ -	\$ (51,873)
Issuance of common stock in conjunction with Syscon acquisition	45	1	1,413	-	-	1,414
Stock based compensation	-	-	67	-	-	67
Exercise of warrants	14	-	-	-	-	-
Restricted stock grants	11	-	-	-	-	-
Forfeitures of restricted stock	(3)	-	-	-	-	-
Foreign currency translation	-	-	-	-	1,935	1,935
Net loss	-	-	-	(40,404)	-	(40,404)
Total comprehensive loss						(38,469)
Balance at December 31, 2007	<u>677</u>	<u>\$ 7</u>	<u>\$ 35,620</u>	<u>\$ (126,423)</u>	<u>\$ 1,935</u>	<u>\$ (88,861)</u>
Stock based compensation	-	-	35	-	-	35
Restricted stock grants	160,364	1	-	-	-	1
Forfeitures of restricted stock	(2)	-	-	-	-	-
Purchase of common stock	(2)	-	-	-	-	-
Accrued dividends on preferred stock	-	-	(1,351)	-	-	(1,351)
Foreign currency translation	-	-	-	-	(4,636)	(4,636)
Net loss	-	-	-	(34,019)	-	(34,019)
Total comprehensive loss						(38,655)
Balance at December 31, 2008	<u>161,037</u>	<u>\$ 8</u>	<u>\$ 34,304</u>	<u>\$ (160,442)</u>	<u>\$ (2,701)</u>	<u>\$ (128,831)</u>
Stock based compensation	-	-	1	-	-	1
Restricted stock grants	6,566	-	-	-	-	-
Forfeitures of restricted stock	(40,341)	-	-	-	-	-
Issuance of common stock	13,576	-	-	-	-	-
Purchase of common stock	(46)	-	-	-	-	-
Accrued dividends on preferred stock	-	-	(1,499)	-	-	(1,499)
Foreign currency translation	-	-	-	-	3,261	3,261
Net loss	-	-	-	(21,086)	-	(21,086)
Total comprehensive loss						(17,825)
Balance at December 31, 2009	<u>140,792</u>	<u>\$ 8</u>	<u>\$ 32,806</u>	<u>\$ (181,528)</u>	<u>\$ 560</u>	<u>\$ (148,154)</u>

See accompanying notes to consolidated financial statements.





**SECURUS TECHNOLOGIES, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
For the Years Ended December 31, 2007, 2008 and 2009  
(Dollars in thousands)

	For the Year Ended		
	2007	2008	2009
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Net loss	\$ (40,404)	\$ (34,019)	\$ (21,086)
Adjustments to reconcile net loss to net cash provided by operating activities:			
Depreciation and amortization	37,048	34,400	31,333
Amortization of fair value of contracts acquired	1,360	3,489	-
Deferred income taxes	922	(2,365)	323
Conversion of interest paid "in kind" to secured subordinated notes	10,678	12,650	14,943
Amortization of deferred financing costs and debt discounts	2,251	3,542	4,170
Other operating activities, net	169	(25)	(49)
Changes in operating assets and liabilities, net of effects of acquisitions:			
Restricted cash	(74)	(68)	237
Accounts receivable	20,459	3,813	5,988
Prepaid expenses and other current assets	191	(862)	4
Other assets	376	654	(2,885)
Accounts payable	(11,251)	(9,057)	(210)
Accrued liabilities	(1,266)	5,254	(6,016)
Net cash provided by operating activities	<u>\$ 20,459</u>	<u>\$ 17,406</u>	<u>\$ 26,752</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Purchase of property and equipment and intangible assets	\$ (21,356)	\$ (17,046)	\$ (16,453)
Cash consideration paid for acquired business	(43,717)	-	-
Proceeds from sale of asset	-	-	200
Proceeds from sale of unconsolidated affiliate	985	-	-
Property insurance proceeds	88	-	-
Net cash used in investing activities	<u>\$ (64,000)</u>	<u>\$ (17,046)</u>	<u>\$ (16,253)</u>

See accompanying notes to consolidated financial statements.

**SECURUS TECHNOLOGIES, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS — (Continued)**  
**For the Years Ended December 31, 2007, 2008 and 2009**  
**(Dollars in thousands)**

	<b>For the Year Ended December 31,</b>		
	<b>2007</b>	<b>2008</b>	<b>2009</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Proceeds from issuance of second-priority senior secured notes	\$ 39,060	\$ -	\$ -
Cash overdraft	(3,958)	(4,151)	4,275
Net advances (payments) on revolving credit facility	1,775	11,511	(16,511)
Debt issuance costs	(4,853)	(1,757)	(77)
Proceeds (payments) related to loan payable to related party, net	4,510	(4,510)	-
Proceeds from issuance of common stock	1	1	-
Proceeds from issuance of Series A preferred stock	10,200	-	-
Series A preferred stock issuance costs	(229)	-	-
Net cash provided by (used in) financing activities	<u>\$ 46,506</u>	<u>\$ 1,094</u>	<u>\$ (12,313)</u>
Effect of exchange rates on cash and cash equivalents	(1,451)	3,050	(2,094)
Increase (decrease) in cash and equivalents	\$ 1,514	\$ 4,504	\$ (3,908)
Cash and cash equivalents at beginning of year	558	2,072	6,576
Cash and cash equivalents at end of year	<u>\$ 2,072</u>	<u>\$ 6,576</u>	<u>\$ 2,668</u>
<b>SUPPLEMENTAL DISCLOSURES:</b>			
Cash paid during the period for:			
Interest	<u>\$ 18,715</u>	<u>\$ 22,207</u>	<u>\$ 22,797</u>
Income taxes	<u>\$ 239</u>	<u>\$ 846</u>	<u>\$ 1,228</u>
<b>NONCASH FINANCING AND INVESTING ACTIVITIES:</b>			
Non-cash consent fee	<u>\$ 400</u>	<u>\$ -</u>	<u>\$ -</u>
Leasehold improvements	<u>\$ -</u>	<u>\$ 710</u>	<u>\$ 155</u>

See accompanying notes to consolidated financial statements.

**SECURUS TECHNOLOGIES, INC. AND SUBSIDIARIES**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**(1) BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Securus Technologies, Inc. and its subsidiaries ("Securus" or the "Company") provide inmate telecommunications services and software solutions to correctional facilities operated by city, county, state and federal authorities and other types of confinement facilities in 43 states and the District of Columbia. Securus also provides offender management and other software solutions to U.S. and foreign correctional facilities and law enforcement agencies. The Company was incorporated in Delaware on January 12, 2004, and on March 3, 2004 and September 9, 2004, the Company acquired all of the outstanding equity interests of T-Netix, Inc. ("T-Netix") and Evercom Holdings, Inc. ("Evercom"), respectively. On June 29, 2007, the Company acquired Syscon Holdings, Ltd. and certain of its affiliates ("Syscon").

***(a) Basis of Presentation***

The Company has three reportable segments: direct call provisioning, offender management software and wholesale services. These segments are the determinants for how management makes operating decisions, assesses performance and allocates resources. These three segments each demonstrate similar economic characteristics and are similar in the nature, class of customer, distribution methods, and regulatory environment for their products and services.

In the direct call provisioning segment, the Company bills call revenue to established prepaid accounts of end users, or bills through major local exchange carriers ("LECs") or through third-party billing services for smaller volume LECs. The Company performs ongoing customer credit evaluations and maintains allowances for uncollectible amounts based on historical experience, changes in economic conditions including unemployment rates and other factors. Over half of direct call provisioning revenue is paid for on a prepaid basis. Deferred revenue is recorded for customer prepayments prior to usage.

In the offender management software segment, the Company provides platform systems that allow facility managers and law enforcement personnel to analyze data to reduce costs, prevent and solve crimes, and facilitate rehabilitation through a single user interface. The system provides correctional facilities and law enforcement with the ability to manage and monitor inmate parole and probation activity and development at a sophisticated level. The Company generates revenues through license fees, software implementation and consulting fees, and software maintenance and support.

In the wholesale services segment, the Company provides both solutions and billing services (validation, fraud management and billing and collection services) and telecommunications services (equipment, security enhanced call processing, validation and customer service and support) to corrections facilities through contracts with other inmate telecommunications providers.

***(b) Reclassification***

Certain amounts in the prior periods' consolidated financial statements have been reclassified to conform to the current period presentation. This reclassification had no impact on operating income (loss), net loss, cash flows or the financial position of the Company for the prior periods presented.

***(c) Principles of Consolidation***

The accompanying consolidated financial statements include the accounts of Securus Technologies, Inc. and its wholly-owned subsidiaries, T-Netix, Inc., Evercom Holdings, Inc., and Syscon Holdings, Ltd. All significant intercompany accounts and transactions have been eliminated in consolidation.

***(d) Liquidity***

The Company's principal liquidity requirements are to service and repay debt and meet the Company's capital expenditure and operating needs. The Company's ability to make payments on and to refinance indebtedness, and to fund planned capital expenditures will depend on the Company's ability to generate cash in the future and its ability to maintain compliance with covenants in its credit facilities, which, to a certain extent, is subject to general economic, financial, competitive, legislative, regulatory and other factors that are beyond the Company's control. Based on the current and expected level of operations, management believes the Company's cash flow from operations, available cash and available borrowings under the \$30.0 million revolving credit facility will be adequate to make required capital expenditures, service indebtedness and meet the Company's other working capital needs for at least twelve months from the balance sheet dated December 31, 2009. However, due to the economy and other uncertainties referred to above, there are no assurances that available sources of cash will be sufficient to enable the Company to make such capital expenditures, service indebtedness or to fund other working capital needs. If the Company cannot meet covenants, debt service and repayment obligations, the debt would be in default under the governing terms of the agreements, which would allow the lenders under the credit facilities to declare all borrowings outstanding to be due and payable, which would in turn, trigger an event of default under the indenture agreement and the agreement governing the Company's senior subordinated debt. In the event that cash in excess of the amounts generated from on-going business operations and available under the credit facilities or through equity contributions from stockholders is required to fund operations, the Company may be required to reduce or eliminate discretionary selling, general and administrative costs, and sell or close certain operations.

***(e) Accounting Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant items subject to such estimates include the valuation allowances for receivables, the recoverability of property and equipment, goodwill, intangible and other assets, and deferred income taxes.

Management evaluates its estimates and assumptions on an ongoing basis using historical experience and other factors, including the current economic environment, which management believes to be reasonable under the circumstances. Management adjust such estimates and assumptions when facts and circumstances dictate. As future events and their effects cannot be determined with precision, actual results could differ significantly from these estimates. Changes in those estimates resulting from continuing changes in the economic environment will be reflected in the financial statements in future periods.

***(f) Risks and Uncertainties***

The Company generated approximately 20% of its revenues from its five largest customers during the year ended December 31, 2009. If the Company loses one or more significant customers, revenues and our ability to comply with our debt covenants could be adversely affected.

The majority of offender management revenues have been associated with the implementation of software for one major customer. The implementation phase of this contract was completed during the second quarter of 2009, causing a subsequent decline in revenue. Revenues are currently being generated from new contracts with other customers; however, we will need to continue to generate new contracts to compensate for the loss of this revenue.

***(g) Cash and Cash Equivalents and Restricted Cash***

Cash equivalents consist of highly liquid investments, such as certificates of deposits, money market funds and short term treasury instruments, with original maturities of 90 days or less. Restricted cash accounts hold amounts established for the benefit of certain customers in the event the Company does not perform under the provisions of the respective underlying contract with these customers. Restricted cash was \$1.6 million and \$1.4 million at December 31, 2008 and December 31, 2009, respectively.

**(h) Trade Accounts Receivable**

Trade accounts receivable are recorded at the invoice amount and do not bear interest. The majority of trade accounts receivable represent amounts billed or that will be billed for calls placed through the Company's telephone systems. The majority of these receivables are billed using various LECs or third-party billing services and are reported net of an allowance for uncollectible calls for estimated chargebacks to be made by the LECs and clearinghouses. The Company maintains an allowance for doubtful accounts for estimated losses resulting from a customer's inability to make payments on accounts, and this allowance is net of amounts held by the LECs for estimated charge backs. The Company analyzes the collectibility of a majority of its accounts receivable based on a 12-month average of historical collections. The allowance for doubtful accounts is the Company's best estimate of the amount of probable credit losses in its existing accounts receivable. The Company's policy is to write-off accounts after 180 days from invoice date, or after all collection efforts have failed.

The following table includes the activity related to the Company's allowance for doubtful accounts (in thousands):

	<b>For the Year Ended December 31,</b>		
	<b>2007</b>	<b>2008</b>	<b>2009</b>
Balance beginning of period	\$ 15,045	\$ 11,506	\$ 5,180
Opening balance of acquired business	115	-	-
Additions charged to expense	52,062	33,094	29,676
Accounts written-off	(55,716)	(39,420)	(29,115)
Balance at end of period	<u>\$ 11,506</u>	<u>\$ 5,180</u>	<u>\$ 5,741</u>

**(i) Fair Value of Financial Instruments**

The Company is required to include certain disclosures regarding the fair value of financial instruments. Cash and cash equivalents, receivables, accounts payable, and accrued liabilities approximate fair value due to their short maturities. Carrying amounts and estimated fair value of debt are presented in Note 4.

**(j) Concentrations of Credit Risk**

Financial instruments, which potentially expose the Company to concentrations of credit risk, consist primarily of cash and cash equivalents and accounts receivable. The Company's revenues are primarily concentrated in the United States in the telecommunications industry. The Company had trade accounts receivable from two customers that, when combined, comprised 29.7% (two telecommunications companies) of all trade accounts receivable at December 31, 2009. The Company does not require collateral on accounts receivable balances and provides allowances for potential credit losses.

The Company has significant revenue contracts denominated in US dollars and UK pounds. Syscon uses the Canadian dollar as its functional currency. Fluctuations in exchange rates between these currencies and the Canadian dollar could have an effect on the Company's financial condition and results of operations. The Company has not entered into any derivative contracts to mitigate the impact of foreign currency fluctuations.

**(k) Property and Equipment**

Property and equipment is stated at cost and includes costs necessary to place such property and equipment in service. Major renewals and improvements that extend an asset's useful life are capitalized, while repairs and maintenance are charged to operations as incurred. Construction in progress represents the cost of material purchases and construction costs for telecommunications hardware systems in various stages of completion.

Depreciation is computed by the straight-line basis using estimated useful lives of 3 to 5 years for telecommunications equipment, office and computer equipment and furniture and fixtures. No depreciation is recorded on construction in progress until the asset is placed in service.

**(l) Goodwill and Intangible and Other Assets**

Goodwill represents the excess of the purchase price over the fair value of identifiable net assets acquired in business combinations accounted for as purchases. Intangible and other assets include acquired operating contracts and customer agreements, capitalized computer software, patents and license rights, patent application costs, trademarks, trade names and other intellectual property, capitalized loan costs, deposits and long-term prepayments and other intangible assets. The Company capitalizes interest costs associated with internally developed software based on the effective interest rate on

aggregate borrowings. The Company capitalized interest in the amount of \$0.2 million for each of the years ended December 31, 2007, 2008 and 2009, respectively. The Company capitalizes contract acquisition costs representing up-front payments required by customers as part of the competitive process to award a contract. These capitalized costs are included in operating contracts and customer agreements within the balance sheet caption "Intangibles and other assets, net" and are commonly referred to as signing bonuses in the industry.

The Company performs an annual impairment test of goodwill and other intangible assets with indefinite useful lives as of the last day of each fiscal year. The goodwill test is a two-step process and requires goodwill to be allocated to the Company's reporting units. Reporting units are defined by the Company to be the same as the reportable segments (see Note 5). In the first step, the fair value of the reporting unit is compared with the carrying value of the reporting unit. If the fair value of the reporting unit is less than the carrying value, a goodwill impairment may exist and the second step of the test is performed. In the second step, the implied fair value of the goodwill is compared with the carrying value of the goodwill. An impairment loss is recognized to the extent that the carrying value of the goodwill exceeds the implied fair value of the goodwill. An impairment loss is recognized by reducing the carrying value of the asset to its implied fair value.

Other intangible assets with indefinite useful lives are tested for impairment annually or more frequently if events or changes in circumstances indicate that the asset may be impaired. For this impairment test, the carrying value of the intangible asset is compared to its fair value. If the carrying value exceeds the fair value, an impairment loss is recognized by reducing the carrying value of the intangible asset to its fair value.

Amortization is computed on the straight-line basis over 3 to 12 years for operating contracts and customer agreements and patents and license rights. The weighted average amortization period for all of the intangible assets, which are subject to amortization as of the year ended December 31, 2009, is approximately ten years. Amortization expense was \$18.9 million, \$16.7 million and \$17.5 million for the years ended December 31, 2007, 2008 and 2009, respectively.

#### ***(m) Impairment of Long-Lived Assets***

Long-lived assets, such as property, equipment and purchased intangibles subject to amortization, are grouped with other assets producing the same cash flow streams and are reviewed for impairment as a group whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying value of the assets to the estimated undiscounted future cash flows expected to be generated by the assets. If the carrying value of the assets exceed their estimated future cash flows, an impairment charge is recognized by the amount by which the carrying value of the assets exceed the fair value of the assets.

#### ***(n) 401(k) Plan***

The Company sponsors 401(k) savings plans for the benefit of eligible full-time employees in the United States, Canada and the United Kingdom. The U.S. plan is a qualified benefit plan in accordance with the Employee Retirement Income Security Act. Employees participating in the plans can generally make contributions to the plan of up to 15% of their compensation, with the exception of employees in Canada, which jurisdiction does not have a maximum on the total amount of contributions. In the U.S., the 401(k) plan provides for the Company to make discretionary matching contributions of up to 50% of an eligible employee's contribution for up to 6% of their salary. In Canada and the United Kingdom, the Company makes discretionary matching contributions up to 5% of an eligible employee's contributions, dependent on the employees' tenure with the Company. Matching contributions and plan expenses were \$0.6 million, \$0.7 million, and \$0.8 million for the years ended December 31, 2007, 2008 and 2009, respectively.

#### ***(o) Income Taxes***

The Company records deferred tax assets and liabilities at an amount equal to the expected future tax consequences of transaction and events. Deferred tax assets and liabilities are determined based on the future tax consequences attributable to the differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted income tax rates expected to apply to taxable income in the years in which those differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in income tax rates is recognized in the results of operations in the period that includes the enactment date.

#### ***(p) Stock-Based Compensation***

The Company accounts for its restricted stock plan based on the grant date estimated fair value of each award, net of estimated forfeitures or cancellations, over the employee's requisite service period, which is generally the vesting period of the equity grant. The Company recorded compensation expense of less than \$0.1 million for each of the years ended December 31, 2007, 2008, and 2009 related to purchases of restricted stock by certain executives and members of the board of directors (See Note 8).

#### ***(q) Revenue Recognition***

Revenues related to collect and prepaid calling services generated by the direct call provisioning segment are recognized

during the period in which the calls are made. In addition, during the same period, the Company records the related telecommunication costs for validating, transmitting, billing and collection, and line and long distance charges, along with commissions payable to the facilities and allowances for uncollectible calls, based on historical experience.

Revenues related to the wholesale services segment are recognized in the period in which the calls are processed through the billing system, or when equipment and software is sold. During the same period, the Company records the related telecommunications costs for validating, transmitting, and billing and collection costs, along with allowances for uncollectible calls, as applicable, based on historical experience.



The Company records call revenues related to the wholesale services segment at the net amount since the Company is acting as an agent on behalf of another provider. For records processed through the billing system, this is the amount charged to the end user customer less the amount paid to the inmate telecommunications provider.

Revenues related to the offender management software segment are recognized using the residual method when the fair value of vendor specific objective evidence ("VSOE") of the undelivered elements is determined. If the VSOE of fair value cannot be determined for any undelivered element or any undelivered element is essential to the functionality of the delivered element, the arrangement fee is deferred until such criteria are met or recognized as the last element is delivered. Under the residual method, the fair value of the undelivered elements is recorded as deferred and the difference between the total arrangement fee and the amount recorded as deferred revenue for the undelivered elements is recognized as revenue related to the delivered elements.

Services related to the implementation, customization, and modification of software are not separable and are essential to the functionality for the customer. Accordingly, the Company accounts for the combined upfront software license fee and customization revenue under contract accounting, recognizing revenue and related costs using the percentage-of-completion method. The percentage of completion is calculated using hours incurred to date compared to total estimated hours to complete the project. The Company's estimates are based upon the knowledge and experience of its project managers and other personnel, who review each project at each reporting date to assess the contract's schedule, performance, technical matters and estimated hours to complete. When the total cost estimate exceeds revenue, the estimated project loss is recognized immediately. Support contracts, which require our ongoing involvement, are billed in advance and recorded as deferred revenue and amortized to revenue over the terms of the contract, typically one year.

The Company accounts for multiple deliverables for arrangements under which it will perform multiple revenue-generating activities. In an arrangement with multiple deliverables, the delivered items are considered a separate unit of accounting. These arrangements are evaluated to ensure they add standalone value to the customer, there is objective and reliable evidence of the fair value of the undelivered items, and the arrangements include only a general right of return relative to the delivered items and the delivery of the undelivered items is probable and substantially controlled by the vendor. The arrangement considerations are then allocated to the separate units of accounting based on the relative fair value.

***(r) Capitalization of Internal Software Development Costs***

We capitalize labor associated with software developed for internal use. Software is considered for internal use if acquired, internally developed or modified solely to meet the entity's internal needs and if during the software's development or modification, no plan exists to market the software externally. Costs incurred during the application development stage are capitalized. Capitalization of cost begins when the preliminary project stage is completed and management with the relevant authority authorizes and commits to funding a computer software project and believes that it is probable that the project will be completed and the software will be used to perform the function intended. Capitalization ceases when the project is complete or it is no longer probable that the project will be completed.

***(s) Foreign Currency Translation and Transaction Gains and Losses***

Assets and liabilities of a non-U.S. subsidiary whose functional currency is not the U.S. dollar are translated at current exchange rates. Revenue and expense accounts are translated using an average rate for the period. Translation gains and losses are not included in determining net income (loss), but are reflected in the comprehensive income (loss) component of shareholders' deficit.

The Company has transactions in currencies other than its functional currency. Transaction gains and losses are recorded in the consolidated statement of operations relating to the recurring remeasurement and settlement of such transactions. Included in "Interest and other expenses, net" on the Company's consolidated statement of operations was a \$1.5 million gain, \$3.8 million loss and \$2.3 million gain related to foreign currency transactions for the years ended December 31, 2007, 2008 and 2009, respectively.

***(t) Comprehensive Income/Loss***

Reporting comprehensive income/loss requires that certain items such as foreign currency translation adjustments be presented as separate component of shareholders' equity. Total comprehensive loss for the years ended December 31, 2007, 2008 and 2009 was \$38.5 million, \$38.7 million, and \$17.8 million, respectively. Other comprehensive income or loss includes a \$1.9 million foreign currency translation gain, \$4.6 million foreign currency translation loss and \$3.3 million foreign currency translation gain in 2007, 2008 and 2009, respectively.



**(u) Commitments and Contingencies**

Liabilities for loss contingencies arising from claims, assessments, litigation, fines, and penalties and other sources are recorded when it is probable that a liability has been incurred and the amount of the assessment and/or remediation can be reasonably estimated. Legal fees related to loss contingencies are expensed as services are received.

**(v) Recently Issued Accounting Pronouncements**

In May 2009, the Financial Accounting Standards Board ("FASB") issued guidance which established general standards of accounting disclosures of events that occur after the balance sheet date but before financial statements are issued or are available to be issued. The FASB requires entities to disclose the date through which subsequent events were evaluated as well as the rationale for why that date was selected. The guidance was effective for interim and annual periods ending after June 15, 2009. Accordingly, the Company adopted the provision; however, the adoption had no material impact on the Company's consolidated financial condition, results of operations, cash flows, or disclosures.

In July 2009, the FASB issued new guidance on the Accounting Standards Codification ("Codification"). With the issuance of this new guidance, the FASB Codification becomes the single source of authoritative U.S. accounting and reporting standards applicable for all nongovernmental entities, with the exception of guidance issued by the U.S. Securities and Exchange Commission. The Codification does not change current GAAP, but changes the referencing of financial standards, and is intended to simplify user access to authoritative GAAP by providing all the authoritative literature related to a particular topic in one place. The Codification is effective for interim and annual periods ending after September 15, 2009. The Company adopted the provision; however, the adoption had no material impact on the Company's consolidated financial condition, results of operations or cash flows.

In September 2009, the FASB issued new accounting guidance related to the revenue recognition of multiple element arrangements. The new guidance states that if vendor specific objective evidence or third party evidence for deliverables in an arrangement cannot be determined, companies will be required to develop a best estimate of the selling price to separate deliverables and allocate arrangement consideration using the relative selling price method. The accounting guidance will be applied prospectively for revenue arrangements entered into or materially modified in fiscal years beginning on or after June 15, 2010. Early adoption is allowed. We are currently evaluating the impact of this accounting guidance on our consolidated financial statements.

In September 2009, the FASB issued new accounting guidance related to certain revenue arrangements that include software elements. Previously, companies that sold tangible products with "more than incidental" software were required to apply software revenue recognition guidance. This guidance often delayed revenue recognition for the delivery of the tangible product. Under the new guidance, tangible products that have software components that are "essential to the functionality" of the tangible product will be excluded from the software revenue recognition guidance. The new guidance will include factors to help companies determine what is "essential to the functionality." Software-enabled products will now be subject to other revenue guidance and will likely follow the guidance for multiple deliverable arrangements issued by the FASB in September 2009. The new guidance is to be applied on a prospective basis for revenue arrangements entered into or materially modified in fiscal years beginning on or after June 15, 2010, with earlier application permitted. The adoption of this accounting guidance will not have an impact on our consolidated financial statements.

**(2) BALANCE SHEET COMPONENTS**

Accounts receivables, net consist of the following at December 31 (in thousands):

	<u>2008</u>	<u>2009</u>
<b>Accounts receivable, net:</b>		
Trade accounts receivable	\$ 50,129	\$ 44,564
Other receivables	367	1,187
	<u>50,496</u>	<u>45,751</u>
Less: Allowance for doubtful accounts	(5,180)	(5,741)
	<u>\$ 45,316</u>	<u>\$ 40,010</u>

Direct call provisioning bad debt expense for the year ended December 31, 2007 was \$37.8 million or 11.2% of direct call provisioning revenue of \$338.7 million. For the year ended December 31, 2008, direct call provisioning bad debt expense was \$25.9 million or 7.8% of direct call provisioning revenue of \$333.6 million. Direct call provisioning bad debt expense for the year ended December 31, 2009 was \$23.9 million or 7.6% of direct call provisioning revenue of \$312.6 million.

Property and equipment, net consists of the following at December 31 (in thousands):

	<u>2008</u>	<u>2009</u>
<b>Property and equipment, net:</b>		
Telecommunications equipment	\$ 60,291	\$ 59,418
Leaschold improvements	3,860	4,445
Construction in progress	3,348	1,660
Office equipment	<u>19,215</u>	<u>23,275</u>
	86,714	88,798
Less: Accumulated depreciation and amortization	<u>(51,350)</u>	<u>(60,031)</u>
	<u>\$ 35,364</u>	<u>\$ 28,767</u>

Intangibles and other assets, net consist of the following at December 31 (in thousands):

	<u>2008</u>			
	<u>Gross Carrying Value</u>	<u>Accumulated Amortization</u>	<u>Net</u>	<u>Weighted Average Life</u>
Patents and trademarks	\$ 24,129	\$ (8,351)	\$ 15,778	9.8
Deferred financing costs	15,308	(5,499)	9,809	5.8
Capitalized software development costs	25,964	(13,495)	12,469	4.5
Custom software development costs	6,698	(1,060)	5,638	10.0
Acquired contract rights	96,714	(44,645)	52,069	9.9
Deposits and other long-term assets	1,846	-	1,846	-
Non-compete and employment agreements	1,540	(599)	941	4.3
	<u>\$ 172,199</u>	<u>\$ (73,649)</u>	<u>\$ 98,550</u>	
	<u>2009</u>			
	<u>Gross Carrying Value</u>	<u>Accumulated Amortization</u>	<u>Net</u>	<u>Weighted Average Life</u>
Patents and trademarks	\$ 24,706	\$ (10,041)	\$ 14,665	9.8
Deferred financing costs	15,385	(8,640)	6,745	5.8
Capitalized software development costs	32,931	(17,273)	15,658	4.6
Custom software development costs	7,885	(2,063)	5,822	10.0
Acquired contract rights	98,312	(54,387)	43,925	9.8
Deposits and other long-term assets	4,758	-	4,758	-
Non-compete and employment agreements	1,802	(1,168)	634	4.3
	<u>\$ 185,779</u>	<u>\$ (93,572)</u>	<u>\$ 92,207</u>	

At December 31, 2008 and December 31, 2009, the carrying amount of trademarks assigned to patents and trademarks that were not subject to amortization was \$2.7 million.

Amortization of intangibles and other assets for the year ended December 31, 2007 was \$21.8 million (of which \$1.5 million was included in interest expense and \$1.4 million was amortized against revenue). Amortization of intangibles and other assets for the year ended December 31, 2008 was \$22.7 million (of which \$2.5 million was included in interest expense and \$3.5 million was amortized against revenue). Amortization of intangibles and other assets for the year ended December 31, 2009 was \$20.6 million (of which \$3.1 million was included in interest expense). Estimated amortization expense related to intangibles, excluding deferred financing costs and other assets, as of December 31, 2009 and for each of the next five years through December 31, 2014 and thereafter is summarized as follows (in thousands):

<b>Year Ended December 31:</b>		
2010	\$	18,151
2011		15,331
2012		13,256
2013		8,248
2014		7,557
Thereafter		15,461
	\$	<u>78,004</u>

Accrued liabilities consist of the following at December 31 (in thousands):

	<b>2008</b>	<b>2009</b>
<b>Accrued liabilities:</b>		
Accrued expenses	\$ 26,433	\$ 21,904
Accrued compensation	6,287	4,569
Accrued severance and facility exit costs	207	150
Accrued taxes	4,187	4,512
Accrued interest and other	7,257	7,150
	<u>\$ 44,371</u>	<u>\$ 38,285</u>

The Company incurred restructuring charges of \$0.2 million during the first quarter of 2008 related to the realignment of the field service organization because of efficiencies gained from our packet-based architecture. In July 2008, the Company entered into a separation agreement with an executive and, in 2009, the Company entered into separation agreements with two executives. For the twelve months ended December 31, 2008 and 2009, the Company accrued approximately \$0.2 million and \$0.4 million and paid \$0.2 million and \$0.3 million in severance costs, respectively.

**(3)GOODWILL**

The Company performed annual impairment tests as of each balance sheet date. No impairment was recorded as a result of the testing performed at December 31, 2007, 2008 and 2009.

Goodwill allocated to our reportable segments is summarized as follows (in thousands):

	<b>Direct Call Provisioning</b>	<b>Offender Management Software</b>	<b>Total</b>
Balance at December 31, 2007	\$ 37,936	\$ 31,099	\$ 69,035
Foreign currency translation	-	(5,567)	(5,567)
Balance at December 31, 2008	<u>\$ 37,936</u>	<u>\$ 25,532</u>	<u>\$ 63,468</u>
Foreign currency translation	-	3,918	3,918
Balance at December 31, 2009	<u>\$ 37,936</u>	<u>\$ 29,450</u>	<u>\$ 67,386</u>

**(4) DEBT**

Debt consists of the following at December 31 (in thousands):

	2008	2009
Revolving credit facility	\$ 16,511	\$ -
Second-priority senior secured notes	194,000	194,000
Senior subordinated notes	82,484	97,427
	<u>292,995</u>	<u>291,427</u>
Less unamortized discount on senior secured notes and senior subordinated notes	(4,654)	(3,625)
	<u>288,341</u>	<u>287,802</u>
Less current portion of long-term debt	-	-
	<u>\$ 288,341</u>	<u>\$ 287,802</u>

*Revolving Credit Facility* — On September 30, 2008, the Company and certain of its subsidiaries entered into a senior credit agreement with a lending institution and the other lenders party thereto (the "Credit Agreement") to refinance its existing revolving credit facility. The Credit Agreement provides the Company with a \$10.0 million letter of credit facility and a revolving facility of up to the lesser of (i) \$30.0 million and (ii) 125% of the Company's consolidated EBITDA (as defined in the Credit Agreement) for the preceding 12 months less the face amount of outstanding letters of credit. The Credit Agreement expires on June 9, 2011. Advances bear interest at an annual rate of the Company's option equal to either: (a) LIBOR plus 4.0%, or (b) a rate equal to the Base Rate plus 3.0%. The Base Rate is the greater of (i) 5%, (ii) the Federal Funds rate plus 0.5%, or (iii) the prime rate (as defined in the Credit Agreement), which was 3.25% as of December 31, 2009. Interest is payable in arrears on the first day of each month. The unused availability under the Credit Agreement is subject to a fee based on a per annum rate of 0.375% due monthly. Borrowings under the Credit Agreement are secured by a first lien on substantially all of the Company's and certain of the Company's subsidiaries' assets. The Company draws from the available credit under the Credit Agreement to cover normal business cash requirements. As of December 31, 2008 and December 31, 2009, the Company had \$13.5 million and \$30.0 million, respectively, of borrowing availability under the Credit Agreement.

*Second-Priority Senior Secured Notes* — The Company has \$194.0 million of 11% Second-priority Senior Secured Notes outstanding. These notes were issued at a discount of \$4.5 million, or 97.651% of face value. The Second-priority Senior Secured Notes are secured by a second lien on substantially all of the Company's and certain of the Company's subsidiaries' assets other than accounts receivable, inventory and real property.

All \$194.0 million of principal is due September 9, 2011. To the extent the Company generates excess cash flow (as defined in the indenture) in any calendar year, the Company is required by the Second-priority Senior Secured Notes to offer to repay principal equal to 75% of such excess cash flow at a rate of 102.75% of face value through September 1, 2010 and 100.00% thereafter. No excess cash flow payment was due for the year ended December 31, 2009 because an Excess Cash Flow Amount (as defined in the Indenture governing the terms of the Second-priority Senior Secured Notes) was not generated. In the event we determine that the Excess Cash Flow Amount is likely to exceed \$5.0 million in 2010, we may purchase Second-priority Senior Secured Notes in the open market, by negotiated private transactions or otherwise, to reduce the aggregate Excess Cash Flow Amount to less than \$5.0 million. The Company and its affiliates may from time to time seek to retire or purchase the outstanding debt, including the notes, through cash purchases and/or exchanges, in open market purchases, privately negotiated transactions or otherwise. Such repurchases or exchanges, if any, will depend on prevailing market conditions, our liquidity requirements, contractual restrictions and other factors. The amounts involved may be material. Interest is payable semiannually on March 1 and September 1. The effective interest rate is 11.3% on the Second-priority Senior Secured Notes.

*Senior Subordinated Notes* — The Company has outstanding \$97.4 million of Senior Subordinated Notes, unsecured and subordinate to the revolving credit facility, that bear interest at an annual rate of 17%. Interest is payable at the end of each calendar quarter, or, as restricted by the revolving credit facility, is paid-in-kind by adding accrued interest to the principal balance of the Senior Subordinated Notes. All outstanding principal, including interest paid-in-kind, is due on September 9, 2014 and a mandatory prepayment equal to \$20.0 million plus 50% of all outstanding interest paid-in-kind is due on September 9, 2013. In connection with the issuance of the Senior Subordinated Notes, the Company issued warrants to acquire 51.01 shares of its common stock at an exercise price of \$10 per share to the Senior Subordinated Noteholders. As a result, the Company discounted the face value of the Senior Subordinated Notes by \$2.9 million representing the estimated fair value of the warrants at the time of issuance. For the twelve months ended December 31, 2007, 2008 and 2009 respectively, \$10.7 million, \$12.6 million and \$14.9 million of paid-in-kind interest was added to the principal balance of the Senior Subordinated Notes. The effective interest rate is 18.5% on the Senior Subordinated Notes.



All of the Company's domestic subsidiaries and certain of its foreign subsidiaries (collectively, the "Subsidiary Guarantors") are fully, unconditionally, and jointly and severally liable for the revolving credit facility, Senior Subordinated Notes and Second-priority Senior Secured Notes. The Subsidiary Guarantors are wholly-owned. The Company has not included separate financial statements of guarantors because (a) their aggregate assets, liabilities, earnings and equity are presented on a consolidated basis and (b) the Company believes that separate financial statements and other disclosures concerning subsidiaries are not material to investors.

The Company's credit facilities contain financial and operating covenants that require the maintenance of certain financial ratios, including specified fixed charge interest coverage ratios, maintenance of minimum levels of operating cash flows and maximum capital expenditure limitations. These covenants also limit the Company's ability to incur additional indebtedness, make certain payments including dividends to shareholders, invest and divest company assets, and sell or otherwise dispose of capital stock. In the event that the Company fails to comply with these covenants and restrictions, it may be in default, at which time payment of the long term debt and unpaid interest may be accelerated by the Company's lenders and become immediately due and payable.

Based on the Company's current and expected levels of operations, cash flow from operations, available cash and available borrowings under the \$30.0 million revolving credit facility will be adequate to continue to operate for at least twelve months from the Company's balance sheet dated December 31, 2009.

The fair value of our debt instruments is as follows (in thousands):

	December 31, 2008	December 31, 2009
Revolving Credit Facility	\$ 16,511	\$ -
Second-priority Senior Secured Notes	108,205	179,840
Senior Subordinated Notes	82,484	97,427
	<u>\$ 207,200</u>	<u>\$ 277,267</u>

The fair value of the revolving credit facility is equal to its carrying value and is considered a Level 2 fair value measurement (defined as inputs other than quoted prices in active markets that are either directly or indirectly observable) due to the variable nature of its interest rate. The fair values associated with the Second-priority Senior Secured Notes were quoted as of December 31, 2009 at trading prices of \$96.00 and \$80.00, increases of 80.3% and 22.1%, respectively, from the quoted values at December 31, 2008. The fair value of the Second-priority Senior Secured Notes is considered a Level 2 fair value measurement (defined as inputs other than quoted prices in active markets that are either directly or indirectly observable) of the fair value hierarchy determined on their quoted market value. The fair value of the Senior Subordinated Notes is based on their book value since these notes are not publicly traded and it is not practical to measure their fair value. These notes would be valued within Level 3 on the fair value hierarchy as little or no market data exists related to these notes.

Future maturities of debt for each of the following five years and thereafter are as follows (in thousands):

Year Ended December 31:	
2010	\$ -
2011	194,000
2012	-
2013	48,714
2014	48,713
Thereafter	-
	<u>\$ 291,427</u>

**(5)SEGMENT INFORMATION**

The Company organizes its segments around differences in products and services and has three reportable segments: direct call provisioning, offender management software and wholesale services. Through these segments, the Company provides inmate telecommunications products and services for correctional facilities, including security enhanced call processing, call validation and billing services for inmate calling, and software solutions to manage and monitor inmate, parole and probation activity. Depending upon the contractual relationship at the site and the type of customer, the Company provides these products and services primarily through direct contracts between the Company and correctional facilities. A smaller portion of the business is provided through wholesale service agreements with other telecommunications service providers and system sales to certain telecommunications providers. The Company's foreign operations, revenues and long-lived assets are reported in the offender management software segment.





The Company evaluates performance of each segment based on operating results. Total assets are those owned by or allocated to each segment. Assets included in the "Corporate & Other" column of the following table include all assets not specifically allocated to a segment. There are no intersegment sales. The Company's reportable segments are specific business units that offer different products and services and have varying operating costs associated with such products. The accounting policies of the reportable segments are the same as those described in the summary of significant accounting policies. The Company uses estimates to allocate certain direct costs and selling, general and administrative costs, as well as for depreciation and amortization, goodwill, and capital expenditures. Estimation is required in these cases because the Company does not have the capability to specifically attribute such costs to a particular segment. The estimation is based on relevant factors such as proportionate share of revenue of each segment to the total business.

Segment information for the twelve months ended December 31, 2007 is as follows (in thousands):

	<b>Direct Call Provisioning</b>	<b>Offender Management Software</b>	<b>Wholesale Services</b>	<b>Corporate &amp; Other</b>	<b>Total</b>
Revenue from external customers	\$ 338,703	\$ 7,933	\$ 45,214	\$ -	\$ 391,850
Segment gross margin	\$ 82,103	\$ 1,823	\$ 21,110	\$ -	\$ 105,036
Depreciation and amortization	33,137	1,908	1,880	123	37,048
Other operating costs and expenses	19,624	2,555	5,513	47,291	74,983
Operating income (loss)	<u>\$ 29,342</u>	<u>\$ (2,640)</u>	<u>\$ 13,717</u>	<u>\$ (47,414)</u>	<u>\$ (6,995)</u>
Interest and other expenses, net				31,487	31,487
Segment loss before income taxes					<u>(38,482)</u>
Capital expenditures	<u>\$ 21,231</u>	<u>\$ 20</u>	<u>\$ -</u>	<u>\$ 105</u>	<u>\$ 21,356</u>
December 31, 2007:					
Total assets	<u>\$ 199,071</u>	<u>\$ 63,626</u>	<u>\$ 15,767</u>	<u>\$ 13,661</u>	<u>\$ 292,125</u>
Goodwill	<u>\$ 37,936</u>	<u>\$ 31,099</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 69,035</u>

Segment information for the twelve months ended December 31, 2008 is as follows (in thousands):

	<b>Direct Call Provisioning</b>	<b>Offender Management Software</b>	<b>Wholesale Services</b>	<b>Corporate &amp; Other</b>	<b>Total</b>
Revenue from external customers	\$ 333,564	\$ 25,137	\$ 29,902	\$ -	\$ 388,603
Segment gross margin	\$ 89,757	\$ 11,597	\$ 15,359	\$ -	\$ 116,713
Depreciation and amortization	26,736	3,679	3,862	123	34,400
Other operating costs and expenses	20,617	8,820	4,109	41,399	74,945
Operating income (loss)	<u>\$ 42,404</u>	<u>\$ (902)</u>	<u>\$ 7,388</u>	<u>\$ (41,522)</u>	<u>\$ 7,368</u>
Interest and other expenses, net				41,896	41,896
Segment loss before income taxes					<u>(34,528)</u>
Capital expenditures	<u>\$ 15,522</u>	<u>\$ 90</u>	<u>\$ 100</u>	<u>\$ 1,334</u>	<u>\$ 17,046</u>
December 31, 2008:					
Total assets	<u>\$ 187,786</u>	<u>\$ 46,072</u>	<u>\$ 13,338</u>	<u>\$ 11,766</u>	<u>\$ 258,962</u>
Goodwill	<u>\$ 37,936</u>	<u>\$ 25,532</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 63,468</u>

Segment information for the twelve months ended December 31, 2009 is as follows (in thousands):

	<b>Direct Call Provisioning</b>	<b>Offender Management Software</b>	<b>Wholesale Services</b>	<b>Corporate &amp; Other</b>	<b>Total</b>
Revenue from external customers	\$ 312,614	\$ 22,698	\$ 28,124	\$ -	\$ 363,436
Segment gross margin	\$ 91,042	\$ 13,074	\$ 12,092	\$ -	\$ 116,208
Depreciation and amortization	27,568	3,482	160	123	31,333
Other operating costs and expenses	18,198	9,425	1,807	36,698	66,128
Operating income (loss)	<u>\$ 45,276</u>	<u>\$ 167</u>	<u>\$ 10,125</u>	<u>\$ (36,821)</u>	<u>\$ 18,747</u>
Interest and other expenses, net				39,114	39,114
Segment loss before income taxes					<u>(20,367)</u>
Capital expenditures	<u>\$ 15,100</u>	<u>\$ 228</u>	<u>\$ 558</u>	<u>\$ 567</u>	<u>\$ 16,453</u>
December 31, 2009:					
Total assets	<u>\$ 168,625</u>	<u>\$ 53,015</u>	<u>\$ 10,319</u>	<u>\$ 8,115</u>	<u>\$ 240,074</u>
Goodwill	<u>\$ 37,936</u>	<u>\$ 29,450</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 67,386</u>

#### (6) INCOME TAXES

Income tax expense (benefit) is as follows (in thousands):

	<b>Year Ended December 31, 2007</b>	<b>Year Ended December 31, 2008</b>	<b>Year Ended December 31, 2009</b>
<b>Current:</b>			
US Federal	\$ -	\$ 330	\$ (88)
US State	965	486	324
Foreign	35	848	440
Total	<u>1,000</u>	<u>1,664</u>	<u>676</u>
<b>Deferred:</b>			
US Federal	2,260	1,696	993
US State	(996)	(552)	117
Foreign	(342)	(3,317)	(1,067)
Total	<u>922</u>	<u>(2,173)</u>	<u>43</u>
Total income tax expense (benefit)	<u>\$ 1,922</u>	<u>\$ (509)</u>	<u>\$ 719</u>

Following is a summary of the components of loss before income taxes for the years ended December 31, 2007, 2008 and 2009 (in thousands):

	<b>2007</b>	<b>2008</b>	<b>2009</b>
U.S. income	\$ (37,125)	\$ (29,013)	\$ (21,371)
Non-U.S. income	(1,357)	(5,515)	1,004
Total	<u>\$ (38,482)</u>	<u>\$ (34,528)</u>	<u>\$ (20,367)</u>

Income taxes differ from the expected statutory income tax benefit, by applying the U.S. federal income tax rate of 35% to pretax earnings due to the following (in thousands):

	Year Ended December 31, 2007	Year Ended December 31, 2008	Year Ended December 31, 2009
Expected statutory income tax benefit	\$ (13,469)	\$ (12,085)	\$ (7,128)
Amounts not deductible for income tax	1,556	1,894	1,529
State taxes, net of federal benefit	(171)	(66)	(48)
Change in valuation allowance	14,332	9,749	5,738
Effect of different tax rates in various jurisdictions	25	349	(52)
Impact of changes in tax rates in foreign jurisdictions	-	(1,841)	415
Tax credits in foreign jurisdiction	-	(188)	(368)
Other	(351)	1,679	633
Total income tax expense (benefit)	<u>\$ 1,922</u>	<u>\$ (509)</u>	<u>\$ 719</u>

The tax effects of temporary differences that give rise to significant portions of the deferred income tax assets and deferred income tax liabilities as of December 31, 2008 and 2009, respectively, are presented below (in thousands):

	2008	2009
<b>Net current deferred income tax assets:</b>		
Allowance for doubtful accounts	\$ 1,945	\$ 2,188
Accrued expenses	2,055	845
Deferred revenue	4,354	4,295
Other	581	13
Current deferred income tax assets	<u>8,935</u>	<u>7,341</u>
Deferred income tax liabilities-other	(939)	(1,063)
Current deferred income tax liabilities	(939)	(1,063)
Less: valuation allowance	(6,840)	(5,684)
Net current deferred income tax asset	<u>\$ 1,156</u>	<u>\$ 594</u>
<b>Net non-current deferred income tax assets (liabilities):</b>		
Deferred income tax assets:		
Net operating loss and tax credit carryforwards	34,504	37,339
Accrued interest	9,738	13,436
Other	200	74
Non-current deferred income tax assets	<u>44,442</u>	<u>50,849</u>
Deferred income tax liabilities:		
Property and equipment principally due to differences in depreciation	(2,716)	(2,561)
Goodwill	(5,164)	(6,402)
Intangible assets	(14,627)	(13,564)
Non-current deferred income tax liabilities	<u>(22,507)</u>	<u>(22,527)</u>
Less: valuation allowance	(32,828)	(39,628)
Net non-current deferred income tax liability	<u>(10,893)</u>	<u>(11,306)</u>
Net deferred income tax liability	<u>\$ (9,737)</u>	<u>\$ (10,712)</u>

At December 31, 2009, the Company had U.S. federal net operating loss carryforwards for tax purposes aggregating approximately \$109.9 million the majority of which, if not utilized to reduce taxable income in future periods, will expire from 2024 through 2029. Approximately \$9.3 million of these net operating loss carryforwards are subject to certain rules under Internal Revenue Code Section 382 limiting their annual usage. The Company believes these annual limitations will not ultimately affect its ability to use substantially all of the net operating loss carry forwards for income tax purposes. As a result of the change of control related to certain acquisitions, the use of the net operating losses may be limited going forward under Internal Revenue Code 382. At December 31, 2009, the Company had net operating loss carryforwards for tax purposes in Australia aggregating less than \$0.1 million, which do not expire, and no operating loss carryforwards in the remaining foreign tax jurisdictions.

The Company accounts for the uncertainty in income taxes on the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. The tax benefit from an uncertain tax position may be recognized only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities. The determination is based on the technical merits of the position and presumes that each uncertain tax position will be examined by the relevant taxing authority that has full knowledge of all relevant information.

The Company's unrecognized tax benefits of \$0.7 million and \$0.4 million at December 31, 2008 and 2009, respectively, relate to various foreign jurisdictions.

The following table summarizes the activity related to the Company's unrecognized tax benefits ( in thousands):

	<u>Total</u>
Balance at December 31, 2007	\$ 663
Increases related to prior year's tax positions	27
Foreign currency translation	<u>(22)</u>
Balance at December 31, 2008	668
Decreases related to prior year's tax positions	(316)
Increases related to current year's tax positions	23
Foreign currency translation	<u>(18)</u>
Balance at December 31, 2009	<u>\$ 357</u>

Included in the unrecognized tax benefits of \$0.4 million at December 31, 2009 was a \$0.3 million tax expense that, if recognized, would impact the annual effective tax rate. The Company also accrued potential interest of \$0.1 million in 2007, and less than \$0.1 million during both 2008 and 2009, respectively, related to these unrecognized tax benefits. The Company does not expect unrecognized tax benefits to change significantly over the next 12 months. The Company classified interest and penalties on income tax-related balances as income tax expense.

The Company or one of its subsidiaries file income tax returns in the U.S. federal jurisdiction, Canada, the United Kingdom, Australia and various states. The Company has open tax years for the U.S. federal return from 1996 forward with respect to its net operating loss carryforwards, where the IRS may not raise tax for these years, but can reduce net operating loss carryforwards. Otherwise, with few exceptions, the Company is no longer subject to federal, foreign, state, or local income tax examinations for years prior to 2005.

A valuation allowance is provided when it is more likely than not that some portion or the entire net deferred tax asset will not be realized. The Company calculated the deferred tax liability, deferred tax asset, and the related valuation of net deferred tax assets, including net operating loss carryforwards, for the taxable temporary differences on a jurisdiction by jurisdiction basis. The valuation allowance represents the excess deferred tax assets including the net operating loss carryforwards, over the net deferred tax liabilities, excluding deferred liabilities that are not available to offset deferred tax assets. The Company has offset the net deferred tax assets, including net operating loss carryforwards, with a valuation allowance of \$39.7 million and \$45.3 million at December 31, 2008 and 2009, respectively. The Company increased the valuation allowance because future taxable income may not be realized to utilize net operating losses.

**(7) REDEEMABLE CONVERTIBLE PREFERRED STOCK**

At December 31, 2009, the Company had 5,100 shares of Series A Redeemable Convertible Preferred Stock ("Preferred Stock"), which was issued in December 2007. Each share of the Preferred Stock has a stated value of \$2,534 and accrues dividends annually at 12.5% of the stated value. The Preferred Stock has a liquidation preference equal to the greater of its per share purchase price plus any accrued but unpaid dividends and the amount the holder would receive if such share were converted to shares of common stock. At the election of the Board of Directors, the Company may redeem shares of Preferred Stock at any time on or after January 1, 2010. The redemption price is equal to the greater of the liquidation amount or the fair market value as of the redemption date.

Each share of Preferred Stock is convertible into 200 shares of Class A Common Stock, as adjusted for certain events. The intrinsic value of the conversion option was zero as the fair value of the Class A Common Stock was less than the conversion price at the commitment date.

The Company accrues dividends on the Preferred Stock; however the Company's Credit Agreement contains financial and operating covenants which limit the ability to make dividend payments to the Company's shareholders. As of December 31, 2009, the Company had accrued but unpaid dividends of \$2.7 million for the Series A Preferred Stock. The accrued but unpaid dividends are included in the redemption amount of the Preferred Stock at December 31, 2009.

**(8) STOCKHOLDERS' EQUITY***Common Stock*

In 2007, in conjunction with the issuance of the Preferred Stock (see Note 7), the Company's shareholders approved a 1 for 1,000 reverse stock split for the Class A Common Stock and Class B Common Stock. Except as otherwise noted, all shares, options and warrants have been restated to give retroactive effect to the reverse split. In connection with the reverse split, authorized shares of common stock were reduced to 1,300,000 shares of capital stock with a par-value of \$0.001.

In 2008, the Company authorized an additional 65,000 shares of Class B Common Stock and filed a Third Amended and Restated Certificate of Incorporation, which authorized 1,365,000 shares of capital stock with a par value of \$0.001. 1,190,000 shares were designated Class A Common Stock, 10,000 were designated Preferred Stock, of which 5,100 were designated as Series A Convertible Preferred Stock, and 165,000 were designated Class B Common Stock.

On March 25, 2009, the Company filed a Fourth Amended and Restated Certificate of Incorporation, which authorized 1,685,000 shares of capital stock with a par value of \$0.001. Additionally, the board of directors issued a unanimous resolution to adopt a Fourth Amendment to the 2004 Restricted Stock Plan which increased the number of shares of Class B Common Stock authorized for issuance thereunder from 165,000 to 175,000 shares. The Fourth Amended and Restated Certificate of Incorporation designated 1,500,000 shares as Class A Common Stock, 10,000 shares as Preferred Stock, of which 5,100 were designated as Series A Convertible Preferred Stock, and 175,000 shares as Class B Common Stock. All issued shares of Common Stock are entitled to vote on a one share/one vote basis.

As of December 31, 2009, 14,132 shares of Class A Common Stock were issued and outstanding and 126,660 shares of the Class B Common Stock were issued and outstanding. Shares of Class B Common Stock are subject to vesting as described below. Other than provisions related to vesting and a \$57,000 per share liquidation preference for the Class A Common Stock, holders of the shares of Class A Common Stock and Class B Common Stock have identical rights and privileges. The Company's Credit Agreement restricts the ability to pay dividends to holders of the Company's capital stock.

*Warrants*

The holders of the Senior Subordinated Notes hold warrants to purchase an aggregate of 51.01 shares of Class A Common Stock. The warrant exercise price is \$10 per share, is immediately exercisable upon issuance, and expires on September 9, 2014. As a result, the Company discounted the face value of the Senior Subordinated Notes by \$2.9 million representing the estimated fair value of the stock warrants at the time of issuance. The warrants had a de minimis fair value as of December 31, 2008 and 2009.

### ***Restricted Stock Purchase Plan***

The Company has a 2004 Restricted Stock Purchase Plan under which certain of its employees may purchase shares of Class B Common Stock. The maximum number of authorized shares that may be delivered pursuant to awards granted under the 2004 Restricted Stock Purchase Plan is 175,000, which equals 10.4% of the total authorized shares of common stock.

The Company's board of directors administers the 2004 Restricted Stock Purchase Plan. The plan is designed to serve as an incentive to attract and retain qualified and competent employees. The per share purchase price for each share of Class B Common Stock is determined by the Company's board of directors. Class B Common stock will vest based on performance criteria or ratably over a period or periods, as provided in the related restricted stock purchase agreement.

As of December 31, 2009, 126,660 shares of Class B Common Stock were issued under the 2004 Restricted Stock Purchase Plan. Of this amount, (a) 57,072 of these shares were issued to our Chief Executive Officer; (b) 11,414 shares were issued to our Chief Financial Officer; and (c) 58,174 shares were issued to eleven of the Company's executives and to current or previous members of the Company's board of directors.

These shares are subject to forfeiture pursuant to the terms of the 2004 Restricted Stock Purchase Plan and the restrictions described hereafter. The restriction period of 33.33% of the shares issued to the majority of the Company's executives, ends upon the sale of the Company's stock by certain of its other stockholders. The restriction period for 33.34% of the stock ends upon the lapse of time, ratably over three to four years from the date of issue. With respect to the remaining shares, the restriction period ends upon the Company attaining certain performance measures determined by its board of directors. Upon a change of control, the restriction period could end for all of the restricted shares that have not previously vested. The restricted shares are entitled to dividends, if declared, which will be distributed upon termination of the restriction period with respect to any such restricted shares.

The Company measures compensation expense on these restricted shares commensurate with their vesting schedules. For the portion of the restricted shares that vest contingently with the occurrence of certain events, the Company records compensation expense when such events become probable. The incremental compensation expense on the restricted shares issued was determined based on the estimated fair value of the Class B Common Stock, which resulted in less than \$0.1 million in compensation expense charged to "Selling General and Administrative Expense" in the consolidated statement of operations for each of the years ended December 31, 2007, 2008 and 2009.

As of December 31, 2009, there was approximately \$0.1 million total unrecognized compensation cost related to the 2004 Restricted Stock Purchase Plan, of which approximately half is expected to be recognized over a weighted average period of 2 years and the remaining half will be recognized upon the sale of the Company's stock by certain of the Company's other shareholders.

### **(9) RELATED-PARTY TRANSACTIONS**

The Company has a consulting services agreement with H.I.G. pursuant to which H.I.G. receives an annual consulting services fee of \$750,000 for management, consulting and financial advisory services. Required minimum annual consulting fee payments for the remaining term are as follows (in thousands):

<b>Year Ended December 31:</b>	
2010	\$ 750
2011	750
2012	750
2013	750
2014	750
Thereafter	3,563
Total	<u>\$ 7,313</u>

The consulting services agreement, as amended, has an eleven-year commitment period. In connection with this agreement, the Company paid \$0.8 million for each of the three years ended December 31, 2007, 2008, and 2009.

The Company has a professional services agreement, as amended, with H.I.G., pursuant to which H.I.G. is paid investment banking fees equal to 2% of the value of any transaction in which the Company (i) sells all or substantially all of its assets or a majority of its stock, (ii) acquires any other companies or (iii) secures any debt or equity financing. In 2007, in connection with its acquisition of Syscon and the issuance of the Series A Redeemable Convertible Preferred Stock, H.I.G. received a professional services fee equal to 2% of each transaction value, or approximately \$1.0 million and \$0.2 million,

respectively. In 2008, H.I.G. received a professional service fee of \$0.8 million for their services related to the refinancing of the Company's revolving credit arrangement. No transactions took place during 2009, requiring payment under the professional services agreement.



In 2008, the Company entered into an amended agreement with the previous stockholder of Syscon to amend the Syscon Purchase Agreement. Pursuant to the new agreement, the former stockholder's Employment Agreement with Syscon was terminated and Syscon entered into a Consulting Agreement with a company controlled by the former owner. The Consulting Agreement covers certain management and advisory and other services to be provided over a period of three years, for which Syscon will pay a total of approximately \$1,090,000 in fees. In 2008, the Company paid \$0.5 million to an affiliate of the former stockholder for professional software development consulting services. In 2009, the Company paid \$0.2 million to the former stockholder related to the provisions of the Consulting Agreement.

## (10) COMMITMENTS AND CONTINGENCIES

### (a) Operating Leases

The Company leases office space and certain office equipment under operating lease agreements. Most of our lease terms have escalation clauses and renewal options, typically equal to the lease term. The Company accounts for escalating rents on a straight-line basis over the life of the lease. Rent expense under operating lease agreements for the year ended December 31, 2007, 2008, and 2009 was approximately \$2.5 million, \$3.4 million and \$3.8 million, respectively. Future minimum lease payments under these lease agreements for each of the next five years and thereafter are summarized as follows (in thousands):

Year Ended December 31:	
2010	\$ 3,518
2011	2,144
2012	2,016
2013	1,779
2014	1,794
Thereafter	450
Total minimum lease payments	<u>\$ 11,701</u>

### (b) Minimum Guaranteed Payments

The Company records a liability for guarantees, including indirect guarantees of indebtedness of others, at the estimated fair value of the guarantee obligations and discloses the maximum amount that could be paid under the guarantee obligation.

The Company is required to make the following minimum commission payments to certain of its correctional facility customers regardless of the level of revenues generated by the Company on those contracts as follows (in thousands):

Year Ended December 31:	
2010	\$ 3,367
2011	720
2012	488
2013	98
2014	-
Total minimum commission payments	<u>\$ 4,673</u>

As of December 31, 2009, the Company did not meet the minimum requirements for certain correctional facilities customers and therefore, the Company recorded \$0.1 million in accrued liabilities. The Company cannot guarantee that it will generate sufficient revenues from these contracts in future periods to offset these guaranteed minimum payments.

Accudata Technologies, a former affiliated company, provides validation services to the Company. In August 2007, Accudata purchased the Company's 50% interest in its preferred stock for \$1.0 million. In connection with the sale of our interest in Accudata, the Company agreed to continue to conduct business at market rates with Accudata for at least thirty-six months. Minimum monthly payments for validation services are \$85,000 for the first twelve months, \$56,667 for the second twelve months, and \$28,333 for the third twelve months. The Company paid Accudata \$1.0 million and \$0.7 million for the twelve months ended December 31, 2008 and 2009, respectively. The maximum amount of the commitment is \$2.0 million, of which \$1.8 million has been paid as of December 31, 2009.

In 2008, the Company entered into an agreement with a telecommunications vendor, primarily for local and long distance services, whereby the Company guaranteed a minimum annual purchase commitment over a three year period. As of December 31, 2009, the minimum purchase commitment is \$1.9 million annually. Additionally, the Company entered into an agreement with another telecommunications provider for the purchase of custom carrier services, whereby the Company guaranteed a minimum purchase commitment over a one year period. The Company satisfied the minimum purchase commitment of \$3.8 million during 2009.

#### *(c) Employment Agreements*

As of December 31, 2009, the Company had employment agreements with certain key management personnel, which provided for minimum compensation levels and incentive bonuses along with provisions for termination of benefits in certain circumstances and for certain severance payments in the event of a change in control (as defined).

#### *(d) Litigation*

We have been, and expect to continue to be, subject to various legal and administrative proceedings or various claims in the normal course of business. We believe the ultimate disposition of these matters will not have a material effect on our financial condition, liquidity, or results of operations.

From time to time, inmate telecommunications providers, including the Company, are parties to judicial and regulatory complaints and proceedings initiated by inmates, consumer protection advocates or individual called parties alleging, among other things, that excessive rates are being charged with respect to inmate collect calls, that commissions paid by inmate telephone service providers to the correctional facilities are too high, that a call was wrongfully disconnected, that security notices played during the call disrupt the call, that the billed party did not accept the collect calls for which they were billed or that rate disclosure was not provided or was inadequate. On occasion, we are also the subject of regulatory complaints regarding our compliance with various matters including tariffing, access charges, payphone compensation requirements and rate disclosure issues. In March 2007, the FCC asked for public comment on a proposal from an inmate advocacy group to impose a federal rate cap on interstate inmate calls. This proceeding could have a significant impact on the rates that we and other companies in the inmate telecommunications industry may charge. Similar proposals have been pending before the FCC for more than four years without action by the agency. This newest proceeding remains under review by the FCC and has received strong opposition from the inmate telecommunications industry. In August 2008, a group of inmate telephone service providers provided the FCC with an "industry wide" cost of service study for their consideration. That proceeding remains ongoing and we have no information as to when, if ever, it will be resolved. We cannot predict the outcome at this time.

In June 2000, T-Netix was named, along with AT&T, in a lawsuit in the Superior Court of King County, Washington, in which two private citizens allege violations of state rules requiring pre-connect audible disclosure of rates as required by Washington statutes and regulations. T-Netix and other defendants successfully obtained dismissal and a "primary jurisdiction" referral in 2002. In 2005, after several years of inactivity before the Washington Utilities and Transportation Commission ("WUTC"), the state telecommunications regulatory agency, T-Netix prevailed at the trial court in securing an order entering summary judgment on grounds of lack of standing, but that decision was reversed by an intermediate Washington state appellate court in December 2006. T-Netix's subsequent petition for review by the Washington Supreme Court was denied in January 2008, entitling plaintiffs to continue to pursue their claims against T-Netix and AT&T. This matter was referred to the WUTC on the grounds of primary jurisdiction, in order for the WUTC to determine various regulatory issues. On May 22, 2008, AT&T filed with the trial court a cross-claim against T-Netix seeking indemnification. T-Netix moved to dismiss AT&T's cross-claim, but the court denied that motion and deferred resolution of whether AT&T's belated indemnification claim is within the statute of limitations for summary judgment. Motions by both T-Netix and AT&T for summary determination were briefed to the WUTC in September 2009 and remain pending before an administrative law judge. As merits and damages discovery are not completed, however, we cannot estimate the Company's potential exposure or predict the outcome of this dispute.

In July 2009, Evercom filed a complaint against Combined Public Communications, Inc. ("CPC"), alleging tortious interference with Evercom's contracts for the provision of telecommunications services with correctional facilities in the Commonwealth of Kentucky and the State of Indiana. Evercom claims CPC has misrepresented that the correctional facility

...  
... has a statutory right to terminate its contract with Evercom upon the election of a new Sheriff. Accordingly, Evercom seeks a declaration that under Kentucky law its contracts with its customers are not personal services contracts and that under both Indiana and Kentucky law, its contracts with correctional facilities are not void for not being terminable within thirty days, as well as an award of compensatory and punitive damages. On July 29, 2009, CPC filed a motion to dismiss for failure to state a claim. On August 14, 2009, Evercom filed its response in opposition to dismiss, and on September 9, 2009, the court denied CPC's motion to dismiss. On January 8, 2009, the court entered a scheduling order setting forth the pre-trial deadlines. This matter is in its early stages and we cannot predict the outcome at this time.

In July 2009, the Company filed a petition with the FCC seeking affirmation of the Company's right to block attempts by inmates to use services, which the Company calls "call diversion schemes," designed to circumvent its secure calling platforms. These illicit services are not permitted to carry calls from any correctional facility, and the Company has received strong support from its correctional authority clients to stop this activity. The FCC has long-standing precedent that permits inmate telecommunications service providers to block such attempts. The FCC had asked that interested parties file comments to the Company's petition by August 31, 2009; and thereafter, the Company filed reply comments. This matter is in its early stages and we cannot predict the outcome at this time.

In September 2009, T-Netix filed suit against CPC in the United States Federal District Court for the Western District of Kentucky, for patent infringement of various T-Netix patents. The court has scheduled a Rule 26(f) scheduling conference for February 10, 2010 and the parties are negotiating an agreed discovery plan to present at the hearing. This matter is in its early stages and we cannot predict the outcome at this time.

In October 2009, T-Netix filed suit in the United States Federal District Court for the Eastern District of Texas against Pinnacle Public Services, LLC for patent infringement of various T-Netix patents. Pinnacle has served its answer and filed a motion to transfer venue to the Northern District of Texas. This matter is in its early stages and we cannot predict the outcome at this time.

In October 2009, the Company, along with Evercom and T-Netix, and one of the Company's competitors were sued in the Federal District Court for the Southern District of Florida by Millicorp d/b/a ConsCallHome. Millicorp, a proprietor of what the Company has described to the FCC as a call diverter, has sued these companies under the Communications Act of 1934, alleging that the companies have no right to block attempts by inmates to use the call diversion scheme. The FCC has permitted inmate telecommunications service providers to block such attempts since 1991, and the Company had sought reaffirmance of that permission in the petition for declaratory ruling described above. All defendants have filed motions to dismiss all claims with prejudice. Discovery has not yet commenced. This matter is in its early stages and we cannot predict the outcome at this time.

In October 2009, the Company filed suit in the District Court of Dallas County, Texas, against Lattice Incorporated ("Lattice", formerly known as Science Dynamics Corporation) alleging breach of contract, tortious interference, unfair competition, damage to goodwill and injunctive relief as a result of Lattice's breach of certain provisions of a December 2003 asset purchase agreement between Evercom and Science Dynamics Corporation. On October 2, 2009, the court issued a temporary restraining order against Lattice, and ordered Lattice to immediately cease and desist from, among other things, (i) renewing any customer contracts in the law enforcement industry; (ii) marketing, selling or soliciting, directly or indirectly, any of its products and/or services to any customers in the law enforcement industry; and (iii) interfering with any of the Company's business relationships in the law enforcement industry in the United States. On January 4, 2010, the parties entered into a settlement agreement and mutual release, and a patent license agreement wherein Lattice was granted a license to use one (1) of the Company's patents.

In January 2010, T-Netix and Evercom filed suit in the United States Federal District Court for the Eastern District of Texas against Legacy Long Distance International, Inc. dba Legacy International, Inc. and Legacy Inmate Communications for patent infringement of various T-Netix's and Evercom's patents. This matter is in its early stages and we cannot predict the outcome at this time.

#### ***ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE***

During fiscal year 2009, the Company dismissed KPMG LLP ("KPMG") as its principal accountant to audit its financial statements. The Audit Committee of the board of directors of the Company approved the change in principal accountants. In April 2009, the Company engaged McGladrey & Pullen, LLP ("McGladrey") as its principal accountant to audit the Company's financial statements. During the two most recent fiscal years ended December 31, 2008 and the subsequent interim period in 2009, the Company had not consulted with McGladrey regarding any of the following: (1) the application of accounting principles to a specified transaction, either completed or proposed; or the type of audit opinion that might be rendered on the Company's financial statements, and neither a written report nor oral advice was provided to the Company that McGladrey concluded was an important factor considered by the Company in reaching a decision as to the accounting, auditing or financial reporting issue, or (2) any matter that was either the subject of a disagreement (as defined in paragraph 304(a)(1)(iv) and the related instructions to Item 304 of Regulation S-K) or a reportable event (as defined in Item 304(a)(1)(v) of Regulation S-K).

During the two most recent fiscal years ended December 31, 2008 and the subsequent interim period in 2009, there were no disagreements between KPMG and the Company on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure which, if not resolved to the satisfaction of KPMG, would have caused it to make a

reference to the subject matter of any such disagreement with its report. No reportable events, as defined in Item 304(a)(1) (v) of Regulation S-K, occurred within the Company's two most recent fiscal years ended December 31, 2008 and the subsequent interim period in 2009.

**ITEM 9A. CONTROLS AND PROCEDURES****1. Disclosure Controls and Procedures**

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in the reports that we file or submit under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

As of the end of the period covered by this report, we carried out an evaluation, under the supervision and with the participation of our Disclosure Committee and management, including the Chief Executive Officer and the Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures pursuant to Exchange Act Rule 13a-15(b). Based upon this evaluation, the Chief Executive Officer and the Chief Financial Officer concluded that our disclosure controls and procedures were effective as of the end of the period covered by this report.

**2. Management's Report on Internal Control over Financial Reporting**

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Securities Exchange Act of 1934. Our internal control over financial reporting is a process designed under the supervision of our Chief Executive Officer and Chief Financial Officer to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with U.S. generally accepted accounting principles.

*Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with policies and procedures may deteriorate.*

Management assessed the effectiveness of our internal control over financial reporting as of December 31, 2009. In making this assessment, management used the criteria described in *Internal Control — Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on this assessment, management concluded that we maintained effective internal control over financial reporting as of December 31, 2009.

The effectiveness of the Company's internal control over financial reporting as of December 31, 2009 has been audited by an independent registered public accounting firm, as stated in their report which appears herein.

**3. Changes in Internal Control over Financial Reporting**

There were no changes in the Company's internal control over financial reporting during the period ended December 31, 2009, that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

**Report of Independent Registered Public Accounting Firm**

To the Board of Directors and Stockholders  
Securus Technologies, Inc.

We have audited Securus Technologies, Inc. and Subsidiaries' internal control over financial reporting as of December 31, 2009, based on criteria established in *Internal Control — Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Securus Technologies, Inc. and Subsidiaries' management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective *internal control over financial reporting* was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's *internal control over financial reporting* is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with United States generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with United States generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, Securus Technologies, Inc. and Subsidiaries maintained, in all material respects, effective internal control over financial reporting as of December 31, 2009, based on criteria established in *Internal Control — Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the December 31, 2009 consolidated balance sheet and the related consolidated statements of operations, stockholders' deficit and comprehensive loss, and cash flows for the year then ended of Securus Technologies, Inc. and Subsidiaries and our report dated March 15, 2010 expressed an unqualified opinion.

McGladrey & Pullen, LLP  
Dallas, Texas  
March 15, 2010

**ITEM 9B. OTHER INFORMATION**

None.

**PART III****ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATION GOVERNANCE**

The following is a list of our executive officers, other senior executives and directors as of March 1, 2010. All of our directors serve until a successor is duly elected and qualified or until the earlier of his death, resignation or removal. Our executive officers are appointed by and serve at the discretion of our board of directors. There are no family relationships between any of our directors or executive officers.

<u>Name</u>	<u>Age</u>	<u>Position</u>
Richard A. Smith	58	Chairman, Chief Executive Officer and President
William D. Markert	45	Chief Financial Officer
Dennis J. Reinhold	49	Vice President, General Counsel and Secretary
Arlin B. Goldberg	53	Chief Information Officer
Robert E. Pickens	49	Chief Marketing Officer
Daniel A. Crawford	63	President, Syscon Justice Systems
Joshua E. Conklin	35	Vice President, Sales
Danny de Hoyos	34	Vice President Service and Technical Operations
Kathryn S. Lengyel	41	Vice President, Human Resources
Larry V. Ehlers	55	Vice President, Applications
Patrick W. Broisma	47	Director of Enterprise Program Management Office & Corporate Development
Anthony A. Tamer	49	Director
Brian D. Schwartz	41	Director
Douglas F. Berman	43	Director
Lewis J. Schoenwetter	39	Director
Sami W. Mnaymneh	50	Director
James Neal Thomas (1)	64	Director
Rob Wolfson	37	Director

(1) Audit Oversight Director.

The following information summarizes the principal occupations and business experience, during the past five years, of each of our directors and executive officers.

*Richard A. Smith* has served as our President and Chief Executive Officer since June 2008, and as Chairman of the Board since January 2009. Mr. Smith served as the Chief Executive Officer of Eschelon Telecom Inc., a publicly traded local exchange carrier, from August 2003 through August 2007. Mr. Smith also served as Eschelon's President, Chief Financial Officer and Chief Operating Officer during his tenure. Prior to joining Eschelon, Mr. Smith worked for Frontier Corporation where he held many roles, including Controller, Chief Information Officer, President of Frontier Information Technologies, Vice President of Midwest Telephone Operations, Network Plant Operations Director, Director of Business Development and Vice President of Financial Management. Mr. Smith holds an Associate Degree of Applied Science in Electrical Engineering from the Rochester Institute of Technology, a Bachelor of Science degree in Electrical Engineering from the State University of New York at Buffalo, a Masters in Mathematics degree from the State University of New York at Brockport, and a Masters in Business Administration from the University of Rochester's Simon School. Mr. Smith presently serves as a director of Integra Telecom, a privately held local exchange carrier based in Portland, Oregon.

*William D. Markert* has served as our Chief Financial Officer since June 2008. From December 1999 to November 2007, Mr. Markert held executive level finance positions at Eschelon Telecom, Inc., with his most recent position being Executive Vice President of Network Finance. During Mr. Markert's employment with Eschelon, he was responsible for revenue and cost accounting and reporting, network cost management, carrier access billing and revenue and margin assurance. He also directed various merger and acquisition related projects. Prior to joining Eschelon, Mr. Markert worked for Global Crossing Limited, a publicly traded communications solutions company, in various financial, regulatory and operational management roles. Mr. Markert holds a Baccalaureate in Business Administration from the University of Wisconsin-Whitewater and a Masters in Business Administration from the University of St. Thomas in St. Paul, Minnesota.





*Dennis J. Reinhold* has served as our Vice President, General Counsel and Secretary since he joined us in August 2005. Prior to joining us in August 2005, Mr. Reinhold served as the Associate General Counsel of SOURCECORP, Inc. (NASDAQ: SRCP), at the time a public company with approximately 7,000 employees worldwide that specialized in business process outsourcing of critical data and documents. In that role, he was responsible for the worldwide legal function of the Business Process Solutions Division, the Statement Solutions Division, the Legal Claims Division and the Direct Mail Division. While at SOURCECORP, he was the company's Chairman of the Juvenile Diabetes Research Foundation, and helped propel SOURCECORP to one of the largest corporate fundraisers for Juvenile Diabetes in the DFW area. Prior to his position at SOURCECORP, Mr. Reinhold served as Division General Counsel/ Director of International Legal Affairs and Assistant Secretary for AAF-McQuay, Inc. Mr. Reinhold has over 20 years of legal experience, both in law firms and in-house positions, with an emphasis in practicing in the areas of corporate and international law. Mr. Reinhold has a J.D. from St. Louis University, a B.S. in Marketing and Business Administration from the University of Illinois and has completed the Advanced Management Program at The Wharton School, University of Pennsylvania. Mr. Reinhold was one of 20 finalists in the 2006 Dallas Business Journal's Best Corporate Counsel Awards, and in 2006, he was awarded a National Leadership Award by the National Republican Congressional Committee. Mr. Reinhold has served on numerous civic organizations, including the Board of Directors for the Louisville Ballet.

*Arlin B. Goldberg* has served as our Chief Information Officer since September 2008. Mr. Goldberg has over 30 years of telecommunication industry experience. Previously, Mr. Goldberg served as the Executive Vice President of Information Technology for Eschelon Telecom from October 1996 until July 2007. Prior to that, Mr. Goldberg served as Director of Information Services at Frontier Corporation, and also as Director of Information Services for Enhanced TeleManagement, Inc. Early in his career, Mr. Goldberg served in a variety of roles at Norstan Communications Systems, Inc. Mr. Goldberg received his Bachelor of Science in Business degree in Accounting from the University of Minnesota Carlson School of Management.

*Robert E. Pickens* has served as our Chief Marketing Officer since September 2008. Mr. Pickens has over 18 years of senior level telecommunications experience. Before joining Securus Technologies, Mr. Pickens was Chief Operating Officer of Eschelon Telecom. During his eleven year tenure with that organization, he held leadership positions in marketing, operations, and mergers & acquisitions integration management. Mr. Pickens has a Bachelor of Science in Business degree in Marketing and Management from the University of Minnesota Carlson School Of Management.

*Daniel A. Crawford* has served as President of Syscon Justice Systems since July 2007. Prior to this position Mr. Crawford held the role of Senior Vice President of Corporate Development for us from December 2006 to June 2007. In 2005, Mr. Crawford held the role of Chairman, CEO and President of Tiburon, Inc. and has held such roles with a number of leading companies in the public safety and criminal justice industries. In 1992, Mr. Crawford founded EPIC Solutions, Inc., which was named an INC 500 fastest growing company. Mr. Crawford has been named Business Leader of the Month by the National Foundation for Enterprise Development, and One of the Most Influential Technology Leaders by the San Diego Business Journal. Mr. Crawford began his professional career in the military as a Naval Aviator. After leaving active duty, Mr. Crawford remained in the Naval Reserves and retired in 1996 with the rank of captain. Mr. Crawford received a Bachelors of Science degree in Business Administration from California State University, Northridge in 1970 and a Masters in Business Administration from Chapman University in 1975. Mr. Crawford also holds a law degree from National University School of Law, and has served on multiple boards of directors.

*Joshua E. Conklin* has served as our Vice President of Sales since December of 2009. Mr. Conklin has the responsibility for all new and existing facility sales for Securus Technologies, Inc. prior to joining Securus, Mr. Conklin was Senior Vice President and General Manager of California and Nevada for Integra Telecom Inc. In this role, Mr. Conklin had full operational responsibility for Integra Telecom of California and Nevada including sales, customer service, network operations, new customer provisioning, and long haul network operations for the bulk of Integra's network in the western United States. Prior to joining Integra, Mr. Conklin served with Eschelon Telecom Inc. as Senior Director of Network Sales for Colorado, Minnesota, and Utah. In this capacity, Mr. Conklin was responsible for new acquisition sales in over 40% of Eschelon Telecom's network footprint. Mr. Conklin also held several other sales roles within Eschelon including Sales Director, Sales Manager, and Sales Training Manager over his 10-year career with Eschelon. Mr. Conklin holds a Bachelor of Business Administration degree from West Texas A&M University.

*Danny de Hoyos* has served as Vice President of Customer Service since September 2008. Prior to joining Securus Technologies, Mr. De Hoyos served as Director of Customer Operations for Medica located in Minneapolis, Minnesota. From 2001 through the end of 2007 Mr. de Hoyos was employed by Eschelon Telecom and served as Vice President of Customer Service and Service Delivery. Prior to joining Eschelon, Mr. de Hoyos was Director of Support Services for One World Online in Provo, Utah. Mr. de Hoyos has also held Customer Operations and Call Center Management leadership roles for other technology companies such as Big Planet and Marketing Ally. Mr. de Hoyos has a Bachelor of Science degree from Brigham Young University.



*Kathryn S. Lengyel* has served as Vice President of Human Resources since June 2007. Prior to joining Securus in July, 2007, Ms. Lengyel held the position of Vice President of Human Resources at Excel Telecommunications from October 2005, where she was an integral part of the company's acquisition of Vartec Telecom. Ms. Lengyel acted in a leadership capacity at Stone Holdings, Inc. where she was the Director of Human Resources from November 1991 until 2005. She has created a successful track record of employee initiatives, leadership and organizational change management. Ms. Lengyel has diverse Human Resources experience in start-ups, growth and M&A situations. Ms. Lengyel holds both a Bachelor of Science degree in Human Development and a Masters of Education degree in Human Resource Development from Vanderbilt University in Nashville, Tennessee.

*Larry V. Ehlers* has served as the Vice President of Applications since January of 2009. Prior to joining Securus Technologies he was Vice President of OSS & Applications at Eschelon Telecom in Minneapolis, Minnesota from 2005 through 2008 and served as Vice President of Corporate Systems at Advanced Telcom in Salem, Oregon from 2000 through 2005 prior to its acquisition by Eschelon. He was the Director of Information Technology and Operations at Quintessent Communications and a consultant with Network Designs Corporation in Seattle, Washington. Prior to Network Designs Mr. Ehlers served in a variety of Information Technology roles within the manufacturing industry. Mr. Ehlers received his Bachelor of Science degree from Iowa State University and holds several technical certifications.

*Patrick W. Brolsma* has served as our Director of Enterprise Program Management Office and Corporate Development since November of 2008. Mr. Brolsma has over 15 years of senior level telecommunications experience. Prior to joining Securus, Mr. Brolsma spent eight years with Eschelon Telecom where he held leadership positions in Operations, Marketing, and Mergers & Acquisitions. Before Eschelon Mr. Brolsma held various management positions at US West (Qwest), Sprint Communications and Unisys. Mr. Brolsma has a B.S. degree in Computer Science and Marketing from Minnesota State University in Mankato, Minnesota.

*Anthony A. Tamer* has served as a member of the board of directors since February 2004. Mr. Tamer is a co-founding Partner of H.I.G. Capital, LLC and serves as a Managing Partner of the firm. Mr. Tamer has been an active investor in a number of industries throughout H.I.G.'s life. Prior to founding H.I.G. in 1993, Mr. Tamer was a partner at Bain & Company, one of the world's leading management consulting firms, and, through Bain Capital, one of the most successful private equity funds in the United States. Mr. Tamer has extensive operating experience particularly in the communications and semiconductor industries, having held marketing, engineering and manufacturing positions at Hewlett-Packard and Embarq (formerly Sprint) Corporation. Mr. Tamer holds an M.B.A. degree from Harvard Business School, and a Masters degree in Electrical Engineering from Stanford University. His undergraduate degree is from Rutgers University. He currently serves on the board of directors of several H.I.G. portfolio companies, none of which are registered filers.

*Brian D. Schwartz* has served as a member of the board of directors since February 2004 and served as President from February until September 2004. Mr. Schwartz is a Managing Director of H.I.G. Capital Management and HIG Ventures. Since 1994, Mr. Schwartz has led numerous transactions in a diverse set of industries including business services (healthcare and IT), building products, and manufacturing. Prior to joining H.I.G., Mr. Schwartz was a Business Manager in PepsiCo, Inc.'s strategic planning group. Mr. Schwartz began his career with the investment banking firm of Dillon, Read and Co. where he advised clients on transactions encompassing initial public offerings, debt offerings and mergers and acquisitions. Mr. Schwartz earned his M.B.A. from Harvard Business School and his B.S. with honors from the University of Pennsylvania. He currently serves on the board of directors of several H.I.G. portfolio companies, none of which are registered filers.

*Douglas F. Berman* has served as a member of the Company's board of directors since February 2004. Mr. Berman is a Managing Director at H.I.G. Capital. He has made investments in the manufacturing, telecommunications, and business services industries. Since joining H.I.G. in 1996, Mr. Berman has led a number of industry consolidations, purchasing more than 30 businesses creating several industry-leading companies. Prior to joining H.I.G., Mr. Berman was with Bain & Company, where he managed a variety of projects for Fortune 100 clients, developing expertise in telecommunications, financial services, and manufacturing. Mr. Berman earned a Bachelor of Arts degree, with Honors in Economics, from University of Virginia and his M.B.A. from the Wharton School.

*Lewis J. Schoenwetter* has served as a member of the board of directors since February 2004 and served as Vice President, until January 1, 2005. Mr. Schoenwetter is a Managing Director at H.I.G. Capital. With more than 10 years of experience in private equity investing, Mr. Schoenwetter has played a significant role in more than 30 acquisitions with an aggregate value in excess of \$2 billion. Prior to joining H.I.G. in April 2003, Mr. Schoenwetter was a director with Levine Leichtman Capital Partners. He currently serves on the board of directors of several H.I.G. portfolio companies, none of which are registered filers.

*Sami W. Mnaymneh* previously served as a member of the Company's board of directors from February 2004 to August 2007 and was re-appointed to the board of directors in July 2008. Mr. Mnaymneh is a co-founding partner and serves as a Managing Partner of H.I.G. Mr. Mnaymneh has been an active investor in a number of industries throughout H.I.G.'s life. Prior to founding H.I.G. in 1993, Mr. Mnaymneh was a Managing Director at The Blackstone Group, where he specialized in providing financial advisory services to Fortune 100 companies. Mr. Mnaymneh has led over 75 transactions with an aggregate value in excess of \$10 billion. Mr. Mnaymneh earned a B.A. degree from Columbia University and subsequently received a J.D. degree and an MBA degree, with honors, from Harvard Law School and Harvard Business School, respectively. He currently serves on the board of directors of several H.I.G. portfolio companies, none of which are registered filers.

*James Neal Thomas* has served as a member of the board of directors since May 9, 2005. Mr. Thomas served on the board of directors of Haggar Corp. and chaired its audit committee until November 2005. Until 2000, Mr. Thomas was a senior audit partner of Ernst & Young, LLP, where he began his career in 1968. While at Ernst & Young, Mr. Thomas served mostly Fortune 500 companies including Wal-Mart Stores, Inc., The Williams Companies, Inc. and Tyson Foods, Inc. Mr. Thomas is a retired certified public accountant and holds a degree in accounting from the University of Arkansas.

*Rob Wolfson* has served as a member of the board of directors since April 2008. Mr. Wolfson has served as Managing Director at H.I.G. Capital, a private equity investment firm that is an affiliate of the Company's majority stockholder, H.I.G. T-Netix, Inc., since October 2008. Mr. Wolfson has more than 10 years of investment, financial services, and senior deal leadership experience across many industries, most notably telecommunications, healthcare and business services. Prior to joining H.I.G. Capital, he was Vice President of Business Development for IPWireless, a wireless infrastructure start-up purchased by Nextwave Wireless. Mr. Wolfson began his career in mergers and acquisitions as a consultant with LEK Consulting, a leading worldwide strategy consulting firm where he worked with Fortune 500 companies, private equity firms and private equity portfolio companies. Mr. Wolfson earned his M.B.A. from Harvard Business School and his B.S. Cum Laude with honors from Northwestern University.

#### **Board Committees**

Our board of directors directs the management of our business and affairs as provided by Delaware law and conducts its business through meetings of the full board of directors and a standing meeting with our newly-appointed Audit Oversight Director, who replaced the Audit Committee and operates in the same capacity. During 2009, the board of directors approved the Audit Oversight Charter.

James Neal Thomas serves as the Company's Audit Oversight Director. Mr. Thomas qualifies as a financial expert, as defined by SEC regulations, and is independent, as defined by the National Association of Securities Dealers Rule 4200. The duties and responsibilities of the Audit Oversight Director include the appointment and termination of the engagement of our independent public accountants, otherwise overseeing the independent auditor relationship, reviewing our significant accounting policies and internal controls and reporting his findings to the full board of directors.

In addition, from time to time committees may be established under the direction of the board of directors when necessary to address specific issues.

#### **Compensation Committee Interlocks and Insider Participation**

Our board of directors has not established a compensation committee. Consequently, the entire board of directors participates in the determination of our executive officers' compensation. No compensation meetings were held in 2009.

#### **Indemnification Agreements**

We have entered into indemnification agreements with certain of our officers and directors which provide for their indemnification and the reimbursement and advancement to them of expenses, as applicable, in connection with actual or threatened proceedings and claims arising out of their status as a director or officer.

#### **Code of Ethics**

We have adopted a written code of ethics that applies to our principal executive officer, principal financial officer, and principal accounting officer or controller, or persons performing similar functions. Our code of ethics, which also applies to our directors and all of our officers and employees, is filed as exhibit 14.1 to this report.

**ITEM 11. EXECUTIVE COMPENSATION****Compensation Committee Report**

We, the members of the Board of Directors of Securus Technologies, Inc., have reviewed and discussed the Compensation Discussion and Analysis with our Company's management. Based upon this review and discussion, the Board recommends that the Compensation Discussion and Analysis be included in this Annual Report on Form 10-K.

**BOARD OF DIRECTORS**

Richard A. Smith  
Anthony A. Tamer  
Brian D. Schwartz  
Douglas F. Berman  
Lewis J. Schoenwetter  
Sami W. Mnaymneh  
James Neal Thomas  
Rob Wolfson

**Compensation Discussion and Analysis***Introduction*

We have a simple executive compensation program which is intended to provide appropriate compensation that is strongly tied to our results. The program has only three major components: salary, annual bonus and a restricted stock purchase plan. The program provides executives with a significant amount of variable compensation dependent on our performance. For example, for our chief executive officer, more than half of his potential cash compensation is variable and a significant part of his total potential compensation is via our restricted stock purchase plan.

The compensation program's overall objective is to enable us to obtain and retain the services of highly-skilled executives. The principles of our executive compensation program are reflected in its two variable compensation components: annual bonus and the restricted stock purchase plan. The program seeks to enhance our profitability and value by aligning closely the financial interests of our executives with those of our stockholders. This alignment is created by strongly linking compensation to the achievement of important financial goals. Our ability to reach the financial goals is dependent on strategic activities. However, at the executive level, we measure success in these strategic activities principally by the effect on our financial performance. The compensation program considers the cash flow, accounting and tax aspects to support the financial efficiency of the programs.

The compensation program reflects that we operate with a small team of executives. The executives are each given significant and extensive responsibilities that encompass both our strategic policy and direct day-to-day activities in sales and marketing, finance, legal and regulatory, customer service, product development and other similar activities. The compensation program conditions significant portions of management pay on the achievement of annual (for bonuses) and long term (for restricted stock) financial performance goals.

The compensation packages for executives are designed to promote teamwork by generally using the same performance goal for the annual bonus for all executives. The individual initiative and achievement of an executive is reflected in the level of salary and bonus, which is determined annually by our board of directors. Of course, the primary evaluation of individual performance is made in the decision to retain the services of the executive. If an individual executive is not performing to expectations, the executive is not retained.

*Elements of Compensation*

Our compensation program has only three principal elements: salary, annual bonus and a restricted stock purchase plan. The remaining compensation paid through employee benefits and perquisites are not significant in amount or as a percentage of any executive's compensation.

**Salary.** We recognize that paying a reasonable cash salary is necessary to enable us to obtain and retain the services of highly-skilled executives. We believe that a reasonable salary is a component of a well-rounded compensation program.

**Annual Bonus.** We believe that an annual cash bonus provides a means to measure and, if appropriate, reward elements of corporate performance that are closely related to the efforts of executives. Under the Summary Compensation Table following this section, the annual bonus is reported in the column labeled "Non-Equity Incentive Plan Compensation" rather than in the "Bonus" column. This reporting reflects that the annual cash bonus has pre-established and generally non-discretionary goals that determine whether any amount will be paid. Under the Summary Compensation Table, the "Bonus" column is used for discretionary payments without pre-established goals. We refer to our annual cash incentive program as a bonus program.

Because salaries alone would not be sufficient to reach a reasonable level of potential cash compensation to properly compensate key executives, we believe it is appropriate and necessary to make bonus payments in cash on an annual basis when earned. We choose to pay bonuses in cash rather than stock because we anticipate that executives would use this payment to supplement their salaries. Also, if the annual bonus were paid in stock, the total compensation package might be overweighted in stock. Consequently, executives might discount the future value of the benefit from the stock, which could put us at a competitive disadvantage. The annual bonus as a percentage of an executive's total potential cash compensation generally increases with the level and responsibilities of the executive.

**Long-term Incentive – Restricted Stock Purchase Plan.** We provide a long-term incentive compensation program that is based on our stock through the use of a restricted stock purchase plan. For stockholders, the long-term value of our stock is the most important aspect of our performance. The price of our stock is the principal factor in stockholder value over time. The value of a restricted share is tied directly and primarily to the ultimate fair value of our stock. Restricted stock is a means of aligning financial interests of executives and stockholders.

We believe that stock-based incentives through the restricted stock purchase plan ensure that our top officers have a continuing stake in our long term success. We maintain the 2004 Restricted Stock Purchase Plan to provide executives with opportunities to acquire our Class B Common Stock, and our policy is to allow only executive officers and key employees to participate.

**Employee Benefits.** Our executives participate in all of the same employee benefit programs as other employees and on the same basis. These programs are a tax-qualified retirement plan, health and dental insurance, life insurance and disability insurance. Our only active retirement plan for U.S. employees is a 401(k) plan in which executives participate on the same basis as other employees. Additionally, we make a matching contribution to the 401(k) plan. The amount of the matching contribution depends on the percentage of their own compensation, up to IRS limits, that each executive chooses to defer in the 401(k) plan. In 2009, the amount of our matching contributions for the named executive officers ranged from \$7,769 to \$8,250 as shown in the "All Other Compensation" column on the Summary Compensation Table following this section.

**Perquisites.** We provide perquisites only for our chief executive officer, Mr. Smith, which consists of a bi-annual reimburse of up to \$10,000 related to direct medical costs and up to \$150 per month for home and wireless internet charges.

#### **Key Factors in Determining Compensation**

**Performance Measures.** The annual bonus has been measured principally on our earnings before interest, income taxes, depreciation and amortization ("EBITDA"). All of our executives have the same EBITDA target for their annual bonus. EBITDA is used because we believe that it represents the best measurement of our operating earnings. The annual bonus is intended to be paid primarily based on actions taken and decisions made during that fiscal year. Interest, income taxes, depreciation and amortization are excluded because those items can significantly reflect our long-term decisions on capital structure and investments rather than annual decisions. We believe it is appropriate to determine bonuses based on our EBITDA, which measures our performance as an entity, particularly considering there is no public market for our stock. Because EBITDA for performance purposes is intended to reflect operating earnings, our board of directors may make adjustments in the calculation of EBITDA to reflect extraordinary events.

The bonus based on EBITDA is measured on an annual basis. The use of annual targets fits with our annual business plan and allows us to measure the executive group's performance against targets which we believe can be set in a reasonable manner.

The estimated fair value of our stock is used for all long-term incentive purposes through the restricted stock purchase plan. We often estimate the value of our restricted stock by obtaining a valuation by an accredited firm.

We have not had the need to establish a policy for the adjustment or recovery of awards or payments when the relevant performance measures are restated or adjusted in a way that would reduce the size of the award or payment. The board of directors has the discretion to waive or reduce a performance goal but this authority has been used infrequently.

**Individual Executive Officers.** For compensation setting purposes, each named executive officer is considered individually, however, the same considerations apply to all executives. In setting salary, the primary factors are the scope of the officer's duties and responsibilities, the officer's performance of those duties and responsibilities, the officer's tenure with us, and a general evaluation of the competitive market conditions for executives with the officer's experience.

For the named executive officers and other executives, annual bonus potential is set as a percentage of salary. The percentage of salary amounts used for this purpose reflects the officer's duties and responsibilities. The same measurement, EBITDA, is used for all officers and executives to encourage them to focus on the same company goals. In setting the salary and bonus potential, we look at total potential cash compensation for reasonableness and for internal pay equity.

We have not looked specifically at amounts realizable from prior year's compensation in setting compensation for the current year. We believe that the amount of compensation for each year should be reasonable for that year.

#### ***Determining the Amount of Each Type of Compensation***

**Roles in Setting Compensation.** Mr. Smith, as Chairman, President and Chief Executive Officer, makes recommendations to the Board of Directors with respect to compensation of executives (including the named executive officers) other than himself for each of the Company's compensation elements. The Board of Directors reviews, and in some cases revises, the salary and bonus potential recommendations for these executives. The Board of Directors makes the determination about all restricted stock issuances.

The Board of Directors makes an independent determination with respect to the compensation for Mr. Smith as Chairman, President and Chief Executive Officer. This determination involves all elements of his compensation. Mr. Smith's employment agreement establishes the minimum salary and bonus potential.

**Timing of Compensation Decisions.** Compensation decisions, including decisions on restricted stock issuances, are generally made periodically by the Board of Directors, typically in March of each year.

**Salary.** We intend for the salary levels of our executives to be in the competitive market range but do not engage in a formal market analysis. Executives are generally considered for salary adjustments annually.

**Bonus.** Cash bonus opportunities are established annually in accordance with our incentive plan. The amount of annual bonuses earned or unearned is not a major factor in base salary decisions.

**Restricted Stock.** The restricted stock purchase plan is designed primarily to provide incentives to those executives who have the most potential to impact stockholder value. The restricted stock purchase plan gives consideration to reasonable compensation levels. Generally, the restricted stock is set initially and then periodically reviewed by the Board of Directors.

**Other Compensation.** Other types of compensation, including employee benefits and perquisites, do not impact other compensation decisions in any material way. The employee benefits are changed for executives at the same time and in the same manner as for all other employees.

**Balancing Types of Compensation.** As noted above, we do not maintain any supplemental retirement plans for executives or other programs that reward tenure with us more than our actual performance. Our restricted stock grants are our method of providing a substantial part of an executive's retirement and wealth creation. In contrast, we expect that most executives will use their salary and annual cash bonus primarily for current or short-term expenses. Since the restricted stock plan is our primary contribution to an executive's long-term wealth creation, we determine the size of the restricted stock purchase plan with that consideration in mind. We intend that our executives will share in the creation of value in the Company but will not have substantial guaranteed benefits upon their termination if value has not been created for our stockholders.





### ***Other Matters Related to Compensation***

***Tax and Accounting Considerations.*** We are covered by Internal Revenue Code section 162(m) that may limit the income tax deductibility to us of certain forms of compensation paid to our named executive officers in excess of \$1,000,000 per year. If these limits should become of broader applicability to us, we will consider modifications to our compensation practices, to the extent practicable, to provide appropriate deductibility for compensation payments.

We record the grant date fair value of all stock issued to employees as an expense over the related vesting period. We apply the standards required for share based payments in the accounting for issuances of stock under our 2004 Restricted Stock Purchase Plan.

***Change of Control Triggers.*** We provide a change in control benefit under the 2004 Restricted Stock Purchase Plan, which provides for immediate vesting upon a change in control. Additionally, our employment agreements with Mr. Smith and Mr. Markert and severance agreements with the other named executives, which were effective in January 2010, provide that they will receive certain compensation if they are terminated without cause. (See "Employment Agreements" for a description of compensation and benefits provided to named executives upon termination without cause, including a change in control.) We believe this benefit will help protect stockholders' interests during any negotiations relating to a possible business combination transaction by encouraging our top executives to remain with us through a business combination transaction.

***No Stock Ownership Guidelines.*** We have not adopted any stock ownership requirements or guidelines, but each holder of our restricted stock is subject to the terms of his or her respective stock purchase agreements, the 2004 Restricted Stock Purchase Plan and a stockholders' agreement. We have not adopted any policies about hedging the economic risk of our stock. We believe that no executives have engaged in hedging or similar activities with our stock.

***Compensation Information.*** We have engaged a consultant to conduct a benchmarking study of compensation pricing for all employees, including the named executives. Salary market data was assimilated from various sources for the telecommunication and software industries to ensure compensation ranges were in line with external market pricing. The study was completed in June 2009.

***Management of Compensation Risk.*** Our board of directors has discussed the impact our compensation policies and practices for all of our employees may have on our management of risk and has concluded that our programs do not encourage excessive risk taking. The board considered that the policies have been designed and consistently and effectively applied over a substantial period of time. There is a balance of fixed and variable compensation with both cash and equity components, and employees are required to adhere to the Code of Business Conduct and Ethics.

### ***Fiscal 2009 Compensation***

For the 2009 fiscal year, the compensation of executives was set and administered consistent with the philosophy and policies described above. Because we met our performance objectives for 2009, we awarded annual bonuses to our named executive officers. The salaries and bonuses for the named executive officers are shown on the Summary Compensation Table following this section.

For the named executive officers during the 2009 fiscal year, the potential bonus as a percentage of base salary ranged from 50% to 111%. The 2009 annual expense for restricted stock is shown in the "Stock Awards" column on the Summary Compensation Table following this section. There were no restricted stock sales to named executives in 2009.

The following table sets forth the summary compensation for each of our named executive officers for the years ended December 31, 2007, 2008 and 2009:

**Summary Compensation Table**

Name and Principal Position	Year	Salary (4)	Bonus	Stock Awards	Non-Equity Incentive Plan Compensation (2)	All Other Compensation (1)	Total
Richard A. Smith – Principal Executive Officer, Chairman, Chief Executive Officer and President	2009	\$ 465,231	\$ -	\$ 107	\$ 464,995	\$ 9,385	\$ 939,718
	2008	\$ 216,346	\$ -	\$ 54(3)	\$ 204,948	\$ 134,858	\$ 556,206
William D. Markert – Principal Financial Officer, Chief Financial Officer	2009	\$ 223,269	\$ -	\$ 19	\$ 99,975	\$ 76,437	\$ 399,700
	2008	\$ 99,231	\$ -	\$ 10(3)	\$ 44,064	\$ 39,437	\$ 182,742
Dennis J. Reinhold - Vice President, General Counsel and Secretary	2009	\$ 223,269	\$ -	\$ 1,207	\$ 99,975	\$ 7,769	\$ 332,220
	2008	\$ 215,000	\$ 1,000	\$ 4,082(3)	\$ 88,128	\$ 6,480	\$ 314,690
	2007	\$ 203,616	\$ 100,000(5)	\$ 5,569	\$ -	\$ 7,750	\$ 316,935
Daniel A. Crawford - President, Syscon Justice Systems	2009	\$ 269,462	\$ -	\$ 18	\$ 128,661	\$ 8,250	\$ 406,391
	2008	\$ 224,923	\$ -	\$ 12(3)	\$ 96,940	\$ 6,748	\$ 328,623
	2007	\$ 108,327	\$ -	\$ 3	\$ -	\$ 3,388	\$ 111,718
Robert E. Pickens – Chief Marketing Officer	2009	\$ 223,269	\$ -	\$ 10	\$ 99,975	\$ 51,708	\$ 374,962
	2008	\$ 45,481	\$ -	\$ 3	\$ 22,032	\$ 6,783	\$ 74,299

- (1) Includes the discretionary matching contributions by the Company for our 401(k) savings plan, reimbursed relocation expenses and relocation bonuses of \$55,719 to Mr. Markert and \$40,000 to Mr. Pickens in 2009, and \$100,000 to Mr. Smith and \$19,281 to Mr. Markert in 2008.
- (2) Includes bonuses paid in 2010 for attainment of EBITDA objectives in 2009.
- (3) In 2008, Mr. Smith, Mr. Markert, Mr. Reinhold, Mr. Pickens and Mr. Crawford were awarded 57,073 shares, 11,415 shares, 10,273 shares, 5,707 shares and 5,707 shares, respectively.
- (4) 2009 salaries included 27 bi-weekly pay periods compared to 26 in 2008.
- (5) Bonus paid in July 2007 related to the consummation of the Syscon acquisition in June 2007.

The following table represents outstanding equity awards, or restricted stock grants that were unvested as of December 31, 2009:

Name	Outstanding Equity Awards at December 31, 2009			
	Number of Shares That	Market Value Of Shares That	Equity Incentive Plan Awards: Number of Unearned Shares	Market or Payout
			That Have Not Vested(1)(b)	Value of Unearned Shares That Have Not Vested(2)
	Have Not Vested (1)(a)	Have Not Vested(2)		
Richard A. Smith	17,835	178	23,186	232
William D. Markert	2,378	24	6,182	62
Dennis J. Reinhold	2,226	22	5,652	57
Daniel A. Crawford	1,237	12	3,141	31
Robert E. Pickens	1,287	13	3,189	32
Totals	24,963	\$ 249	41,350	\$ 414

- (1) All shares were purchased by the executives for \$.01 per share. Restricted stock vests (a) ratably over a period or periods, or (b) based upon either a change in control of the Company or performance criteria as provided in the related restricted stock purchase agreement.
- (2) Assumes a market value of \$.01 per share, which we estimated to be the fair value of the stock as of the last grant date.

The following table details the Class B restricted stock shares and the fair value of stock-based compensation to our directors and named executive officers for the year ended December 31, 2009:

<u>Name</u>	<u>Number of Shares Vested</u>	<u>Value Realized On Vesting(1)</u>
Richard A. Smith	16,052	\$ 161
William D. Markert	2,854	29
Dennis J. Reinhold	2,401	24
Daniel A. Crawford	1,334	13
Robert E. Pickens	1,231	12
James Neal Thomas	4,183	42
Totals	28,055	\$ 281

(1) The fair value is representative of the most recent fair value of \$.01 per share times the number of shares vested during 2009. None of the directors or named executive officers received cash or other property as their restricted shares vested. Because of the transfer restrictions on our Class B Common Stock, the holders of such shares cannot freely transfer them.

### Employment Agreements

On June 11, 2008, we entered into an employment agreement with Richard A. Smith to appoint him as our President and Chief Executive Officer. The employment contract extends through July 1, 2012 and provides that Mr. Smith will receive (i) a minimum base salary of \$450,000 per year; (ii) the potential to earn an annual bonus of \$500,000, which is earned upon achievement of objectives mutually agreed upon by Mr. Smith and our board of directors each year; (iii) eligibility to receive restricted stock shares of the Company's Class B common stock; and (iv) other benefits, such as life and health insurance, paid vacation, and reimbursement of business expenses. Additionally, in 2008 Mr. Smith received a one-time bonus of \$100,000 in conjunction with the sale of his primary residence and reimbursement of his moving expenses. Mr. Smith will also receive a \$200,000 bonus payable at the end of the contract term.

Mr. Smith reports directly to the board of directors and must secure the board's written consent before consulting with any other entity or gaining more than a 5% ownership interest in any enterprise other than ours, unless such ownership interest will not have a material adverse effect upon his ability to perform his duties under this agreement. We may terminate Mr. Smith's employment for cause, in which case we will pay him any base salary accrued or owing to him through the date of termination, less any amounts he owes to us. We may also terminate Mr. Smith's employment without cause or Mr. Smith may terminate his own employment due to the occurrence of events constituting constructive discharge. If Mr. Smith is terminated without cause or is constructively discharged, including upon a change of control, we will pay Mr. Smith an amount equal to (i) the lesser of (1) two times his annual base salary or (2) the amount of remaining base salary that would have been payable to him from the date of such termination of employment through the agreement expiry date provided that amount is not less than Mr. Smith's base annual salary, plus (ii) the benefits which were paid to him in the year prior to the year in which his employment was terminated, plus (iii) a pro-rated bonus for the year in which Mr. Smith's employment was terminated.

During Mr. Smith's employment and for the two-year period immediately following the expiration or earlier termination of the employment period, Mr. Smith is prohibited from competing with us anywhere in the United States, including locations in which we currently operate and plan to expand, and must abide by customary covenants to safeguard our confidential information.

In 2008, we entered into an employment agreement with William D. Markert to appoint him as our Chief Financial Officer. The employment contract extends through July 1, 2012 and provides that Mr. Markert will receive (i) a minimum base salary of \$215,000 per year; (ii) the potential to earn an incentive bonus of \$107,000, which is earned upon achievement of objectives determined by our board of directors each year; (iii) eligibility to receive restricted stock shares of the Company's Class B common stock; and (iv) other benefits, such as life and health insurance, paid vacation, and reimbursement of business expenses. Additionally, Mr. Markert received a one-time bonus of \$75,000 in conjunction with the sale of his primary residence and reimbursement of his moving expenses. If Mr. Markert is terminated without cause, including upon a change in control, he will be entitled to receive up to twelve months of compensation and benefits from the effective date of his termination.

In January of 2010 we entered into severance agreements with other named executives, which provide for continued payment of their base salaries and health care benefits for a period of one year from their termination date should they be terminated without cause, including a change in control.

#### 2004 Restricted Stock Purchase Plan

We have a 2004 Restricted Stock Purchase Plan under which our employees may purchase shares of our Class B common stock. In August 2008, we authorized an additional 65,000 shares of Class B Common Stock. In September, 2008, we filed a Third Amended and Restated Certificate of Incorporation which authorized 165,000 shares of Class B common stock for issuance. Our board of directors administers the restricted stock purchase plan.

On March 25, 2009, we filed a Fourth Amended and Restated Certificate of Incorporation, which authorized 175,000 shares of Class B Common Stock for issuance. All issued shares of Common Stock are entitled to vote on a one share/one vote basis. The Restricted Stock Purchase Plan is designed to serve as an incentive to attract and retain qualified and competent employees. The per share purchase price for each share of restricted stock is determined by our board of directors. Generally, restricted stock will vest based on performance criteria, ratably over a period or periods, or upon a change of control of the Company, as provided in the related restricted stock purchase agreements and the plan.

#### Director Compensation

Except for Messrs. McCarthy and Thomas, our directors receive no compensation for serving on the board; however, they receive reimbursement of reasonable expenses incurred in attending meetings. In June 2009, Mr. McCarthy resigned from the Audit Committee and board of directors of the Company. Mr. McCarthy received \$48,750 for serving on the board and Audit Committee in 2009. Mr. Thomas receives \$74,000 annually for serving on the board and as the Audit Oversight Director. Additionally, Mr. Thomas and Mr. McCarthy each purchased 1,335 shares of restricted stock for \$10.00 per share and 4,561 shares of restricted stock for \$.01 per share in 2006 and 2008. No shares were purchased during 2007 and 2009. Our outside director compensation for the year ended December 31, 2009 is as follows:

Name	Fees Earned or Paid		Stock Awards	Total Compensation
	In Cash			
James Neal Thomas	\$ 74,000	\$ 8	\$ 74,008	
Jack McCarthy	\$ 48,750	\$ 8	\$ 48,758	

(1) Our only equity compensation plan is our 2004 restricted stock plan which has been approved by shareholders. As of December 31, 2009, there were 175,000 shares authorized under the plan.

**ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS**

The following sets forth certain information, as of March 1, 2010, with respect to the beneficial ownership of shares of our common stock by:

- each person who is known to us to beneficially own more than 5% of the outstanding shares of common stock;
- each of our directors;
- each of the principal executive officer, principal financial officer and the three other most highly compensated executive officers who were serving as executive officers on December 31, 2009; and
- all current directors and executive officers as a group.

There is no established public trading market for our common stock. The number of shares of Common Stock beneficially owned by each person is determined under rules promulgated by the SEC. Under these rules, a person is deemed to have "beneficial ownership" of any shares over which that person has voting or investment power, or shares such power, plus any shares that the person may acquire within 60 days, including through the exercise of stock options. Unless otherwise indicated, each person in the table has sole voting and investment power over the shares listed. The inclusion in the table of any shares does not constitute an admission of beneficial ownership of those shares by the named stockholder. For each person, the "Number of Shares Beneficially Owned" column may include shares of common stock attributable to the person due to that person's voting or investment power or other relationship.

Name and Address of Beneficial Owner (1)	Number of Shares Beneficially Owned (1)			
	Preferred Stock (2)	Common Stock	Class B Common Stock	Percentage of Common Stock (3)
<b>5% Stockholders</b>				
H.I.G.-TNetix, Inc.(4) 1001 Brickell Bay Drive, 27th Floor Miami, Florida 33131	5,081	495		86.93%
AIF Investment Company(4) 1001 Brickell Bay Drive, 27th Floor Miami, Florida 33131	1,558	152		26.66%
<b>Directors</b>				
Richard A. Smith(5)			57,073	4.88%
Anthony A. Tamer(6)	5,081	495		86.93%
Brian D. Schwartz(6)	5,081	495		86.93%
Douglas F. Berman(6)	5,081	495		86.93%
Lewis J. Schoenwetter(6)	5,081	495		86.93%
Sami W. Mnaymneh(6)	5,081	495		86.93%
James Neal Thomas(5)			4,563	*
Rob Wolfson (6)	5,081	495		86.93%
<b>Other Named Executive Officers</b>				
William B. Markert(5)			11,415	*
Dennis J. Reinhold(5)			10,279	*
Robert E. Pickens(5)			5,707	*
Daniel A. Crawford(5)			5,712	*
Directors and executive officers as a group (15 persons) (7)	5,081	495	125,290	97.65%

\* Denotes less than 1%

(1) Unless otherwise indicated, the address of each beneficial owner listed above is c/o Securus Technologies, Inc., 14651 Dallas Parkway, Suite 600, Dallas, Texas 75254-8815

- (2) The Series A Redeemable Convertible Preferred Stock converts into 200 shares of Common Stock, as adjusted for certain events.
- (3) Represents the aggregate ownership of our Common Stock and Class B Common Stock on a fully diluted basis. Calculated based on 149,353 shares of Common Stock and Class B Common Stock outstanding as of March 1, 2010, giving effect to immediately exercisable options and warrants to purchase an aggregate of 51,011 shares of Common Stock granted in connection with our senior subordinated debt financing and conversion of preferred stock.
- (4) Includes an aggregate of 152 shares of Common Stock and 1,558 shares of preferred stock beneficially owned by AIF Investment Company. AIF Investment Company is wholly-owned by H.I.G.-TNetix. Mr. Tamer currently serves as a director and officer of H.I.G.-TNetix, Inc.
- (5) Represents shares of Class B Common Stock issued in connection with our 2004 Restricted Stock Purchase Plan.
- (6) Represents shares beneficially owned by H.I.G.-TNetix, Inc. and AIF Investment Company. H.I.G. Capital Partners III, L.P. is the controlling stockholder of H.I.G.-TNetix, Inc. and H.I.G. — TNetix is the controlling stockholder of AIF Investment Company. Mr. Tamer is a member of H.I.G. Advisors III, L.L.C., the general partner of H.I.G. Capital Partners III, L.P., the ultimate parent entity of H.I.G.-TNetix, Inc. and AIF Investment Company. Messrs. Tamer, Schwartz, Wolfson, Mnaymneh, Berman and Schoenwetter may, by virtue of their respective relationships with either H.I.G.-TNetix, Inc., AIF Investment Company or H.I.G. Capital, L.L.C., be deemed to beneficially own the securities held by H.I.G.-TNetix, Inc. and AIF Investment Company, and to share voting and investment power with respect to such securities. Each of Messrs. Tamer, Schwartz, Wolfson, Mnaymneh, Berman and Schoenwetter disclaim beneficial ownership of the securities beneficially owned by H.I.G.-TNetix and AIF Investment Co. The address of each of Messrs. Tamer, Schwartz, Wolfson, Mnaymneh, Berman and Schoenwetter is c/o H.I.G. Capital, LLC, 1001 Brickell Bay Drive, 27th Floor, Miami, Florida 33131.
- (7) Represents (a) 125,290 shares beneficially owned by Richard A. Smith, William B. Markert, Dennis J. Reinhold, Dan A. Crawford, Steve Viefaus, James Neil Thomas, Kathryn S. Lengyel, Danny de Hoyos, Arlin B. Goldberg, Robert E. Pickens, Larry Ehlers, Patrick W. Brolsma, Joshua E. Conklin and Byron Cantrall and (b) 495 Common Stock and 5,081 Preferred Stock beneficially owned by H.I.G.-TNetix, Inc. and AIF Investment Company and attributable to each of the Messrs. Tamer, Schwartz, Wolfson, Mnaymneh, Berman and Schoenwetter.





**H.I.G. Capital, LLC Consulting Agreements*****Consulting Services Agreement***

We have a consulting services agreement with H.I.G. pursuant to which H.I.G. is paid an annual fee of \$750,000 for management, consulting and financial advisory services.

***Professional Services Agreement***

We also have a professional services agreement with H.I.G., pursuant to which H.I.G. is paid investment banking fees equal to 2% of the value of any transaction in which we (i) sell all or substantially all of our assets or a majority of our stock, (ii) acquire any other companies, or (iii) secure any debt or equity financing. In connection with the refinancing of our revolving credit facility (See Note 5), H.I.G. received a professional service fee equal to 2% of the transaction value, or \$0.8 million, in 2008. No professional service fee was paid in 2009.

**Management**

Certain of our directors are affiliated with H.I.G. Mr. Tamer and Mr. Mnaymneh are managing partners of H.I.G. and Mr. Berman, Mr. Schwartz, Mr. Wolfson and Mr. Schoenwetter are managing directors of H.I.G.

**ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES****Audit Fees**

The following table represents the aggregate fees paid or accrued for services rendered by McGladrey & Pullen LLP, our independent registered public accounting firm, for the year ended December 31, 2009 and by KPMG, our previous independent registered public accounting firm, for the year ended December 31, 2008 (in thousands).

	<u>2008</u>	<u>2009</u>
Audit fees	\$ 725	\$ 477
Audit-related fees	-	49
Tax fees	29	-
Total fees	<u>\$ 754</u>	<u>\$ 526</u>

Audit fees consist of fees for the audit of our financial statements, the review of the interim financial statements included in our quarterly reports on Form 10-Q, and other professional services provided in connection with statutory and regulatory filings or engagements. Fees were paid to KPMG LLP related to the audit of our 2008 financial statements and to McGladrey & Pullen LLP related to the audit of our 2009 financial statements.

**Audit-Related Fees**

These are fees for assurance and related services and consisted primarily of audits of employee benefit plans, specific internal control process reviews and consultations regarding accounting and financial reporting. There were no audit-related services provided by our principal accountants in 2008.

**Tax Fees**

Tax fees consist of fees for tax compliance and tax advice services associated with the preparation of original tax returns and requests for technical advice from taxing authorities. Tax services are provided by an outside firm for our tax related matters within the United States and by KPMG LLP Canada for tax services related to our foreign jurisdictions.

**Audit Oversight Director's Pre-approval Policy and Procedures**

The Audit Oversight Director (formerly the Audit Committee) has adopted policies and procedures relating to the approval of all audit and non-audit services that are to be performed by our independent auditor. This policy generally provides that we will not engage our independent auditor to render audit or non-audit services unless the service is specifically approved in advance by the Audit Oversight Director or the engagement is entered into pursuant to one of the pre-approval procedures described below.



From time to time, the Audit Oversight Director may pre-approve specified types of services that are expected to be provided to us by our independent auditor during the next 12 months. Any such pre-approval would be detailed as to the particular service or type of services to be provided and would be generally subject to a maximum dollar amount.

All of our 2009 audit and audit-related services were approved by the Audit Oversight Director pursuant to our Audit Oversight Charter. No other services were provided by our independent auditor that were not approved by the Audit Oversight Director pursuant to the de minimis exception to the pre-approval requirement set forth in paragraph (c)(7)(i)(C) of Rule 2-01 of Regulation S-X.

During fiscal year 2009, the Audit Committee of the board of directors of the Company approved the change in principal accountants. In April of 2009, the Company engaged McGladrey & Pullen, LLP ("McGladrey") as its principal accountant to audit the Company's financial statements. During the two most recent fiscal years ended December 31, 2008 and the subsequent interim period in 2009, the Company had not consulted with McGladrey regarding any of the following: (1) the application of accounting principles to a specified transaction, either completed or proposed; or the type of audit opinion that might be rendered on the Company's financial statements, and neither a written report nor oral advice was provided to the Company that McGladrey concluded was an important factor considered by the Company in reaching a decision as to the accounting, auditing or financial reporting issue, or (2) any matter that was either the subject of a disagreement (as defined in paragraph 304(a)(1)(iv) and the related instructions to Item 304 of Regulation S-K) or a reportable event (as defined in Item 304(a)(1)(v) of Regulation S-K).

During the two most recent fiscal years ended December 31, 2008 and the subsequent interim period in 2009, there were no disagreements between KPMG and the Company on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure which, if not resolved to the satisfaction of KPMG, would have caused it to make a reference to the subject matter of any such disagreement with its report. No reportable events, as defined in Item 304(a)(1)(v) of Regulation S-K, occurred within the Company's two most recent fiscal years ended December 31, 2008 and the subsequent interim period in 2009.

**PART IV****ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES****(a) Index to Consolidated Financial Statements**

- Financial Statements:* The following financial statements and schedules of Securus Technologies, Inc. are included in this report:
1.
    - Consolidated Balance Sheets — As of December 31, 2008 and December 31, 2009.
    - Consolidated Statements of Operations — For the Years Ended December 31, 2007, 2008 and 2009.
    - Consolidated Statements of Stockholders' Deficit — For the Years Ended December 31, 2007, 2008 and 2009.
    - Consolidated Statements of Cash Flows — For the Years Ended December 31, 2007, 2008 and 2009.
    - Notes to Consolidated Financial Statements
  2. *Financial Statement Schedules:* None.
  3. *Exhibits:* The exhibits which are filed with this report or which are incorporated herein by reference are set forth in the Exhibit Index on page 86 which is incorporated herein by reference.

**Signatures**

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, on March 15, 2010.

SECURUS TECHNOLOGIES, INC.

By:           /s/ RICHARD A. SMITH            
 Richard A. Smith,  
*Chairman of the Board, Chief Executive Officer  
 and President*  
*(Principal Executive Officer)*

Pursuant to the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities below on the dates indicated.

<b>Signature</b>	<b>Capacity</b>	<b>Date</b>
<u>          /s/ RICHARD A. SMITH          </u> Richard A. Smith	Chairman, Chief Executive Officer, President, and Director (Principal Executive Officer)	March 15, 2010
<u>          /s/ ANTHONY A. TAMER          </u> Anthony A. Tamer	Director	March 15, 2010
<u>          /s/ BRIAN D. SCHWARTZ          </u> Brian D. Schwartz	Director	March 15, 2010
<u>          /s/ DOUGLAS F. BERMAN          </u> Douglas F. Berman	Director	March 15, 2010
<u>          /s/ LEWIS J. SCHOENWETTER          </u> Lewis J. Schoenwetter	Director	March 15, 2010
<u>          /s/ SAMI W. MNAYMNEH          </u> Sami W. Mnaymneh	Director	March 15, 2010
<u>          /s/ ROB WOLFSON          </u> Rob Wolfson	Director	March 15, 2010
<u>          /s/ JAMES NEAL THOMAS          </u> James Neal Thomas	Director	March 15, 2010
<u>          /s/ WILLIAM D. MARKERT          </u> William D. Markert	Chief Financial Officer (Principal Financial Officer)	March 15, 2010
<u>          /s/ MARY F. CLEAR          </u> Mary F. Clear	Vice President, Corporate Controller (Principal Accounting Officer)	March 15, 2010

**Exhibit Index**

- 2.1 Stock Purchase Agreement, dated April 11, 2007, by and among Securus Technologies, Inc., Appaloosa Acquisition Company, 0787223 B.C. Ltd, and 0787223 B.C. Ltd's sole stockholder, incorporated by reference from Form 8-K filed April 16, 2007.
- 2.1.1 Settlement Agreement, dated November 12, 2008, by and among Securus Technologies, Inc., Syscon Justice Systems Canada, Ltd., 0787223 B.C. Ltd., and 0787223 B.C. Ltd's sole stockholder incorporated by reference from Form 10-Q filed November 14, 2008.
- 2.1.2 Consulting Agreement, dated November 12, 2008, by and among Securus Technologies, Inc., Syscon Justice Systems Canada, Ltd., 0787223 B.C. Ltd., and 0787223 B.C. Ltd's sole stockholder incorporated by reference from Form 10-Q filed November 14, 2008.
- 3.1 Fourth Amended and Restated Certificate of Incorporation of Securus Technologies, Inc., incorporated by reference from Form 10-K filed March 31, 2009.
- 3.2 Amended and Restated Bylaws of Securus Technologies, Inc., incorporated by reference from Form S-4 filed May 16, 2005.
- 3.3 Certificate of Incorporation of T-Netix, Inc., filed on September 7, 2001, as amended, incorporated by reference from Form S-4 filed May 16, 2005.
- 3.4 Bylaws of T-Netix, Inc, incorporated by reference from Form S-4 filed May 16, 2005.
- 3.5 Articles of Incorporation of Telequip Labs, Inc., filed on November 9, 1987, as amended, incorporated by reference from Form S-4 filed May 16, 2005.
- 3.6 Amended and Restated Bylaws of Telequip Labs, Inc., incorporated by reference from Form S-4 filed May 16, 2005.
- 3.7 Articles of Incorporation of T-NETIX Telecommunications Services, Inc., filed on February 11, 1988, as amended, incorporated by reference from Form S-4 filed May 16, 2005.
- 3.8 Bylaws of T-NETIX Telecommunications Services, Inc., incorporated by reference from Form S-4 filed May 16, 2005.
- 3.9 Certificate of Incorporation of Evercom Holdings, Inc., filed on November 25, 2002, as amended, incorporated by reference from Form S-4 filed May 16, 2005.
- 3.10 Bylaws of Evercom Holdings, Inc., incorporated by reference from Form S-4 filed May 16, 2005.
- 3.11 Amended and Restated Certificate of Incorporation of Evercom, Inc., filed on February 19, 2003, incorporated by reference from Form S-4 filed May 16, 2005.
- 3.12 Bylaws of Evercom, Inc., incorporated by reference from Form S-4 filed May 16, 2005.
- 3.13 Certificate of Incorporation of Evercom Systems, Inc., filed on August 22, 1997, as amended, incorporated by reference from Form S-4 filed May 16, 2005.
- 3.14 Bylaws of Evercom Systems, Inc., incorporated by reference from Form S-4 filed May 16, 2005.
- 3.15 Certificate of Incorporation of Syscon Justice Systems Canada Ltd., incorporated by reference from Form S-4 filed August 1, 2007.
- 3.16 Articles of Syscon Justice Systems Canada Ltd., incorporated by reference from Form S-4 filed August 1, 2007.
- 3.17 Articles of Incorporation of Syscon Justice Systems, Inc., incorporated by reference from Form S-4 filed August 1, 2007.
- 3.18 Bylaws of Syscon Justice Systems, Inc., incorporated by reference from Form S-4 filed August 1, 2007.

- 3.19 Articles of Organization of Modeling Solutions LLC incorporated by reference from Form S-4 filed August 1, 2007.
- 3.20 Operating Agreement of Modeling Solutions LLC incorporated by reference from Form S-4 filed August 1, 2007.
- 3.21 Articles of Organization of Modeling Solutions, LLC incorporated by reference from Form S-4 filed August 1, 2007
- 3.22 Operating Agreement of Modeling Solutions, LLC incorporated by reference from Form S-4 filed August 1, 2007.
- 4.1 Form of 11% Second-priority Senior Secured Notes due 2011, incorporated by reference from Form S-4 filed May 16, 2005.
- 4.2 Indenture, dated as of September 9, 2004, by and among Securus Technologies, Inc., T-Netix, Inc., T-NETIX Telecommunications Services, Inc., T-Netix Monitoring Corporation, SpeakeZ, Inc., Telequip Labs, Inc., Evercom Holdings, Inc., Evercom, Inc., EverConnect, Inc., Evercom Systems, Inc., and The Bank of New York Trust Company, N.A., incorporated by reference from Form S-4 filed May 16, 2005.
- 4.2.1 Supplemental Indenture, dated June 27, 2007, by and among Appaloosa Acquisition Company Ltd., T-NETIX, Inc., T-NETIX Telecommunications Services, Inc., Telequip Labs, Inc., Evercom Holdings, Inc., Evercom, Inc., and Evercom Systems, Inc., as guarantors, and The Bank of New York, as trustee, incorporated by reference from Form 8-K filed July 2, 2007.
- 4.2.2 Supplemental Indenture, dated June 29, 2007, by and among Appaloosa Acquisition Company Ltd., Syscon Justice Systems Canada Ltd., Syscon Holdings Ltd., Syscon Justice Systems, Inc., Modeling Solutions, LLC, Modeling Solutions LLC, and The Bank of New York, as trustee, incorporated by reference from Form S-4 filed August 1, 2007.
- 4.3 Amended and Restated Security Agreement, dated June 29, 2007, by and among Appaloosa Acquisition Company Ltd., Modeling Solutions, LLC, Modeling Solutions LLC, Syscon Justice Systems International Pty Limited, Syscon Justice Systems International Limited, Syscon Justice Systems Canada Ltd., and Syscon Justice Systems, Inc., as guarantors, and The Bank of New York Trust Company, N.A., incorporated by reference from Form S-4 filed August 1, 2007.
- 4.3.1 Supplement to Amended and Restated Security Agreement, dated June 29, 2007, incorporated by reference from Form S-4 filed August 1, 2007.
- 4.4 Amended and Restated Patent Security Agreement, dated June 29, 2007, by and among Securus Technologies, Inc., T-Netix, Inc., T-NETIX Telecommunications Services, Inc., Telequip Labs, Inc., Evercom Holdings, Inc., Evercom, Inc., Evercom Systems, Inc., Modeling Solutions, LLC, Modeling Solutions LLC, Syscon Justice Systems, Inc., and The Bank of New York Trust Company, N.A., incorporated by reference from Form S-4 filed August 1, 2007.
- 4.5 Amended and Restated Copyright Security Agreement, dated June 29, 2007, by and among Securus Technologies, Inc., T-Netix, Inc., T-NETIX Telecommunications Services, Inc., Telequip Labs, Inc., Evercom Holdings, Inc., Evercom, Inc., Evercom Systems, Inc., Modeling Solutions, LLC, Modeling Solutions LLC, Syscon Justice Systems, Inc., and The Bank of New York Trust Company, N.A., incorporated by reference from Form S-4 filed August 1, 2007.
- 4.6 Amended and Restated Trademark Security Agreement, dated June 29, 2007, by and among Securus Technologies, Inc., T-Netix, Inc., T-NETIX Telecommunications Services, Inc., Telequip Labs, Inc., Evercom Holdings, Inc., Evercom, Inc., Evercom Systems, Inc., Modeling Solutions, LLC, Modeling Solutions LLC, Syscon Justice Systems, Inc., and The Bank of New York Trust Company, N.A., incorporated by reference from Form S-4 filed August 1, 2007.
- 4.7 Amended and Restated Pledge Agreement, dated June 29, 2007, by and among Appaloosa Acquisition Company Ltd., Syscon Justice Systems, Inc., and T-Netix, Inc., Evercom Holdings, Inc., Evercom, Inc., incorporated by reference from Form S-4 filed August 1, 2007.
- 4.7.1 Supplement No. 1 to Amended and Restated Pledge Agreement, dated June 29, 2007, incorporated by reference from Form S-4 filed August 1, 2007.
- 4.8 Credit Agreement, dated September 30, 2008, among Securus Technologies, Inc., as Parent and as a Borrower, certain subsidiaries of Parent party thereto, as Borrowers, the lenders from time to time parties thereto, and Wells Fargo Foothill, LLC, as the Arranger, Administrative Agent and lender, incorporated by reference from Form 8-K

- filed October 7, 2008.
- 4.9 General Continuing Guaranty, dated September 30, 2008, by and between Wells Fargo Foothill, LLC and Syscon Justice Systems Canada Ltd., incorporated by reference from Form 8-K filed October 7, 2008.
- 4.10 Security Agreement, dated September 30, 2008, among Wells Fargo Foothill, LLC, Securus Technologies, Inc., T-Netix, Inc., Telequip Labs, Inc., T-Netix Telecommunications Services, Inc., Evercom Holding, Inc., Evercom, Inc., Evercom Systems, Inc., Modeling Solutions LLC, Modeling Solutions, LLC, and Syscon Justice Systems, Inc., incorporated by reference from Form 8-K filed October 7, 2008.
- 4.11 Security Agreement, dated as of September 30, 2008, between Wells Fargo Foothill, LLC and Syscon Justice Systems Canada Ltd., incorporated by reference from Form 8-K filed October 7, 2008.
- 4.12 Trademark Security Agreement, dated September 30, 2008, among Wells Fargo Foothill, LLC, Securus Technologies, Inc., T-Netix, Inc., Telequip Labs, Inc., T-Netix Telecommunications Services, Inc., Evercom Holding, Inc., Evercom, Inc., Evercom Systems, Inc., Modeling Solutions LLC, Modeling Solutions, LLC and Syscon Justice Systems, Inc., incorporated by reference from Form 8-K filed October 7, 2008.
- 4.13 Copyright Security Agreement, dated September 30, 2008, among Wells Fargo Foothill, LLC, Securus Technologies, Inc., T-Netix, Inc., Telequip Labs, Inc., T-Netix Telecommunications Services, Inc., Evercom Holding, Inc., Evercom, Inc., Evercom Systems, Inc., Modeling Solutions LLC, Modeling Solutions, LLC and Syscon Justice Systems, Inc., incorporated by reference from Form 8-K filed October 7, 2008.
- 4.14 Patent Security Agreement, dated September 30, 2008, among Wells Fargo Foothill, LLC, Securus Technologies, Inc., T-Netix, Inc., Telequip Labs, Inc., T-Netix Telecommunications Services, Inc., Evercom Holding, Inc., Evercom, Inc., Evercom Systems, Inc., Modeling Solutions LLC, Modeling Solutions, LLC and Syscon Justice Systems, Inc., incorporated by reference from Form 8-K filed October 7, 2008.
- 4.15 Trademark Security Agreement, dated as of September 30, 2008, between Wells Fargo Foothill, LLC and Syscon Justice Systems Canada Ltd., incorporated by reference from Form 8-K filed October 7, 2008.
- 4.16 Copyright Security Agreement, dated as of September 30, 2008, between Wells Fargo Foothill, LLC and Syscon Justice Systems Canada Ltd., incorporated by reference from Form 8-K filed October 7, 2008.
- 4.17 Patent Agreement, dated as of September 30, 2008, between Wells Fargo Foothill, LLC and Syscon Justice Systems Canada Ltd., incorporated by reference from Form 8-K filed October 7, 2008.
- 4.18 Subordination and Intercreditor Agreement, dated as of September 9, 2004, by and among Laminar Direct Capital, L.P., Securus Technologies, Inc., T-Netix, Inc., T-NETIX Telecommunications Services, Inc., T-Netix Monitoring Corporation, SpeakeEZ, Inc., Telequip Labs, Inc., Evercom Holdings, Inc., Evercom, Inc., EverConnect, Inc., Evercom Systems, Inc., and The Bank of New York Trust Company, N.A., incorporated by reference from Form S-4 filed May 16, 2005.
- 4.18.1 First Amendment to Subordination and Intercreditor Agreement, dated as of June 29, 2007, by and among Laminar Direct Capital, L.P., Securus Technologies, Inc., T-Netix, Inc., T-NETIX Telecommunications Services, Inc., Telequip Labs, Inc., Evercom Holdings, Inc., Evercom, Inc., Evercom Systems, Inc., Syscon Justice Systems, Inc., Modeling Solutions, LLC, Modeling Solutions LLC, and The Bank of New York Trust Company, N.A., incorporated by reference from Form S-4 filed August 1, 2007.
- 4.19 Amended and Restated Intercreditor Agreement, dated as of September 30, 2008, by and among Wells Fargo Foothill, LLC, as Intercreditor Agent, The Bank of New York Mellon Trust Company, N.A., as Trustee, Securus Technologies, Inc., and certain subsidiaries of Securus Technologies, Inc. incorporated by reference from Form 10-Q filed November 14, 2008.
- 4.20 Note Purchase Agreement, dated as of September 9, 2004, by and among Securus Technologies, Inc., T-Netix, Inc., Telequip Labs, Inc., T-Netix Telecommunications Services, Inc., SpeakeEZ, Inc., T-Netix Monitoring Corporation, Evercom Holding, Inc., Evercom, Inc., Evercom Systems, Inc., FortuneLinX, Inc., and Everconnect, Inc. and Laminar Direct Capital L.P., incorporated by reference from Form 10-K/A filed September 13, 2006.
- 4.20.1 June 2007 Amendment to Note Purchase Agreement, dated June 29, 2007, by and among Securus Technologies, Inc., T-Netix, Inc., Telequip Labs, Inc., T-Netix Telecommunications Services, Inc., Evercom Holding, Inc., Evercom, Inc., Evercom Systems, Inc., Appaloosa Acquisition Company Ltd., Modeling Solutions, LLC, Modeling



- Solutions LLC, Syscon Justice Systems International Pty Limited, Syscon Justice Systems International Limited, Syscon Justice Systems Canada Ltd., Syscon Justice Systems, Inc., and Laminar Direct Capital L.P., incorporated by reference from Form 8-K filed July 2, 2007.
- 4.21 Form of 11% Second-priority Senior Secured Notes due 2011, incorporated by reference from Form S-4 filed August 1, 2007.
- 4.22 Security Agreement, dated June 29, 2007, by and among Appaloosa Acquisition Company Ltd., Syscon Justice Systems Canada Ltd., Syscon Holdings Ltd., and The Bank of New York, as trustee, incorporated by reference from Form S-4 filed August 1, 2007.
- 4.23 Pledge Agreement, dated June 29, 2007, by and among Appaloosa Acquisition Company Ltd., Syscon Justice Systems Canada Ltd., and Syscon Holdings Ltd., and The Bank of New York, as trustee, incorporated by reference from Form S-4 filed August 1, 2007.
- 4.24 Trademark Security Agreement, dated June 29, 2007, by and among Appaloosa Acquisition Company Ltd., Syscon Justice Systems Canada Ltd., Syscon Holdings Ltd., a British Columbia corporation and The Bank of New York, as trustee, incorporated by reference from Form S-4 filed August 1, 2007.
- 4.25 Copyright Security Agreement, dated June 29, 2007, by and among Appaloosa Acquisition Company Ltd., Syscon Justice Systems Canada Ltd., Syscon Holdings Ltd., and The Bank of New York, as trustee, incorporated by reference from Form S-4 filed August 1, 2007.
- 10.1 Stockholders Agreement, dated September 9, 2004, by and among Securus Technologies, Inc., H.I.G.-TNetix, Inc., T-Netix, Inc., American Capital Strategies, Ltd., Laminar Direct Capital, L.P., and each of the other investors then or thereafter set forth on the signature pages thereto, incorporated by reference from Form S-4 filed May 16, 2005.
- 10.2 Amended and Restated Consulting Services Agreement, dated as of September 9, 2004, among T-Netix, Inc., Evercom Systems, Inc. and H.I.G. Capital, L.L.C, incorporated by reference from Form S-4 filed May 16, 2005.
- 10.2.1 First Amendment to Amended and Restated Consulting Services Agreement, dated as of September 30, 2008, among T-Netix, Inc., Evercom Systems, Inc. and H.I.G. Capital, LLC, incorporated by reference from Form 8-K filed October 7, 2008.
- 10.3 Amended and Restated Professional Services Agreement, dated as of September 9, 2004, by and between T-Netix, Inc., Evercom Systems, Inc., and H.I.G. Capital, LLC, incorporated by reference from Form S-4 filed May 16, 2005.
- 10.3.1 First Amendment to Amended and Restated Professional Services Agreement, dated as of September 30, 2008, among T-Netix, Inc., Evercom Systems, Inc. and H.I.G. Capital, LLC, incorporated by reference from Form 8-K filed October 7, 2008.
- 10.4 Office Lease Agreement, dated as of November 8, 2004, by and between T-Netix, Inc. and the Prudential Insurance Company of America, incorporated by reference from Form 10-Q filed August 15, 2005.
- 10.4.1 First Amendment to the Office Lease Agreement, dated as of November 19, 2004, by and between T-Netix, Inc. and the Prudential Insurance Company of America, incorporated by reference from Form 10-Q filed August 15, 2005.
- 10.5 2004 Restricted Stock Purchase Plan, incorporated by reference from Form 10-Q filed November 14, 2006.
- 10.6 Fourth Amendment to 2004 Restricted Stock Purchase Plan and Stockholder Consent, increasing authorized shares under the plan, incorporated by reference from Form 10-K filed March 31, 2009.
- 10.7 Employment Agreement, dated June 11, 2008, by and between Securus Technologies, Inc. and Richard A. Smith, incorporated by reference from Form 8-K filed June 13, 2008.
- 10.8 Restricted Stock Purchase Agreement, dated June 23, 2008, by and between Securus Technologies, Inc and Richard A. Smith, incorporated by reference from Form 8-K filed June 13, 2008.
- 10.9 Employment Agreement, dated June 20, 2008, by and between Securus Technologies, Inc. and William D. Markert, incorporated by reference from Form 8-K filed June 24, 2008.
- 10.10 Restricted Stock Purchase Agreement, dated June 30, 2008, by and between Securus Technologies, Inc and William

D. Markert, incorporated by reference from Form 8-K filed June 24, 2008.

- 14.1\* Securus Code of Ethics
- 21.1\* Schedule of Subsidiaries of Securus Technologies, Inc.
- 23.1\* Consent of KPMG LLP
- 23.2\* Consent of McGladrey & Pullen LLP
- 31.1\* Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley of 2002.
- 31.2\* Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley of 2002.
- 32.1\* Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley of 2002.
- 32.2\* Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley of 2002.

\* Filed herewith.



# Table of Contents

---

Table of Contents .....	1
Appendix A: Investigative Tools .....	2
Appendix B: Secure Call Platform Screen Shots.....	26
Appendix C: Continuous Voice Verification .....	65
Appendix D: Preliminary Project Plan.....	68
Appendix E: Facility Portal.....	69
Appendix F: Secure Call Platform Reports.....	90
Appendix G: California Public Utilities Commission Certificate .....	120
Appendix H: Letters of Reference .....	139
Appendix I: Certificate of Insurance .....	139
Appendix J: Cara Clinicals Medical Software .....	139
Appendix K: Addenda .....	150



## Appendix A: Investigative Tools

---

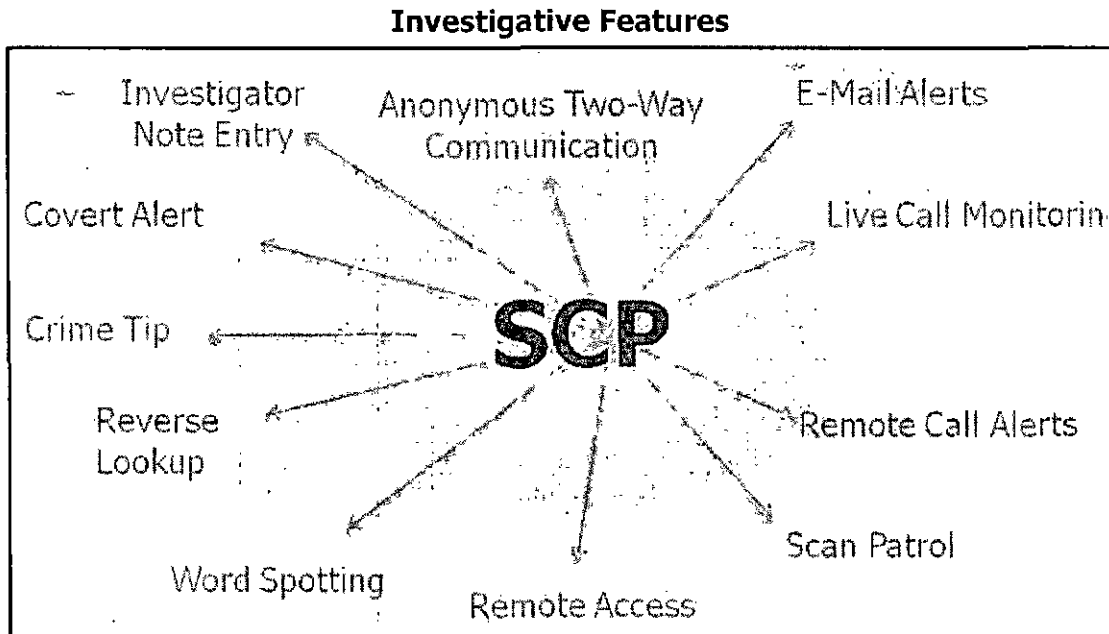
Securus' SCP provides industry-leading investigative technology through our patented technology. Securus will provide these investigative tools, including call monitoring and recording, for every phone call made from an inmate phone and from phones in social visit areas. Authorized personnel can selectively disable or place limits on individual telephones within the SCP system using the SCP user interface.

It is no longer enough to just process phone calls through an ITS. As such, Securus has the largest documented investment in new technologies through its annual capital expenditure and Patent portfolio. Securus' SCP provides the following investigative solutions, fully integrated and inherent in the SCP system.

In addition to the investigative solutions inherent in the SCP system, Securus can provide additional investigative tools, such as continuous voice verification and call analytics compatible with Cellebrite UFED.

Our goal is to provide San Diego County with the best ITS, the best service, and the most sophisticated investigative platform in the industry. The Securus SCP includes more than 500 distinct features, many of which are specifically designed to identify potential criminal activity perpetrated through use of the inmate telephones. Examples of our investigative features that increase our customers' potential to prevent crime are presented in the following figure.

## Appendix A: Investigative Tools



The following descriptions are provided for the features that aid in identifying potential criminal activity perpetrated through the use of the inmate telephones.

### Threads

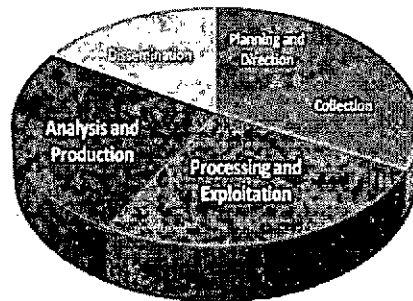
Securus is proud to introduce our new automated investigative analyst called Threads, exclusive to Securus and not available from any other provider.

*Fuel your investigations with the power of Threads!*

*"Major intelligence failures are usually caused by failures of analysis, not failures of collection"*  
- Richard Heuer Jr. - CIA Analyst and author of *Psychology of Intelligence Analysis*

Securus understands the lifecycle of intelligence and investigating communications data and the challenges investigators, detectives, and corrections facility staff face in both time and resources:

- Pulling reports
- Exporting information
- Sending information to someone else



## Appendix A: Investigative Tools

- Contacting other facilities for information
- Combining all the information together
- Receiving information in many different formats
- The daunting task of identifying suspicious behavior in the information provided to uncover focused leads

Even when key information is gathered, investigators have to determine where all of the data will go as well as the time consuming method of analysis, which can take hours for each individual event.

What if you had a 24x7 analyst that you didn't have to provide a salary to or benefits? How much time and money would be saved? What if you had a sense of liability protection knowing access to the data is controlled, logged, tracked, and available to only authorized users?

With Securus' Threads product San Diego County will have that and more to enhance investigative efforts. The unique algorithms used within Threads were designed by real investigators with many years of experience analyzing communications data and training other investigative units on how to analyze data.

Securus understands that during the course of an investigation, the law enforcement community is inundated with data. Data is coming from different sources in different formats with numerous potential leads that can be followed. Each lead potentially creates many more leads to be followed and so on. We understand investigators are quickly overwhelmed with the amount of information they must analyze as well as the time and resources required to manage, retrieve, and analyze the data to identify those leads that are most likely to uncover important information.

### Various Sources of External Data:

- Confiscated cell phones (calls, text messages, emails, videos, contacts, etc...)
- Public phone records
- Events and places of interest
- Mail
- Lexus Nexus
- SS7 information

### Corrections Information:

- Inmate call records
- Inmate personal information (name, account number, PIN, DOB, SSN, etc...)
- Who the inmate is allowed to call vs. who they actually called
- Called party billing name and address information
- Corrections facility information in proximity to calling behaviors

## Appendix A: Investigative Tools

All corrections data (call records, phone numbers, billing name and address, etc) is automatically and fully integrated with Threads the moment Threads is enabled. All other sources of data are imported into Threads and analyzed together to automatically build an investigation.

For example, Threads will uncover calling patterns that lead to a high probability an inmate has a cell phone. That cell phone is confiscated and the information pulled from it using a Cellebrite UFED device or something similar. This information is then uploaded into Threads and that valuable data is then analyzed along with the corrections communication data to uncover an inmate's plot to escape or run an organized crime syndicate from inside the facility. After determining a suspect on the outside of the facility and mapping out the address, the investigator acquires the public phone records and imports that information into Threads which is again, analyzed with all the other gathered information. This all takes place in one location, with one tool, and is completely integrated with Securus' data.

Securus has the most widely used platform in the industry, with over 1,600 facilities installed, over 850,000 thousand inmates served, literally petabytes of intelligence data, and over 1 million calls processed per day. This valuable data is integrated directly into Threads and at San Diego County's fingertips.

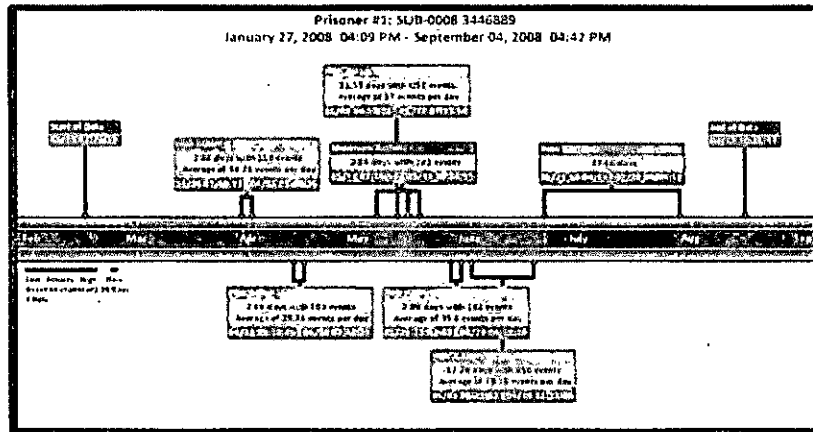
Threads is a powerful, accurate, easy to use, intuitive tool that will automatically analyze investigative data such as inmate communication records, public phone records, and data from confiscated cell phones to automatically generate focused leads for investigators. Leads can include suspicious calling patterns, inner circles, communication events to numbers on a bounce list, associations between multiple inmates, their correlation to called parties, and much more. In addition, this powerful software provides dayroom-based analysis that discovers leads irrespective of the PIN number being used by the inmate and common contact reporting showing inmates who are facilitating communications between different areas of the institution.

San Diego County investigative staff can easily uncover patterns of fraternization between inmates and correctional officers, discover common contacts between inmates and called parties, and customize the information and reporting to filter out irrelevant calls such as girlfriends or legal counsel from analysis.

Additionally, Threads will detect criminal organizations being run from within jail, detect three-way calling patterns when multiple inmates are talking to one called party at the same time, find associations of multiple called parties based on who is calling them, and identify inmates who possibly have a cell phone based on calling patterns. For instance, if an inmate makes six calls per day, every day, but then all the sudden doesn't make any for a week, it is possible they have another form of communication such as a cell phone.

## Activity and Hole Detection

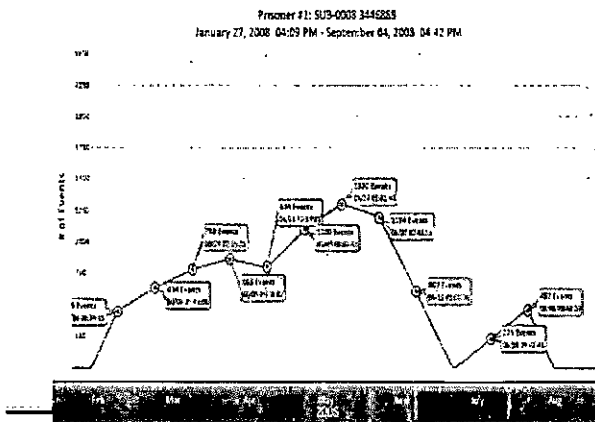
*Proprietary and Confidential*



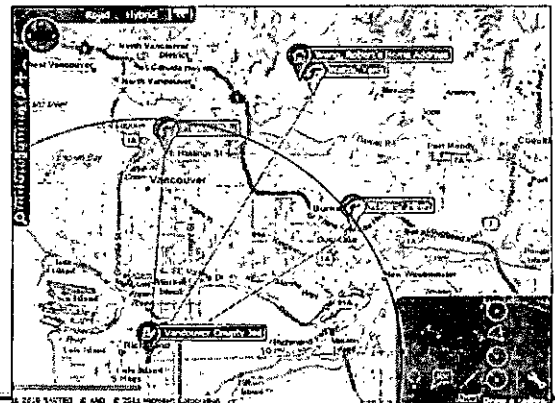
All information is presented graphically as well as textually for ease of use. Timeline charts and graphical analysis make it easy to reveal periods of high-intensity calling and other calling patterns on a graphical and interactive timeline. This technology identifies the inmate even if the calls are masked by another inmate's PIN and eliminates the human intervention by receiving actionable intelligence at the push of a button. Additionally, Threads allows you to set up automated notifications which will e-mail an investigator when information is found.

Threads analyzes data for investigators and provides interactive visualization tools to produce easy-to-understand analytical reports, charts, interactive graphs, maps, and builds a case and presentation view that is used as evidence in a criminal trial as show in the following samples:

### Timelines and Trends



### GIS Mapping



County of San Diego, Sheriff's Department RFP #5337 for  
Detention Facilities — Inmate Telephone Services  
APPENDICES



### Investigative Benefits to San Diego County

San Diego County will realize the following investigative benefits that only Threads can provide:

- Cell Forensics Analysis
- Identify Accomplices
- Offenders contact people on the outside indirectly, Identify who they are 'really' contacting
- Identify linkages
- Identify an offenders inner circle
- Identify associated gang members
- Identify offenders communication within jail
- Find unique patterns in communication data
- Combine all the data into a single system to analyze
- Harvest all of this information with enhanced reporting tools

Securus' Threads is an exclusive offering that no other provider can offer to the correctional industry. Threads is available as an optional product and empowers San Diego County with the latest in investigative technology and one of the most powerful tools in the Intelligence Community.

### Covert Alert

The SCP provides an alert system, called Covert Alert. Covert Alert provides the capability to automatically call, and alert authorized designated County staff and offer live call monitoring.

The following figure illustrates the SCP user interface screen used to configure the alert notification.

## Configuring an Alert Notification

### Secure Call Platform

Facility Routing Numbers: 99001

Covert alerts can be set by PIN, phone, or any dialed number under investigation (here, a dialed number).

Investigators can then easily enter a phone or email address that will receive the alert.

Alert Name	Alert Phone	Alert Email	Alert Location	First Name	Last Name	Status	Pin	Hide Call	Last Updated
						ACTIVE			

Covert Alert bridges a call to an authorized remote number for those dialed numbers, phones, or inmates PIN, that are under surveillance by the investigative unit. Authorized personnel can monitor a call, from any designated remote location, while the call is in progress.

After a dialed number, phone, or inmate PIN, is assigned a “covert” status, the user enters a telephone number (such as cellular, home, or office), which is where he or she wants the call sent to for live monitoring. When a call is placed by an inmate, or to a phone number, or on a phone that has a covert alert trigger, it is then automatically sent to the pre-designated investigator phone number(s). A call can be sent to multiple numbers simultaneously allowing several investigators to listen into the call. In addition, an optional email can also be sent to the investigator, notifying of the Covert Alert information when an alert is triggered.

There are no distance barriers to the retrieval process so the remote telephone number can be located within the facility, or across the country. As an additional benefit, administrators may continue to monitor this call and other calls, through the on-site workstation, while utilizing the SCP user interface, or remote live call-forwarding feature. This allows facility investigators to effectively monitor potential illicit activities regardless of the investigator’s location.

# Appendix A: Investigative Tools

As an added security feature, the investigator will be prompted for a personal identification number (PIN) when he or she receives a call from Covert Alert. The investigator's PIN must be entered and accepted before the call is connected to the investigator.

## "Barge In"

While on the covert alert call, the investigator can terminate the call between the inmate and the called party by pressing a predetermined code. In addition to being able to disconnect the call, the investigator can also barge into the inmate conversation and speak to both the inmate and the called party by pressing a predefined "Barge In" code and confirming that they want to barge in.

## Covert Alert Call Detail Record Report

The Covert Alert Call Detail Record Report allows authorized users to search for calls in which a covert alert was triggered. The report provides comprehensive detail regarding the call. The following figure is an example of the SCP user interface call detail record search used to create a covert alert report.

### Covert Alert Calls Detail Report

#### Secure Call Platform

HOME SYSTEM JAMMER TOLLS ADMIN FACILITY PORTAL

MANAGEMENT LEVEL

Secure Demo Sec. [44 Sites] [44 Sites] [44 Sites] [44 Sites]

Covert Alert Call Detail Records Search

FULL BI SEARCH CRITERIA ( \* indicates Required Fields )

(Use \* for and/or parentheses)

Alerted Country: [ ] Alerted Inmate Number: [ ] Alerted Last Name: [ ] Alerted Last Name: [ ]

Country Code: [ ] Dialed Number: [ ] Custody Account #: [ ] PIN: [ ]

Termination Category: [ ALL ] Call Status: [ ALL ]

Date Criteria: [ Date-Time Range ] Start: 10/01/2010 00:00:00 End: 10/10/2011 23:59:59

[ Search ] [ EXCEL ] [ PDF ] [ CSV ] [ Print ]

17 Results PAGE 1 OF 2

SEC	APP	ALERTED DATED	ALERTED NAME	TEAM/CAT	START	END	CON	STATUS	ACT	CALL	PRO
✓	Secure Demo Sec	10/10/2011	See See	No Investigator Acceptance	09:28:00	09:28:00	41	complete	0922770591	See 28	complete
✓	Secure Demo Sec	10/10/2011	See See	Partial Call Ended	09:25:00	09:25:00	15	complete	0922770591	See 28	complete
✓	Secure Demo Sec	10/10/2011	See See	No Investigator Acceptance	09:27:00	09:27:00	51	complete	0922770591	See 28	complete
✓	Secure Demo Sec	10/10/2011	See See	No Investigator Acceptance	09:28:00	09:28:00	49	complete	0922770591	See 28	complete
✓	Secure Demo Sec	10/10/2011	See See	Covert Alert Error	11:00:00	11:00:00	152	incomplete	0922770591	See 28	incomplete

Covert Alert report results display critical information about each triggered alert such as who was alerted, what happened, call status, call start and end, duration, dialed number and more. By clicking the icon to the left of each record, users can display full call detail information for each call. SCP's Covert Alert feature and reports have assisted in many criminal investigations throughout the country.

## Scan Patrol



## Appendix A: Investigative Tools

Authorized County personnel who are monitoring calls can use our Scan Patrol feature to scan through live calls via the existing live monitoring that is available today. Similar to the scan function on most automobile AM/FM radios, users can enter a specific time for which the system will play each call before moving to the next active call. The scanning will begin from the first active call on the first active port and continue to the next active call, looping back to the first active call when reaching the end.

The following figure presents an example the SCP Scan Patrol page.

### Scanning Live Calls

**Secure Call Platform**

MANAGEMENT | Scan all active calls for a configurable time

Live Monitor

Scanning: 5 Sec. S114 SR :

Forward the call to a remote investigator

Play	Location	Inmate Name	Acct #	Prepaid Acct #	Dialed #	City, St	Fwd	Dur (s)	Priv Watch	Status	Dialed Number	Call Date/Time
14	A1-8	Murphy	22055		859-444-2323	RICHMOND, KY	372			Call in Progress	859-444-2323	8/28/2011 08:54:17
15	D1-7	Wood Banks	15120		859-444-2323	LEXINGTON, KY	420			Call in Progress	859-444-2323	8/28/2011 21:14:02
16	Hard South / 9	Wendell Hill	22067		502-244-8888	LOUISVILLE, KY	722			Call in Progress	502-244-8888	8/28/2011 21:27:53
										Progress	859-444-2323	8/28/2011 21:26:33
										Progress	859-444-2323	8/28/2011 21:24:50
										Progress	859-444-2323	8/28/2011 21:20:32
										Progress	859-444-2323	8/28/2011 21:18:53
										Progress	859-444-2323	8/28/2011 21:17:12

Total Count: 15 Records

Showing calls to 859-444-2323

Listen to the call | Terminate the call | Click the number to see a recent history of calls to this number | Recent history appears here

Active Calls Only | Exit Phones

Terms and Conditions | © 2011 Securus Technologies, Inc. All Rights Reserved.

### Word Spotting

SCP's Word Spotting is an investigative tool that automatically finds specified keywords and short phrases within inmate conversations. This technology speeds up investigations and reduces labor demands, but also increases investigative capabilities.

Securus' Word Spotting solution was developed specifically for the corrections environment. Securus built and tested this technology in our development lab using real calls placed by real inmates with feedback and direction from real investigators.

SCP's Word Spotting features include:

- A default dictionary of more than 7,500 search words that can be customized to meet the facility's needs, including slang and jargon not found in standard dictionaries. As security threat groups expand their code word vocabulary and new intelligence is gained, new keywords can be added.
- A user-friendly interface where suspicious inmates or phone numbers can be selected for ongoing searches.
- A Word Spotting search engine that automatically processes inmates or phone numbers with no additional involvement from facility staff.
- Integrated reporting that allows users to identify calls where specified keywords were spoken.
- A unique feature that allows users to select suspicious recordings from the standard Call Detail Report and send them through the search engine with a single mouse click.

### **Securus' Word Spotting: Fully Integrated with SCP**

Other similar tools in the industry use off-the-shelf systems that are intended to be used for call centers or professors. These systems do not account for the ever changing landscape of criminal investigations or the evolving mentality of inmates. In many instances, these systems also force investigators to copy calls to local machines or move calls to a separate tool to identify specified words spoken throughout the call.

In contrast, Word Spotting is fully integrated with the SCP calling platform. Through this integration, Word Spotting searches for specified keywords in calls automatically without the need to switch programs or download calls.

### **Word Spotting Reports**

Authorized users can access the Word Spotting reporting tools through SCP's user interface. From here, search criteria such as date range, PIN, dialed number, and inmate name can be used to pull a report that lists all of the calls with identified keywords. From the reporting feature, suspicious call can be selected and the recording analyzed.

The reports provide standard information such as the name of the inmate, their PIN, and the dialed number. In addition, investigators can see which keyword was "found" and the time within the call that the word was spoken, saving valuable time by eliminating the need to listen to the entire call.

Suspicious calls can be selected and those recording can be analyzed using the integrated SCP media player. By using the media player with the report information, investigators can "skip" to the exact location in the conversation when the keyword occurred.

# Appendix A: Investigative Tools

## Word Spotting Report

### Secure Call Platform

Facility: Housing Number 98001

Word Spotting Search

SEARCH CRITERIA

Country Code: \_\_\_\_\_ Facility Number: \_\_\_\_\_ Key Word: \_\_\_\_\_  
 Call ID: \_\_\_\_\_ ID: \_\_\_\_\_  
 Start: \_\_\_\_\_ End: \_\_\_\_\_

SEARCH [ ] RESET [ ]

3 Results

Call ID	Country Code	Facility Number	Call Date	Call Time	Call Duration	Call Type	Call Status	Call Start Time	Call End Time
9722770480	1-818	97-22770480	04-28-2011	18:22:29	00:00:00	Missed	Success	04/28/2011 18:22:29	04/28/2011 18:22:29
9722770480	1-818	97-22770480	04-28-2011	18:22:29	00:00:00	Missed	Success	04/28/2011 18:22:29	04/28/2011 18:22:29
9722770480	1-818	97-22770480	04-28-2011	18:22:29	00:00:00	Missed	Success	04/28/2011 18:22:29	04/28/2011 18:22:29

Page 1 of 1

Word Spotting Keyword Management

Secure Call Platform

Facility Routing Number: 99001

MANAGEMENT LEVEL  
Secure Call Call

WS Projects Keyword Management

KEYWORD MANAGEMENT

The keywords you have selected to be added will only be applicable against recordings which are tagged after adding the new keywords. Pre-KIS tagged recordings will need to be run again manually to search for the keywords. You can check status. Display keyword details when you want to create and add a new keyword to your selected list.

Level: All Keywords Escape

Available Keywords Selected Keywords

Add +

Remove -

Delete

New Keyword

Update Reset

Terms and Conditions  
© 2011 Securus Technologies, Inc. All Rights Reserved.

## Word Spotting Search Configuration

**Secure Call Platform** Facility Rating Number: 9900

Management Tools

Word Spotting Trigger Summary

Word Triggers | Expanded Triggers

WORD SPOTTING CONFIGURATION

Trigger	Trigger Address	Severity
990	990	10
991	991	10
992	992	10

ADDRESS NUMBER TRIGGER

Trigger	Trigger Address	Trigger Type	Trigger Severity
990	990	990	10
991	991	991	10
992	992	992	10
993	993	993	10
994	994	994	10
995	995	995	10
996	996	996	10
997	997	997	10
998	998	998	10
999	999	999	10

### Reverse Lookup

SCP's reverse lookup feature provides San Diego County staff with the ability to identify the billing name and address (BNA) of a dialed phone number captured in a call detail record. Users can easily point, click, and initiate a BNA search that looks for the number in both private and external sources of data. This search process is unique in the industry, providing the most accurate BNA information possible.

When the search finds a positive match for a destination phone number, a pop-up box will appear on the screen describing phone number's billing name, billing address, and the date the number was last verified in the system. Unlike other similar tools in the industry today, Securus' fully integrated reverse look-up feature will be provided to San Diego County at no additional cost.



# Appendix A: Investigative Tools

Reverse lookup was designed to allow users with the flexibility to access the results from anywhere the number exists in the system such as:

- Call detail reports
- Blocked number lists
- Global allowed lists
- Call frequency reports
- BNA search screen, a dedicated BNA investigative tool

## Reverse (BNA) Lookup Feature, Accessed through SCP's Call Detail Report

**Secure Call Platform** Facility: Housing Number: 5900

HOME SYSTEM MONITOR TOOLS ADMIN FACILITY POLICE

MANAGEMENT LEVEL

Call Detail Records Search

CALL BY SEARCH CRITERIA

Country Code: [ ] District: [ ]

Customer Account #: [ ]

First Name: [ ] Last Name: [ ]

Telephone Category: [ ALL ] Call Reason: [ ALL ]

Call Type: [ Call Transfer, Transfer ] Call Status: [ ALL ]

Date Range: [ ] Results Per Page: [ 10 ]

End: [ ]

On many reports, including the Call Detail Report, investigators are one click away from the BNA for dialed numbers. They need only to click the dialed number of interest and a pop-up box appears with all of the relevant location information.

PK	Call ID	Call Type	Call Status	Call Date	Call Time	Call Duration	Call Cost
1	222222222	Secure Call	Success	02-11-2011	01:49:23	3:00	3.76
2	222222222	Secure Call	Success	02-11-2011	04:02:32	4:30	4.35
3	222222222	Secure Call	Success	02-11-2011	01:54:11	2:00	2.00
4	222222222	Secure Call	Success	02-11-2011	02:27:07	6:57	6.57
5	222222222	Secure Call	Success	02-11-2011	02:14:33	2:00	2.00
6	222222222	Secure Call	Success	02-11-2011	12:07:52	2:00	2.00

**Name & Address Verification**

Phone Number: 872770259

Last Number: 28 Mar 2011 12:12:18 BCD

Name: SECURUS SECURUS ATX - ACCOUNTS RECEIVABLE

Address: 1425 DALLAS HWY #16 500, DALLAS TX 75244-8110

City: [ ]

State: [ ]

Zip: [ ]

Sign History

## Dedicated BNA Search Screen

**Secure Call Platform** Facility Routing Number: 99001

HOME SYSTEM LOCATION TOOLS ADMIN FACILITY PORTAL

MANAGEMENT LEVEL  
 Management Level  
 Securus Case File

**BNA Search**

FILL IN SEARCH CRITERIA: \* Indicates Required Fields  
(Only \* by AND only (partial searches))

Phone Number: 072276490  
Copy  OR

First Name: Middle Name: AND Last Name:

Address: City: State (2 Digits): OR Zip:

1 Results Page 1 of 1

PHONE #	NAME	ADDRESS	LAST UPDATED
072276490	SECURUS SECURUS ATTN: ACCOUNTS PAYABLE	14651 DALLAS PRVY STE 403, DALLAS, TX 75234-0615	12-Nov-2010 15:41:23.824

Use the dedicated billing name and address search screen to investigate the location of a specific destination number

### Reverse Lookup and Personal Allowed Numbers (PAN)

If using PAN management, SCP allows authorized users to associate the BNA information to a phone number on the PAN list. This feature allows administrators and investigative staff to easily view this information without additional research. In addition, Securus' reverse lookup feature offers a comprehensive ad hoc search tool where an authorized user can enter criteria ranging from first name, last name, address, city, state, and ZIP to obtain this information on demand.

### Viewing BNA Information on an Online Map

Securus' SCP easily integrates with Google Maps proving a quick and easy way to visually see the physical location of the address associated with the telephone number. Simply highlight the telephone number and a single click later, a Google Map is rendered on the screen.

## Mapping BNA Information

### Secure Call Platform

The screenshot displays the Secure Call Platform interface. On the left, there is a 'Call Detail Records Search' section with a call log table. A call record is highlighted, and an arrow points from it to a 'Name & Address Verification' window. This window shows details for a call to a Dallas address. Below the search section is a table of results. On the right, a map shows the location of the call in North Dallas, with streets like Spring Valley Rd and Belt Line Rd visible. A text box explains that users can activate GPS mapping functionality by combining the BNA lookup feature with simple online mapping capabilities.

**Call Detail Records Search**  
Point and click on a destination number to view the billing name and address for the number

**Name & Address Verification**  
Phone Number: 972-277-1122  
Call Number: 1804021180041843  
Address: 2524 JAMES FERGUSON AVENUE, ADDICKS, DALLAS, TX 75244

**Map Labels:** Action Center, Spring Valley Rd, Belt Line Rd, Cedar North Falls, Spring Valley Rd, Spring Valley Rd.

**Call Log Table:**

Call ID	Time	Duration	Number	Area	Category	Cost	Account	Call Type
1804021180041843	05-09-2011 14:11:10	00:05	(11) 972-277-1122	Local	SECURUS	0.00	Securus LP 35	Local
180220011056	05-09-2011 14:12:04	00:01	(11) 972-277-1122	Local	SECURUS	0.00	Securus LP 35	Local

### Crime Tip

Securus' Crime Tip feature is an offender crime reporting tool that provides offenders with a secure way to provide crime tips and/or leave contact information for follow-up, if they desire. The SCP system anonymously records all messages left on the Crime Tip Hotline, allowing offenders to provide crucial information without being exposed as an informant.

The offender's identity remains anonymous, or he/she may leave a name for the facility to reward the offender for information leading to the successful prevention of a crime, or the apprehension of any individual caught in the act of committing a reported crime.

The Securus Crime Tip feature includes:

- A pre-arranged telephone number (designated by the facility), provided to all offenders
- An option to listen to all or selected recorded messages
- An option to burn specific information onto CDs for use as evidence

## Appendix A: Investigative Tools

- A way to generate reports of all recorded messages with the date and time of the message
- A way to leave an anonymous reply message to the offender

### Call Tracker

Securus' SCP allows for authorized users to add notes and tracking numbers to call detail records associated with recordings. The Call Tracker feature gives authorized users the ability to add a tracking number, gang affiliation, duration into the call, and any other notes associated with the call. Additionally, this feature allows authorized users the flexibility to either keep the note private to their own investigation, or to selectively share the note with other users. From the simple to use notes screen, users may also view previous notes associated with the same call.

### Adding a Note to a Call Detail Record

The screenshot displays the 'Secure Call Platform' interface. At the top, it says 'Secure Call Platform' and 'Facility Tracking Number: 49001'. Below this is a 'Call Detail Records Search' section with various filters and a search button. A table of search results is visible, with columns for 'Call ID', 'Call Type', 'Origin', 'Destination', 'Duration', and 'Status'. A call with ID '111-212-2111' is selected. An 'Add Note to CDR' dialog box is open over the table, with a text area for notes and a 'Save Note' button. A callout box points to a 'notes' icon in the table header, stating: 'Click the "notes" icon to add a note to any selected call detail record.'

When searching for Call Tracker entries, authorized users can easily navigate to the Call Tracker Search tool. This tool allows authorized users to search for Call Tracker entries by tracking number,

## Appendix A: Investigative Tools

authorized user first and last name, phone number dialed, inmate account number and PIN, and complete a full text search on the notes added to the call, such as gang affiliation and the start / end date of a call. As with every report in the SCP user interface, the search results are exportable to Excel, PDF, or CSV.

### Searching for Call Tracker Records

**Secure Call Platform** Facility Routing Number: 99001

HOME SYSTEM ADMINISTRATION TOOLS ADMIN ACCOUNTS

**MANAGEMENT LEVEL**

Call Tracker Search

FULL TEXT SEARCH CRITERIA ( \* Indicates Required Fields )

SEARCH FOR AND CASE/INVESTIGATION

Not Shared:     Track log #: \_\_\_\_\_    First Name: \_\_\_\_\_    Last Name: \_\_\_\_\_  
Custody Account #: \_\_\_\_\_    PIN #: \_\_\_\_\_    Inmate Number: \_\_\_\_\_  
Phone: \_\_\_\_\_

Start Date/Time: 05/10/2010 10:00:00 AM    End Date/Time: 05/15/2011 10:00:00 AM    Records Per Page: 10

Results PAGE 1 OF 1

Case ID	Case Name	Date Served	Phone Number	Account Number	Notes
12345678	John Doe	05/10/2010	9727776986	0302	see full
87654321	Jane Smith	05/10/2010	9727776986	0302	see full

SCP's Call Tracker feature provides the unique capability to extend the expiration of a recording. Many times Call Tracker entries are added to calls that are currently under investigation. It is common to find that investigators do not want recordings from active investigations purged from the system—regardless of the recording retention policy in effect. With Call Tracker, authorized users can protect a recording from being purged by extending the expiration of the call by 30, 60, 90 days, or for the life of the contract. This is easily accomplished by selecting the Extend Expiration icon. The Extend Expiration feature allows authorized users to view the current recording expiration date and time (date and time in which the recording is set to be purged) and choose to extend the expiration of the recording by 30, 60, 90 days or to mark the recording to be retained online for the life of the contract.

## Appendix A: Investigative Tools

### Extending Call Recordings

**Extend Expiration**

Current Expiration: Jun 15, 2010

30 Days

60 Days

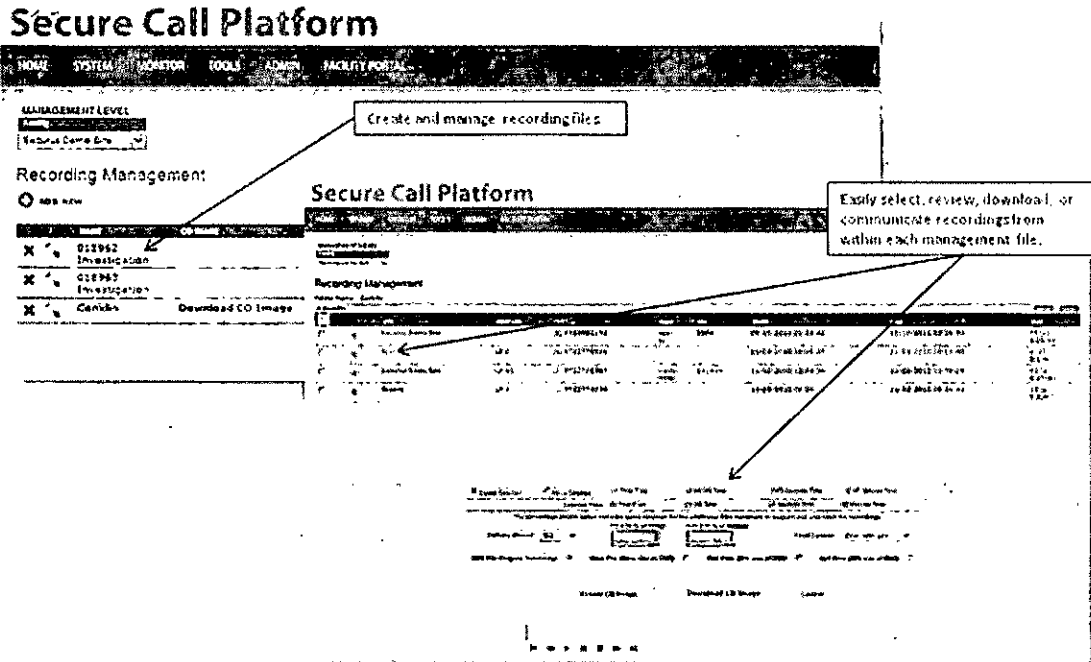
90 Days

Life Of Contract

To save permanently download the recording

When downloading calls from the SCP user interface, authorized users add calls to a Recording Management folder. This folder allows authorized users the ability to add multiple recordings to a single folder for ease of management as well as other functionality allowing users to manage calls and how they wish to download them. When this Recording Folder is downloaded, any associated Call Tracker entries can be exported through Call Tracker to the downloaded recording folder as well.

## Managing Recordings



Securus allows access from facilities and its investigators to research calls via a single access portal known as the SCP user interface. The SCP user interface provides a single-point of access to all the investigative tools provided in the SCP.

Investigators can specify search criteria for calls, such as called party, calling phone, date, time, PIN, account, duration, and locations, and search across a site or group of sites based on their security authorization. This search is performed across the CDR records and can include a search for either all call attempts or just completed calls.

The results of this search allow for viewing of detailed information about the call and, whether or not a recording was made.

If a recording was made, within the limits of security access granted, the investigator can listen to that recording using a powerful call player that has easy-to-use search capabilities, and features such as, pause and play.

To aid in reducing the time spent performing the search, the call player allows the user to see the wave activity of the call to quickly search through areas of limited talk time or to help identify a particular event.

The act of listening to a recording involves what is known as “streaming” the recording to a program on the computer that can “play” the recording through the attached speakers. While it is possible to make a recording from the speakers, this is only a copy of the original.

Chain of Evidence safeguards are in place to prevent access to the actual digital copy of the recording to eliminate any chance of manipulation, whether intentional or accidental, that could later be brought as a challenge to the authenticity of the call recording.

Retrieval of calls that are less than one year old can be retrieved within the requested timeframe. It should be noted that call recordings that are marked “store for life of contract” by San Diego County for further investigation could take slightly longer to retrieve because of the required data mining.

### **Additional Add-On Features**

#### **Commissary Order by Phone**

Securus’ Patented Commissary Order by Phone product provides inmates with the ability to order commissary items, including phone time, using the same inmate telephones used to place calls to friends and family members.

#### **Benefits for Your Facility**

This product saves facility staff time processing commissary orders and handling commissary order complaints. Commissary Order by Phone frees up your staff to focus on important activities like safety and security. Orders can be placed when needed by inmates, and as frequently as needed, thereby reducing complaints. Increased sales on commissary items by offering an additional point of sale, also increases your facility’s commissionable revenue.

#### **Benefits for Inmates**

Inmates also benefit from using Commissary Order by Phone. They can place orders when they want to, as frequently as they want to without having to wait on facility staff. It is convenient, easy, and accessible.

To place an order using Commissary Order by Phone, inmates can simply go to any inmate telephone and dial a designated number. The call then connects to the commissary’s IVR where the inmate can place their order by following the voice prompts and pressing keys on the key pad of the phone. Inmates are charged a small convenience fee for the call.

#### **Benefits for Commissaries**

Commissaries also benefit. Our Commissary Order by Phone product opens up another point-of-sale for commissary companies, helping to increase their revenue through the sale of more products and/or through improving inventory turn times as more orders are placed more frequently because it is more convenient for inmates.



### Securus Video Visitation

Securus can provide San Diego County with a state-of-the-art Securus Video Visitation system, enabling you to conduct visitations safely, securely, and with less burden on facility staff. This advanced optional solution provides San Diego County with multiple benefits, including:

- Enhance facility security by reducing the possibility of inmate confrontation
- Enhance facility operations
- Improve the ability of the inmate to communicate with legal representation/bail-bond/family, and any other persons authorized by San Diego County administration
- Reduce contraband infiltration
- Reduce inmate and visitor movement through a facility
- Increase security for visitors
- Increase inmate and visitor morale with increased opportunities to visit
- Reduce man-hours needed to escort inmates and visitors to visiting areas
- Generate income for the facility as a shared revenue producer

The Securus Video Visitation solution is a centralized system, similar to the SCP system, that allows automatic technology and feature upgrades. After the system has been implemented, it is easy for Securus to enable new features and modules by activating the feature in the centralized system.

The Securus Video Visitation solution enables video arraignment and visitation sessions between inmates and their friends or family members, attorneys, and law enforcement officers. However, The Securus Video Visitation solution is much more. In addition to traditional video visitation sessions, it also provides:

- Visitation registration and scheduling
- Chat features for internal communication between San Diego County users, such as attorneys, probation officers, and jail administrators
- Inmate information kiosk
- Sick call requests
- Commissary order interface
- Long-term storage of recorded visitation sessions
- Automated retrieval and playback of sessions
- Browser-based system administration
- Call history record

- Usage reporting

Securus can push and pull information from various "backend" Jail Management Systems and display this information to the inmate. When an inmate identifies themselves via the touchscreen interface the application can display: upcoming court dates, bail amounts, commissary balance, etc. This inmate information module was developed to reduce the frequency that inmates pose questions to Corrections Officers, increasing productivity and freeing them to do other tasks in the facility.

### Sick Call

The sick call module allows inmates to electronically request a medical visit. A simple questionnaire asks inmates for medical information and a request is routed to the facility's health care professionals. Use of the sick call module reduces the paperwork and labor required in a manual sick call system and provides an audit trail.

- Secured access: System access can be secured with jail ID and additional password
- Multi-user and Multi-location:
  - The sick call system can allow several inmates to request sick call simultaneously
  - The same sick call system can be used in several locations
- Easy touchscreen graphical interface:
  - Large buttons to make selections easier
- Full administrative control: create/edit/delete sick call items

### Commissary

The commissary module provides inmates a secure and easy to use way to order goods electronically from the Commissary store.

- Secured access: System access can be secured with Jail ID and additional password
- Multi-user and Multi-location:
  - The commissary system can allow several inmates to order commissary simultaneously
  - The same commissary system can be used in several locations
- Easy touchscreen graphical interface:
  - Large buttons to make selections easier
  - Each commissary item can have a photo associated with it to make selection easier
  - Submitted orders can be changed up to the time they are picked
  - Full order history: Inmates can review their past orders
- Full administrative control: create/edit/delete commissary items, pricing, etc.

## Appendix A: Investigative Tools

- The commissary module is platform agnostic – it can be used with an in-house commissary system or a third party platform.

### **Continuous Voice Verification**

Securus, in partnership with JLG Technologies, is proud to offer the “Investigator Pro” advanced voice identification technology originally developed for the U.S. Department of Defense for covert surveillance.

Prior to its development, no technology existed that was capable of performing the type of advanced surveillance functions to meet their needs. To solve this problem, the Department of Defense approached the Massachusetts Institute of Technology (MIT), home of the best voice analysis engineers in the world. MIT was tasked with creating a system to automatically monitor and analyze phone calls. Not surprisingly, they succeeded—and delivered a cutting-edge solution with unprecedented capabilities. The foundation of the technology is to identify when a person other than the offender or the original called party that accepted the call is engaged in the telephone conversation.

Through its relationship with MIT, JLG Technologies was granted an exclusive license to bring this revolutionary technology to the corrections community. Through our partnership with JLG, Securus is proud to offer this technology to San Diego County. Please refer to the brochure on JLG Technologies Investigator Pro Product in Appendix C.

# Appendix B: Secure Call Platform Screen Shots

---

The following example upgrade announcement illustrates one approach to inform the SCP users that maintenance will occur soon to the system and/or the user interface.

## Maintenance Notification Splash Screen



© 2011 SecurUS Technologies, Inc. All Rights Reserved.

# Appendix B: Secure Call Platform Screen Shots

## Secure Call Platform Debit Report

### Secure Call Platform

MANAGEMENT LEVEL

SCP Debit Report Search.  
(Negative numbers will be displayed in parenthesis)

FILL IN SEARCH CRITERIA (Optional Fields)

SEARCH

By using the criteria in the search area, users can run reports detailing and totaling SCP Debit activity and balances for their facility.

Site	Account #	Account Name	Type	Amount	Date/Time (By Event Time)	User	Role name	Description	Comments
San Diego 10	10010001	San Diego	Debit	100.00	10/10/2010 10:00:00	10010001	10010001	San Diego	
San Diego 10	10010002	San Diego	Debit	100.00	10/10/2010 10:00:00	10010002	10010002	San Diego	
TOTALS									
			Amount	200.00					
			Count	2					



# Appendix B: Secure Call Platform Screen Shots

## Login Screen

### Secure Call Platform

connecting matters

Authorized users enter username and password for anytime, anywhere access.

**Log In**

Username

Password

[Forgot Your Password?](#)

[Click Here To Access Facility Portal](#)

**Important Information**

04.21.2011  
New Look and Feel

**Off The Wire**

03.22.2011  
Craig County Jail Connects More Calls with Securus

01.31.2011  
Securus Announces Pay Down of Debt

01.24.2011  
Securus Adds More Than 50 New Features to Its Secure Call Platform (SCP) in 2010

**Products & Services**

Secure Instant Mail

[Terms and Conditions](#)  
© 2011 Securus Technologies, Inc. All Rights Reserved.

# Appendix B: Secure Call Platform Screen Shots

## Disabling Telephones

Secure Call Platform Facility Routing Number: 99001

HOME SYSTEM MONITOR TOOLS ADMIN FACILITY/PHONE

MANAGEMENT LEVEL

Secure Call Platform | Facility Routing Number: 99001 | Phone Group: 123456789

General Global FMS Call Schedules Call Forwards Phone Groups Virtual Groups

GENERAL SITE ID: 123456789

Use for individual calls only

Name: Kefany Test Lab Area

Status: **Enable** (dropdown menu open showing 'Enable' and 'Disable')

Maximum Call Duration: 30 minutes (Maximum allowed: 60 minutes)

Call Schedule: None Selected

Site, Call Direction: EC-BL

RFP Network: EC-BL

WCFD Action: ...

Calling Restrictions: None Selected

Use a Marketplace: DEFAULT

Update Cancel

Terms and Conditions  
© 2011 Securus Technologies, Inc. All Rights Reserved

Disable a telephone, group of telephones, or entire facility

Authorized users enable or disable phones from anytime, anywhere.

# Appendix B: Secure Call Platform Screen Shots

## Programming Calling Schedules

The screenshot displays the 'Secure Call Platform' interface. At the top, the title 'SECURUS Secure Call Platform' is visible. Below the title, there are several tabs: 'Home', 'Call Schedules', 'Call Records', 'Call Logs', and 'Call Reports'. The 'Call Schedules' tab is currently selected. The main content area shows a list of call schedule items, each with a radio button for selection and a 'Call Schedule' label. The items include:

- Activity
- Call Time
- Call Rate
- Call Duration
- Call Frequency
- Call Type
- Call Status
- Call Location
- Call Method
- Call Device
- Call Network
- Call Protocol
- Call Codec
- Call Encryption
- Call Authentication
- Call Authorization
- Call Accounting
- Call Billing
- Call Reporting
- Call Monitoring
- Call Recording
- Call Archiving
- Call Retention
- Call Deletion
- Call Purging
- Call Backup
- Call Restore
- Call Migration
- Call Integration
- Call Interoperability
- Call Scalability
- Call Reliability
- Call Availability
- Call Performance
- Call Security
- Call Privacy
- Call Compliance
- Call Governance
- Call Risk Management
- Call Incident Response
- Call Business Continuity
- Call Disaster Recovery
- Call Business Resilience
- Call Business Agility
- Call Business Innovation
- Call Business Growth
- Call Business Success

At the bottom of the screen, there is a table with columns for 'Call Schedule', 'Call Rate', 'Call Duration', 'Call Frequency', 'Call Type', 'Call Status', 'Call Location', 'Call Method', 'Call Device', 'Call Network', 'Call Protocol', 'Call Codec', 'Call Encryption', 'Call Authentication', 'Call Authorization', 'Call Accounting', 'Call Billing', 'Call Reporting', 'Call Monitoring', 'Call Recording', 'Call Archiving', 'Call Retention', 'Call Deletion', 'Call Purging', 'Call Backup', 'Call Restore', 'Call Migration', 'Call Integration', 'Call Interoperability', 'Call Scalability', 'Call Reliability', 'Call Availability', 'Call Performance', 'Call Security', 'Call Privacy', 'Call Compliance', 'Call Governance', 'Call Risk Management', 'Call Incident Response', 'Call Business Continuity', 'Call Disaster Recovery', 'Call Business Resilience', 'Call Business Agility', 'Call Business Innovation', 'Call Business Growth', and 'Call Business Success'. The table contains several rows of data, with some cells containing numerical values and others containing text.



# Appendix B: Secure Call Platform Screen Shots

## Sample Frequently Called Number Report

**Secure Call Platform** Facility Routing Number: 99001

MANAGEMENT LEVEL

Call Frequency Search

Enter a threshold for the number of times a number was called to initiate the report.

Select date range and other criteria to narrow the results.

Threshold: 2

Start: 03/15/2011 End: 03/15/2011

Search EXCEL PDF CSV Reset

20 Results PAGE 1 OF 2

Secure Demo Site	(5) 9122272221	25
Secure Demo Site	(5) 91222729326	18
Secure Demo Site	(5) 91222729370	15
Secure Demo Site	(5) 91222729390	5
Secure Demo Site	(5) 91222729318	5
Secure Demo Site	(5) 91222729375	5
Secure Demo Site	(5) 11222729374	5
Secure Demo Site	(5) 91222729351	5
Secure Demo Site	(1) 7146107218	2
Secure Demo Site	(5) 91222729371	2

Call Frequency results display each dialed number meeting or exceeding the defined threshold. By clicking on a frequency amount, all call detail information for the calls are displayed.

# Appendix B: Secure Call Platform Screen Shots

## Call Forward Detection

The screenshot displays the SECURUS Secure Call Platform interface. At the top, the logo 'SECURUS' and the text 'Secure Call Platform' are visible. A 'Facility Location Number: 9999' is shown in the top right corner. Below the header, there is a 'Call Detail Records Search' section. This section contains a 'FILL IN SEARCH LIMITS' form with various input fields for filtering call records. The fields include:

- Country Code
- Calling Number
- Call Status
- Transmission Category
- Call Type
- Date/Time Range
- Search
- Facility
- PDF
- CSV
- Reset

At the bottom of the form, there is a 'Terms and Conditions' link and a copyright notice: '© 2011 Securus Technologies, Inc. All rights reserved.'

# Appendix B: Secure Call Platform Screen Shots

## Configuring an Alert Notification

### Secure Call Platform

Facility Routing Number: 99001

MANAGEMENT LEVEL

General Global Lists Call Schedules Call Forwarding Phone Groups Virtual Groups

Return to Dial List

GENERAL GLOBAL LIST INFORMATION (17 active records found)

(New \*Forward and Forward Number)

Dialled Number: 1-202-0000000

Directed: NO Reason: N/A

Priority for Answer/Client Privilege: NO

Station: NO

Forward Code: NO

Passive Acceptance: NO

Word Spelling: NO

Queue Forwarding: DEFAULT

Dialing Class of Service:

Class: ACTIVE

Speed Dial Code:

Busy Call Detection: DEFAULT

Max Call Dur: 3 minutes

Class/Plan: default

Create Date: 05/24/2012

Investigators can then easily enter a phone or email address that will receive the alert.

Covert alerts can be set by PIN, phone, or any dialed number under investigation (here, a dialed number).

Alert Name: Alert Email Alert Location: First Name: Last Name: Status: ACTIVE

## Appendix B: Secure Call Platform Screen Shots

### Alert Notification E-Mail

From: SECURUS\_ALERT\_DO\_NOT\_REPLY@securustech.net Sent: Wed 6/22/2010 1:12 PM  
To: Adam Edwards  
Cc:  
Subject: SYSTEM: COVERT ALERT

A covert alert has been triggered indicating a call has been placed from/to a CALL\_PARTY. The detail of this call is as follows:

Phone #: 19722770503  
Phone: LP 27  
Phone Group: General  
Inmate Name: Adam Edwards  
Inmate Account #: 5959595959595  
Recorded: Y

For more detail please go to S-GATE by logging on to <https://commandcenter.securustech.net/SignonWeb/>.

# Appendix B: Secure Call Platform Screen Shots

## Covert Alert Calls Detail Report

### Secure Call Platform

MANAGEMENT LEVEL

Secure Call Platform

Covert Alert report results display critical information about each triggered alert such as who was alerted, what happened, call status, call start and end, duration, dialed number and more. By clicking the icon to the left of each record, users can display full call detail information for each call. SCP's Covert Alert feature and reports have assisted in many criminal investigations throughout the country.

#### Covert Alert Call Detail Records Search

18 of 18 SEARCH CRITERIA (including Required Fields)

Alerted Country: [Country Code] | Alerted State: [State] | Alerted First Name: [Name] | Alerted Last Name: [Name]

Country Code: [Country Code] | Dialed Number: [Number] | Custody Account #: [Account]

First Name: [Name] | Last Name: [Name] | Call Status: [Status]

Termination Category: [Category]

Date Criteria: [Date Range] | Start: [Date] | End: [Date]

Search | XCEL | PDF | CSV | Reset

17 Results

Icon	Call ID	Country Code	State	Alerted Name	Alerted Date	Alerted Time	Alerted Duration	Alerted Status	Alerted Category	Alerted Action		
🔍	Secure Demo Site	LP 10	214566417	Joe Doe	No Investigator Acceptance	05-15-2010	18:37:32	18:37:32	9722779594	2500	See log	complete
🔍	Secure Demo Site	LP 10	214566417	Joe Doe	Parent Call Ended	05-29-2010	18:14:02	18:14:02	9722779594	2500	See log	complete
🔍	Secure Demo Site	LP 10	214566417	Joe Doe	No Investigator Acceptance	05-27-2010	18:19:33	18:19:33	9722779594	2500	See log	complete
🔍	Secure Demo Site	LP 10	214323457	James Rogers	No Investigator Acceptance	05-29-2010	11:01:23	11:01:23	9722779594	2500	See log	complete
🔍	Secure Demo Site	LP 10	214323457	James Rogers	Covert Alert Error	05-28-2010	11:04:06	11:04:06	9722779594	2500	See log	incomplete



# Appendix B: Secure Call Platform Screen Shots

## Scanning Live Calls

**Secure Call Platform**

MANAGEMENT UI

Scan all active calls for a configurable time

Forward the call to a remote investigator

Live Monitor

Scanlog: 15 Sec. 0/100 RT 0

Play	Location	Inmate Name	Acct #	Prepaid Acct #	Dialed #	City, St	Out Twid	Priv Watch	Status	Dialed Number	Call Date/Time
	A3-8	Murphy	22055		8592446238	RICHMOND, KY	572		Call in Progress	0592446238	08-12-2011 08:54:17
	E3-2	Banks	12170		8592446238	LEXINGTON, KY	429		Call in Progress	0592446238	08-12-2011 21:14:32
	Yard North 79	Wright	22067		5027746442	LOUISVILLE, KY	722		Call in Progress	0592446238	08-12-2011 21:14:37
										0592446238	08-09-2011 21:27:53
										0592446238	08-09-2011 21:26:53
										0592446238	08-09-2011 21:24:50
										0592446238	08-09-2011 21:20:32
										0592446238	08-09-2011 21:16:53
										0592446238	08-09-2011 21:17:12

Listen to the call

Terminate the call

Click the number to see a recent history of calls to this number

Recent history appears here

Active Calls Only | Sort Phones

Showing calls to 8592446238

Terms and Conditions © 2011 Securus Technologies, Inc. All Rights Reserved.

# Appendix B: Secure Call Platform Screen Shots

## Word Spotting Report

**Secure Call Platform** Pathway Filing Number: 98001

---

Word Spotting Search

FULL-TEXT SEARCH OR TEXTUAL SEARCH

Country Code: [ ]    Inmate Number: [ ]    Key Word: [ ]

Country Account: [ ]    PIN: [ ]

First Name: [ ]    Last Name: [ ]

Results per page: [ 10 ]

Start: 00:00:00    End: 00:00:00

[ Search ]    [ Reset ]

---

3 Results    PAGE 1 OF 1

ID	NAME	TYPE	STATUS	START TIME	END TIME	START DATE	END DATE	START TIME	END TIME	START DATE	END DATE	START TIME	END TIME	START DATE	END DATE
1	SECURITY EVENT	1	1	00:00:00	00:00:00	01-24-2011	01-24-2011	00:00:00	00:00:00	01-24-2011	01-24-2011	00:00:00	00:00:00	01-24-2011	01-24-2011
2	SECURITY EVENT	1	1	00:00:00	00:00:00	01-24-2011	01-24-2011	00:00:00	00:00:00	01-24-2011	01-24-2011	00:00:00	00:00:00	01-24-2011	01-24-2011
3	SECURITY EVENT	1	1	00:00:00	00:00:00	01-24-2011	01-24-2011	00:00:00	00:00:00	01-24-2011	01-24-2011	00:00:00	00:00:00	01-24-2011	01-24-2011

Note: 12 MONTHS. The data to be flagged will be the data and dates within the 12 month period.

[ < ] [ > ] [ 1 ] [ 2 ] [ 3 ] [ 4 ] [ 5 ] [ 6 ] [ 7 ] [ 8 ] [ 9 ] [ 10 ]

# Appendix B: Secure Call Platform Screen Shots

## Word Spotting Keyword Management

### Secure Call Platform

Facility Routing Number: 00001

MANAGEMENT LEVEL

Keyword Management

KEY WORD MANAGEMENT

Look for: Keywords Escape

Available Keywords

Selected keywords

Release

New Keyword

Update Reset

Terms and Conditions  
© 2011 Securus Technologies, Inc. All Rights Reserved.



# Appendix B: Secure Call Platform Screen Shots

## Word Spotting Search Configuration

**Secure Call Platform** Facility Routing Number: 95001

---

**Word Spotting Trigger Summary**

Word Spotting Configuration

Trigger	Selected
Words Allowed	<input checked="" type="checkbox"/>
Words Denied	<input checked="" type="checkbox"/>
Words Censored	<input checked="" type="checkbox"/>

**ACTIVE PHONE NUMBER TRIGGER**

10 Results PAGE 1 OF 1

Phone Number	Trigger	Selected	Created	Modified
415-234-5678	Words Allowed	<input checked="" type="checkbox"/>	11/10/2011 10:00:00 AM	11/10/2011 10:00:00 AM
415-234-5679	Words Denied	<input checked="" type="checkbox"/>	11/10/2011 10:00:00 AM	11/10/2011 10:00:00 AM
415-234-5680	Words Censored	<input checked="" type="checkbox"/>	11/10/2011 10:00:00 AM	11/10/2011 10:00:00 AM
415-234-5681	Words Allowed	<input checked="" type="checkbox"/>	11/10/2011 10:00:00 AM	11/10/2011 10:00:00 AM
415-234-5682	Words Denied	<input checked="" type="checkbox"/>	11/10/2011 10:00:00 AM	11/10/2011 10:00:00 AM
415-234-5683	Words Censored	<input checked="" type="checkbox"/>	11/10/2011 10:00:00 AM	11/10/2011 10:00:00 AM
415-234-5684	Words Allowed	<input checked="" type="checkbox"/>	11/10/2011 10:00:00 AM	11/10/2011 10:00:00 AM
415-234-5685	Words Denied	<input checked="" type="checkbox"/>	11/10/2011 10:00:00 AM	11/10/2011 10:00:00 AM
415-234-5686	Words Censored	<input checked="" type="checkbox"/>	11/10/2011 10:00:00 AM	11/10/2011 10:00:00 AM
415-234-5687	Words Allowed	<input checked="" type="checkbox"/>	11/10/2011 10:00:00 AM	11/10/2011 10:00:00 AM
415-234-5688	Words Denied	<input checked="" type="checkbox"/>	11/10/2011 10:00:00 AM	11/10/2011 10:00:00 AM
415-234-5689	Words Censored	<input checked="" type="checkbox"/>	11/10/2011 10:00:00 AM	11/10/2011 10:00:00 AM
415-234-5690	Words Allowed	<input checked="" type="checkbox"/>	11/10/2011 10:00:00 AM	11/10/2011 10:00:00 AM

Remove Trigger

# Appendix B: Secure Call Platform Screen Shots

## Reverse (BNA) Lookup Feature, Accessed through SCP's Call Detail Report

### Secure Call Platform

Latitude Tracking Number: 0504

On many reports, including the Call Detail Report, investigators are one clickaway from the BNA for dialed numbers. They need only to click the dialed number of interest and a pop-up box appears with all of the relevant location information.

**Call Detail Records Search**

Country Code: [ ]    Date: [ ]

Country Account: [ ]    Last Name: [ ]

Termination Category: [ ]    Call Status: [ ]

Call Type: [ ]    Call Status: [ ]

City/State: [ ]    Area/Per Page: [ ]

Start: [ ]    End: [ ]

Call ID	Account	Phone	Time	Duration	Rate
1	Secure Demo Site	3222278256	09-23-10	00:00:00	0.0000
2	Secure Demo Site	3222278256	09-23-10	00:00:00	0.0000
3	Secure Demo Site	3222278256	09-23-10	00:00:00	0.0000
4	Secure Demo Site	3222278256	09-23-10	00:00:00	0.0000
5	Secure Demo Site	3222278256	09-23-10	00:00:00	0.0000
6	Secure Demo Site	3222278256	09-23-10	00:00:00	0.0000
7	Secure Demo Site	3222278256	09-23-10	00:00:00	0.0000
8	Secure Demo Site	3222278256	09-23-10	00:00:00	0.0000
9	Secure Demo Site	3222278256	09-23-10	00:00:00	0.0000
10	Secure Demo Site	3222278256	09-23-10	00:00:00	0.0000

**Name & Address Verification**

Phone Number: 3222278256

Last Name: 284342011 13 1214-854

Name: SECURUS SECURUS ATTN: ACCOUNTS

PAVABLE

Address: 6065 DALLAS HWY STE 200, DALLAS, TX 75214-1810

City: [ ]

# Appendix B: Secure Call Platform Screen Shots

## Dedicated BNA Search Screen

**Secure Call Platform** Facility Routing Number: 99001

SEARCH CRITERIA

SEARCH LEVEL  
Secure Data Search

**BNA Search**

FULL BY SEARCH CRITERIA (Indicates Required Fields)

View? My card (participating)

Phone Number: 312779180

First Name: Last Name: Address: City: State: Zip:

Search: Reset

Results Page 1 of 1

PHONE #	NAME	ADDRESS	CITY	STATE	ZIP	DATE
972279452	SECURUS SECURUS ATTN: ACCOUNTS PAYABLE	14581 DALLAS PAVY STE 403, DALLAS, TX 75254-8855	DALLAS	TX	75254-8855	12-Nov-2010 15:41:58 EST

Use the dedicated billing name and address search screen to investigate the location of a specific destination number

# Appendix B: Secure Call Platform Screen Shots

## Mapping BNA Information

### Secure Call Platform

The screenshot displays the Secure Call Platform interface. On the left, there is a 'Call Detail Records Search' section with various filters. A call record is selected, and a 'Name & Address Verification' pop-up window is shown in the center. To the right, a map of North Dallas is visible, with a red location pin indicating the address associated with the call. A text box in the upper right corner explains that users can activate GPS mapping functionality by combining the integrated BNA lookup feature with simple online mapping capabilities.

**Call Detail Records Search**  
 Point and click on a destination number to view the billing name and address for the number

**Name & Address Verification**  
 Phone Number: 075120328  
 Last Number: 11/04/2011 16:58:58 (STL)  
 Name: [REDACTED]  
 Address: [REDACTED]

**Map Labels:** INTERNATIONAL, West Palm, Private, 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000.

# Appendix B: Secure Call Platform Screen Shots

## Adding a Note to a Call Detail Record

Secure Call Platform Facility Running Number 09004

MANAGEMENT LEVELS

Call Detail Records Search

SEARCH CRITERIA (17 columns to be used)

Country Code: [ ] District Number: [ ] Extension Zone: [ ] International:

Customer Account: [ ] State: [ ] People Account: [ ] Trunked:

Facility: [ ] State: [ ] State Reason: [ ] Zone: [ ] Private:

Call Type: [ ] Call Status: [ ] Call Reason: [ ] Voice Network: [ ] Trunked:

Date Criteria: [Date/Time Range] [ ] Results Per Page: [ ]

Search [ ] EXCEL [ ] PDF [ ]

Call ID	Country Code	District Number	Extension	Call Date	Call Time	Call Duration	Call Status	Call Reason
01122222222	1074	011222	011222	01/12/09	01:17:00	0:00	Completed	Normal
01122222222	1074	011222	011222	01/12/09	01:17:00	0:00	Completed	Normal
01122222222	1074	011222	011222	01/12/09	01:17:00	0:00	Completed	Normal
01122222222	1074	011222	011222	01/12/09	01:17:00	0:00	Completed	Normal
01122222222	1074	011222	011222	01/12/09	01:17:00	0:00	Completed	Normal
01122222222	1074	011222	011222	01/12/09	01:17:00	0:00	Completed	Normal
01122222222	1074	011222	011222	01/12/09	01:17:00	0:00	Completed	Normal
01122222222	1074	011222	011222	01/12/09	01:17:00	0:00	Completed	Normal
01122222222	1074	011222	011222	01/12/09	01:17:00	0:00	Completed	Normal
01122222222	1074	011222	011222	01/12/09	01:17:00	0:00	Completed	Normal

Click the "notes" icon to add a note to any selected call detail record.

### Add Note To CDR

Message: [ ]

Call Number: [ ]

Call Date: [ ]

Call Time: [ ]

Call Duration: [ ]

Call Status: [ ]

Call Reason: [ ]

Notes: [ ]

Save [ ] Cancel [ ]

Terms and Conditions  
© 2011 Securus Technologies, Inc. All Rights Reserved

# Appendix B: Secure Call Platform Screen Shots

## Searching for Call Tracker Records

**Secure Call Platform** Facility Routing Number: 99001

---

**MANAGEMENT LEVEL:**

Call Tracker Search

FILL IN SEARCH CRITERIA (If Indicators Required For All)

(Use \* for wild card/asterisk searches)

Not Shared:  Tracking m.: \_\_\_\_\_ First Name: \_\_\_\_\_ Last Name: \_\_\_\_\_  
 Custody Assignment: \_\_\_\_\_ PIN #: \_\_\_\_\_ Dated Member: \_\_\_\_\_  
 Start Date/Time: 05/15/2010 \_\_\_\_\_ End Date/Time: 05/15/2011 \_\_\_\_\_ Results per page: 10

Search

---

Results: PAGE 1 OF 1

CONTRACT NUMBER	INDICATOR	INDICATOR NAME	INDICATOR VALUE	INDICATOR TYPE	INDICATOR NOTE	INDICATOR STATUS	INDICATOR ACTION
99001	See Search		9900190396	2043	Share		
99001	Miscellaneous		9900190396	2043	Share		

# Appendix B: Secure Call Platform Screen Shots

## Managing Recordings

The screenshot displays the 'Secure Call Platform' interface. At the top, there is a navigation bar with 'MANAGEMENT LEVEL' and 'Recording Management' options. Below this, a 'Recording Management' section contains a 'Create and manage recording files' button. A table lists recordings with columns for 'Recording ID', 'Recording Name', 'Recording Date', 'Recording Duration', and 'Recording Status'. A 'Download CD Image' button is visible next to the recordings. A callout box points to the table with the text: 'Easily select, review, download, or communicate recordings from within each management file.' Another callout box points to the 'Create and manage recording files' button with the text: 'Create and manage recording files.'

Recording ID	Recording Name	Recording Date	Recording Duration	Recording Status
010002	Investigation	01/01/2011	00:00:00	Completed
010003	Investigation	01/01/2011	00:00:00	Completed
010004	Investigation	01/01/2011	00:00:00	Completed

# Appendix B: Secure Call Platform Screen Shots

## Manage, Create, Edit, Predefine User Levels in SCP

### Secure Call Platform

Facility Routing Number: 95001

Administrators can manage, review, edit, and delete all security templates, predefine templates, and add new templates as required, all from one location in SCP.

Template Name	Description	Permissions
Right to Call	Can block number but no changes otherwise	
Right to Call	No test	
Right to Call	Right to Call	
Right to Call	Right to Call	
Right to Call	All permissions but no 3 way	
Right to Call	All but tree	
Right to Call	Everything	
Admin - Create Tip Notify	Create Tip Notify Access Admin	✓
Admin - Create Tip Notify	Create Tip Notify Access Admin	✓
Admin - Informant Line Notify	Informant Line Notify Access Admin	✓
Admin - Informant Line Notify	Informant Line Notify Access Admin	✓
Admin - Use Monitor	Administrator Use Monitoring Rights	✓

## Create New Security Templates

### Secure Call Platform

Facility Routing Number: 95001

Administrators can create new security templates based on various requirements.

Form fields: Name (Blank Access), Description (Blank)

Buttons: Admin, Monitor, Reports, System, Create, Cancel

Footer: Terms and Conditions © 2011 Securus Technologies, Inc. All Rights Reserved.



# Appendix B: Secure Call Platform Screen Shots

## Scanning Live Calls

**Secure Call Platform**

HOME SYSTEM MONITOR TOOLS ADMIN FACILITY SERIAL ADMINISTRATION FOCUS ELECTRONIC ORALMET REVIEW MAIL LOGOUT

MANAGEMENT **Scan all active calls for a configurable time**

Live Monitor Forward the call to a remote investigator

Scanning: 5 Sec. SM TAP

Play	Location	Inmate Name	Acct #	Prepaid Acct #	Dialed #	City, St	Fwd	Dur (s)	Pris	Watch	Status	Dialed Number	Call Date/Time
	A1-8	Murphy	22055		8598448758	RICHMOND, KY		570			Call in Progress	8598448758	08-Feb-2011 09:54:17
	D1-1	Bank	15120		8598448758	LEXINGTON, KY		120			Call in Progress	8598448758	08-Feb-2011 21:11:52
	Yard North / 9	HB	22007		5029888722	LOUISVILLE, KY		722			Call in Progress	5029888722	08-Feb-2011 21:01:00

Listen to the call Terminate the call Click the number to see a recent history of calls to this number Recent history appears here

Active Calls Only  Sec Phones

Showing calls to 859 Page: 1

Terms and Conditions © 2011 Securus Technologies, Inc. All Rights Reserved.

# Appendix B: Secure Call Platform Screen Shots

## Word Spotting Report

### Secure Call Platform

Facility Routing Number: 95001

Word Spotting Search

SEARCH CRITERIA

Working Case: [ ]    Contact Number: [ ]    Day: [ ]

Case Number: [ ]    PIR: [ ]    Last Name: [ ]

Results per page: [ ]

Start: 01/25/2011 00:00:00    End: 01/27/2011 23:59:59

Search    Reset

Case No.	Case Name	Case Type	Case Status	Case Date	Case Time	Case Duration	Case Type	Case Status	Case Date	Case Time	Case Duration
123	Detention Center - Site	123	1	01/25/2011	00:00:00	00:00:00	123	1	01/25/2011	00:00:00	00:00:00
123	Detention Center - Site	123	1	01/26/2011	00:00:00	00:00:00	123	1	01/26/2011	00:00:00	00:00:00
123	Detention Center - Site	123	1	01/27/2011	00:00:00	00:00:00	123	1	01/27/2011	00:00:00	00:00:00

Note: To search for the word in the Word Spotting and E-Call logs, use the following format:

Word Spotting Search

# Appendix B: Secure Call Platform Screen Shots

## Word Spotting Keyword Management

### Secure Call Platform

Facility Routing Number: 80001

The screenshot shows the 'Keyword Management' interface within the 'Secure Call Platform'. At the top, there is a navigation bar with 'HOME', 'STATUS', 'APPROVAL', 'ADDITIONAL ACCOUNT', and 'FACILITY PORTAL'. Below this is a 'MANAGEMENT LEVEL' section with a dropdown menu set to 'Secure Call Platform'. The main content area is titled 'KEYWORD MANAGEMENT' and includes a search bar with 'Keywords' entered and an 'Escape' button. Below the search bar are two columns: 'Available Keywords' and 'Selected Keywords'. The 'Selected Keywords' column contains a list of terms: 'Emerg', 'Distress', 'Hesit', 'Bene', 'Shout', 'Silly', 'Bullsh', and 'Gum'. Between the columns are buttons for 'Add', 'Remove', and 'Delete'. At the bottom of the interface are 'Update' and 'Reset' buttons. A footer contains the text 'Terms and Conditions' and '© 2011 Securus Technologies, Inc. All Rights Reserved.'

# Appendix B: Secure Call Platform Screen Shots

## Word Spotting Search Configuration

**Secure Call Platform** Facility Number: 0000

---

**MANAGEMENT LEVEL**  
[Home](#) [Logout](#) [Help](#) [Admin](#)

Word Spotting Trigger Summary

**WORD SPOTTING CONFIGURATION**

Trigger	Enabled	Priority	Keywords
001	0	10	Quinn Adams
002	0	10	John Adams
003	0	10	John Adams

**REMOVE PHONE NUMBER TRIGGERS**

118 Results PAGE 1 OF 1

TRIGGER	ENABLED	PRIORITY	KEYWORDS	LAST MODIFIED	USER
001	0	10	Quinn Adams	11/11/2011 11:11:11	Admin
002	0	10	John Adams	11/11/2011 11:11:11	Admin
003	0	10	John Adams	11/11/2011 11:11:11	Admin
004	0	10	John Adams	11/11/2011 11:11:11	Admin
005	0	10	John Adams	11/11/2011 11:11:11	Admin
006	0	10	John Adams	11/11/2011 11:11:11	Admin
007	0	10	John Adams	11/11/2011 11:11:11	Admin
008	0	10	John Adams	11/11/2011 11:11:11	Admin
009	0	10	John Adams	11/11/2011 11:11:11	Admin
010	0	10	John Adams	11/11/2011 11:11:11	Admin

# Appendix B: Secure Call Platform Screen Shots

## Adding a Note to a Call Detail Record

**Secure Call Platform** Facility Tracking Number: 00001

MANAGEMENT LEVEL: [...]  
User: [...]

**Call Detail Records Search**

Country Code: [...]  
Brand: [...]  
Call Type: [...]  
Call Status: [...]  
Start Date Range: [...]

Call ID	Call Type	Call Status	Start Date	End Date	Duration	Call Cost
[...]	[...]	[...]	[...]	[...]	[...]	[...]
[...]	[...]	[...]	[...]	[...]	[...]	[...]
[...]	[...]	[...]	[...]	[...]	[...]	[...]
[...]	[...]	[...]	[...]	[...]	[...]	[...]

Click the "notes" icon to add a note to any selected call detail record.

### Add Note To CDR

Call ID: [...]  
Call Type: [...]  
Call Status: [...]  
Start Date: [...]  
End Date: [...]  
Duration: [...]  
Call Cost: [...]

Notes: [Text Area]

Save Note

© 2011 Securus Technologies, Inc. All Rights Reserved



# Appendix B: Secure Call Platform Screen Shots

## Managing Recordings

The screenshot displays the 'Secure Call Platform' interface. At the top, there is a navigation bar with tabs for 'HOME', 'SYSTEM', 'MANAGEMENT', 'RECORDING', and 'SECURITY'. Below this, a 'MANAGEMENT LEVEL' dropdown is set to 'Investigation'. The main content area is titled 'Recording Management' and includes a '+ ADD NEW' button. A list of management files is shown, with columns for 'Management File', 'Recording', and 'Download CD Image'. A callout box points to the 'Recording' column with the text 'Create and manage recording files.' Another callout box points to the 'Download CD Image' column with the text 'Easily select, review, download, or communicate recordings from within each management file.'

Management File	Recording	Download CD Image
015862 Investigation		
018913 Investigation		
020528		

# Appendix B: Secure Call Platform Screen Shots

## Downloading Calls to External Media

### Secure Call Platform

Facility Routing Number: 53001

Recording Management

Address: Central

Call ID	Call Type	Call Date	Call Time	Call Duration	Call Status	Call File Name	Call File Size
11-03-2010 10:14:42	Secure Call	11-03-2010	10:14:42	00:02:38	Completed	11-03-2010 10:14:42	1.28 MB
11-03-2010 10:14:30	Secure Call	11-03-2010	10:14:30	00:02:38	Completed	11-03-2010 10:14:30	1.28 MB
11-02-2010 13:55:18	Secure Call	11-02-2010	13:55:18	00:02:38	Completed	11-02-2010 13:55:18	1.28 MB
11-02-2010 08:34:40	Secure Call	11-02-2010	08:34:40	00:02:38	Completed	11-02-2010 08:34:40	1.28 MB

Create CD Image   
  Download Call Media



# Appendix B: Secure Call Platform Screen Shots

## Call Detail Report

**Secure Call Platform** Facility Rowing Number: 90001

MANAGEMENT LEVEL: User friendly, customizable Search Engine

Cell Detail Records Search

REC IN SEARCH CRITERIA: Point and click to export data.

Category Group:  Guard Number:  Destination Zone:  International:

Customer Account #:  PRN #:  Person Account #:  Watched:

First Name:  Last Name:   3-Way:

Termination Category:  ALL  Pre-Call Answer:  Call Type:  ALL  Call Status:  ALL  Date Interval:  1 Day  7 Days  30 Days  90 Days  180 Days  365 Days  All Time

Start: 02/01/2011 00:00:00 End: 04/25/2011 23:59:59

Search:

1 RESULTS PAGE 1 OF 1

CALL ID	CALL DATE	CALL TIME	CALL DURATION	CALL TYPE	CALL STATUS	CALL PARTY	CALL LANGUAGE
Secure Demo 36 N14-4 411	02/04/2011	02:46:2011	32 (0)	Inter	Complete	Called party	Language: English
Secure Demo 36 N14-4 411	02/04/2011	02:46:2011	32 (0)	Inter	Complete	Called party	Language: English
Secure Demo 36 N14-4 411	02/04/2011	02:46:2011	32 (0)	Inter	Complete	Called party	Language: English

Apply a number of different actions to the call record. Comprehensive, critical call detail information

Terms and Conditions  
© 2011 Securus Technologies, Inc. All Rights Reserved.

# Appendix B: Secure Call Platform Screen Shots

## Call Frequency Report

### Secure Call Platform

Facility Routing Number: 99001

[Home](#) [STATUS](#) [MONITOR](#) [TOOLS](#) [ADMIN](#) [FACILITY PORTAL](#)

[MANAGEMENT LEVEL](#)  
[Secure Demo Site](#) [Secure Demo Site](#) [All Phone Groups](#) [All Phones](#)

**Call Frequency Search**  
 Fill in SEARCH CRITERIA (\* indicates Required Field)

Select date range and other criteria to narrow the results.

Enter a threshold for the number of times a number was called to initiate the report.

Threshold:  Call Status:  International:   
 Number Category:  Call Type:  Method:   
 Start:  End:   
 Search

20 results PAGE 1 OF 2

Secure Demo Site	(1) 2722720311	15
Secure Demo Site	(1) 2722720329	15
Secure Demo Site	(1) 2722720300	15
Secure Demo Site	(1) 2722720316	15
Secure Demo Site	(1) 2722720305	15
Secure Demo Site	(1) 2722720317	15
Secure Demo Site	(1) 2722720323	15
Secure Demo Site	(1) 2722720327	15

Call Frequency results display each dialed number meeting or exceeding the defined threshold. By clicking on a frequency amount, all call detail information for the calls are displayed.

# Appendix B: Secure Call Platform Screen Shots

## Call Tracker Report

**Secure Call Platform** Facility Reporting Number: 99001

ACCOUNT LEVEL

Call Tracker Search

FILE BY SEARCH CRITERIA

View and interact with results. Click CDR icon to view full details about call records.

Use comprehensive search criteria to find CDR Notes.

Search EXCEL PDF CSV Report

CDR ID	CDR NUMBER	SEARCH NUMBER	SEARCH DATE	SEARCH TIME	ACCOUNT NUMBER	SEARCH NOTE
5472010	5472010	5472010	07/22/2015	01:22	7145	07/16/15
5472010	5472010	5472010	07/22/2015	01:22	7145	15/07/15

# Appendix B: Secure Call Platform Screen Shots

## Hourly Usage Report

### Secure Call Platform

Facility Hoisting Number: 99001

MANAGEMENT LEVEL: [User Name]

Hourly Usage Report

SEARCH CRITERIA (includes Report Profile)

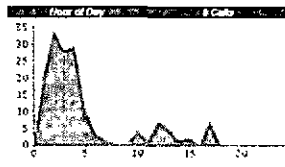
(Use \* for wild card / empty spaces)

Call Status: [Dropdown]

Date Criteria: [Start Date] To [End Date] Search Conditions Restricted to [Facility]

Start: 04/29/2011 00:00:00 End: 04/29/2011 23:59:59

Search [PDF] [Reset]



Hour	Count
00:00	0
01:00	0
02:00	0
03:00	0
04:00	30
05:00	15
06:00	5
07:00	2
08:00	0
09:00	0
10:00	0
11:00	1
12:00	2
13:00	0
14:00	1
15:00	2
16:00	0
17:00	1
18:00	0
19:00	2
20:00	0
21:00	0
22:00	0
23:00	1

Hourly Usage Report – is a valuable administrative report that displays the number of phone calls that have taken place within a given date and time range. Search criteria includes international, watched, private, call status, and date/time.



# Appendix B: Secure Call Platform Screen Shots

## Covert Alert Call Detail Record Report

### Secure Call Platform

SCP's Covert Alert feature and reports have assisted in many criminal investigations throughout the country.

MANAGEMENT LEVEL: [Home] [Tools] [Admin] [Agency Portal]

Covert Alert Call Detail Records Search

FILL IN SEARCH CRITERIA ( \* indicates required fields )

Alerted County Code: [ ] Alerted County Name: [ ] Alerted First Name: [ ] Alerted Last Name: [ ]

Country Code: [ ] County Code: [ ] County Account #: [ ]

Miss Name: [ ] Last Name: [ ]

Alerted Category: [ All ] Call Status: [ ]

Date Range: [ ] Start: [ ] End: [ ]

Search [ ] EXCEL [ ] PDF [ ] CSV [ ] Reset [ ]

PAGE 1 OF 2

CDR ID	POINT	AGENT DIAL	AGENT NAME	TECH CAP	START TIME	END TIME	CALL DURATION	CALL STATUS	CALL RESULT
114854417	see doc	No Investigator Assistance		05-25-2010 18:03:51	05-27-2010 18:03:51	41	921273551	362308	see doc complete
114854417	see doc	Covert Call Error		05-25-2010 18:16:20	05-25-2010 18:16:20	15	921273551	364328	see doc complete
114854417	see doc	No Investigator Assistance		05-27-2010 17:18:32	05-27-2010 17:18:32	731	921273551	362319	see doc complete
114854467	James Rogers	No Investigator Assistance		05-27-2010 10:13:23	05-28-2010 10:13:23	69	921269241	82499	see doc complete
114854467	James Rogers	Covert Alert Error		05-28-2010 11:40:09	05-28-2010 11:40:09	182	921269241	82499	see doc complete

Select criteria such as who was alerted, what happened, call status, call start and end, duration or dialed number.

Click the CDR icon to the left of each record to display full call detail information for each call.





# Appendix B: Secure Call Platform Screen Shots

## Personal Allowed Number Frequency Report

### Secure Call Platform

**Investigators enter a number into the threshold criteria field to research how many times phone numbers appear among the PAN lists of their facility and site(s).**

**By selecting the magnifying glass next to the displayed frequency number, users can run a detail report. This report displays information about each inmate having the number on their PAN list.**

**PAN Frequency Search**

SEARCH CRITERIA: [Threshold: 10]

SEARCH	EXACT	PDF	CSV	Home
PAGE 1 OF 2				
SEARCH	EXACT	PDF	CSV	Home
SEARCH	EXACT	PDF	CSV	Home
SEARCH	EXACT	PDF	CSV	Home

**PAN Frequency Detail Search**

SEARCH CRITERIA: [Threshold: 10]

SEARCH	EXACT	PDF	CSV	Home
PAGE 1 OF 3				
SEARCH	EXACT	PDF	CSV	Home
SEARCH	EXACT	PDF	CSV	Home
SEARCH	EXACT	PDF	CSV	Home
SEARCH	EXACT	PDF	CSV	Home

# Appendix B: Secure Call Platform Screen Shots

## CrimeTIP Report

Secure Call Platform Facility Room Number: 09001

MANAGEMENT LEVEL

TIPS Search

FILE SEARCH CRITERIA

Call Log

Call Type: 1 - ALL - 02

Page 1 of 4

Crime Tip search criteria

Crime Tip details and available actions

Call ID	Call Type	Call Date	Call Time	Call Duration	Call Status
01282011020000	01282011020000	01282011	02:00:00	00:00:00	01
01282011020000	01282011020000	01282011	02:00:00	00:00:00	01
01282011020000	01282011020000	01282011	02:00:00	00:00:00	01
01282011020000	01282011020000	01282011	02:00:00	00:00:00	01

Navigation: < > << >> PAGE 1 OF 4





# Appendix B: Secure Call Platform Screen Shots

## Informant Line Report

**Secure Call Platform** Facility Account ID: 99001

---

**Informant Line Call Records Search**

PC: FILL IN SEARCH CRITERIA. Press on submit button.  
CLEAR TV AR 08/27/2011 11:45:01 AM

County Code: [ ]      Dotted Number: [ ]      Exchange Code: [ ]      Inmate Number: [ ]  
Country/Region: [ ]      FIDR: [ ]      Project Number: [ ]      Vendor: [ ]  
Phone State: [ ]      LAD: [ ]      [ ]      [ ]  
Transmission Category: [ ]      Call Type: [ ]      [ ]      [ ]  
Date Criteria: [ ]      Search For Page: [ ]      Search Branch Code: [ ]  
View Date Time: [ ]      [ ]      [ ]      [ ]      [ ]      [ ]      [ ]      [ ]      [ ]      [ ]

Search      Reset

---

13 Results      PAGE 1 OF 1      SEARCH REPORT

Case No.	Case Name	Case Type	Case Status	Case Date	Case Time	Case Location	Case Category	Case Sub-Category
10000000000000000000	Secure Call Entry	CP 12	13/UNASSIGNED	04-11-2011 01:04:41	04-11-2011 01:04:41	CP 12	Complete	Call Record Range
10000000000000000000	Secure Call Entry	CP 12	13/UNASSIGNED	04-11-2011 01:04:41	04-11-2011 01:04:41	CP 12	Complete	Call Record Range

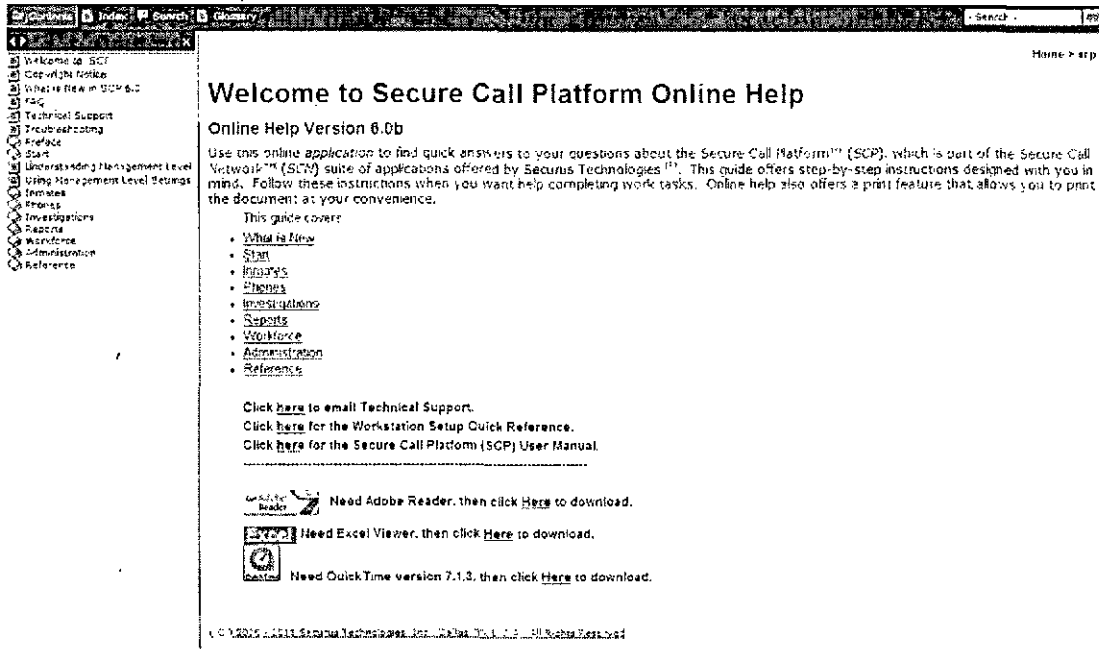
Navigation: [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ]

**Informant Line search criteria** (points to search form)

**Informant Line details and available actions** (points to table and navigation)

# Appendix B: Secure Call Platform Screen Shots

## Secure Call Platform Online Help





## **Appendix C: Continuous Voice Verification**

---

Please refer to the following page for the JLG brochure.

Q

## What's the best thing to happen to corrections investigations in fifty years?

**The problem:** Today's inmates are more sophisticated and resourceful than ever in their efforts to circumvent inmate telephone systems to commit and hide criminal activity. Meanwhile, the development of technology to stay a step ahead of this problem has fallen far behind, leaving correctional agencies without the sophisticated tools they need to proactively investigate and intercept their illicit activities.

**The Solution:** The *Investigator Pro* system is a powerful evidence gathering and investigative analysis tool. It uses unprecedented state-of-the-art technology to "recognize" the voices of inmates over telephone calls and exposes inmates who try to beat the system by hiding their identities to engage in criminal activity. The system's impressive dashboard automatically collects and analyzes a vast amount of information that would otherwise be labor intensive to gather and interpret. This breakthrough technology stands to dramatically change the way evidence is gathered, shared, and incorporated into the investigation and prosecution process. The *Investigator Pro* system provides the highest level of integrity, efficiency, and demonstrated effectiveness as an evidence case management tool.

**Why you'll want it:** It just makes sense to include this tool in your investigative arsenal. The benefits to your agency are countless, and include:

- ✓ The system allows you to proactively identify inmates conspiring to commit crimes *before* you have other intelligence information. Who wouldn't want to enhance their ability to intercept and mitigate those crimes and security risks *before* they become a reality? The *Investigator Pro* system can help you conduct better investigations of escape plans, introduction of drugs, assaults and other violent crimes on

staff, other inmates, members of the community and victims; Security Threat Group activity; and terrorist or other subversive activities or organizations just to name a few.

**How does the Investigator Pro system differ from standard biometric verification?**

Investigator PRO	Standard Biometric Verification
Identifies the voices of all inmates on the call	No
Ensures PIN owner identity at start of call	Yes
Ensures PIN owner identity throughout call	Yes
Alerts you if other inmates appear on the call	No
Helps stop inmates stealing others' PINs	No
Helps stop inmates sharing others' PINs	No
Ensures validity of the call database	Yes
Alerts investigators when IP abuse occurs	No
Finds, reports patterns of in-call suspicious behavior	No
Searches databases linked on landline rosters	No
Leads investigators to high-risk phone calls	No

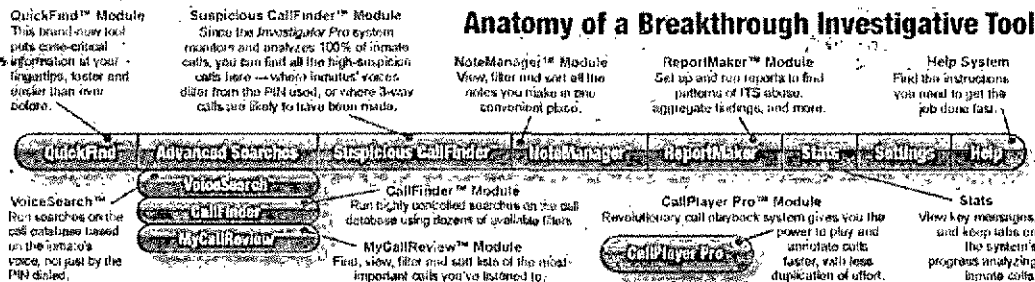
- ✓ The *Investigator Pro* system allows you to gather more precise evidence when you already suspect a crime is being planned or in process.
- ✓ More precise investigations mean more reliable evidence for prosecutions.
- ✓ The *Investigator Pro* system saves time, allowing for more productive use of staff time, better distribution of staff resources and cost savings.
- ✓ The report feature allows for supervisory oversight, accountability and assessment of staff's investigative skills and activities.

- ✓ Crimes planned inside prisons are crimes committed beyond the walls. Sharing intelligence information with other federal, state, and local law enforcement agencies fosters ongoing collaboration and strengthens the prosecutory process, thus enhancing public safety.
- ✓ The system automatically identifies suspicious calls made by Security Threat Group members, known institution drug dealers, inmates on mail monitors, escape risks, and

A

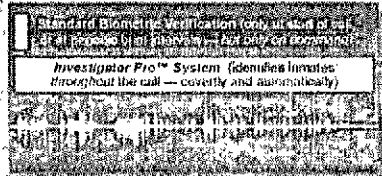


# Appendix C: Continuous Voice Verification



other preselected high interest groups that require close monitoring. The beauty of this feature is that you can customize the program to target only the groups that are your priority.

How it differs from biometrics: The Investigator Pro system goes far beyond the limited capabilities of standard biometric verification systems. Standard biometrics can only identify the caller at the start of the call, or at selected intervals during the call. But biometrics verification by itself cannot analyze the information in a structured and comprehensive format that automatically presents and links information together, allowing investigators to see patterns and relationships in key pieces of evidence without having to drill down through mountains of information to make the connections. The Investigator Pro system incorporates the sophistication of biometrics as its core but revolutionizes this technology by integrating unique and powerful functionality that makes it the only total package of exclusive investigatory tools in the industry.



Why you may never have heard of this product before: It's new to Corrections. This advanced technology was originally developed for the Department of Defense for covert surveillance. This revolutionary breakthrough in phone surveillance technology has enabled JLG Technologies to adapt it specifically for the corrections community to produce the Investigator Pro system, an inmate telephonic crime detection and prevention system.

Nationwide Adoption: The highly successful launch of the Investigator Pro system in Fall 2007 has already led to deployment at 51 facilities. The system is rapidly gaining momentum with installations currently under contract in 10 states.

**JLG Technologies, LLC**  
Voice-Identity, Corrections Security Systems™

149 Harbor Street Framingham, MA 01701

phone: (508) 424-2300 web: www.jlg-tech.com email: info@jlg-tech.com

Affordability is built in: Part of the revolutionary nature of the Investigator Pro system lies in the breakthroughs that were made to make the system affordable for correctional agency budgets.

How it works: The Investigator Pro system uses *Whisper*™ technology, an advanced technology to "recognize" the voices of inmates on phone calls and expose inmates who try to abuse the system by hiding their identities.

#### Customer Feedback:

##### State DoC Commissioners:

"Relevant, state-of-the-art technology that has improved the ability of our investigators to conduct thorough investigations with less effort."

##### State and County Corrections Investigators:

"Using the Investigator Pro system I've been able to work with gang members on the inside communication with members on the outside."

"VoiceSearch has allowed us to detect those inmates who are trying to mask their phone calls. As we all know these are the calls that are most valuable to us as investigators."

"Clear and significant better than anything I've ever used before."

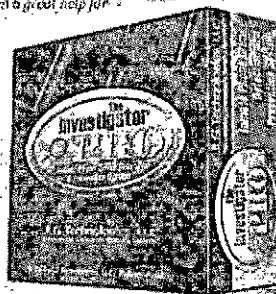
"The NoteManager allows me to classify and sort my notes by case number. This has helped organize and reduce the amount of time reviewing my notes."

"The ability to record and email 10-second clips of calls rather than the entire call has been a great help for other agencies."

"This new speed feature saved me so much time reviewing my calls."

"Your facility has the most advanced technology in the world for phone systems. And you know it well."

Founded in 2005, JLG Technologies' commitment to providing advanced security solutions to the corrections industry is not new. Its president and founder has been delivering advanced telephonic-based technology solutions to corrections facilities across the nation for over twenty years.



**The Investigator Pro is a reality... and it's available immediately.**

County of San Diego, Sheriff's Department RFP #5337 for Detention Facilities — Inmate Telephone Services

#### APPENDICES

© 2011 Securus Technologies, Inc. All rights reserved.





# **Appendix D: Preliminary Project Plan**



## Appendix E: Facility Portal

---

The Facility Portal allows authorized users to perform functions, such as managing users and facility settings, ordering materials, creating and managing service tickets, and generating administrative reports.

Authorized users can view or download the following reports from Facility Portal:

- **Calling Activity Report** - This report provides details on the number and type of calls made from a telephone number at the facility(s).
- **Call Type Summary Report** - This report provides details on the number and type of calls made from a specific telephone number at the facility(s). Calls will be broken down by local, intraLATA, interLATA and interstate.
- **Daily Call Volume Snapshot** - This report shows a daily snapshot of calls and minutes compared to the daily average
- **Monthly Call Frequency Chart** - This chart details the most frequently called numbers from the facility.
- **Preliminary Monthly Revenue Report** - This report details all calls, minutes and revenue for a specific date range.
- **Preliminary Daily Revenue Report** - This report details all calls, minutes and revenue for a specific date.
- **Investigation Tool** - This tool allows for tracking of a specific dialed number from any of the approximately 2,200 facilities serviced by Securus.

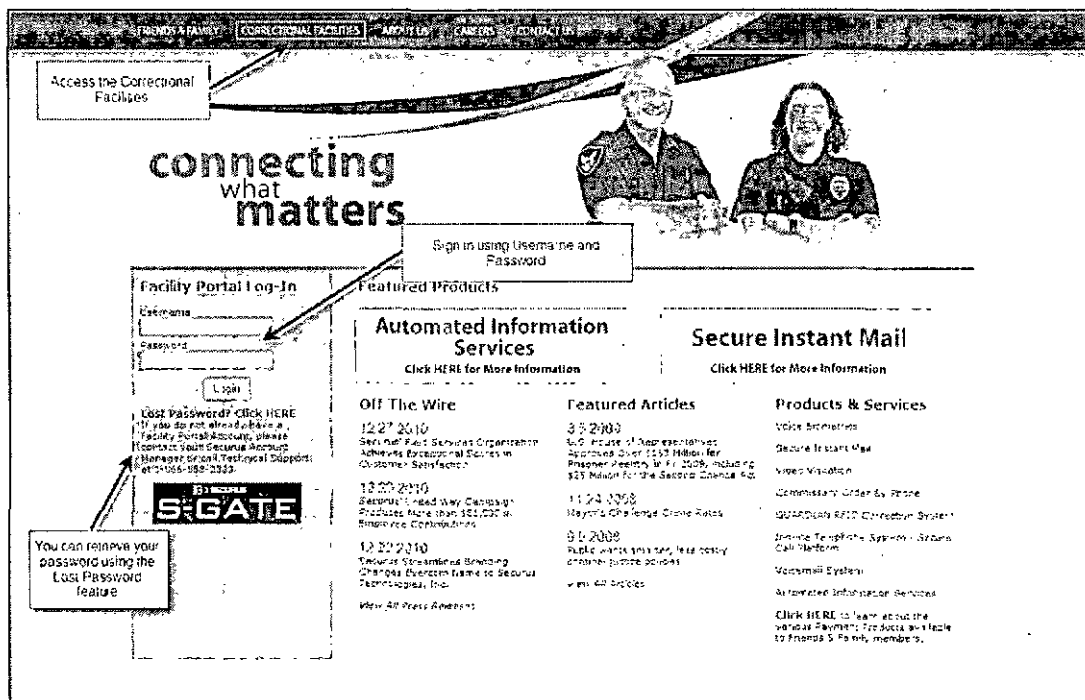
## Access

To access the Securus Facility Portal, go to [www.securustech.net](http://www.securustech.net) and click on the Correctional Facilities at the top of the screen.

Correctional staff enters username and password.

## Facility Portal Access

*Proprietary and Confidential*





## Dashboard

Once logged in Correctional Staff can do the following:

- Select a specific facility if more than one.
- Find contact information for the Securus team
- View call volumes and open service tickets
- Request password change
- View alerts for maintenance times, new user account approvals, special promotions and much more.

### Facility Portal Dashboard View *Proprietary and Confidential*

**Facility Portal**

Quick Look will highlight your current calls for the day, yesterday's call totals and current number of outstanding service tickets in progress

Facility Name Here

Dashboard

Facility Manager

Reports

Order Materials

Downloads & User Guide

Service Center

Sign Out

Dashboard

Facility Name Here

Select

Welcome to the Securus Facility Portal. This Portal will allow you to submit and track Technical Support tickets, download reports, order new printed product brochures and give you access to lots of other important information.

**QUICK LOOK**

618	715	0
TUESDAY CALLS	MONDAY CALLS	OPEN SERVICE TICKETS

**GLOBAL MESSAGES**

Welcome to Securus' Facility Portal. Make sure to read the Facility Portal User Guide by clicking on Downloads and User Guides to your left and then selecting User Guide. Check back often for other important alerts, updates and product information.

Contact information for your Account Manager, Field Support Technician and Technical Support

Your Local Account Manager

Name  
Contact Info

Your Field Support Technician

Name  
Contact Info

Technical Support  
855 553 2323  
Fax: 800 345 3153  
technicalsupport@securustech.net

Alerts will keep you apprised of maintenance times, new user account approvals, special promotions and any other information that you may need.

### Managing Users and Facility Settings

The Portal Manager will allow facilities to manage user account and profiles. With administrative access, Correctional facility staff can modify existing user accounts, create new accounts and update the facility account information. Administration access must be granted by another administrator or a Securus Technical Support representative.

#### Manage Users *Proprietary and Confidential*

**SECURUS TECHNOLOGIES**  
connecting what matters™

FRIENDS & FAMILY | CORRECTIONAL FACILITIES | ABOUT US | CAREERS | CONTACT US

## Facility Portal

Facility Name Here

Dashboard  
Portal Manager  
Manage Users  
Add New User  
My Profile  
Facility Profile  
Reports  
Order Materials  
Downloads & User Guide  
Service Center  
S-Gate  
Log-Out

### Manage Users

NAME	TITLE	ADMIN	COMMISSIONS	INVESTIGATIVE	REPRO 116 ACCESS	SERVICE TICKETS	MATERIALS ORDERING
Bames, Amy	Telecommunications Mgr.		X	X	X	X	X
Neal, Shifley			X		X	X	X

Allow access as needed to different users

Adding or updating user profiles is easy. Simply click on Add New User in the left menu to create additional users or click on the edit icon in the user list to modify user information, settings and permissions.

## Add User *Proprietary and Confidential*

Facility Name here

### Add User Profile

Enter user information and select access

USER INFORMATION

Username:

First Name:

Last Name:

Facility:

Title:

Address:

City:

State:

Zip Code:

Country:

County:

Email Address:

Phone:

SECURITY ACCESS

Administrator

Communications Access

Investigations Access

Call Reporting Access

Service Ticket Access

Materials Ordering Access

Add User

The facility profile will allow Correctional staff to update the facility contact and shipping information for the portal. Administrative access is needed to manage this information.

## Facility Profile

*Proprietary and Confidential*

**Facility Name Here**

Update Facility Profile

**GENERAL FACILITY INFORMATION**

Facility Name:

Main Contact:

Address:

City:

State:

Zip Code:

Country:

County:

Phone:

Email:

Dashboard

Portal Manager

Manage Users

Add New User

My Profile

Facility Profile

Reports

Order Materials

Downloads & User Guide

Service Center

S-Gate

Log-Out

After the initial account is created, all new users must be approved by the facility administrator and Securus Technologies. The administrator on the account will be prompted by email and alerts to approve any new accounts created through a sales person or technical support. The user will be notified by email when their user account has been approved.

### Reports

The Reports section of the Facility Portal allows Correctional facilities to download calling activity and revenue reports.

The following reports are available for viewing or download:

- **Calling Activity Report** - This report provides details on the number and type of calls made from a telephone number at the facility(s).
- **Call Type Summary Report** - This report provides details on the number and type of calls made from a specific telephone number at the facility(s). Calls will be broken down by local, intraLATA, interLATA and interstate.
- **Daily Call Volume Snapshot** - This report shows a daily snapshot of calls and minutes compared to the daily average
- **Monthly Call Frequency Chart** - This chart details the most frequently called numbers from the facility.
- **Preliminary Monthly Revenue Report** - This report details all calls, minutes and revenue for a specific date range.
- **Preliminary Daily Revenue Report** - This report details all calls, minutes and revenue for a specific date.
- **Investigation Tool** - This tool allows for tracking of a specific dialed number from any of the approximately 2,200 facilities serviced by Securus.

**Reports Screenshot**  
*Proprietary and Confidential*

The screenshot shows the SecurUS Facility Portal interface. At the top is the SecurUS Technologies logo with the tagline 'connecting what matters'. Below the logo is a navigation bar with links for 'FRIENDS & FAMILY', 'CORRECTIONAL FACILITIES', 'ABOUT US', 'CAREERS', and 'CONTACT US'. The main heading is 'Facility Portal'. On the left side, there is a 'Facility Name' search box and a list of navigation links: Dashboard, Portal Manager, Communications Reports, General Reports, Calling Activity Report, Call Type Summary Report, Daily Call Volume Chart, Monthly Call Frequency Chart, Preliminary Monthly Revenue Report, Preliminary Daily Revenue Report, Investigation Tool, Order History, Download & User Guide, Service Center, Help, Secure Call Platform, and Log Out. The 'General Reports' section is expanded, showing a list of reports with their descriptions:

- General Reports**  
 Given the financial nature of the Facility Portal, these reports include only billable calling activity and are not intended to be reconciled against the calling platform CDR's. SecurUS' calling platform reports on both billable and non-billable calling activity.
- Calling Activity Report**  
 This report provides details on the number and type of calls made from a site (some number as your facility(s)).
- Call Type Summary Report**  
 This report provides details on the number and type of calls made from a specific telephone number at your facility(s). Calls will be broken down by local, wireless, interstate and interstate.
- Daily Call Volume Chart**  
 This report shows a daily amount of calls and minutes compared to your call coverage.
- Monthly Call Frequency Chart**  
 This report details the total/revenue calls minutes from your facility.
- Preliminary Monthly Revenue Report**  
 This report details all calls, minutes and revenue for a specific date range.
- Preliminary Daily Revenue Report**  
 This report details all calls, minutes and revenue for a specific date.
- Investigation Tool**  
 This tool allows for tracking of a specific site number from any of the more than 400 facilities serviced by SecurUS.

**Calling Activity Report**

Correctional Facilities can select a date range or a revenue period to get revenue and call details for a specific site. Staff can also tailor this report by ANI (Automatic Number Identification) or BTN (Billing Telephone Number).

**Calling Activity**  
*Proprietary and Confidential*

**SECURUS TECHNOLOGIES**  
*Accelerating what matters*

Home | Facility | Correctional Facilities | About Us | Contact Us

## Facility Portal

**Facility Name**

**Calling Activity Report**

This report can take several minutes to process due to the large amount of records being searched.

**SELECT REPORTING PERIOD**

By Date Range:  (M) to  (M) (Max 30 days)

By Specific Revenue Period:  Sep 2011

**REPORT DETAILS**

State:

Originating No. (ANI):

Called Party (BTR):

**Facility Name**

Call Center

Facility Manager

Submit as my Reports

**General Reports**

Calling Activity Report

Call Year Summary Report

Daily Call Volume Chart

Monthly Call Frequency Chart

Preliminary Monthly Revenue Report

Preliminary Daily Revenue Report

Investigation Tool

Order Materials

Downloads & User Guide

Service Center

FAQ

Secure Call Platform

Log-Out

# Appendix E: Facility Portal

## Call Type Summary Report

Select the revenue period and site to get your report. The following is a sample of the Call Type Summary Report.

### Call Type Summary Report *Proprietary and Confidential*

Orig Amt	Contr	Port	Total		Local		Intralata		Interlata		Interstate	
			Calls	Mins	Calls	Mins	Calls	Mins	Calls	Mins	Calls	Mins
0000000000	99	1	2	21	0	0	0	0	2	21	0	0
0000000000	99	2	17	183	11	127	4	23	0	0	2	23
0000000000	99	3	1	15	1	15	0	0	0	0	0	0
0000000000	99	4	12	77	1	3	11	73	0	0	0	0
0000000000	99	5	82	541	35	252	24	273	0	0	0	0
0000000000	99	6	1	15	1	15	0	0	0	0	0	0
0000000000	99	7	40	355	25	220	3	41	2	22	3	22
0000000000	99	1	27	193	15	113	11	63	0	0	1	15
0000000000	99	2	85	715	32	455	3	20	0	0	0	0
0000000000	99	3	23	262	11	114	12	152	0	0	0	0
0000000000	99	4	5	54	1	2	3	37	1	15	0	0
0000000000	99	5	35	427	17	172	0	0	0	0	15	255
0000000000	99	6	24	302	21	257	1	15	0	0	2	30
0000000000	99	7	12	240	0	0	15	240	0	0	0	0
0000000000	99	8	24	337	24	337	0	0	0	0	0	0
0000000000	99	9	20	235	3	115	12	130	0	0	0	0
total:			374	4,050	236	0	102	1,125	3	118	16	351



**Daily Call Volume Snapshot**

This report will automatically show the results for today's date. To see another date, enter the date and select submit.

**Daily Call Volume Report**  
*Proprietary and Confidential*

**SECURUS TECHNOLOGIES**  
connecting what matters

[FRIENDS & FAMILY](#)
[CORRECTIONAL FACILITIES](#)
[ABOUT US](#)
[CAREERS](#)
[CONTACT US](#)

## Facility Portal

Facility Name:

### Daily Call Volume Snapshot

Date: 3/5/2011

CALLS	
3/5/2011	4014
Average	4861

MINUTES	
3/5/2011	51581
Average	49953

- Dashboard
- Portal Manager
- Commissions Reports
- General Reports
  - Calling Activity Report
  - Call Time Summary Report
  - Daily Call Volume Chart
  - Monthly Call Frequency Chart
  - Preliminary Monthly Revenue Report
  - Preliminary Daily Revenue Report
- Investigation Tool
- Order Materials
- Downloads & User Guide
- Service Center
- Help
- Secure Call Platform
- Log-Out

**Monthly Call Frequency Chart**

Correctional facilities can review this report for all site or a specific sit by revenue period. To look at other revenue periods, just click the arrows located under the date field.

Following is a sample monthly call frequency report.

**Monthly Call Frequency Report**  
*Proprietary and Confidential*

**SECURUS TECHNOLOGIES**  
connecting what matters™

FRIENDS & FAMILY | CORRECTIONAL FACILITIES | ABOUT US | CAREERS | CONTACT US

**Facility Portal**

Facility Name:

Dashboard

Portal Manager

Commissions Reports

General Reports

- Calling Activity Report
- Call Type Summary Report
- Daily Call Volume Chart
- Monthly Call Frequency Chart
- Preliminary Monthly Revenue Report
- Preliminary Daily Revenue Report
- Investigation Tool

Order Materials

Downloads & User Guide

Service Center

Help

Secure Call Platform

Log-Out

**Monthly Call Frequency Chart**

SITE DETAILS Site: All Sites

9/2011

NUMBER CALLED	FREQUENCY
48	
45	
36	
32	
31	
31	
30	
30	
29	
29	

## Preliminary Monthly Revenue Report

The preliminary monthly revenue report shows the current revenue period in progress, however you can select a date range to see your revenue for any period.

## Sample Monthly Revenue Report

*Proprietary and Confidential*

**SECURUS TECHNOLOGIES**  
Innovating what matters

[FRIENDS & FAMILY](#) | 
 [CORRECTIONAL FACILITIES](#) | 
 [ABOUT US](#) | 
 [CAREERS](#) | 
 [CONTACT US](#)

# Facility Portal

**Facility Menu**

- Dashboard
- Portal Manager
- Commissions Reports
- General Reports
  - Calling Activity Report
  - Call Type Summary Report
  - Daily Call Volume Chart
  - Monthly Call Frequency Chart
  - Preliminary Monthly Revenue Report
  - Preliminary Daily Revenue Report
  - Investigation Tool
- Order Materials
- Downloads & User Guide
- Service Center
- Help
- Secure Call Platform
- Log-Out

### Preliminary Monthly Revenue Report

Call revenue is defined as gross billing revenue resulting from completed calls and will also include items such as carrier, long distance and other fees. The amounts reported here may be different than those included in commission and revenue because of contractual agreements.

From:  To:

MONTH	TOTAL CALLS	TOTAL REVENUE	TOTAL REVENUE
9/11	4,018	51,608	\$22,433.71
<b>TOTALS</b>	<b>4,018</b>	<b>51,608</b>	<b>\$22,433.71</b>

## Preliminary Daily Revenue Report

Correctional facilities can select specific days or number of days to see a summary of calls, minutes and revenue.

## Sample Preliminary Daily Revenue Report

*Proprietary and Confidential*

**SECURUS TECHNOLOGIES**  
connecting what matters™

[FRIENDS & FAMILY](#)
[CORRECTIONAL FACILITIES](#)
[ADULTS](#)
[CAREERS](#)
[CONTACT US](#)

### Facility Portal

Facility Name: \_\_\_\_\_

#### Preliminary Daily Revenue Report

Call revenue is defined as gross billed revenue less to be completed call and excluded calls such as taxes, regulatory fees and other fees. The amount reported here may be different from what is reported on the invoice as a result of contractual adjustments.

From: 8/5/2011 To: 8/5/2011

DATE	CALLS	MINUTES	REVENUE
08/05/2011	4,014	51,608	\$22,416.28
08/06/2011	4	27	518.43
<b>TOTAL</b>	<b>4,018</b>	<b>51,635</b>	<b>\$22,433.71</b>

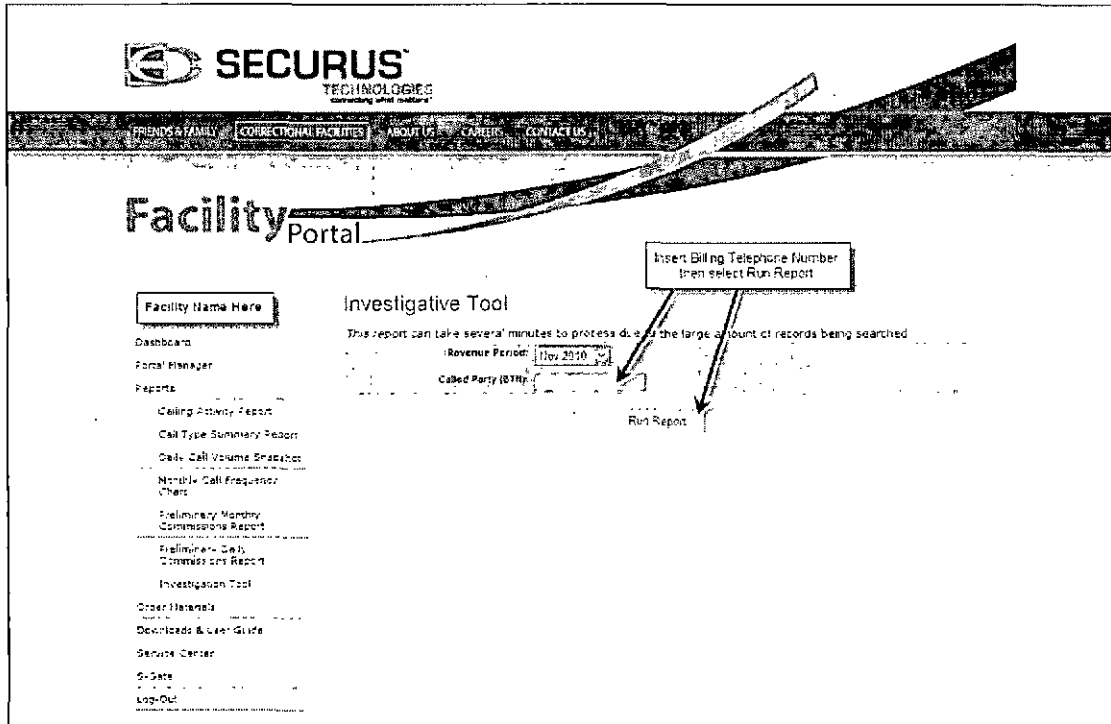
- Dashboard
- Portal Manager
- Commissions Reports
- General Reports
  - Calling Activity Report
  - Call Type Summary Report
  - Daily Call Volume Chart
  - Monthly Call Frequency Chart
  - Preliminary Monthly Revenue Report
  - Preliminary Daily Revenue Report
  - Investigation Tool
- Order Materials
- Downloads & User Guide
- Service Center
- Help
- Secure Call Platform
- Log-Out

### Investigative Tool

Correctional staff enters the revenue period and billing telephone number.

### Investigative Report

*Proprietary and Confidential*



## Order Materials

This section of the portal allows you to view and order product pamphlets and brochures. Correctional facilities can place an order, check order status and order history.

To order material, first enter the number of packages you want of a specific item and click Add to Cart.

### Ordering Materials *Proprietary and Confidential*

The screenshot displays the 'Facility Portal' interface. At the top, the Securus Technologies logo is visible, along with navigation links for 'FRIENDS & FAMILY', 'CORRECTIONAL FACILITIES', 'ABOUT US', 'CAREERS', and 'CONTACT US'. The main heading is 'Facility Portal'. Below this, there is a sidebar on the left with a 'Facility Name Here' dropdown and a list of menu items: Dashboard, Portal Manager, Reports, Order Materials, Place Order, Order Status, Order History, Downloads & User Guide, Service Center, Support, and Log Out. The main content area is titled 'Order Materials' and contains a descriptive paragraph: 'Securus has created a number of brochures and pamphlets that will inform Friends & Family and inmates about Securus products available to them. These brochures and pamphlets are designed to be hung near the inmate phones or placed in high traffic areas in your lobby. Please allow 2-3 weeks for delivery.' Below this text is a table of 'AVAILABLE MATERIALS':

Item Description	Image	Quantity	Action
CBS Brochure ENGLISH (Qty: 25) Trifold full color brochure. TIME WILL SHIP +PFR00011-TELY 11/11/2010		pkgs of 50	Add to Cart
CBS Brochure SPANISH (Qty: 25) Trifold full color brochure		pkgs of 50	Add to Cart

A callout box with the text 'insert number of brochures needed' points to the 'pkgs of 50' field in the first row of the materials table.

### Shipping Information

Verify or change your shipping information.

### Verify Shipping Information

*Proprietary and Confidential*

**Facility Portal**

Facility Name Here

Update Order Details

**SHIPPING INFORMATION**

Ship To: Facility Name Here  
Address: 14800 Dallas Parkway  
City: Dallas  
State: Texas  
Zip Code: 75224  
Phone: 214-255-6555

Update Information

**CURRENT ORDER**

CBS Brochure ENGLISH (01:25) 15 pages of 60

Update Delete

Confirm Order

## Complete Order

To finalize and submit the order, select the Complete Order button. All orders will be approved by Securix before the order is sent to the fulfillment center. Please allow 2-3 weeks for shipment.

**Facility Portal**

Facility Name Here

Complete Order

**SHIPMENT INFORMATION:**

Facility: Marketing  
Address: 14800 Dallas Parkway  
City: Dallas  
State: Texas  
Zip Code: 75254  
Phone: 214-555-8635

**ORDER DETAILS:**

CBS Brochure ENGLISH (Qty: 25) 5 page(s) of 50

Edit Information Complete Order



## Service Center

The Service Center will allow you to create and manage your technical support tickets. You can search for service tickets by entering the ticket number in the search field or by selecting date search.

## Manage Your Service Tickets

*Proprietary and Confidential*

**SECURIX TECHNOLOGIES**  
connecting what matters

TRENDS & FAMILY | **CORRECTIONAL FACILITIES** | ABOUT US | CAREERS | CONTACT US

### Facility Portal

Facility Name:

**Your Service Tickets**

TICKET #	DESCRIPTION	LAST UPDATED	STATUS
13862438	Div 11 v8 enrollments	2011-08-16 09:56:24	Closed
13759299	Voice Biometrics - the customer is enrolling/re-enrolling inmates in VE at Division 11...	2011-08-12 11:08:16	Closed
13792571	Report Request: Calls completed in 2009 from Division 1, Tier B+ Call period is 5/1...	2011-08-15 15:19:42	Closed
13783074	customer reports that he creates an iso image to burn to DVD and what image was downl...	2011-07-29 10:34:54	Closed
13762536	Voice Biometric - Re-enrollments the customer is doing re-enrollments of inmates at 1...	2011-07-28 11:10:58	Closed

1334 Total Tickets

By clicking on the ticket number, a detailed report pops up like the one shown below. If a ticket is closed you can review all the previous notes and the final resolution at any time. If the ticket is currently open, you can create a new journal note. Consent to close a ticket can also be performed using the notes section.

## Ticket Detail

*Proprietary and Confidential*

The screenshot displays the Securus Facility Portal interface. At the top, the Securus Technologies logo is visible, along with navigation tabs for 'BUSINESS & SALES', 'CORRECTIONAL FACILITIES', 'ABOUT US', 'CASES', and 'CONTACT US'. The main heading is 'Facility Portal'. On the left, a sidebar menu includes 'Marketing', 'Dashboard', 'Case Manager', 'Reports', 'Order Materials', 'Downloads & User Guide', 'Service Center', 'Your Tickets', 'Create A Ticket', 'Date Search', 'Search Tickets', 'Sign Out', and 'Log Out'. The main content area is titled 'Ticket Details #13629104'. It features a 'TICKET #13629104' header with a list of details: 'Call Description: female pod 11 black phone not working', 'Ticket Priority: 3', 'Ticket Status: Closed', 'Date Opened: 12/29/2010 5:14:24 AM', 'Last Update: 12/29/2010 8:14:24 AM', and 'Solution Description: 10188 503'. Below this is a 'JOURNAL NOTES' section with a table of entries:

Journal Note Entry #	Date	Description
1	12/29/2010 8:45:03 AM	Issue Resolved - Waiting for Customer Approval
2	12/29/2010 8:38:55 AM	Authorization Obtained from Hogan

At the bottom of the notes section, there is a 'Create A New Journal Note' button.

### Create a Service Ticket

To open a service ticket, select create a ticket and then complete the service ticket form.

The screenshot shows the 'Facility Portal' interface. On the left is a navigation menu with categories: Marketing (Dashboard, Portal Manager, Reports, Order Materials, Downloads & User Guide), Service Center (Your Tickets, Create a Ticket, Date Search, Search Tickets), E-Date, and Log-Out. The main content area is titled 'Create Service Ticket' and contains the following fields: 'Site' (dropdown: Please Choose a Site), 'Problem Category' (dropdown: Please Choose a Category), 'Subcategory' (dropdown: Please Choose a Subcategory), 'Suggested Priority' (dropdown: Please Choose a Priority, with options: Critical, High, Medium, Low), and a 'Problem Description' text area. A 'Submit Ticket' button is located at the bottom right of the form.



# **Appendix F: Secure Call Platform Reports**

---

# Appendix F: Secure Call Platform Reports

## Sample Call Detail Search Screen

Call Detail Report (CDR) – provides users with an intuitive and user friendly report that enables them to view or search on virtually anything related to an inmate call. SCP's Call Detail Report provides industry leading investigative, fraud prevention, and administrative capabilities to all approved users from anytime, anywhere.

Users have the ability to customize reports by changing search criteria—such as facility/site/phone/phone group, date range, or call length. Users are also able to search and analyze call details, including the date, time, and duration of a call, telephone number, origination, destination, inmate ID, reason for termination, and much more.

**SECURUS**  
**Secure Call Platform**

HOME | STATS | ACCOUNTS | TOOLS | ADMIN | FACILITY PORTAL

MANAGEMENT LEVEL  
 Securus Direct Site | All Sites | All Phone Groups | All Phones

**Call Detail Records Search**

FULL SEARCH CRITERIA (Required Fields)

(Use \* for wild card search)

Country Code: [ ] Inmate Number: [ ] Destination Zone: [ ALL ] International:   
 Custody Account ID: [ ] Inmate Person: [ ] Prepaid Account: [ ] Voicemail:   
 First Name: [ ] Last Name: [ ] Inmate Person: [ ] Privacy:   
 Termination Category: [ ALL ] Inmate Person: [ ALL ] Call Status: [ Complete ] Inmate:   
 Call Type: [ ALL ] Call Status: [ Complete ] Voice:   
 Date Criteria: [ Date/Time Range ] Results Per Page: [ 100 ] Domestic:   
 Start: 04/27/2011 00:00:00 End: 04/27/2011 23:59:59 Test Call:   
 CDR:

Search | EXCEL | PDF | CSV | Reset

Terms and Conditions  
 © 2011 Securus Technologies, Inc. All Rights Reserved.

## Sample Call Detail Results Screen

Call Detail Result Screen – once criteria has been selected and a user selects the "search" button, CDR results are displayed. From these results, users can select a record, playback recorded calls, add a note, access audit logs for the record(s), save the record(s) to another medium, and much more.

### Secure Call Platform

Once search criteria has been selected, users can listen to the recorded call, extend the expiration, download the recording, add a note to the record, select for scanning, or download to many different formats. The functionality of SCP's Call Detail Report puts complete reporting capabilities for all calls at the fingertips of the user.

HOME SYSTEM MONITOR TOOLS ADMIN FACILITY PORTAL

MANAGEMENT LEVEL:

Securus Demo Site

#### Call Detail Records Search

1) HILL RE SEARCH CRITERIA (\* requires Required Fields)

125 Results PAGE 1 OF 1 >>>

NAME	PORT	LOG	DATE	TIME	DIR	ACCT #/PA	PREVIO AGENT	NAME	CALL TYPE	STATUS	TEAM CAL	BLOCKED REASON	CALL PROFILES
Securus Demo Site	IP 33	(1) 2817330114	04-20-2011	04:20:28	04-20-2011	24 (4) 28779043	James LeBeau	Debt	complete	Called party hangup		Language: English Test, Call Charge: \$1.75 Tax: \$0	
Securus Demo Site	IP test	(1) 5817632257	04-20-2011	04:20:11	04-20-2011	8 (4) 2011	edema alle	Free Call	complete	Caller hang up		Language: English	
Securus Demo Site	je test	(52) 5813862244	04-20-2011	04:20:12	04-20-2011	22 (4) 7892	Helen Huynh	Advertised Connect	complete	Caller hang up		Language: English Watched International	
Securus Demo Site	je test	(1) 8082726765	04-20-2011	04:20:22	04-20-2011	31 (4) 7892	Helen Huynh	Commissary IVR	complete	Caller hang up		Language: English	
Securus Demo Site	je test	(1) 8082726765	04-20-2011	04:20:12	04-20-2011	43 (4) 7892	Helen Huynh	Commissary IVR	complete	Caller hang up		Language: English	
Securus Demo Site	je test	(1) 8082726765	04-20-2011	04:20:13	04-20-2011	43 (4) 7892	Helen Huynh	Commissary IVR	complete	Called party hangup		Language: English	

Navigation: [Back] [Forward] [Refresh] [Print] [Export]

Terms and Conditions  
© 2011 Securus Technologies, Inc. All Rights Reserved.

# Appendix F: Secure Call Platform Reports

## Three-Way Call Report

**Secure Call Platform**

MANAGEMENT LEVEL

Securex Demo Sec [215200] [4070000000] [43 Phone]

Call Detail Records Search

FILL IN SEARCH CRITERIA ( \* indicates Required Fields )

Country Code: [ ] Dialed Number: [ ] Destination Zone: [ ALL ] International:

Custody Account #: [ ] PRT#: [ ] Tropic Account #: [ ] Web/Beth:

First Name: [ ] Last Name: [ ] Private:

Termination Category: [ ALL ] Hooked Reason: [ ALL ] 3-Way:

Call Type: [ ALL ] Call Status: [ ALL ] Voice Geometry:

Date Criteria: [ Date/Time Range v ] Results Per Page: [ 100 ] Test Call:

Start: 02/01/2011 00:00:00 End: 02/20/2011 23:59:59 RCP:

Search [ EXCEL ] [ PDF ] [ CSV ] [ Reset ]

12 Results PAGE 1 OF 1

CALL ID	CALLER	DESTINATION	START	END	STATUS	REASON	CALL TYPE	CALL STATUS	LANGUAGE	CALL DIRECTION
006	Securex Demo Test Port (1) Sec	RD02220121	02/16/2011 02:10:47	02/16/2011 02:11:18	35 (s)	7290	Person hangup	complete	English	Called party hangup 3-Way
006	Securex Demo Test Port (1) Sec	RD220001002	02/13/2011 02:30:19	02/13/2011 02:31:11	31 (s)	7377	Person hangup	complete	English	Called party hangup 3-Way

Apply a number of different actions to the call record.

Call is flagged as 3-Way in SCP.

Terms and Conditions  
© 2011 Securex Technologies, Inc. All Rights Reserved.

Investigators can run a comprehensive 3-way report to display calls that have been flagged as having 3-way activity. They can also use additional features to understand what happened to the call, make notes on the call, (and much more) – to uncover why the inmate attempted to "hide" the number. SCP can then be used to correct the behavior or flag the inmate or dialed number for further investigation.

### Custody Account Call Usage Report

Custody Account Call Usage Report – allows users to view how much time an inmate spends on the phone for a selected period and whether or not they speak to the called party – right from an inmate's Custody Account record. If required, full call detail reports are also available by entering an inmate's name, PIN, or custody account number in the Call Detail Report.

#### Secure Call Platform

Facility Routing Number: 55001

View detailed information about the inmate's Custody Account

---

**Custody Accounts**

Return to Account List

GENERAL ACCOUNT INFORMATION (1 - 1 page) (page 1 of 1)

Inmate #	Gender	Assignment Date	Assignment	Call Service	Sign Forward
Name: [REDACTED]	Male	Starting Date: [REDACTED]	100	Call Service: [REDACTED]	Sign Forward: [REDACTED]
DOB: [REDACTED]	Language Pref: [REDACTED]	Release Date: [REDACTED]	Start Date: [REDACTED]	Call Service: [REDACTED]	Sign Forward: [REDACTED]
SSN: [REDACTED]	Working Unit: [REDACTED]	Next Level: [REDACTED]	End Date: [REDACTED]	Call Service: [REDACTED]	Sign Forward: [REDACTED]
			Start Billing: [REDACTED]	Call Service: [REDACTED]	Sign Forward: [REDACTED]
			End Billing: [REDACTED]	Call Service: [REDACTED]	Sign Forward: [REDACTED]
			First Call Time: [REDACTED]	Call Service: [REDACTED]	Sign Forward: [REDACTED]

Phone on Verbal Hold: [REDACTED]

---

View phone usage for a selected date range to analyze a specific inmate's phone usage.

CALL USAGE SEARCH

Start: [REDACTED] End: [REDACTED]

Search [REDACTED] Report [REDACTED]

---

DESCRIPTION	NO. ATTEMPTS	NO. CALLS	NO. ANSWERS	NO. VOICES	NO. MINS	NO. SECS	NO. MINS	NO. SECS
DEBITED FROM (Post-Prison)	1	1	1	1	0	0	00	00
COLLECT (Post-Prison)	1	1	1	1	1	0	00	00
FREE (Post-Prison)	1	1	1	1	0	0	00	00
COLLECT (MAY 09) (Post-Prison)	1	1	1	1	1	0	00	00
RECEIVED FROM (Post-Prison)	1	1	1	1	0	0	00	00
Total Calls (Not Call Time)	21	21	21	21	1	0	00	00

Total Accepted Calls (MINS): [REDACTED]      Total Usage (MINS) (Sec): [REDACTED]

Total Accepted Calls (Excluding Pre-Prison Calls): [REDACTED]      Total Usage (Including Pre-Prison Calls) (MINS) (Sec): [REDACTED]



# Appendix F: Secure Call Platform Reports

## Hourly Usage Report

**Secure Call Platform**
Facility Reporting Number: 99001

---

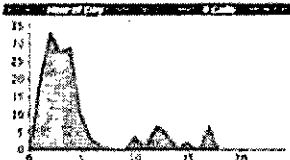
Hourly Usage Report

SEARCH CRITERIA

Call Status:  Complete  International  Watched  Private  Forward

Date Criteria: Date/Time Range: 04/28/2011 05:00:00 - 04/29/2011 23:59:59

Search PDF Help



The graph shows call volume over a 24-hour period. The y-axis represents the number of calls (0 to 25), and the x-axis represents the hour of the day (0 to 23). There is a significant peak in the early morning hours, reaching approximately 24 calls around hour 4. There are smaller peaks around hour 10 and hour 18.

Hourly Usage Report – is a valuable administrative report that displays the number of phone calls that have taken place within a given date and time range. Search criteria includes international, watched, private, call status, and date/time.

Hour	Count
00:00	0
01:00	0
02:00	0
03:00	0
04:00	24
05:00	15
06:00	10
07:00	5
08:00	5
09:00	5
10:00	10
11:00	5
12:00	5
13:00	5
14:00	5
15:00	5
16:00	5
17:00	5
18:00	10
19:00	5
20:00	5
21:00	5
22:00	5
23:00	5

# Appendix F: Secure Call Platform Reports

## SCP Debit Report

SCP Debit Report – is a valuable administrative report allowing users to:

- Query Inmate Debit/Prepaid call detail records (CDRs) by the user-specified criteria.
- View all debits and credits that occurred during a specific time period for an individual inmate - for all inmates within a facility or for all facilities.

### Secure Call Platform

By using the criteria in the search area, users can run reports detailing and totaling SCP Debit activity and balances for their facility.

MANAGEMENT LEVEL

Secure Call Site: [dropdown] Secure Call Site No: [dropdown] All Phone Debits: [checkbox] All Charges: [checkbox]

SCP Debit Report Search  
(negative numbers will be displayed in parentheses)

Facility: [dropdown] Search Criteria: [dropdown]

Include Inmate Names: [checkbox] Card Number: [input] Security Access #: [input] Filter: [input]

User Name: [input] User Comments: [input] Description: [input]

Type: [dropdown] Amount: [input] Facility Automated Process: [checkbox]

Make Searches (will search range) as no more than 31 days

Start: 10/19/2010 00:00:00 End: 11/15/2010 23:59:59

SEARCH RESET

Site	Account #/PIN	Service Description	Type	Amount	Date/Time (in Coordinated Time)	User	Balance #	Description	Comments
Secure Call Site	0241 0243	Card Fee	CHRG	\$100.00	11/10/2010 00:00:00	Securus@02410243	0241024302430243	Site Admin Debit	
Secure Call Site	0241 0243	SECURALS	CHRG	\$100.00	10/20/2010 10:00:00	Securus@02410243	0241024302430243	Site Admin Debit	
				1017445					
				Amount					
				Payment	1	00.00			
				Debit	1	4200.00			
				Debit	1	50.00			
					1	\$200.00			

# Appendix F: Secure Call Platform Reports

## Voice Biometrics Frequency of Failure Report

Voice Biometrics Frequency of Failure Report – an administrative and investigative report that allows users to see which inmates have failed Voice Biometrics verification attempts. Users may also see what percentage of inmates are passing or failing. Search criteria includes key information such as custody account, first and last name, and date range.

Secure Call Platform

Facility Routing Number: 99001

HOME SYSTEM SECURITY TOOLS REPORTS FACILITY PORTAL

**MANAGEMENT LEVEL**

Secure Core Sec [23309]

**Voice Biometrics Frequency of Failure Search**

\*This report is updated and populated nightly for faster retrieval purposes.  
\*This is a report for inmate name verification instances to show the frequency of failure when an inmate attempts to verify their name when placing a phone call.

Filter by SEARCH CRITERIA [Inmate Name] [Custody Account] [Date Range]

(Use \* for wild card / batch searches)

Custody Account: [Start: 03/22/2010] [End: 04/20/2011]

Search [Reset]

76 Results

INMATE NAME	CUSTODY ACCOUNT	START DATE	END DATE	% OF SUCCESSFUL VERIFICATION	% OF REJECTED VERIFICATION
BRIAN BARESTAD	106934	17-Oct-2010	13-Oct-2010	33.33	66.67
Travis Acers	15518	02-Apr-2010		100.0	
QAI Adams	972270200	10-Mar-2010		100.0	
Fred's BLAND	110501	27-Apr-2010	09-Apr-2010	67.67	32.33
Kenneth Burns	04456	21-Apr-2011	21-Apr-2011	24.67	75.33
Ken Burns	0379	12-Apr-2011	05-Dec-2010	93.58	6.42
Adam Edwards	5959595555578	02-Jan-2010	02-Jan-2010	33.33	66.67
Heath Hays	86009	10-Mar-2010	10-Mar-2010	94.67	5.33
Heath Hays	7590	14-Feb-2011	15-Feb-2011	0.00	100.00
James LeBoeuf	18770643	20-Jan-2011	23-Jan-2011	75.00	25.00

Report results detailing dates and statistics for biometric failures and successes for each inmate.

# Appendix F: Secure Call Platform Reports

## Sample Call Detail Search Screen

Call Detail Report (CDR) – provides users with an intuitive and user friendly report that enables them to view or search on virtually anything related to an inmate call. SCP's Call Detail Report provides industry leading investigative, fraud prevention, and administrative capabilities to all approved users from anytime, anywhere.

Users have the ability to customize reports by changing search criteria—such as facility/site/phone/phone group, date range, or call length. Users are also able to search and analyze call details, including the date, time, and duration of a call, telephone number, origination, destination, inmate ID, reason for termination, and much more.

**SECURUS**  
**Secure Call Platform**

MANAGEMENT LEVEL

Secure Demo Site | All Sites | All Phone Groups | All Phones

**Call Detail Records Search**

FILL IN SEARCH CRITERIA (Required Fields)

(Use \* for wild card & partial searches)

Country Code: \_\_\_\_\_ Dailed Number: \_\_\_\_\_ Destination Zone:  International:

Country Account #: \_\_\_\_\_ First Name: \_\_\_\_\_ Last Name: \_\_\_\_\_ Proposed Account #: \_\_\_\_\_ Watched:

Termination Category:  Reason:  Call Status:  Privacy:

Call Type:  Records Per Page:  Voice:

Date Criteria:  Start: 04/27/2011 00:00:00 End: 04/27/2011 23:59:59 Text Call:

Search

Terms and Conditions  
 © 2011 SecurUS Technologies, Inc. All Rights Reserved.

# Appendix F: Secure Call Platform Reports

## Sample Call Detail Results Screen

**Call Detail Result Screen** – once criteria has been selected and a user selects the “search” button, CDR results are displayed. From these results, users can select a record, playback recorded calls, add a note, access audit logs for the record(s), save the record(s) to another medium, and much more.

Once search criteria has been selected, users can listen to the recorded call, extend the expiration, download the recording, add a note to the record, select for scanning, or download to many different formats. The functionality of SCP's Call Detail Report puts complete reporting capabilities for all calls at the fingertips of the user.

### Secure Call Platform

HOME SYSTEMS MONITOR TOOLS TEMPLATES REPORT FORMS

MANAGEMENT LEVEL

Secure Demo Site All Sites All Phone Groups All Phone No.

**Call Detail Records Search**

155 Results: PAGE 1 OF 2

SEARCH	SITE	PHONE NO.	START	END	NO. OF CALLS	AGENT NAME	CALL TYPE	CALL STATUS	REASON	CALL PROGRESS
<input type="checkbox"/>	Secure Demo Site	LP 20 (1) 2817236114	04-20-2011 04:12:28	04-20-2011 04:15:53	25 (s) 2377	James Lebeouf	Deliv	complete	Called party hangup	Language: English Test Call Charges: \$1.78 Tax: \$0
<input type="checkbox"/>	Secure Demo Site	je test (1) 2817236114	04-20-2011 11:20:15	04-20-2011 11:20:17	6 (s) 01	pedro soto	Free Call	complete	Caller Hang up	Language: English
<input type="checkbox"/>	Secure Demo Site	je test (57) 861857534	04-20-2011 11:10:34	04-20-2011 12:10:51	22 (s) 7690	Helen Huynh	Advanced Contact	complete	Caller Hang up	Language: English Washed International
<input type="checkbox"/>	Secure Demo Site	je test (1) 8809249266	04-20-2011 13:01:55	04-20-2011 13:02:00	34 (s) 7890	Helen Huynh	Commissary IVR	complete	Caller Hang up	Language: English
<input type="checkbox"/>	Secure Demo Site	je test (1) 8809249266	04-20-2011 13:19:18	04-20-2011 13:19:20	42 (s) 7890	Helen Huynh	Commissary IVR	complete	Caller Hang up	Language: English
<input type="checkbox"/>	Secure Demo Site	je test (1) 8809249266	04-20-2011 13:40:17	04-20-2011 13:41:20	43 (s) 7890	Helen Huynh	Commissary IVR	complete	Called party hangup	Language: English

Terms and Conditions  
© 2011 Securus Technologies, Inc. All Rights Reserved.

# Appendix F: Secure Call Platform Reports

## Call Frequency Report

**Call Frequency Report** – an essential investigative report. The report allows users to look up phone numbers in the system that have been called a certain number of times within a given time frame by using criteria such as threshold (of the number of times a number was called), international, watched, private, termination category, call type, call status, and date range.

### Secure Call Platform Facility Routing Number: 99001

**MANAGEMENT LEVEL**

Security Demo Site | Security Demo Site | All Phone Groups | All Phones

Enter a threshold for the number of times a number was called to initiate the report. Select date range and other criteria to narrow the results.

#### Call Frequency Search

**FILL IN SEARCH CRITERIA** ( \* indicates Required Fields )  
(See \* for ALL CALL (ALL) results)

Threshold:

Termination Category:

Call Type:

International:

Watched:

Private:

Start: 01/15/2011

End: 04/15/2011

Search EXCEL PDF CSV Reset

20 Results

PAGE 1 OF 2

Security Demo Site	(1) 2222110221	2
Security Demo Site	(1) 222219526	1
Security Demo Site	(1) 222219526	1
Security Demo Site	(1) 2222170100	2
Security Demo Site	(1) 222219526	4
Security Demo Site	(1) 222219526	5
Security Demo Site	(1) 2143281124	4
Security Demo Site	(1) 6126340563	4
Security Demo Site	(1) 2143102210	4
Security Demo Site	(1) 222219526	3

Call Frequency results display each dialed number meeting or exceeding the defined threshold. By clicking on a frequency amount, all call detail information for the calls are displayed.

# Appendix F: Secure Call Platform Reports

## Call Tracker Report

**Call Tracker Report** – an investigative report that allows users to track CDR notes (notes made by themselves or other investigators for a specific inmate call). Users can also export the report results to Excel, PDF, and CSV file formats.

### Secure Call Platform

Search criteria for Call Tracker includes tracking number, first and last name, "not shared" (when checked), PIN, dialed number, keywords within the notes, and date range. Resulting report displays notes and other critical information about the call. In a single click, users can listen to the call, review full notations, and review full CDR information for the call.

MANAGEMENT LEVEL

Secure Call Site All Sites All Phone Groups All Phones

Call Tracker Search

FILL BY SEARCH CRITERIA (Instant Required Fields)

(Use \* for wild card/partial entries)

Not Shared:  Tracking #: \_\_\_\_\_ First Name: \_\_\_\_\_ Last Name: \_\_\_\_\_  
 Custody Account #: \_\_\_\_\_ Pin #: \_\_\_\_\_ Dialed Number: \_\_\_\_\_  
 Start Date/Time: 10/19/2010 End Date/Time: 01/19/2011 Results Per Page: 10  
 Search EXCEL PDF CSV Reset

127 Results PAGE 1 OF 1

CDR	TRACKING #	TRACKER NAME	DATE	ACCOUNT	NOTE
		Das Bonti	9722770396	0043	share all
	5272010	Huong Allen	9722770396	0043	This is Huong test

# Appendix F: Secure Call Platform Reports

## Covert Alert Report

SCP's Covert Alert Feature - is a sophisticated investigative tool providing a live, call-forwarding feature for dialed numbers, phones, or PINs that are under surveillance by an investigative unit. This feature enables authorized personnel to monitor a call—undetected—from any designated location while the call is in progress and even "barge into" the call if necessary. Covert Alert Report - shows investigators the triggered Covert Alerts by useful criteria such as date/time, PIN, Alertee name/number, inmate name, dialed number, call status, and termination category. Reports can be exported into Excel, PDF, and CSV formats.

### Secure Call Platform

HOME SYSTEM MONITOR TOOLS SEARCH FACILITY/PINAL

MANAGEMENT LEVEL

Secure Demo Site [LP 10] All Sites [All Phone Groups] All Phones

Covert Alert report results display critical information about each triggered alert such as who was alerted, what happened, call status, call start and end, duration, dialed number and more. By clicking the icon to the left of each record, users can display full call detail information for each call. SCP's Covert Alert feature and reports have assisted in many criminal investigations throughout the country.

#### Covert Alert Call Detail Records Search

FILE BY SEARCH CRITERIA (\* Indicates Required Fields)

Use \* for wild card / for full text search

Alertee Country Code	Alertee Dialed Number	Alertee First Name	Alertee Last Name
Country Codes	Dialed Number	Custom Account #	Pin #
First Name	Last Name		
Termination Category	Call Status		
Date Criteria	Start	End	
Date Range	05/01/2010 00:00:00	04/19/2011 23:59:59	
	Search	EXCEL	PDF
		CSV	Reset

13 Results

PAGE 1 OF 2

EXP	POST CODE	ALERTEE DIAL NO	ALERTEE NAME	ALERTEE PIN	START	END	DURATION	ALICE APPR	NAME	CALL STATUS	TER. CATEGORY
<input checked="" type="checkbox"/>	LP 10	2145684417	dee dee	No Investigator Acceptance	05-28-2010 18:23:31	05-28-2010 18:34:22	41	9722770391	dee dee	complete	
<input checked="" type="checkbox"/>	LP 10	2145684417	dee dee	Parers Call Ended	05-28-2010 18:14:02	05-28-2010 18:14:27	15	9722770391	dee dee	complete	
<input checked="" type="checkbox"/>	LP 0	2145684417	dee dee	No Investigator Acceptance	05-27-2010 12:15:33	05-27-2010 12:16:24	51	9722770391	dee dee	complete	
<input checked="" type="checkbox"/>	jo test 4	2148325487	James Rogers	No Investigator Acceptance	05-28-2010 11:10:26	05-28-2010 11:10:28	49	9721659743	James Rogers	complete	
<input checked="" type="checkbox"/>	jo test 4	2148325487	James Rogers	Covert Alert Error	05-28-2010 11:10:26	05-28-2010 11:10:28	162	9723455245	James Rogers	incomplete	



# Appendix F: Secure Call Platform Reports

## Officer Check-In Report

Officer Check-In Report – is a valuable administrative report showing users when officers have “checked-in” at different phones and select and listen to any messages they have left.

### Secure Call Platform

Facility Routing Number: 99001

HOME SYSTEM MONITOR TOOLS ADMIN FACILITY REPORTS

MANAGEMENT LEVEL  
 Securus Demo Site [All Data] [All Phone Groups] [All Phones]

#### Officer Check In Messages Results

FILL IN SEARCH CRITERIA \* (Optional Required Fields)  
 (See \* for wild card (pattern) symbols)

Account: [ ] PIN: [ ] Officer ID: [ ] Beer Name: [ ]  
 First Name: [ ] Last Name: [ ] Call Status: Complete [v]  
 Results per page: 10 [v]  
 Start: 01/19/2010 00:00:00 [v] End: 04/19/2011 23:59:59 [v]

Search [v] Reset [v]

13 Results PAGE 1 OF 2

DATE	PHONE ID	NAME	LAST NAME	ACCOUNT # / PIN	OFFICER ID	DUR	CALL STATUS	MESSAGE
Securus Demo Site	LP 7	Ken Burns	Kburns	4001123 5555	2030103	23 (s) 0:39(m)	complete	03-03-2010 10:13:43
Securus Demo Site	LP 7	Ken Burns	Kburns	4001123 5555	2030103	20 (s) 0:39(m)	complete	03-03-2010 17:03:00
Securus Demo Site	LP 7	Abc Smith		12345 12345	12345	19 (s) 0:32(m)	complete	03-03-2010 12:04:00
Securus Demo Site	LP 7	Ken Burns	Kburns	12347 12347	12347	25 (s) 0:42(m)	complete	03-03-2010 10:38:11
Securus Demo Site	LP 7	Ken Burns	Kburns	4001123 5555	2030103	20 (s) 0:39(m)	complete	03-03-2010 10:38:37
Securus Demo Site	LP 7	Ken Burns	Kburns	4001123 5555	2030103	91 (s) 1:32(m)	complete	03-03-2010 10:49:22

# Appendix F: Secure Call Platform Reports

## Personal Allowed Number Frequency Report

Personal Allowed Number (PAN) Frequency Report – allows investigators to research multiple occurrences of phone numbers among PAN lists. Users have the ability to enter threshold numbers to define search criteria. For example, a threshold of “four” will show phone numbers that appears in PAN lists more than four times.

### Secure Call Platform

**PAN Frequency Search**

Threshold: 4

Search EXCEL PDF CSV Reset

Secure Demo Site	Phone Number	Frequency
Secure Demo Site	(1) 91722770526	11
Secure Demo Site	(1) 91722770526	11

**PAN Frequency Detail Search**

Country Code: | Date: 9/22/2015

Search EXCEL PDF CSV Reset

Secure Demo Site	Phone Number	Facility	Frequency
Secure Demo Site	(1) 91722770526	Release Penelope Plencia	9910008
Secure Demo Site	(1) 91722770526	Release Penelope Plencia	1110002
Secure Demo Site	(1) 91722770526	Test CA	992009
Secure Demo Site	(1) 91722770526	Test Genex	0341 0343

**Callout 1:** Investigators enter a number into the threshold criteria field to research how many times phone numbers appear among the PAN lists of their facility and site(s).

**Callout 2:** By selecting the magnifying glass next to the displayed frequency number, users can run a detail report. This report displays information about each inmate having the number on their PAN list.

# Appendix F: Secure Call Platform Reports

## Personal Allowed Number Management Report

**PAN Management Report** - interactive report providing a dashboard view of all PAN entries in the system. If a PAN entry is entered through the Inmate Managed PAN System, it is indicated on this report. Users can select from over twenty criteria to produce reports with multiple data points. All reports are exportable to Excel, CSV, and PDF.

### Secure Call Platform Facility Routing Number: 98001

**PAN Management Report**

**FULL SEARCH CRITERIA**

*Note: For wide search results*

Account ID:

Phone Number:

First Name:

Surname:

Modified Start:

Relationship:

Phone No:

Service Desc:

Last Name:

Status:

Modified End:

Description:

Class of Service:

Version:

Results Per Page:

Display:

Reason:

Personal:

Block:

Passive Calls:

Passive Approvals:

Allow on Suspense:

May Call Select:

Search   EXCEL   PDF   CSV   Reset

981 Results

PAGE 1 OF 18

Account ID	Phone Number	First Name	Surname	Status	Class of Service	Version	Reason	Created
Christopher	78942679456	Christopher	78942679456	ACTIVE	PERSONAL	10/10/2010		10/10/2010
Christopher	78942679456	Christopher	78942679456	ACTIVE	PERSONAL	10/10/2010		10/10/2010
Ruggie	346201	Ruggie	346201	ACTIVE	PAN FOR ACTIVE SERVICES ONLY	10/10/2010		10/10/2010
CA1	9722700343	CA1	9722700343	ACTIVE	Test Case	10/10/2010		10/10/2010
CA1	9722700343	CA1	9722700343	ACTIVE	Test	10/10/2010		10/10/2010
Arzola	2393	Arzola	2393	ACTIVE		10/10/2010		10/10/2010

PAN search criteria → (points to search filters)

Complete PAN detail with interactive features → (points to table row)

## Voice Biometrics Status Report

County of San Diego, Sheriff's Department RFP #5337 for  
 Detention Facilities — Inmate Telephone Services  
**APPENDICES**

# Appendix F: Secure Call Platform Reports

Voice Biometrics Status Report— Allows users to see the status and configuration settings for each site, custody account, phone number, phone group, and phone. This report also shows changes to an inmate's account to assist administrators and investigators track user accountability.

## Secure Call Platform

Facility Routing Number: 99001

**MANAGEMENT LEVEL**

Secure Demo Site | All Sites | All Phone Groups | All Phones

**Voice Biometrics Configuration Status Search**

FILTER BY SEARCH CRITERIA (\* denotes Required Fields)

Search for all entries that satisfy the following:

Configuration Level:  Site  All  All Phone Groups  All Phones

Custody Accounts:  Enabled  Disabled

Phone Numbers:  Enabled  Disabled

Enrollment:  Enrolled  Not Enrolled

Buttons: [Apply] [Reset]

**Results** PAGE 1 OF 12

INMATE NAME	CUSTODY ACCOUNT	ENROLLED	PHONE GROUP	PHONE NUMBER	ENROLLMENT LAST UPDATE BY	ENROLLMENT LAST UPDATE DATE
1961	00099003708					
Michael Q	41902011					
ADAM EDWARDS	992299					11/02/2010
Atlanta Rec	02120211					
Barry Davis	7777					12/15/2010
Barry Davis	7777					09-09-2009
Dave Jackson	77942100					
Brenda Mclester	7009					
Brian Carril	041367					
CARLOS LOPEZ	816816					

# Appendix F: Secure Call Platform Reports

## Crime Tip Report

Crime Tip - is a critical feature that enables anonymous two-way communication between inmates and facility staff. For inmates, the feature provides a secure method for reporting information about criminal activity. For facilities, the feature provides a flexible, configurable solution for gathering critical evidence to support investigations and prevent crimes from taking place in the facility. The Crime Tip Report - displays detailed results for all Crime Tip calls. Results can be narrowed by using intuitive search criteria. Users can select to listen to, extend, download, add notes to, or audit each call record to manage the safety and security of their facility.

The screenshot displays the 'Secure Call Platform' interface for Facility Housing Unit: 99001. It features a 'TIPS Search' section with various filters and a table of search results. Two call records are highlighted with callouts: 'Crime Tip search criteria' pointing to the search filters, and 'Crime Tip details and available actions' pointing to the first record in the table.

Call ID	Call Type	Start Date/Time	End Date/Time	Page
04192011 000000	Offender	04-19-2011 00:00:00	04-19-2011 00:00:00	10
04192011 000000	Offender	04-19-2011 00:00:00	04-19-2011 00:00:00	10
04212011 010000	Offender	04-21-2011 01:00:00	04-21-2011 01:00:00	10
04212011 010000	Offender	04-21-2011 01:00:00	04-21-2011 01:00:00	10
04212011 010000	Offender	04-21-2011 01:00:00	04-21-2011 01:00:00	10

# Appendix F: Secure Call Platform Reports

## Informant Line Report

SCP's Informant Line - is an investigative tool allows inmates to communicate directly and anonymously with investigators. The call can be routed to a specific investigator, voicemail box, or answering machine. The Informant Line Report - allows investigators to research and view details about these calls.

**Secure Call Platform** Facility Routing Number: 99001

Informant Line Search Criteria

County Case: [Field] Inmate Number: [Field] Facility: [Field] Date Range: [Field]

Inmate Name	Inmate Number	Call Date
[Name]	[Number]	[Date]
[Name]	[Number]	[Date]

Informant Line details and available actions.

# Appendix F: Secure Call Platform Reports

## Word Spotting Search Report

Word Spotting Search Report – is an essential investigative report that allows investigators to display all of the recordings that were submitted for Word Spotting processing with select criteria. Because Word Spotting is fully integrated with SCP, this report can be run right from the SCP user interface:

**Secure Call Platform** Facility Routing Number: 99001

MANAGEMENT LEVEL

Word Spotting Search

10. FILL IN SEARCH CRITERIA

Country Code: [ ]    Extension Number: [ ]    Area Name: [ ]    Call Number: [ ]

Search    Reset

Enter criteria to narrow the search. Users can even search by the suspected key word flagged within the call.

Call ID	Call Type	Call Date	Call Time	Call Duration	Call Status	Call Location
000010001	LP 1	04/28/2011	02:22:29	0:00	Failed	00:00:00.00
000010002	LP 2	04/28/2011	02:22:29	0:00	Failed	00:00:00.00
000010003	LP 3	04/28/2011	02:22:29	0:00	Failed	00:00:00.00

View details of the report (including flagged word and the point in the call the word was flagged), listen to the call, download the call, or export the call.

Note: If regional number is in the flagged search, the call will only be returned if the flagging.

# Appendix F: Secure Call Platform Reports

## Comprehensive System Change Log

Comprehensive System Log Search – can be used by administrators to monitor the changes that have been made to the system. Administrators can use search criteria such as username, name, and date range to narrow their search. The tool also has the ability to omit changes made to the system through automated changes to narrow results to changes made by personnel.

### Secure Call Platform

Facility Routing Number: 99001

HOME SYSTEM MONITOR TOOLS ADMINISTRATION FACILITY PORTAL

MANAGEMENT LEVEL

Securex Demo Site | CA Sites | All Private Groups | All Changes

#### Comprehensive System Log Search

FILL IN SEARCH CRITERIA ( \* indicates Required Fields )

(Use \* for wild card / partial searches)

Start: 04/25/2011 00:00:00 End: 04/28/2011 23:59:59 Exclude Automated Processes:

Search EXCEL PDF CSV Reset

4 Results (PAGE 1 OF 1)

RECORD TYPE	RECORD DETAIL	RECORDED FIELD	BEFORE	AFTER	APPLIED BY (USER)	OPERATOR
System Access					04/28/2011 13:08:01	zibell@SECUR.TX
Custody Account	95287758	Status	ACTIVE	INACTIVE	04/28/2011 11:03:23	erhanna@SECUR.TX
Security Template	ADCrict1				04/28/2011 10:57:26	amerger@SECUR.TX
DTN	8016178647	Watched	NOPE	YES	04/27/2011 18:42:14	pricholson@SECUR.TX

Terms and Conditions  
 © 2011 Securus Technologies, Inc. All Rights Reserved.



# Appendix F: Secure Call Platform Reports

## Management Change Log

Management Level Change Log Report – can be used by administrators to monitor the changes made to features at each of the management levels. Administrators can use search criteria such as username, name, and date range to narrow their search.

### Secure Call Platform

Facility Routing Number: 99001

**MANAGEMENT LEVEL**

Management Level Change Log Search

ALL OF SEARCH CRITERIA \* Indicates Required Fields |
  ANY OF SEARCH CRITERIA \* Indicates Required Fields

ALL OF SEARCH CRITERIA \* Indicates Required Fields |
  ANY OF SEARCH CRITERIA \* Indicates Required Fields

Username: \_\_\_\_\_ First Name: \_\_\_\_\_ Last Name: \_\_\_\_\_  
 Start: 04/20/2011 00:00:00 End: 04/28/2011 23:59:59

PAGE 1 OF 2

MANAGEMENT LEVEL	NAME	MODIFIED FIELD	DEFAULT	MODIFIED BY	MODIFIED (UTC)	Username
Customer	All Sites	Calling Restrictions	One Call per Wk Modified		04/21/2011 17:57:30	brodam@SECUR.IX
Site	Securus Demo Site	Calling Restrictions	One Call per Wk	NONE	04/21/2011 17:44:30	brodam@SECUR.IX
Site	Securus Demo Site	Calling Restrictions	NONE	One Call per Wk	04/21/2011 17:42:51	brodam@SECUR.IX
Site	Securus Demo Site	Calling Restrictions	One Call per Wk	NONE	04/21/2011 17:42:49	brodam@SECUR.IX
Customer	All Sites	Calling Restrictions	One Call per Wk Modified		04/21/2011 17:37:10	brodam@SECUR.IX
Customer	All Sites	Calling Restrictions	One Call per Wk Modified		04/21/2011 17:24:25	brodam@SECUR.IX
Customer	All Sites	Calling Restrictions	One Call per Wk Modified		04/21/2011 17:20:59	brodam@SECUR.IX
Site	Securus Demo Site	Calling Restrictions	One's Day	One Call per Wk	04/21/2011 17:18:32	brodam@SECUR.IX
Customer	All Sites	Calling Restrictions	Now One Call per Wk Created		04/21/2011 17:17:41	brodam@SECUR.IX
Site	Securus Demo Site	Maximum Call Duration	50	S	04/21/2011 17:14:59	brodam@SECUR.IX

# Appendix F: Secure Call Platform Reports

## Custody Account Change Log

Custody Account Change Log Report – can be used by administrators to monitor the electronic and manual changes to custody accounts. Administrators can use search criteria such as PIN, username, name, and date range to narrow their search.

### Secure Call Platform

Facility Routing Number: 99001

HOME  SYSTEM  ROBOIDS  TOOLS  ADMIN  FACILITY PORTS

MANAGEMENT LEVEL

Securex Demo Site | All Sites | All Phone Groups | All Phones

#### Custody Account Change Log Search

FILE BY SEARCH CRITERIA (\* indicates Required fields)

(Click \* for wild card & partial searches)

Username: \_\_\_\_\_ First Name: \_\_\_\_\_ Last Name: \_\_\_\_\_  
 Custody Account Number: \_\_\_\_\_ Separate First Names: \_\_\_\_\_ Separate Last Names: \_\_\_\_\_  
 Start: 04/25/2011 00:00:00 End: 04/28/2011 23:59:59 Exclude Automated Processes:

RESULTS PAGE 1 OF 1

ID	NAME	STATUS	FIELD	STATUS	DATE	TIME	CTD
99887766	test_securus	STATUS	ACTIVE	INACTIVE	04/28/2011	11:03:23	zmarino@SECUR.TX
99887766	test_securus	PIN	NONE	99887766 (Created)	04/28/2011	10:52:48	zmarino@SECUR.TX
99887766	test_securus	Account Number	NONE	99887766 (Created)	04/28/2011	10:59:41	zmarino@SECUR.TX

Terms and Conditions  
 © 2011 Securus Technologies, Inc. All Rights Reserved.



# Appendix F: Secure Call Platform Reports

## Phone Number Change Log

Phone Number Change Log Report – allows administrators to review all changes to controlled numbers on the Global list at both the agency and facility levels.

### Secure Call Platform

Facility Routing Number: 99001

HOME SYSTEM MONITOR TOOLS AGENCY FACILITY PORTAL

MANAGEMENT LEVEL

Secure Call Site All Sites All Phone Groups All Phones

Global List Change Log Search

FILL IN SEARCH CRITERIA \* Indicates Required Fields

(Click \* for wild card (e.g. @) searches)

Username: First Name: Last Name:

City Code: Phone Numbers:

Start: 04/25/2011 00:00:00 End: 04/28/2011 23:59:59 Exclude Automated Processes:

Search EXCEL PDF CSV Reset

30 Results PAGE 1 OF 4

CHANGED	PHONE NO FIELD	DESCRIPTION	ACTION	MODIFIED TIME (GMT)	USER/NAME
(1)	8016138547	Watched	NONE YES	04/27/2011 18:42:14	gnicholson@SECUR.TX
(1)	8016138547	Dialing Number	NONE 8016138547 (Created)	04/27/2011 18:42:14	gnicholson@SECUR.TX
(1)	8016138547	Speed Dial	NONE 1111	04/27/2011 18:42:14	gnicholson@SECUR.TX
(2)	9723771108	Dialing COS	NONE Crime Tip	04/28/2011 10:52:23	GIP@SECUR.TX
(1)	9723771108	Dialing Number	NONE 9723771108 (Created)	04/28/2011 10:52:23	GIP@SECUR.TX
(1)	9723771107	Description	NONE Informant line no. dnm for QA	04/28/2011 10:52:29	GIP@SECUR.TX
(1)	9723771107	Un-Set Account Information	NONE NO	04/28/2011 09:53:29	GIP@SECUR.TX
(2)	9723771107	Enable DTMF Password	NONE NO	04/28/2011 09:53:29	GIP@SECUR.TX
(2)	9723771107	Un-Set Speed Dial Number	NONE NO	04/28/2011 09:53:29	GIP@SECUR.TX
(1)	9723771107	Un-Set Port Location	NONE NO	04/28/2011 09:53:29	GIP@SECUR.TX

# Appendix F: Secure Call Platform Reports

## User Management Change Log

User Management Change Log Report – allows administrators to review changes made to the account by selected users.

### Secure Call Platform

Facility Routing Number: 99001



MANAGEMENT LEVEL:  
 [Admin] [Operator] [User]  
 [Secure Data Set]

#### User Mgmt Change Log Search

FULL SEARCH CRITERIA (\* indicates Required Fields)  
 (Tap \* for wild card patterns)

NAME(S) (Last Name) First Name(s) Last Name(s)  
 ID(S) (Last Name) First Name(s) Last Name(s)  
 Start: 04/28/2011 13:00:00 End: 04/28/2011 23:59:59

100 Results

SECURE CALL	CALLER	CALLER NAME	CALLER TYPE	CALLER ID	CALLER ADDRESS	CALL DATE	CALL TIME	CALL DURATION
Lawrence@SECUR.TX	Tony	Lawrence	SITE	NONE	San Berdo County Juvenile, CA	04/28/2011	13:59:04	Lawrence@SECUR.TX
Lawrence@SECUR.TX	Tony	Lawrence	SITE	NONE	Prowers County Jail, CO	04/28/2011	13:57:04	Lawrence@SECUR.TX
Lawrence@SECUR.TX	Tony	Lawrence	SITE	NONE	Pacific County Sheriff's Office, WA	04/28/2011	13:55:04	Lawrence@SECUR.TX
Lawrence@SECUR.TX	Tony	Lawrence	SITE	NONE	Harris County Jail, TX	04/28/2011	13:53:04	Lawrence@SECUR.TX
Lawrence@SECUR.TX	Tony	Lawrence	SITE	NONE	Holton County Jail	04/28/2011	13:51:04	Lawrence@SECUR.TX
Lawrence@SECUR.TX	Tony	Lawrence	SITE	NONE	Long Beach City Jail, CA	04/28/2011	13:49:04	Lawrence@SECUR.TX
Lawrence@SECUR.TX	Tony	Lawrence	SITE	NONE	Osborne County Sheriff's Dept, TN	04/28/2011	13:47:04	Lawrence@SECUR.TX
Lawrence@SECUR.TX	Tony	Lawrence	CUSTOMER	NONE	San Berdo County, CA	04/28/2011	13:45:04	Lawrence@SECUR.TX
Lawrence@SECUR.TX	Tony	Lawrence	CUSTOMER	NONE	Prowers County Jail, CO	04/28/2011	13:43:04	Lawrence@SECUR.TX
Lawrence@SECUR.TX	Tony	Lawrence	CUSTOMER	NONE	Pacific County Sheriff's Office, WA	04/28/2011	13:41:04	Lawrence@SECUR.TX

# Appendix F: Secure Call Platform Reports

## Security Template Change Log

Security Template Change Log Report – allows administrators to review modifications made to security template. Users can narrow their search by using criteria such as username, name, phone number, and date range.

### Secure Call Platform

Facility Routing Number: 69001

HOME SYSTEM MONITOR TOOLS ADMIN FACILITY PORTAL

MANAGEMENT LEVEL  
 Secure Core Site

#### Security Template Change Log Search

FILL IN SEARCH CRITERIA (\* indicates required fields)  
 (Use \* for wild card / partial searches)

Username:  First Name:  Last Name:

Start: 04/29/2011 00:00:00 End: 04/29/2011 23:59:59

Results: PAGE 1 OF 1

SECURITY TEMPLATE	TYPE	MODIFIED FIELD	GROUP	OPERATION	MODIFIED DATE	OPERATOR
ADC-1001	Created				04/29/2011 10:57:25	americe@SECURITY
Adam All	Modified	System - Custody Accounts First Calls are Free	NONE	CAN VIEW	04/29/2011 10:44:08	edwards@SECURITY
Adam All	Modified	System - Custody Accounts First Calls are Free	NONE	CAN EDIT	04/29/2011 10:44:08	edwards@SECURITY
Adam All	Modified	Security - Password Reset	NONE	CAN VIEW	04/29/2011 10:44:08	edwards@SECURITY
Sally Z.	Created				04/29/2011 10:49:14	eechwood@SECURITY

Terms and Conditions  
 © 2011 Securus Technologies, Inc. All Rights Reserved.

# Appendix F: Secure Call Platform Reports

## System Access Log Report

System Access Log Report – allows administrators to manage user access by reporting lists of system users by date range. Users can narrow their search by using criteria such as username, name, and date range.

### Secure Call Platform

Facility Routing Number: 99001

HOME SYSTEM MONITOR TOOLS ADMIN FACILITY PORTAL

MANAGEMENT LEVEL  
 ADMINISTRATION  
 Secure Call Site

#### System Access Log Search

FILL IN SEARCH CRITERIA (\* indicates Required Fields)

(Use \* for wild card) (e.g. (a|b|c|d|e|f))

Username: \_\_\_\_\_ First Name: Core Last Name: \_\_\_\_\_  
 Access Start: 04/27/2011 00:00:00 Access End: 04/28/2011 23:59:59

Search Reset

10 Results PAGE 1 OF 1

USERNAME	ROLE	TOOL	SECURITY TEMPLATE	# ADDRESS	STATUS	LOG (REC ID)	LOG (DATE/TIME)	PERMISSION
ccorkin@SECURITY	Core	CoAdmin	Supervisor	209.169.325.158	Successful Login	04/28/2011 10:15:44	04/28/2011 10:15:43	31
ccorkin@SECURITY	Core	CoAdmin	Supervisor	209.169.325.158	Successful Login	04/28/2011 10:21:54	04/28/2011 10:21:53	31
ccorkin@SECURITY	Core	CoAdmin	Supervisor	209.169.325.158	Successful Login	04/28/2011 08:22:05	04/28/2011 08:22:04	31
ccorkin@SECURITY	Core	CoAdmin	Supervisor	209.169.325.158	Successful Login	04/27/2011 24:50:45	04/27/2011 20:50:43	346
ccorkin@SECURITY	Core	CoAdmin	Supervisor	209.169.325.158	Successful Login	04/27/2011 15:12:43	04/27/2011 12:15:42	31

Terms and Conditions  
 © 2011 Securus Technologies, Inc. All Rights Reserved.

# Appendix F: Secure Call Platform Reports

## Recording Audit Log Report

Recording Audit Log Report – allows administrators to report and manage all activity for recording usage. Administrator can search on key criteria such as recording usage, name, call start/end, access start/end, dialed number and PIN.

### Secure Call Platform

Facility Routing Number: 99001



MANAGEMENT LEVEL

Secure Demo Site All Sites All Probe Groups All Probes

#### Recording Audit Log Search

FULL SEARCH CRITERIA ( \* indicates Required Fields )

(Use \* for wild card for tel numbers)

User Name:       First Name:       Last Name:   
 Recording User:       Dialed Number:       Account #:       PIN #:   
 Call Start:       End:   
 Expiration Start:       End:   
 Access Start:       End:

Search    Reset

Results      PAGE 1 OF 1      LIST    GROUP    META

ACCESS TIME	RECORDING USAGE	NAME	ACCT # PIN	CALL START TIME	CALL END TIME	EXPIRATION DATE	USER	UNIT NUMBER
04-28-2011 12:35:45	PLAYBACK	James LeBeaud	28770043 2872	04-20-2011 04:57:28	04-20-2011 04:58:53	05/20/2011	kyemaddd@SECUR.TX	2817556124
04-28-2011 12:05:48	PLAYBACK	pedro de	2811 2813	04-20-2011 14:07:27	04-20-2011 14:07:30	05/25/2011	kyemaddd@SECUR.TX	2817556997
04-28-2011 12:05:55	PLAYBACK	Halro Muyrb	2820 2820	04-20-2011 13:01:55	04-20-2011 13:02:10	05/20/2011	kyemaddd@SECUR.TX	280926766

Navigation icons: Home, Back, Forward, Refresh, Stop, Print



# Appendix F: Secure Call Platform Reports

## Scan Patrol Audit Log

Scan Patrol Audit Log Report – allows administrators to report and manage all activity for live monitor scans. Administrator can search on key criteria such as username and date range to narrow their search. Users can also select to view the call detail records associated with each scan for additional information.

### Secure Call Platform

Facility Routing Number: 99001

[HOME](#) | [SYSTEM](#) | [MONITOR](#) | [TOOLS](#) | [ADMIN](#) | [FACILITY PORTAL](#)

MANAGEMENT LEVEL

Securus Demo Site

#### Scan Patrol Audit Log Search

FILL IN SEARCH CRITERIA ( \* Indicates Required Fields )

(Use \* for wild card / partial searches)

Username: \_\_\_\_\_  
 Start: 04/01/2011 00:00:00    End: 04/29/2011 23:59:59  
SEARCH BY DATE RANGE (DATE)    SEARCH BY USERNAME (TEXT)

---

1 Results    PAGE 1 OF 1           

ID	START	END	USER
1	04-21-2011 04:07:53	04-21-2011 04:07:53	hellen@SECURUS

Terms and Conditions  
 © 2011 Securus Technologies, Inc. All Rights Reserved.



# **Appendix G: California Public Utilities Commission Certificate**

---

Please refer to the following pages for Securus' California PUC Certificates.

PUBLIC UTILITIES COMMISSION  
505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



**Evercom Systems, Inc.  
IER (Corp ID 6888)  
Status of Advice Letter 3  
As of November 3, 2010**

Subject: Name change from Evercom Systems, Inc. to Securus Technologies, Inc.

Division Assigned: Telecommunications

Date Filed: 09-21-2010

Date to Calendar: 10-01-2010

Authorizing Documents: None

<b>Disposition:</b>	<b>Accepted</b>
<b>Effective Date:</b>	<b>10-21-2010</b>

Resolution Required: No

Resolution Number: None

Commission Meeting Date: None

CPUC Contact Information:

415-703-1565

TD\_PAL\_COORDINATOR@cpuc.ca.gov

AL Certificate Contact Information:

Erin Curry

972-277-0395

ecurry@securustech.net

## PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



To: Telecommunications Carrier Filing Advice Letter

From: Telecommunications Division PAL Coordinator

Subject: Your Advice Letter Filing

The Telecommunications Division of the California Public Utilities Commission has processed your recent Advice Letter (AL) filing and is returning an AL status certificate for your records.

The AL status certificate indicates:

- Advice Letter Number
- Name of Filer
- CPUC Corporate ID number of Filer
- Subject of Filing
- Date Filed
- Disposition of Filing (Accepted, Rejected, Withdrawn, etc.)
- Effective Date of Filing
- Other Miscellaneous Information (e.g., Resolution, if applicable, etc.)

The Telecommunications Division has made no changes to your copy of the Advice Letter Filing; please review your Advice Letter Filing with the information contained in the AL status certificate, and update your Advice Letter and tariff records accordingly.

All inquiries to the California Public Utilities Commission on the status of your Advice Letter Filing will be answered by Telecommunications Division staff based on the information contained in the Telecommunications Division's PAL database from which the AL status certificate is generated. If you have any questions on this matter please contact the:

Telecommunications Division PAL Coordinator at **(415) 703-1565**, or by  
e-mail to **[td\\_pal\\_coordinator@cpuc.ca.gov](mailto:td_pal_coordinator@cpuc.ca.gov)**

Decision 04-05-049 May 27, 2004

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

In the Matter of the Application of Evercom Systems, Inc., for a Certificate of Public Convenience and Necessity to Provide Switchless Resale of Interexchange Telecommunications Services within the State of California.

Application 03-11-026  
(Filed November 13, 2003)

**OPINION GRANTING A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY**

**I. Summary**

Evercom Systems, Inc. (Applicant) seeks a certificate of public convenience and necessity (CPCN) under Pub. Util. Code § 1001 for authority to resell interexchange telecommunications services.<sup>1</sup> By this decision, we grant the requested authority subject to the terms and conditions set forth below. In addition, Applicant will make a voluntary contribution to the State of California General Fund of \$11,000, in lieu of a fine, for operating without a CPCN.

**II. Background**

In prior decisions, we authorized the provision of competitive interexchange services by carriers meeting specified criteria.

Applicant, a Delaware corporation, seeks authority to resell interexchange services as a nondominant interexchange carrier (NDIEC).

---

<sup>1</sup> All section references are to the Public Utilities Code unless otherwise specified.

Applicant's principal place of business is located at 8201 Tristar Drive, Irving, Texas 75603.

### **III. Financial Qualifications**

To be granted a CPCN, an applicant for authority to resell interexchange services must demonstrate that it has a minimum of \$25,000 of cash or cash equivalent to meet the firm's start-up expenses.<sup>2</sup> An applicant must also demonstrate that it has sufficient additional resources to cover all deposits required by local exchange carriers (LECs) and/or interexchange carriers (IECs) in order to provide the proposed service.<sup>3</sup> Applicant represented that it will not be required to provide deposits to other telecommunications carriers in order to provide the proposed service. In addition, Applicant provided a guarantee by its parent company, Evercom, Inc., and its ultimate parent company, Evercom Holdings, Inc., that demonstrates that it has sufficient cash to satisfy the financial requirement.

### **IV. Technical Qualifications**

Applicants for NDIEC and CLC authority are required to make a reasonable showing of technical expertise in telecommunications or a related business. Applicant submitted biographical information on its management that demonstrates that it possesses sufficient experience and knowledge to operate as a telecommunications provider.

---

<sup>2</sup> The financial requirement for NDIECs is contained in Decision (D.) 91-10-041.

<sup>3</sup> The requirement for NDIECs, the requirement is found in D.93-05-010.

Applicant represents that no one associated with or employed by Applicant as an affiliate, officer, director, partner, or owner of more than 10% of Applicant was previously associated with any telecommunications carrier that filed for bankruptcy, or was sanctioned by the Federal Communications Commission or any state regulatory agency for failure to comply with any regulatory statute, rule, or order.

#### **V. Tariffs**

Commission staff reviewed Applicant's draft tariffs for compliance with Commission rules and regulations. The deficiencies are noted in Attachment A to this decision. Applicant shall correct these deficiencies in its tariff compliance filing as a condition of our approval of its tariffs.

#### **VI. California Environmental Quality Act (CEQA)**

CEQA requires the Commission as the designated lead agency to assess the potential environmental impact of a project in order that adverse effects are avoided, alternatives are investigated, and environmental quality is restored or enhanced to the fullest extent possible. Applicant will not be constructing any facilities for the purpose of providing interexchange services. Therefore, it can be seen with certainty that there is no possibility that granting this application will have an adverse effect upon the environment. Applicant must file for additional authority, and submit to any required CEQA review, before it can construct facilities.

#### **VII. Operation Without a CPCN**

Applicant began providing services, prior to receipt of the CPCN sought in this application, in violation of § 1001. Applicant represents that it has been providing telecommunications services to prison inmates, under the same rules that apply to payphone service providers, since the mid-1990s. In August 1998,

Applicant began providing prepaid debit cards in certain confinement facilities.<sup>4</sup> The cards provide inmates with an alternative to collect calls.

In August 2003, Applicant was informed by the staff of the Commission's Consumer Protection and Safety Division that use of the cards could require a CPCN. Applicant says that its counsel contacted the Commission's Legal Division in October 2003, and was informed that a CPCN was necessary. Applicant subsequently filed this application.

Applicant represents that it believed that it did not require a CPCN to provide prepaid debit cards, and filed the application as soon as it became aware of the requirement. It also represents that it has not expanded its debit card sales to other facilities since it became aware of the requirement.

Section 885 provides that:

"(a) Any entity offering the services of prepaid debit cards is subject to the registration requirements of Section 1013, ... unless that entity is certificated by the commission to provide telephone service. An entity subject to this requirement includes any of the following:

- (1) An entity that is an underlying interexchange carrier and offers and administers the services of prepaid debit cards.
- (2) An entity that purchases bulk time from an underlying interexchange carrier and thereby offers and administers the services of prepaid debit cards (that is the entity repackages and resells the time as prepaid debit cards).

---

<sup>4</sup> Applicant initially provided the prepaid debit cards under the name Talton Invision, Inc. It began offering the prepaid debit cards under the name Evercom in January 1999.



(b) Resellers of telephone prepaid debit cards who do not engage in any of the activities described in subdivision (a) are not subject to the registration requirement imposed by subdivision (a). Resellers that are not subject to the registration requirement imposed by subdivision (a) include both of the following:

(1) Retailers who only provide a marketing venue for telephone prepaid debit cards.

(2) Entities that only print information on telephone prepaid debit cards.

(c) Telephone prepaid debit cards offered in a promotional manner or gratis shall not subject the provider to the registration requirement imposed by subdivision (a), unless the cards are issued in connection with the sale of related goods or services."

Section 886 provides that entities "that are required to register, but have failed to do so, shall not offer the services of telephone prepaid debit cards," and "shall be subject to fines or other sanctions" if they do so.

Applicant states that while it provides telephone prepaid debit cards, it does not purchase bulk time. Rather, it is invoiced monthly, and pays its underlying interexchange carrier for services rendered. For this reason, it represents that did not believe it needed a CPCN.

The operative provision of § 885 is the requirement that an entity "offering the services of prepaid debit cards is subject to the registration requirements of Section 1013, ... unless that entity is certificated by the commission to provide telephone service." The examples in subsections (a)(1) and (2) do not limit the scope of the introductory provision. Applicant is reselling interexchange services without a CPCN. The prepaid debit card is merely a means for the customer to pay for the service. As such, Applicant must obtain a CPCN either

through the registration process, or through an application. As a result, Applicant violated § 885, and is subject to a fine pursuant to § 886.

It appears that Applicant's violation was inadvertent. However, Applicant could and should have known that it could not provide service until a CPCN had been granted. For the reasons discussed below, we will not deny the application because of the violation. In addition, we did not order Applicant to cease providing service to its existing customers in order to avoid interrupting service to those customers.

The Commission set the basis for future decisions assessing fines in D.98-12-075, Appendix B. In setting the amount of the fine, the Commission considers the severity of the offense, the utility's conduct, its financial resources, mitigating or exacerbating factors, and precedent. In this case, we find provision of service without a CPCN to be a serious offense because such violations cause harm to the integrity of the regulatory process. However, there is no evidence that the violation caused physical or serious economic harm to others. Applicant received gross revenues of approximately \$1.4 million from the unauthorized sale of the cards, of which approximately 30% was retained by the correctional facilities where the cards were sold. This amounts to about one percent of Applicant's gross California revenues. Therefore, we find that the violation was not especially severe. We find significant mitigation in the fact that; (1) the violation was unintentional, (2) Applicant took action to avoid further violations by seeking advice from our staff, (3) Applicant filed this application as a result of that advice, and (4) Applicant has not sought to expand its debit card sales to other facilities since it became aware of the violation.

The purpose of a fine is to deter future unlawful conduct by Applicant and others. Pursuant to § 2107, the Commission may impose fines ranging from \$500 to \$20,000 for each violation.

In D.04-01-039, the Commission imposed a fine of \$500 for providing service for less than a year without a CPCN. The applicant's resources in that case were approximately \$80,000. It billed customers \$19,000 for the first three months, and stopped adding new customers when it became aware of the violation.

In this case, Applicant has provided service without a CPCN for roughly five and a half years, and its resources and revenues from the unauthorized sales are substantially greater. Based on an examination of the financial resources of Applicant's parent and ultimate parent companies, filed under seal in this proceeding, we find that Applicant has access to substantially greater resources than the utility addressed in D.04-01-039. Therefore, a fine of \$2,000 for each year of operation without a CPCN would be sufficient to deter Applicant and others from future violations. Given the approximately five and a half year duration of the violation, a fine of \$11,000 would be appropriate.

In order to address any concerns the Commission may have regarding its operation without a CPCN, Applicant proposes to make a voluntary contribution to the State of California General Fund of \$11,000 in lieu of a fine. The contribution is equal to the amount of the appropriate fine. In addition, there would be some administrative efficiency in accepting the proposal rather than spending additional staff time processing a fine. Therefore, we will accept this proposal rather than impose a fine.

### **VIII. Conclusion**

We conclude that the application conforms to our rules for authority to resell interexchange telecommunications services. Accordingly, we shall approve the application subject to the terms and conditions set forth herein.

### **IX. Request to File Under Seal**

Applicant requests that the financial information filed with the application be kept under seal. The financial information consists of a guarantee by Evercom, Inc. and Evercom Holdings, Inc., and audited financial statements for Evercom, Inc. and Evercom Holdings, Inc. Applicant represents that the information is proprietary and sensitive. The information, if revealed, would place Applicant at an unfair business disadvantage. We have granted similar requests in the past and will do so here.

### **X. Categorization and Need for Hearings**

In Resolution ALJ 176-3125 dated December 18, 2003, the Commission preliminarily categorized this application as ratesetting, and preliminarily determined that hearings were not necessary. No protests have been received. There is no apparent reason why the application should not be granted. Given these developments, a public hearing is not necessary, and it is not necessary to disturb the preliminary determinations.

### **XI. Comments on Draft Decision**

This is an uncontested matter in which the decision grants the relief requested. Accordingly, pursuant to Pub. Util. Code § 311(g)(2), the otherwise applicable 30-day period for public review and comment is being waived.

### **XII. Assignment of Proceeding**

Susan P. Kennedy is the Assigned Commissioner and Jeffrey P. O'Donnell is the assigned Administrative Law Judge in this proceeding.

### **Findings of Fact**

1. A notice of the filing of the application appeared in the Daily Calendar on December 5, 2003.
2. No protests have been filed.

3. A hearing is not required.
4. In prior decisions, the Commission authorized competition in providing interexchange services for carriers meeting specified criteria.
5. Applicant has a minimum of \$25,000 of cash or cash equivalent that is reasonably liquid and readily available to meet its start-up expenses.
6. Applicant will not be required to provide deposits to other telecommunications carriers in order to provide the proposed service.
7. Applicant possesses sufficient experience and knowledge to provide telecommunications services.
8. As part of its application, Applicant submitted a draft of its initial tariff that contained the deficiencies identified in Attachment A to this decision. Except for these deficiencies, Applicant's draft tariffs complied with the Commission's requirements.
9. Applicant will not be constructing facilities.
10. Public disclosure of the financial information filed under seal would place Applicant at an unfair business disadvantage.
11. In August 1998, Applicant began providing prepaid debit cards in certain confinement facilities without a CPCN.
12. Applicant has not expanded its debit card sales to other facilities since it became aware of the violation.
13. Section 885 provides that:
  - "(a) Any entity offering the services of prepaid debit cards is subject to the registration requirements of Section 1013, ... unless that entity is certificated by the commission to provide telephone service. An entity subject to this requirement includes any of the following:

- (1) An entity that is an underlying interexchange carrier and offers and administers the services of prepaid debit cards.
  - (2) An entity that purchases bulk time from an underlying interexchange carrier and thereby offers and administers the services of prepaid debit cards (that is the entity repackages and resells the time as prepaid debit cards).
- (b) Resellers of telephone prepaid debit cards who do not engage in any of the activities described in subdivision (a) are not subject to the registration requirement imposed by subdivision (a). Resellers that are not subject to the registration requirement imposed by subdivision (a) include both of the following:
- (1) Retailers who only provide a marketing venue for telephone prepaid debit cards.
  - (2) Entities that only print information on telephone prepaid debit cards.
- (c) Telephone prepaid debit cards offered in a promotional manner or gratis shall not subject the provider to the registration requirement imposed by subdivision (a), unless the cards are issued in connection with the sale of related goods or services."
14. Section 886 provides that entities "that are required to register, but have failed to do so, shall not offer the services of telephone prepaid debit cards," and "shall be subject to fines or other sanctions" if they do so.
15. Applicant is reselling interexchange services without a CPCN.
16. The prepaid debit card is merely a means for the customer to pay for the service.
17. Applicant's violation was inadvertent.

18. There is no evidence that the violation caused physical or serious economic harm to others.

19. There is significant mitigation in the fact that; (1) the violation was unintentional, (2) Applicant took action to avoid further violations by seeking advice from our staff, (3) Applicant filed this application as a result of that advice, and (4) Applicant has not sought to expand its debit card sales to other facilities since it became aware of the violation.

### **Conclusions of Law**

1. Applicant has the financial ability to provide the proposed service.
2. Applicant has sufficient technical expertise to operate as a telecommunications carrier.
3. Public convenience and necessity that Applicant's interexchange services be subject to the terms and conditions set forth herein.
4. Since Applicant will not be constructing any facilities, it can be seen with certainty that there will be no significant effect on the environment.
5. The application should be granted to the extent set forth below.
6. Applicant, once granted a CPCN, should be subject to the applicable Commission rules, decisions, General Orders, and statutes that pertain to California public utilities.
7. Applicant's initial tariff filing should correct the deficiencies noted in its draft tariffs as indicated in Attachment A to this decision.
8. Applicant violated § 885, and is subject to a fine pursuant to § 886.
9. Applicant's proposal to make a voluntary contribution of \$11,000 in lieu of a fine should be accepted.
10. Applicant's request to file its financial information under seal should be granted for two years.

11. Because of the public interest in competitive local exchange services, the following order should be effective immediately.

## O R D E R

IT IS ORDERED that:

1. A certificate of public convenience and necessity (CPCN) is granted to Evercom Systems, Inc. (Applicant) to resell interexchange services, subject to the terms and conditions set forth below.
2. Applicant is authorized to file tariff schedules for the provision of interexchange services with the deficiencies noted in Attachment A corrected. Applicant may not offer services until tariffs are on file. Applicant's initial filing shall be made in accordance with General Order (GO) 96-A, excluding Sections IV, V, and VI. The tariff shall be effective not less than one day after tariff approval by the Commission's Telecommunications Division. Applicant shall comply with its tariffs.
3. The certificate granted, and the authority to render service under the rates, charges, and rules authorized, will expire if not exercised within 12 months after the effective date of this order.
4. The corporate identification number assigned to Applicant, U-6888-C, shall be included in the caption of all original filings with this Commission, and in the titles of other pleadings filed in existing cases.
5. Applicant shall comply with the Commission's rules and regulations for nondominant interexchange carriers (NDIECs) set forth in Decision (D.) 93-05-010 and D.90-08-032, as well as all other applicable Commission rules, decisions, GOs, and statutes that pertain to California public utilities, subject to the exemptions granted in this decision.



6. Applicant shall comply with the requirements applicable to NDIECs included in Attachment B to this decision.

7. Applicant is not authorized to construct facilities.

8. Applicant shall make a voluntary contribution of \$11,000. It shall pay the contribution within 20 days from the effective date of this order by tendering to the Fiscal Office of the California Public Utilities Commission a check in the amount of \$11,000 made payable to the State of California General Fund. The CPCN granted herein shall be void if the contribution is not paid in full as provided herein.

9. Applicant's request to have the financial information filed with the application kept under seal is granted for two years from the effective date of this decision. During that period the information shall not be made accessible or disclosed to anyone other than the Commission staff except on the further order or ruling of the Commission, the Assigned Commissioner, the assigned Administrative Law Judge (ALJ), or the ALJ then designated as Law and Motion Judge.

10. If Applicant believes that further protection of the information kept under seal is needed, it may file a motion stating the justification for further withholding of the information from public inspection, or for such other relief as the Commission's rules may then provide. This motion shall be filed no later than one month before the expiration date.

11. This proceeding is closed.

This order is effective today.

Dated May 27, 2004, at San Francisco, California.

MICHAEL R. PEEVEY  
President  
GEOFFREY F. BROWN  
SUSAN P. KENNEDY  
Commissioners

I dissent.

/s/ CARL W. WOOD  
Commissioner

I reserve the right to file a dissent.

/s/ LORETTA M. LYNCH  
Commissioner

I reserve the right to file a concurrence.

/s/ GEOFFREY F. BROWN  
Commissioner

PUBLIC UTILITIES COMMISSION  
505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



**Evercom Systems, Inc.  
IER (Corp ID 6888)  
Status of Advice Letter 3  
As of November 3, 2010**

Subject: Name change from Evercom Systems, Inc. to Securus Technologies, Inc.

Division Assigned: Telecommunications

Date Filed: 09-21-2010

Date to Calendar: 10-01-2010

Authorizing Documents: None

<b>Disposition:</b>	<b>Accepted</b>
<b>Effective Date:</b>	<b>10-21-2010</b>

Resolution Required: No

Resolution Number: None

Commission Meeting Date: None

CPUC Contact Information:

415-703-1565

TD\_PAL\_COORDINATOR@cpuc.ca.gov

AL Certificate Contact Information:

Erin Curry

972-277-0395

ecurry@securustech.net

## PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



To: Telecommunications Carrier Filing Advice Letter

From: Telecommunications Division PAL Coordinator

Subject: Your Advice Letter Filing

The Telecommunications Division of the California Public Utilities Commission has processed your recent Advice Letter (AL) filing and is returning an AL status certificate for your records.

The AL status certificate indicates:

- Advice Letter Number
- Name of Filer
- CPUC Corporate ID number of Filer
- Subject of Filing
- Date Filed
- Disposition of Filing (Accepted, Rejected, Withdrawn, etc.)
- Effective Date of Filing
- Other Miscellaneous Information (e.g., Resolution, if applicable, etc.)

The Telecommunications Division has made no changes to your copy of the Advice Letter Filing; please review your Advice Letter Filing with the information contained in the AL status certificate, and update your Advice Letter and tariff records accordingly.

All inquiries to the California Public Utilities Commission on the status of your Advice Letter Filing will be answered by Telecommunications Division staff based on the information contained in the Telecommunications Division's PAL database from which the AL status certificate is generated. If you have any questions on this matter please contact the:

Telecommunications Division PAL Coordinator at **(415) 703-1565**, or by  
e-mail to ***td\_pal\_coordinator@cpuc.ca.gov***



## **Appendix H: Letters of Reference**

---

Please refer to the following pages for Securus' letters of reference.

COUNTY OF SUFFOLK



OFFICE OF THE SHERIFF

VINCENT F. DEMARCO  
SHERIFF

April 27, 2011

Michael Hamann, Account Manager  
Securus Technologies, Inc.  
304 Woodcrest Drive  
Amherst, New York 14226

Dear Mr. Hamann:

The Suffolk County Sheriff's Office is very satisfied with your company's installation of the inmate calling system.

The installation process went well with no interruption in service to the inmates and or their families. Your personnel involved with the installation were *professional* in their dealings with our staff and kept us informed of the progress of the implementation during the installation.

The current day to day support that Securus provides is keeping our staff from spending any of their time dealing with issues related to the inmate telephone system. The recording technology is allowing our investigation team to detect and prosecute criminal activity.

We look forward to our continued relationship with Securus.

Very truly yours,

A handwritten signature in black ink, appearing to read "V. DeMarco".  
VINCENT F. DEMARCO  
Suffolk County Sheriff

VFD/kcm

COUNTY OF SUFFOLK



OFFICE OF THE SHERIFF

VINCENT F. DEMARCO  
SHERIFF

**TO:** Michael Reznick  
Securus Technologies

**FROM:** Sheriff Vincent F. DeMarco ,-l

**DATE:** February 14, 2011

I would like to take this opportunity to commend you on your professionalism and attention to detail, which you displayed while assisting the District Attorney's Office. Your skilled handling of this situation enabled the District Attorney to secure a conviction for Attempted Murder in the Second Degree against Zenell Wood on February 2<sup>nd</sup>

Attached is a copy of a letter that I received from District Attorney Thomas Spota commending you on your performance. It is very gratifying to know that individual's such as yourself are willing to go the extra distance to get the job done.

Again, my thanks.

VFD/kcm  
Attachment  
cc: Personnel File

**COUNTY OF SUFFOLK OFFICE  
OF DISTRICT ATTORNEY**



**THOMAS J. SPOTA**  
DISTRICT ATTORNEY

Februarys, 2011

Vincent F. DeMarco  
Suffolk County Sheriff's Department  
100 Center Drive  
Riverhead, New York 11901

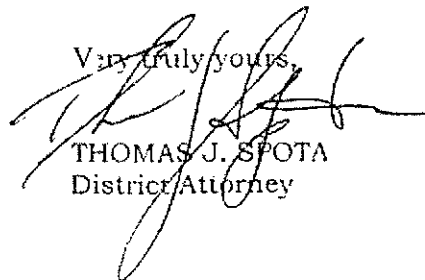
Dear Sheriff DeMarco:

This letter is to commend and recognize the efforts of Suffolk County Sherriff s Department Correction Officer Sergeant Richard Fitzpatrick and Michael Reznick of Securus Technologies for their assistance in securing a conviction for Attempted Murder in the Second Degree against Zenell Wood on February 2, 2011. Sergeant Fitzpatrick and Mr. Reznick assisted the District Attorney's Office in expeditiously obtaining recorded telephone calls from the defendant to his girlfriend Marisa Walker, a key witness in the case.

On the recordings the defendant could be heard intimidating and coercing Ms. Walker not to testify against him. Additionally, through these calls we were able to locate Ms. Walker who had been avoiding investigators attempting to secure her presence at trial. Ms. Walker ultimately did testify and was able to place the defendant at the scene of the crime. We were also able to introduce the calls at trial and the jury found them very strong evidence of the defendant's guilt. I am confident in saying that without these recordings we would not have been able to secure a conviction of the defendant.

Mr. Reznick and Sergeant Fitzpatrick went above and beyond their call of duty and the District Attorney's Office is very appreciative of their efforts. Proving a defendant's guilt to a jury beyond a reasonable doubt is a difficult task, but one that is made easier with the assistance of people like Sergeant Fitzpatrick and Mr. Reznick. Once again, thank you.

Very truly yours,



THOMAS J. SPOTA  
District Attorney

CC - Vito Dagnello, President





*Fidei in Service with Integrity*

April 17, 2012

To whom it may concern:

I would like to offer this letter of reference and recommendation for the comprehensive services provided by Securus Telecom relating to our overall telecommunications services in our Detention Centers.

I have been working with Securus now for 9 years and found their service and dedication to excellence is above par. The products and services that Securus provides are superior to any other vendor; which shows in the number of patents they hold in the industry.

I am very appreciative of their expertise, assistance, and ongoing support over the years. Their technical and management staff truly exhibit a relationship based philosophy and Securus has become a trusted vendor.

In closing I would like to recommend Securus Telecom to any facility that needs an all-inclusive telecom system supported by a dedicated professional team.

Sincerely,

**Kathleen Casey**

Kathleen Casey

Detention Communications Coordinator

Enterprise Technology Division

Broward County Sheriff's office

2601 W. BROWARD BLVD. • FT. LAUDERDALE, FL • 33312  
PHONE: 954-321-4611 • EMAIL: KATHLEEN\_CASEY@SHERIFF.ORG

Securus Technologies  
December 30, 2010  
Page 2

Securus Tehnologies is customer driven. This is a major reason they have been selected as the inmate telephone vendor year after year. Field representatives have been responsive to Sheriff's Office needs. There is frequent personal contact and follow-up by phone or e-mail. I can count on the fact that if I have a problem, I know that he will ensure it is taken care of.

Sincerely,

A handwritten signature in cursive script, appearing to read "Capt. P. Hunton".

Capt. P. Hunton  
Custody Operations Bureau

Jail Division • (330) 451-1250 • Fax (330) 451-1339 • www.sheriff.co.stark.oh.us  
Court Services Division • 115 Central Plaza N., Suite A • Canton, OH 44702 • (330) 451-7425 • Fax (330) 451-7050

Mr. Richard Perk  
Securus Technologies  
20147 Hilliard Blvd  
Rocky River, Ohio 44116

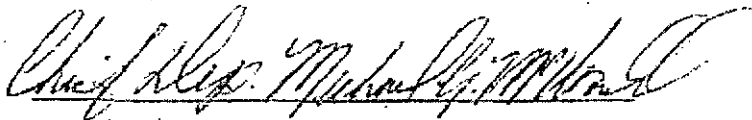
Mr. Perk:

I would like to take this opportunity to thank you and your company for the manner in which your company was able to transition our Jail to a new inmate telephone vendor. In addition I would also like to take this opportunity to say what a pleasure it has been to work with professionals like Mr. Tim Parsons.

We anticipated problems changing our service from GTL to Securus, however because of the professionalism of your installers who did a great job of communicating their needs and giving us an opportunity to schedule this project to meet our needs this process went forward without a hitch.

You should also know that we have had no issues with your company and you folks have performed as you stated.

Thank You



Chief Deputy Michael A. McDonald  
Stark County Sheriff's Office

MAY-24-2011 TUE 09:35 AM ST CO JAIL ADMIN

FAX NO. 3304303679

P. 02



THE COMMONWEALTH OF MASSACHUSETTS  
OFFICE OF THE  
BRISTOL COUNTY SHERIFF

THOMAS M. HODGSON  
SHERIFF

400 FAUNCE CORNER ROAD  
NORTH DARTMOUTH, MA 02747

TEL. (508) 995-6400  
FAX. (508) 995-3326

December 1, 2010

Ms. Trisha Kelty-Auger  
Territory Manager  
Securus Technologies, Inc.  
43 Jewett Street  
Pepperell, MA 01463

Dear Ms. Kelty-Auger,

The Bristol County Sheriff's Office (BCSO) has been a very satisfied customer of Securus Technologies for over 12 years. Over that time the BCSO inmate telephone needs have changed and Securus has always accommodated our requests. For example when the BCSO needed a simpler way to refresh the PAN lists Securus worked with us to automatically empty PAN lists on the first day of every month. With the care and custody of over 1400 inmates in two facilities this was an excellent solution to an otherwise time-consuming task.

And the investigative tools are instrumental in the day-to-day operations of the two Sheriff's investigative divisions, Internal Affairs (IA) and Special Investigations Unit (SIU). Numerous cases and charges have resulted from information obtained through the Securus inmate telephone system.

A key element in our continued association is the exceptional relationship with you and your service staff (Herb Lee, Ralph Sawtelle, Jose Vieira, etc.) that we have not only come to expect but feel assured we will continue to receive. Your local management team is paramount to the smooth operation of the inmate telephone system installed at the Bristol County Sheriff's Office facilities.

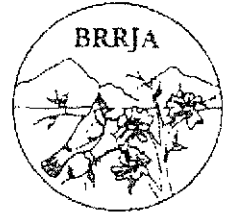
As long as Securus continues to improve their technology and their excellent level of service the BCSO and staff will consider Securus Technologies a valued partner and looks forward to a continued relationship.

Sincerely,

*Wayne Genevex*  
ADS/ Information Systems

# **B R R J A**

510 Ninth Street • P.O. Box 6078 • Lynchburg, VA 24505 • (434) 847-3100 • Fax (434) 847-5134



January 6, 2012

Mr. Mike Coakley  
Account Manager  
Securus Technologies, Inc.  
9311 Count Kristopher Drive  
Mechanicsville, Virginia 23116

Dear Mike:

The Blue Ridge Regional Jail Authority (BRRJA) is a very satisfied customer of Securus Technologies. Your inmate telephone system and investigative tools are instrumental in the day-to-day operations of the five facilities that make up the BRRJA. Several cases and charges have resulted from information obtained through the Securus inmate telephone system.

A key element in our continued association is the exceptional relationship with you and your service staff that we have not only come to expect, but feel assured will continue to receive. Your local team is paramount to the smooth operation of the inmate telephone system installed at the BRRJA facilities.

I consider Securus to be a valued partner and I look forward to a continued relationship with you and your service staff.

Sincerely,

A handwritten signature in black ink, appearing to read 'Elton W. Blackstock'.

Elton W. Blackstock  
Administrator

EWB/mb

**Securus Success:** Securus Field Service Technician II, Darrell Kelley Recognized for Providing Information Leading to an Arrest



Emergency 911

**CAMPBELL COUNTY  
SHERIFF'S OFFICE**

Terry E. Gaddy, Sheriff

87 Courthouse Lane  
P.O. Box 280, Rustburg, VA 24588



Alexandria & Lynchburg 434-582-6345  
Brookneal & Grays 434-203-8580  
Rustburg 434-232-6389  
FAX 434-203-2190

March 2, 2011

Mr. Darrell Kelly  
Blue Ridge Regional Jail Authority  
Lynchburg, VA

Dear Mr. Kelly:

On numerous occasions you have assisted the Campbell County Sheriff's Office by providing information on significant cases. You have even provided information on crimes that we were unaware of that led to investigations and arrests.

You go above and beyond your normal scope of work in assisting the Campbell County Sheriff's Office. I would like to recognize you for the assistance you have given this department and especially with the information that led to the arrest of [REDACTED] and the seizure of 3/4 kilogram of cocaine.

You are to be commended for your efforts and for the way you represent the Blue Ridge Regional Jail Authority.

Sincerely,

Terry E. Gaddy  
Sheriff



**Securus Field Service Technician Darrell Kelley** (left), receiving appreciation for assisting in a criminal investigation for Blue Ridge Regional Jail, VA.

# PASSAIC COUNTY SHERIFF'S OFFICE

*Sheriff Richard H. Berdnik*



---

## OFFICE OF THE SHERIFF

### UNDERSHERIFF

Joseph C. Dennis

435 Hamburg Turnpike  
Wayne, NJ 07470  
973-389-5919

.....

## LAW ENFORCEMENT DIVISION

### CHIEF

Thomas Murray

435 Hamburg Turnpike  
Wayne, NJ 07470  
973-389-5919

.....

## CORRECTIONAL SERVICES DIVISION

### WARDEN

Michael Tolerico,  
CPM, CJM

### DEPUTY WARDEN

Lisa Washington  
11 Sheriff's Plaza  
Paterson, NJ 07501  
973-881-4620

.....

## COURT SERVICES DIVISION

### CHIEF

Leonard Lovely

77 Hamilton Street  
Paterson, NJ 07501  
973-225-3676

August 24, 2011

Ms. Trisha Kelty-Auger  
Securus Technologies, Inc.  
43 Jewett Street  
Pepperell, MA 01463

Dear Ms. Kelty-Auger,

As you know, the Passaic County Sheriff's Office has been a customer of Securus Technologies for well over 12 years. Throughout those years, Securus has consistently provided us with the services to meet our facility needs, as well as, the needs of our inmate population. I am extremely satisfied with the level of service that is provided by Securus and am most pleased with the fact that you are always "just a phone call away" to address any questions or concerns.

I am impressed with the aggressive approach that Securus takes towards providing technological upgrades and additional features that not only enhance our existing inmate telephone system, but also help improve operational efficiency. One such example that has helped us tremendously was the addition of the ATIS (Automated Telephone Information System). By providing the public and inmates with automated telephone access to bail amounts, charges, court dates, facility directions, visiting hours, etc., this ATIS has fielded over 138,000 public inquiry calls and 215,000 inmate requests for information at our facility in the first year alone (an outstanding 85% automation rate). The obvious facility benefit to this feature is that it has significantly reduced the amount of staffing required to handle these calls/requests and it has also improved overall facility communications with the public and inmates alike.

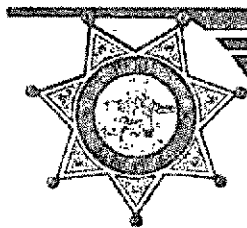
Another Securus feature that we are impressed with is the recent addition of the Archonix Jail Management System (JMS). This JMS has brought our facility up to date with the technology of today. For example, the utilization of barcode readers to track inmate movements, roll call, and medication dispensing has truly assisted with everyday operations, and the ability to have all reports and forms completed, signed, and stored digitally is an asset to facility record management.

We look forward to continuing our relationship with Securus and your partners and wish you continued success.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael Tolerico".

Michael Tolerico, BA, CPM, CJM  
Warden, Passaic County Sheriff's Office  
Corrections Services Division



BUTTE COUNTY OFFICE OF THE  
**SHERIFF**

JERRY W. SMITH  
SHERIFF - CORONER

---

November 29, 2010

To whom it my concern,

Securus is currently our inmate telephone provider and has been for years during this time the service has been exceptional. The S-Gate Call Platform is easy to use and provides all the necessary tools to monitor and record inmate calls for investigative purposes. Training provided by Securus for new users is excellent and has been provided to all Butte County Law Enforcement Agencies at our request. These Agencies can now monitor and record inmate calls and not have to depend on jail staff. I would highly recommend Securus and the S-Gate Call Platform. Please feel free to call me.

Jeff Hayes, Programs Lieutenant

Butte County Sheriff's Office

Oroville, California 95966

Office 530-538-7522

Cell 530-403-7365





**Office of the Sheriff  
Jerry M. Modena, Sr.  
Bibb County, Georgia**

**David J. Davis**  
Chief Deputy  
Law Enforcement Services

P.O. Box 930  
Macon, Georgia 31202-0930  
(478) 746-9441  
FAX (478) 621-5681

**Russell Nelson**  
Chief Deputy  
Corrections & Court Services

February 18, 2011

To Whom It May Concern:


Securus Technologies, Inc. has been the inmate telephone service provider at the Bibb County Macon, Georgia Law Enforcement Center since 2004.

Since the initial implementation of Securus service in 2004, Bibb County has added the Securus Secure Call Platform (SCP) in 2007 and in 2008 enhanced the system with the Automated Information Services (AIS). In 2010, the system handled 89,985 calls from the public and 48,557 inmate requests. The automation offered by AIS has freed up my officers to perform other tasks in the jail and has allowed the public to get their questions answered quickly and accurately.

Bibb County is very pleased with the quality of service and attentiveness to our needs Securus has provided since the initial service installation in 2004. Leigh Setzer (Securus Account Manager) has been instrumental in ensuring a smooth transition with each enhancement and contract negotiations.

I would recommend Securus Technologies, Inc. to any facility considering installation of a new or changing to another inmate telephone service provider.

Respectfully yours,

  
Russell Nelson-Chief Deputy  
Bibb County Sheriff Office  
Macon, Georgia



# SULLIVAN COUNTY

*Serving the communities of:*

Acworth, Charlestown, Claremont, Cornish, Croydon, Goshen, Grantham, Langdon,  
Lempster, Newport, Plainfield, Springfield, Sunapee, Unity and Washington

**Commissioners Office**  
14 Main Street  
Newport, NH 03773  
Tel. (603) 863-2560  
Fax. (603) 863-9314  
E-mail: [commissioners@  
sullivancountynh.gov](mailto:commissioners@sullivancountynh.gov)

**County Manager**  
14 Main Street  
Newport, NH 03773  
Tel. (603) 863-2560  
Fax. (603) 863-9314  
E-mail: [manager@  
sullivancountynh.gov](mailto:manager@sullivancountynh.gov)

**Dept. of Corrections**  
103 County Farm Rd.  
Claremont, NH 03743  
Tel. (603) 542-8717  
Fax. (603) 542-4311  
E-mail: [doc@  
sullivancountynh.gov](mailto:doc@sullivancountynh.gov)

**Facilities &  
Operations Dept.**  
5 Nursing Home Dr.  
Claremont, NH 03743  
Tel. (603) 542-9511 Ext 230  
Fax. (603) 542-2829  
E-mail: [facilities@  
sullivancountynh.gov](mailto:facilities@sullivancountynh.gov)

**Human Resources**  
5 Nursing Home Dr.  
Claremont, NH 03743  
Tel. (603) 542-9511 Ext. 286  
Fax. (603) 542-9214  
E-mail: [humanresources@  
sullivancountynh.gov](mailto:humanresources@sullivancountynh.gov)

**Human Services**  
5 Nursing Home Dr.  
Claremont, NH 03743  
Tel. (603) 542-9511 Ext 210  
Fax. (603) 542-9214  
E-mail: [humanservices@  
sullivancountynh.gov](mailto:humanservices@sullivancountynh.gov)

**Sullivan County Health Care**  
5 Nursing Home Dr.  
Claremont, NH 03743  
Tel. (603) 542-9511  
Fax. (603) 542-9214  
E-mail: [nursinghome@  
sullivancountynh.gov](mailto:nursinghome@sullivancountynh.gov)

January 11, 2012

David Bensmihen  
Primonics  
500 Morgan, Suite 100  
Baie d'Ufre  
Quebec, Canada, H9X 3V1

To Whom It May Concern,

Sullivan County Department of Corrections recently renewed our service contract with Primonics for video visitation. During the past year of utilizing the Primonics equipment, we have had few maintenance issues.

When issues have occurred, we have had a quick correction response from Dave Hinse at Primonics to resolve the problem. We have found Primonics staff to be easy to work with during the contract negotiations.

We recommend Primonics for future projects.

Sincerely,

A handwritten signature in black ink, appearing to read "R. L. Cunningham".

Ross L. Cunningham  
Superintendent



## **Appendix I: Certificate of Insurance**

---

Please refer to the following pages for Securus' certificate of insurance.



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
09/08/2011

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must be endorsed. If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

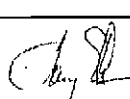
<b>PRODUCER</b> MCGRIFF, SEIBELS & WILLIAMS OF TEXAS, INC. 5080 Spectrum Dr., Suite 900E Addison, TX 75001	<b>CONTACT NAME:</b> PHONE (A/C, No, Ext): (469) 232-2100      FAX (A/C, No): E-MAIL ADDRESS:	
	<b>INSURER(S) AFFORDING COVERAGE</b> NAIC #	
<b>INSURED</b> Securus Technologies, Inc. 14651 Dallas Parkway, Suite 600 Dallas, TX 75254	<b>INSURER A :</b> OneBeacon America Insurance Company	
	<b>INSURER B :</b> Twin City Fire Ins. Co.	
	<b>INSURER C :</b> Liberty Insurance Underwriters	
	<b>INSURER D :</b>	
	<b>INSURER E :</b>	
<b>INSURER F :</b>		

**COVERAGES**      **CERTIFICATE NUMBER:** LDVXL7AH      **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR   WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	<b>GENERAL LIABILITY</b> <input checked="" type="checkbox"/> <b>COMMERCIAL GENERAL LIABILITY</b> <input type="checkbox"/> <b>CLAIMS-MADE</b> <input checked="" type="checkbox"/> <b>OCCUR</b>  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> <b>POLICY</b> <input type="checkbox"/> <b>PRO-JECT</b> <input checked="" type="checkbox"/> <b>LOC</b>		711-01-1519-0002 OneBeacon America	09/09/2011	09/09/2012	EACH OCCURRENCE	\$ 1,000,000
						DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 1,000,000
						MED EXP (Any one person)	\$ 10,000
						PERSONAL & ADV INJURY	\$ 1,000,000
						GENERAL AGGREGATE	\$ 2,000,000
						PRODUCTS - COM/OP AGG	\$ 2,000,000
							\$
A	<b>AUTOMOBILE LIABILITY</b> <input checked="" type="checkbox"/> <b>ANY AUTO</b> <input type="checkbox"/> <b>ALL OWNED AUTOS</b> <input type="checkbox"/> <b>SCHEDULED AUTOS</b> <input checked="" type="checkbox"/> <b>HIRED AUTOS</b> <input checked="" type="checkbox"/> <b>NON-OWNED AUTOS</b>		711-01-1519-0002	09/09/2011	09/09/2012	COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000
						BODILY INJURY (Per person)	\$
						BODILY INJURY (Per accident)	\$
						PROPERTY DAMAGE (Per accident)	\$
						Comp. \$1000 deductible	Coll. \$1000 deductible
A	<input type="checkbox"/> <b>UMBRELLA LIAB</b> <input checked="" type="checkbox"/> <b>OCCUR</b> <input checked="" type="checkbox"/> <b>EXCESS LIAB</b> <input type="checkbox"/> <b>CLAIMS-MADE</b>  <input type="checkbox"/> <b>DED</b> <input type="checkbox"/> <b>RETENTIONS</b>		711-01-1519-0002 OneBeacon America	09/09/2011	09/09/2012	EACH OCCURRENCE	\$ 5,000,000
						AGGREGATE	\$ 5,000,000
							\$
B	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below <input type="checkbox"/> <b>Y/N</b> N/A		46WBAB8981	09/09/2011	09/09/2012	<input checked="" type="checkbox"/> <b>WC STATUTORY LIMITS</b> <input type="checkbox"/> <b>OTHER</b>	
						E.L. EACH ACCIDENT	\$ 1,000,000
						E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000
						E.L. DISEASE - POLICY LIMIT	\$ 1,000,000
C	<b>EXCESS UMBRELLA</b>		EXCDA189999-4	09/09/2011	09/09/2012		\$ 15,000,000
							\$
							\$
							\$
							\$

**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES** (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

<b>CERTIFICATE HOLDER</b>  Securus Holdings, Inc. and its subsidiaries Attn: Mr. Philip Ninan 14651 Dallas Parkway, Suite 600 Dallas, TX 75254	<b>CANCELLATION</b>  SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	<b>AUTHORIZED REPRESENTATIVE</b>  

AGENCY CUSTOMER ID: \_\_\_\_\_

LOC #: \_\_\_\_\_



**ADDITIONAL REMARKS SCHEDULE**

PRODUCER MCGRUFF, SEIBELS & WILLIAMS OF TEXAS, INC.		INSURED Securus Technologies, Inc.	
POLICY NUMBER		ISSUE DATE: 09/08/2011	
CARRIER	NAIC CODE		

**ADDITIONAL REMARKS**

**THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,**

**FORM NUMBER: \_\_\_\_\_ FORM TITLE: \_\_\_\_\_**

Employed Lawyer Professional Liability  
 Carrier: Lloyd's of London  
 Policy Term: 09/09/2011 - 09/09/2012  
 Policy Number: W15LPD110401

Sub-limits: 5,000,000 Maximum Aggregate (for all damages & claims expenses)

Misc. Technology, Media and Professional Liability (E&O Coverage)  
 Carrier: Lloyd's of London  
 Policy Term: 09/09/2011 - 09/09/2012  
 Policy Number: W15LPD110401

Limits: 5,000,000 Each Claim/Aggregate  
 Deductible: 100,000 Each Claim Deductible

Commercial Crime Coverage  
 Named Insured: Connect Acquisition Corp.  
 Carrier: National Union Fire Insurance Company of Pittsburgh, PA  
 Policy Term: 09/09/2011 - 09/09/2012  
 Policy Number: 01-122-80-42

Limits: \$1,000,000 (coverage includes Clients Property)  
 Deductible: \$50,000



# Appendix J: Cara Clinicals Medical Software

---

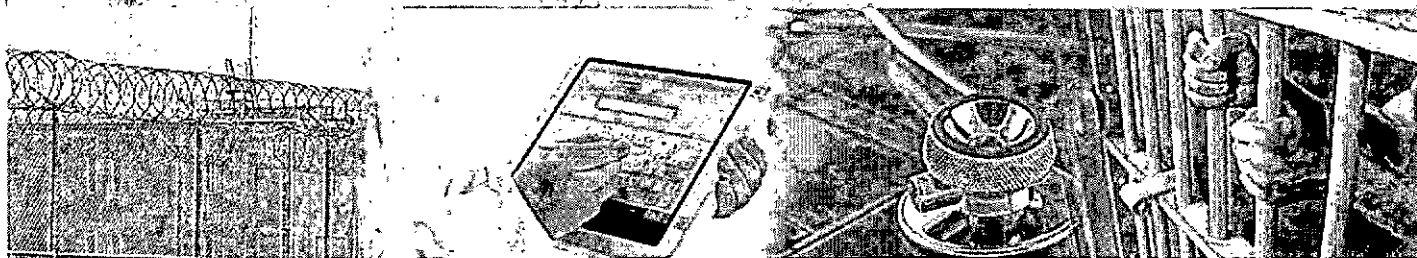
Please refer to the following pages for this feature.

# Uniek EMR

Transforming Corrections Medical Departments, one inmate at a time.

Cara Clinicals Inc,  
Woodbury, MN 55129

Phone: 651.436.1285  
E-mail: sales@uniekemr.com



## PRODUCT HIGHLIGHTS

- Web Based Intranet or Hosted Internet Solution
- Full Suite of Integrated Modules
- Integration with Jail Management Software (Unidirectional and Bidirectional)
- Role Based EMR to Ease the Workflow
- Excellent Reporting Features
- Real Time Medicine Tracking
- Real Time MAR & TAR Management

## EXPANSIVE SCOPE OF AUTOMATION

- MAR and TAR Automation Via:
  - RFID
  - Bar Code Readers
  - Positive Identification Fingerprinting
  - Digital Signatures
  - Handheld Devices
- Automated Insurance Checking in Real Time with 400 Insurance Companies
- Automated Inmate Billing
- Automated Medical Billing
- Paperless Assessment for:
  - Medical
  - Dental
  - Mental
- Paperless Medication Ordering, Receipts, and Returns
- Inventory Via Handheld Computers and Bar Coding
- Wired, Wireless and Disconnected Mode Functionality
- Digital X-Ray Support

Uniek EMR is an innovative solution in the corrections medical practice to help facilities reduce medical costs, offer better quality of care, monitor compliance, automate Medical Administration Records (MAR) and Care Plan Administration Records (TAR), automate the medical department with interfaces to Jail systems, outside vendors, and internal and external medical staff.

Uniek EMR is a leader in introducing many new features. It offers a powerful suite of fully integrated inmate, and facility management features, developed within the latest Microsoft Silverlight environment. Uniek, as the evolution of correctional EMR software, challenges the stereotype of software being simply a placeholder for tedious entering and updating of information, rather it is a management support system streamlining the operations and real time alerting when issues arise.

Uniek's deployment options provide flexibility to meet the needs of a single facility, multiple-facility and multiple-agency (data sharing) configurations.

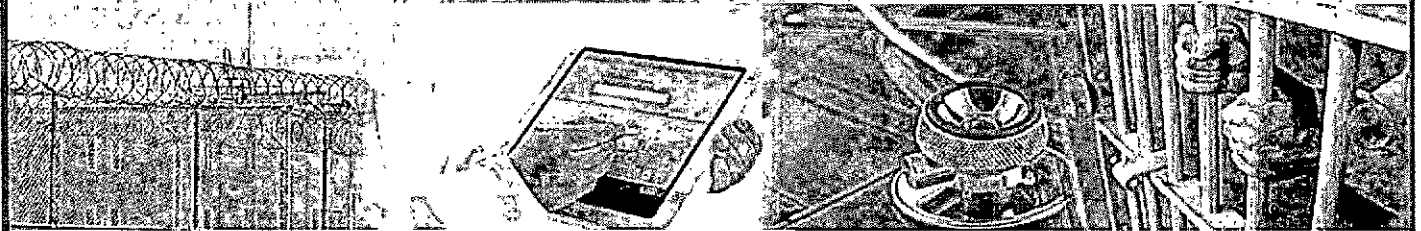
## PRODUCT MODULES

- Inmate Registration
- Inmate Medical Charts
- Inmate Health Summaries
- TB Screening
- Medical Assessment
- Mental Assessment
- Dental Assessment
- Sick Call
- Nurse Call
- Doctor Calls and Encounter Entries
- Progress Notes (Mental, Medical and Dental)
- Segregation Notes
- Vital Signs
- Prescription and Medications
- Phone Medication Ordering
- MAR
- Pill Run Management
- Pill Cart Auditing
- Meal Plan Management
- Care Plan Management
- Internal Appointment
- External Referrals
- Task Management
- Immunization and Vaccines
- Lab Order and Results
- Intra Messaging and Notification
- Document Management System
- Customized Form Designer
- Customized Reports Designer
- Inmate Watch List
- Drug Inventory
- Equipment Inventory
- Narcotic Inventory
- Automated Pill Returns
- Automated Pill Ordering
- Privilege Management
- Diet Management
- Inmate Billing
- Medical Billing
- Digital Approval

To learn more about Uniek, please contact us at:  
651.436.1285 [www.uniekemr.com](http://www.uniekemr.com)

# Uniek EMR

Transforming Corrections Medical Departments, one inmate at a time



**Cara Clinicals Inc.**

## **Product Descriptions for Healthcare - EMR**

Woodbury, MN 55129  
Phone: 651.436.1285  
[www.uniekemr.com](http://www.uniekemr.com)



## **Uniek Electronic Medical Record System (EMR):**

### **Inmate Registration**

This module is used to enter, update, and maintain an Inmate's demographic and Past Medical History related information. Inmates can be searched by different criteria. Integration with Current Jail Management System will enable user to get all inmate information booked under that software.

### **Medical Charts**

This feature allows the facility to create an inmate's medical chart, where-in all medical information will be recorded during the course of an inmate's residence at facility. Facilities can also view the graphical charts of progress in major vital signs of Inmates.

### **Health Summaries**

Summary is where the user can have a view of entire medical information of an inmate at a glance. It provides information on all Medical problems, Treatments, Medications, Labs, Care plans regarding an inmate on a single page.

### **TB Screening**

Uniek provides a comprehensive TB screening form, to record every detail obtained during the assessment. It also alerts the user on positive induration results of an inmate, and prompts to capture an X-Ray for such cases. TB screening forms are fully customizable through Uniek's Form designer tool.

### **Medical Assessment**

This feature allows for recording every vital detail during an Inmate's *primary* medical assessment exercise. Medical assessment forms are also customizable to accommodate facility-specific requirements.

### **Mental Assessment**

Mental assessment forms enable the user to record psychiatric evaluation details during screening. Uniek's three stage assessment forms provide the user ease and ability to capture every detail.

### **Sick Call**

The feature allows sick call requests for inmates to be entered. The user can also refer specific sick calls to a different group of users or to a specific user, i.e. Nurse or Medical Assistant, and allows to create appointments at the same time.

### **Nurse Call**

A Nurse call allows the user, Nurse, or Medical Assistant to identify the sick calls referred to them, on a priority basis and enables them to capture Primary medical information and assessment at their level. At the same time, they can also refer the inmate to a doctor, if required, creating appointment on the same page.

### **Doctor Calls and Encounter Entries**

The Doctor Call module is used for recording physical evaluation findings in the form of Chief Complaint, Vital signs, Lab order, Treatment Plan. Doctors can also maintain notes on each inmate, and assign orders to their subordinates.

### **Progress Notes**

Health condition of an inmate receiving treatment can be tracked timely, through progress note features, which allow the user to record vital signs and notes at multiple times in a day. Inmates having critical conditions can be placed too under segregate progress notes.

### **Vital Signs**

Vital Signs module is used to record major vital health-related statistics of an inmate. This includes, Height, Weight, Temperature, Pulse Rate, Blood Pressure (BP), Blood Oxygen Level, Glucose, Respiration, and Saturation of Peripheral Oxygen (SPO2) detail. User can also set the Normal range for all vitals through the administrator login.

### **Prescription and Medications**

Doctors can order medications and generate a prescription for an Inmate with this module. Unick offers a comprehensive Medication database to search and choose from. The user can specify quantity, doses, refills, and other necessary details.

### **Phone Medication Ordering**

Phone medication ordering allows the user to take the order of medicines for an inmate over the phone, and enter prescription detail when the doctor is away.

### **MAR**

This feature allows order, cart assigning for the order and efficient pill run. User will have daily list of pending orders and list of inmates for which Pill run is to be completed. Tracking and maintaining inventory of medicine will also be easy.

### **Pill Cart Auditing**

The Pill Cart Auditing feature provided the user the ability to track the status of the total number of pills administered or not administered for that time. The user can easily track the status of inventory of Medicines for a cart.

### **Meal Plan Management**

This module helps facilities administer Meal plans assigned to inmates.

### **Care Plan Management**

This module enables the user to easily administer care plans for inmates. It provides a list of all inmates for whom care plans are pending to run.

### **Internal Appointments**

Appointment module is used to schedule an appointment of an inmate with different users of the facility such as a nurse, doctor, Jail administrator, Captain, etc.

### **External Referrals**

If an inmate requires care of a Specialist or other Medical facility, External referrals is the feature which aids the user to create such appointment for an inmate.

### **Task Management**

This module is used to assign tasks to the users in facility. Overdue tasks can be tracked, and users can also get an idea of progress of overall activities assigned to them individually as well as to a group.

### **Immunization and Vaccines**

This module is used to record details on Immunization and Vaccines administered to inmates. It is a configurable module where in the user can set the due time for each immunization, and therefore the system will alert the user when an inmate is due for a specific immunization.

### **Lab orders and Results**

Lab order allow users to record lab requisition data related to inmates. Doctors can assign orders through the Task management tool to nurses or assistants. Nurses can then work on those orders, and enter details like Type of order, test name, specimen and other required details. Upon arrival, Results are scanned and attached to a specific order.

### **Intra Messaging and Notification**

This module allows intra communication between users. Users can send messages internally and also to external entities at their respective E-mail addresses. Notifications can also be sent to different users through the configuration utility.

### **Document Management System**

Document management system allows users to attach and update documents in the system. Documents can be uploaded under pre-classified categories that an Inmate's health information may have.

### **Customized Form and Report Designer**

This module is used to design different forms which may be used in facilities. Users can design and customize forms as per facility requirements. Editing of pre-installed forms is quick step as well. Medical assessment, mental assessment, Specific disease protocol forms, etc., are some of the examples of customized forms. The same feature is used to build reports for a facility.

### **Inmate Watch list**

The module is to add inmates to a list of favorites of a particular user. If the user needs to work on a particular inmate more frequently, he/she can simply add that inmate to the Watch list, so that they don't have to search for that inmate every time their record is required to work upon.

### **Drug Inventory**

This module is used to record, manage and maintain inventory of drugs in a facility. This will be directly related to Pharmacies and MAR.

### **Equipment Inventory**

Equipment inventory module allows the user to enter and update information regarding any medical equipment purchased.

### **Narcotic Inventory**

Drugs that are defined under the Narcotic category can also be updated under the Narcotic Inventory module.

### **Automated Pill Return**

This unique feature gives the user updated information regarding inmates who will be released sooner and at the same time are under treatment. It provides a list of medicines that have already been ordered for such inmates, and allows the user to return particular medicines back to the pharmacy, if an inmate is not going to continue to take that.

### **Automated Pill Ordering**

Automated Pill Ordering is a useful module mainly for inmates who are undergoing treatment for a chronic disease, and require the same medications over a longer period of time. This module allows ordering refills of such medications, and actually generates automatic orders when the refill is over.

### **Privilege management**

This module is used to record privileges for an inmate. It also retrieves detail on privileges from Jail management software, if properly integrated.

### **Diet management**

Diet management module lets the user manage daily Diets of all inmates in the facility. It also allows the addition of new diet plans.

### **Inmate Billing**

### **Medical Billing**

Medical Billing at Uniek is based on ICD09 and CPT-based coding system, which is standard prevailing all across the nation. It gives users an option to assign customized charges for every CPT which is going to be charged for an Inmate.

### **Digital Approval**

Date Issued: February 14, 2012  
RFP Number: #5337

COUNTY OF SAN DIEGO REQUEST FOR PROPOSALS  
THIS IS NOT AN ORDER

MAIL OR DELIVER YOUR PROPOSAL TO:  
County of San Diego, Department of Purchasing and Contracting  
10089 Willow Creek Road, Suite 150, Mail Stop O32  
San Diego, California 92131-1699

FOR INFORMATION, PLEASE  
E-MAIL [tracy.hudson@sdcountry.ca.gov](mailto:tracy.hudson@sdcountry.ca.gov)

Proposals shall be *received* at the above address  
prior to 3:00 PM LOCAL TIME, Thursday, March 29,  
2012

**SUBMIT PROPOSAL IN A SEALED ENVELOPE OR PACKAGE MARKED  
ON THE OUTSIDE WITH THE RFP NUMBER AND THE PROPOSER'S NAME AND ADDRESS**

DESCRIPTION

The County of San Diego is seeking proposals from qualified firms to provide automated, operator-platform local telephone service, equipment, installation and maintenance for inmate telephones located throughout the twelve County of San Diego detention facilities (Sheriff and Probation). The County anticipates awarding one contract for these services. This will be a revenue contract, with the contractor compensating the County according to Exhibit C-Pricing/Payment Schedule and the Compensation Clause located on the Signature Page of the contract.

CONTRACT PERIOD

The initial contract term will be for a period of three (3) years with seven (7) one-year options.

PRE-PROPOSAL CONFERENCE

A pre-proposal conference will be held on Tuesday, February 28, 2012 at 1:30 PM in the offices of the County of San Diego Department of Purchasing and Contracting, 10089 Willow Creek Road, Suite 150, San Diego, CA 92131. Questions regarding the process will be addressed. Requests for clarification related to definition or interpretation of this RFP shall be made in writing and submitted via e-mail to Tracy Hudson at [tracy.hudson@sdcountry.ca.gov](mailto:tracy.hudson@sdcountry.ca.gov). Oral explanations or instructions shall not be considered binding on behalf of the County.

TYPE OR USE BLACK INK TO COMPLETE THE OFFEROR INFORMATION BELOW

Offeror hereby acknowledges receipt of the RFP and Addenda Number 1 through [ 7 ].

OFFEROR INFORMATION:	AUTHORIZATION FOR OFFER (Must be signed):
Firm Name: Securus Technologies, Inc.	By: <u>Robert E. Pickens</u> 04/23/12
Street: 14651 Dallas Pkwy, Suite 600	
City/State/Zip: Dallas, TX 75254	Name: Robert E. Pickens
Phone No: ( ) 972-277-0990 Fax No: ( ) 572-277-0514	Title: Chief Operating Officer
E-mail Address: <a href="mailto:bpickens@securustech.net">bpickens@securustech.net</a>	
Contact Person (If other than above):	
Name: Kris Aldeman Phone No: ( ) 503-913-6118 FAX: ( ) 972-277-0514	
Title: Account Manager	
E-Mail Address: <a href="mailto:kaldeman@securustech.net">kaldeman@securustech.net</a>	

NOTE: RFPs, associated documents and addenda may be obtained from the Department of Purchasing and Contracting at 10089 Willow Creek Road, Suite 150, San Diego, California 92131-1699 or by downloading from the department's Website "BuyNet" at [www.sdcountry.ca.gov](http://www.sdcountry.ca.gov). It is the Offeror's responsibility to periodically check the Website for addendum that may be issued to implement changes or clarification to the RFP, prior to the due date.

SUBMIT THIS COMPLETED FORM AS THE COVER PAGE OF THE PROPOSAL

P&C 600 FORM (PC-600)

Rev. 9/24/07

County of San Diego, Sheriff's Department RFP #5337 for  
Detention Facilities — Inmate Telephone Services  
PRICING PROPOSAL



© 2012 Securus Technologies, Inc. All rights reserved.

**COUNTY OF SAN DIEGO, SHERIFF'S DEPARTMENT  
REQUEST FOR PROPOSAL (RFP #5337)  
DETENTION FACILITIES – INMATE TELEPHONE SERVICES  
REPRESENTATIONS AND CERTIFICATIONS**

County of San Diego  
Department of Purchasing and Contracting  
**REPRESENTATIONS AND CERTIFICATIONS**

The following representations and certifications are to be completed, signed and returned with the offer.

1. **NOT-FOR-PROFIT ORGANIZATIONS**  
Attach proof of status and omit Paragraph 3
2. **INTERLOCKING DIRECTORATE**  
In accordance with Board of Supervisors Policy A-70, if Offeror is a non-profit as indicated in paragraph 1 above, Offeror is required to identify any related for-profit subcontractors in which an interlocking directorate, management or ownership relationship exists. By submission of this offer, Offeror certifies it will not enter into a subcontract relationship with a related for-profit entity if Offeror is a non-profit entity. If Offeror is a non-profit and will be subcontracting with a related for-profit entity, Offeror must list the entity(ies) on an attached separate sheet listing them all and the contract must be approved by the Board of Supervisors.
3. **BUSINESS REPRESENTATION**
  - 3.1. **REPRESENTATION AS DISABLED VETERANS BUSINESS ENTERPRISE**  
"Disabled Veterans Business Enterprise" means a business which is at least fifty-one (51%) owned and operated by one or more veterans with a service related disability as certified by Equal Opportunity Management Office (EOMO), California Department of General Services, Office of Small Business and members of Joint Agencies Contracting Opportunities (JACO), (California Military and Veterans code, Article 6, section 999)  
  
This Offeror represents as a part of this offer that the ownership, operation and control of the business are in accordance with the specific definition in 3.1.1 am currently certified by:  
  
Certifying Government Agency: Not applicable  
Certification #: Not applicable
4. **CERTIFICATE REGARDING DEBARMENT, SUSPENSION AND RELATED MATTERS**  
Offeror hereby certifies to the best of its knowledge that neither it nor any of its officers:
  - 4.1. Are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency; and
  - 4.2. Have within a three (3) year period preceding this agreement been convicted of or had a civil judgment rendered against them for commission of fraud or criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property; and
  - 4.3. Are presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, State, or local) with the commission of any of the offenses enumerated in paragraph 4.2 of this certification; and
  - 4.4. Have within a three (3) year period preceding this agreement had one or more public transactions (Federal, State or local) terminated for cause or default.
  - 4.5. Are presently the target or subject of any investigation, accusation or charges by any Federal, State or local law enforcement, licensing or certification body and if they are, the appropriate information is included in the proposal, as requested in the Submittal Requirements.
  - 4.6. Contractor will report in writing to the County Department of Purchasing and Contracting within five business days of knowing or have any reason to know any change in status as certified in the preceding paragraphs 4.1 through 4.5, and that occur prior to award (in the case of bids) and contract execution (in the case of negotiated procurements).
  - 4.7. Offeror and its proposed subcontractors, agents and consultants have not previously contracted with the County to perform work on this project (e.g. preparing components of the statement of work or plans and specifications for this project). If Offeror or any of its subcontractors, agents or consultants, have previously contracted with the County to perform work on this project, Offeror shall identify those previous agreement(s) and submit that list along with the proposal.
5. **CERTIFICATE OF CURRENT COST OR PRICING**  
This is to certify that, to the best of my knowledge and belief, cost and/or pricing data submitted with this offer, or specifically identified by reference if actual submission of the data is impracticable, is/are accurate, complete, and current as of the date signed below.
6. **CERTIFICATE OF INDEPENDENT PRICING**  
By submission of this offer, each Offeror certifies, and in the case of a joint offers, each party thereto certifies as to its own organization, that in relation to this procurement:
  - 6.1. The prices in this offer have been arrived at independently, without consultation, communication, or agreement, for the purpose of restricting competition, as to any matter relating to such prices with other Offeror, with any competitor, or with any County employee(s) or consultant(s) involved in the or related procurements; and
  - 6.2. Unless otherwise required by law, the prices which have been quoted in this offer have not been knowingly disclosed by the Offeror and will not knowingly be disclosed by the Offeror prior to opening, in the case of a bid, or prior to award, in the case of a proposal, directly or indirectly to any other Offeror or to any competitor; and
  - 6.3. No attempt has been made or will be made by the Offeror to induce any other person or firm to submit or not to submit an offer for the purpose of restricting competition.
7. The Offeror understands that prior to receiving a contract award from the County, the Offeror must submit a completed IRS W-9 form to provide a Federal Tax ID number, or if not available, to provide a Social Security Number (SSN).

**CERTIFICATION**

The information furnished in Paragraphs 1 through 7 is certified to be factual and correct as of the date signed and this certification is made under penalty of perjury under the laws of the State of California

Name: Robert E. Pickens Signature: *Robert Pickens*  
Title: Chief Operating Officer Date: 4/23/12  
Company/Organization: Securus Technologies, Inc.

**SUBMIT THIS FORM AS DIRECTED IN THE REQUEST FOR SOLICITATION DOCUMENTS OR WITH THE OFFER**

DPC 201 (07-28-11 – C0014 & P0027)

Form **W-9**  
 (Rev. November 2005)  
 Department of the Treasury  
 Internal Revenue Service

**Request for Taxpayer  
 Identification Number and Certification**

Give form to the  
 requester. Do not  
 send to the IRS.

Print or type  
 See Specific Instructions on page 2.

2. Name (as shown on your income tax return)  
**SECURUS TECHNOLOGIES, INC.**

Business name, if different from above

Check appropriate box:  Individual/  
 Sole proprietor  Corporation  Partnership  Other  Exempt from backup  
 withholding

Address (number, street, and apt. or suite no.)  
**14651 DALLAS PARKWAY STE. 600**

City, state, and ZIP code  
**DALLAS, TX 75254**

List account number(s) here (optional)

Requester's name and address (optional)

**Part I Taxpayer Identification Number (TIN)**

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number
or
Employer identification number
7   5   2   7   2   2   1   4   4

**Part II Certification**

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
- I am a U.S. person (including a U.S. resident alien).

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

Sign Here      Signature of U.S. person ▶ *Stan Chen*      Date ▶ *8/19/10*

**Purpose of Form**

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

**U.S. person.** Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee.

In 3 above, if applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

**Note.** If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

For federal tax purposes, you are considered a person if you are:

- An individual who is a citizen or resident of the United States,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States, or
- Any estate (other than a foreign estate) or trust. See Regulations sections 301.7701-6(a) and 7(a) for additional information.

**Special rules for partnerships.** Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity.



**County of San Diego, Sheriff's Department RFP #5337 for  
 Detention Facilities — Inmate Telephone Services  
 PRICING PROPOSAL**

© 2011 Securus Technologies, Inc. All rights reserved.

# Table of Contents

---

Cover Page.....	1
Representations & Certifications Form.....	2
Table of Contents .....	3
Pricing Proposal .....	5
Exhibit C .....	16
Exhibit E .....	37



# Pricing Proposal

---

## 4 Pricing/Revenue

There are two components to this contract - Pricing and Revenue. Offeror will be evaluated based on its proposed telephone rates and revenue schedule provided. Proposal will be evaluated both on the amount of total gross revenue and on the amount charged for telephone calls.

✓ **Securus has read, understands, and complies.**

4.1 Offeror shall provide costs for calls by category by year as listed in Exhibit C - Pricing in the following categories:

- 4.1.1 Collect
- 4.1.2 Prepaid
- 4.1.3 Debit

✓ **Securus has read, understands, and complies.**

Please refer to Securus' completed Exhibit C, beginning on page 16.

4.2 Offeror shall pay the County a sum of \$3,200,000 as an annual revenue guaranteed amount, plus 55% of any amount in excess of \$6,400,000 contract year gross revenue. Annual revenue guarantee shall be firm and fixed and subject to change ONLY with the approval of the County of San Diego.

✓ **Securus has read, understands, and complies.**

Our approach in providing a financial package for San Diego County is to balance the revenue, efficiency, and investigative and technology needs of the County with the services and costs to the inmates and their friends and family. Both of our proposed solutions to San Diego County meet or exceed all of the stated requirements, including the required on site technicians, and go beyond in offering additional technologies to demonstrate our commitment to serve your County by providing more capabilities to support your officers and community every day.

Our annual revenue guarantee shall be firm and fixed and subject to change ONLY with the approval of San Diego County. Securus would like to propose the following offers to San Diego County:

# Pricing Proposal

**OPTION #1**

Call Type	Collect		Prepaid Collect		Debit	
	Connect	Per Minute Rate	Connect	Per Minute Rate	Connect	Per Minute Rate
Local	3.10	0.10	2.85	0.10	0.00	0.25
Intralata/Intrastate	3.10	0.25	3.10	0.25	0.00	0.25
Interlata/Intrastate	3.10	0.30	3.10	0.30	0.00	0.25
Interlata/Interstate	3.25	0.50	3.15	0.50	0.00	0.25
International	3.25	0.50	3.25	0.50	3.25	0.50
<b>Commission Rate:</b>	This option equates to a commission return of 82.89% of revenue					

1. Guaranteed Revenue MAG of \$3,200,000 annually plus **80%** of any revenue generated above \$6,400,000 at a call rate lower than your current rates
2. The option for all commissions to be paid upfront annually instead of monthly
3. Provide an optional, no-cost, state-of-the-art Video Visitation and Pod Kiosk Automation package **valued at over \$750,000**
4. Offer the most advanced Investigative Suite of Services that the industry has to offer, providing San Diego County with the same investigative platform used by more than 1,600 facilities nationwide
5. Provide Cara Clinicals Medical Department Software at **no cost** to San Diego County (refer to Appendix J in the "Appendices" binder)
6. Provide Automated Information Services (AIS) Hosted IVR to automate community and staff questions and provide significant time savings for your Officers

OPTION #2

Call Type	Collect		Prepaid Collect		Debit	
	Connect	Per Minute Rate	Connect	Per Minute Rate	Connect	Per Minute Rate
Local	3.15	0.10	3.15	0.10	0.00	0.25
Intralata/Intrastate	3.15	0.15	3.15	0.15	0.00	0.25
Interlata/Intrastate	3.15	0.15	3.15	0.15	0.00	0.25
Interlata/Interstate	3.15	0.25	3.15	0.15	0.00	0.25
International	3.15	0.25	3.15	0.25	3.15	0.25
<b>Commission Rate:</b>	This option equates to a commission return of 86.98% of revenue					

1. Guaranteed Revenue MAG of \$3,351,000 annually plus **80%** of any revenue generated above \$6,400,000 at a call rate lower than your current rates.
2. Optional upfront commission advance of \$6,000,000 paid after installation
3. Provide an optional, **no-cost**, state of the art Video Visitation and Pod Kiosk Automation package **valued at \$750,000** to replace the current social visit phones
4. Offer the most advanced Investigative Suite of Services that the industry has to offer providing San Diego with the same investigative platform used by over 1600 facilities nationwide
5. Provide Cara Clinicals Medical Department Software at **no cost** to San Diego County (refer to Appendix J in the "Appendices" binder)
6. Provide Automated Information Services (AIS) Hosted IVR to automate community and staff questions and provide significant time savings for your Officers

**Technology Package**

**At Home Video Visitation – Providing Efficiency and Increased Security**

**Video Visitation** – As part of our solution, we are proposing a **No-Cost to San Diego County** option for Video Visitation that includes inmate video monitors/kiosks. Securus is able to provide this through our own hosted video visitation solution backed by over twenty five years of inmate communications experience. Our solution provides the platform for pod kiosk services such as Commissary Ordering, Visit Scheduling, Sick Call and other services as well as a fully integrated

video visitation solution. This investment in the Video Visitation Center is based on implementing at home video visitation including video arraignment, attorney visitations, and at home video visitation for the community. Securus is at the forefront of remote and at-home visitation solutions in both technology and service. Our proposed program will:

- By deploying video visitation, we estimate San Diego County will save thousands of man hours in transporting inmates to and from the visitation area. This equates to millions in annual savings the county can reallocate back in to its operating budget
- Drastically reduce or eliminate the introduction of contraband entering the facility.

### **Securus Announces Acquisition of Strategic Video Partner Primonics**

With our acquisition of Primonics, Securus is the only significant vendor that can deliver its own video technology and the customer service. Friends and family customer service cannot be underestimated when providing home video visitation solutions to the public. With more than 25 years of inmate industry experience, Securus has led the industry in providing friends and family support. No other competitor can match our customer service, which saves the facility and the public time and frustration. Securus invites representatives of San Diego County to visit this first-class customer service center to experience this first-hand.

### **Securus Investigative Suite**

As part of our offer to San Diego County, we have proposed our full investigative suite of technologies to multiply the manpower capabilities of your investigative group. Included in this suite of applications is the Continuous Voice Verification (CVV) capability, vertical and horizontal information sharing solutions driven by our Secure Call Platform (SCP) and Threads, our exclusive, lead generating, analytic technology. CVV and Threads can be added together, or separately, by implementing a non-commissionable surcharge to the call rates listed above. Additional information about these investigative features can be found in Appendix A in the "Appendices" binder.

### **Cara Clinicals Medical Software**

Uniek EMR is an innovative solution in the corrections medical practice to help facilities reduce medical costs, offer better quality of care, monitor compliance, automate Medical Administration Records (MAR) and Care Plan Administration Records (TAR), automate the medical department with interfaces to jail systems, outside vendors, and internal and external medical staff.

Product highlights include:

- Web-based Intranet or hosted internet solution

- Full suite of integrated modules
- Integration with Jail Management Software (Unidirectional and Bidirectional)
- Role-based EMR to ease the workflow
- Excellent reporting features
- Real time medicine tracking
- Real time MAR and TAR management

Additional information can be found in Appendix J in the "Appendices" binder.

### **Automated Information Services**

Imagine being able to focus on the job of securing and managing inmates instead of answering questions from inmates and constituents that now take up so much of your time. Automated Information Services is the industry's first and only hosted interactive voice response (IVR) system that automatically provides general facility information and inmate specific information to detainees and outside callers over the phone.

In addition to this core functionality, AIS can be configured to allow friends & family to open or fund a pre-paid telephone account as well as fund an inmate's trust account over the phone. These additional funding options make it easier and more convenient for friends & family to contribute funds while increasing your facilities potential commissionable revenue. All of this functionality is automatically available around the clock, which means constituents will always be able to get the information they need when they need it.

AIS can automate information such as:

- Criminal charges
- Bond amounts and types
- Court dates, times, and locations
- Projected release date
- Commissary balance\*
- Visitation eligibility
- General facility information
  - Facility location
  - Directions
  - Hours
  - Mailing policies
  - Visitation policies
  - Money deposit policies

Automated Information Services provides unmatched secure access into facility and inmate information. This information is pulled from a facility's various MIS systems including your Jail Management System and Court Systems every 15 minutes. The service offers an English and Spanish interface, text-to-speech playback of inmate names, and touchtone and speech recognition interface. Friends & family access AIS by calling into your normal telephone number while inmates access their information by simply dialing a speed dial from any inmate telephone.

By implementing Automated Information Services, you:

- Improve the efficiency of your facility – gain satisfied inmates and friends & family while reducing the workload on your staff to focus on other responsibilities
- Use the phone system you already installed – no need for additional hardware or wiring
- Answer 90% of inmate questions now made to correction officers
- Reduce constituent calls to your facility between 80 and 90% - automated system provides 24 hour access that eliminates the most common calls
- Realize a 200% increase in “answered” calls –constituents who traditionally hang up because of extended wait times are much happier
- Gain a reliable system that has a 99.9% uptime service level agreement
- Receive a Usage Summary automatically emailed to your facility monthly
- Increase your *commissionable* revenue by opening up another method for funds flowing into your facility

## **AIS Return on Investment**

Most detention facilities find incoming phone calls to be an enormous administrative burden. In fact, Securus has found that an average facility receives ½ phone call per day per inmate and each call averages a duration of 4 minutes. We have also found that inmates ask facility personnel ½ question per day. Not only do these activities results in higher consumption of administrative resources, but they take facility personnel away from their primary job responsibilities.

Monthly Time Consumption per Inmate

- 1 inmate X ½ call X 4 min X 30 days = 60 minutes
- For San Diego County, based on an ADP of 5,000, this would equate to  
 $5000 \times \frac{1}{2} \text{ call} \times 4 \text{ min} \times 30 \text{ days} = 300,000 \text{ minutes, or } 5,000 \text{ hours monthly.}$

That is a significant amount of work to accomplish without automation.

## **AIS2.0 Value Automation**

- Incoming Requests: AIS automates 80% of administration requests, which results in a savings of 48 minutes per ADP per month.  $5000 \times 48 \text{ minutes} = 240,000 \text{ minutes saved monthly.}$

- Inmate Requests: AIS automates 90% of inmate requests, which results in a savings of 54 minutes per month per ADP. 5000 x 54 minutes – 270,000 minutes saved monthly.

Automated Information Services saves facilities time, money and helps better serve constituents and is provided as an optional feature, at no cost to San Diego County, through the implementation of a non commissionable call surcharge. Automating both friends and family and inmate requests enables facility personnel to focus on their primary responsibilities.

- 4.2.1 Interest charged for late payments shall be at the rate of 5 % per annum or any portion thereof calculated from the date payment is due.

✓ **Securus has read, understands, and complies.**

- 4.2.2 Annual Revenue Guarantee (ARG) for the Sheriff s and Probation Departments shall be on a contract year of twelve (12) months and require an annual revenue guarantee of three million two hundred thousand dollars (\$3,200,000) paid twelve monthly payments of two hundred sixty six thousand six hundred sixty six dollars and sixty seven cents (\$266,666.67) to the County.

✓ **Securus has read, understands, and complies.**

Securus has proposed advancing the Annual Revenue Guarantee (ARG), in full, as an option to San Diego County.

- 4.2.3 During the period from the Effective Date (based on system acceptance) to the end of the Contract Year, twelve months later, the Contractor shall pay the County the full ARG amount over a twelve month period. Monthly payments to the County shall be within thirty (30) days following the month gross revenue is received by the Contractor.

✓ **Securus has read, understands, and complies.**

- 4.2.4 At the end of each twelve month contract period, the gross revenue shall be calculated. If the gross revenue for that twelve month period exceeds \$6,400,000, the County will receive 55% of the amount that exceeds \$6,400,000 contract year gross revenue. The contractor shall pay the County the money due within 30 days of the end of the contract period.

✓ **Securus has read, understands, and complies.**

Securus will pay San Diego County 80% of any revenue generated by inmate telephone calling above \$6,400,000 on either option.

# Pricing Proposal

4.3 Calls by volume and category for the period of July 1, 2010 through June 30, 2011 are shown below.

<b>COLLECT</b>	<b>Number of Calls</b>	<b>Total Minutes</b>	<b>Additional Minutes</b>
Local	182,982	1,799,412	1,616,430
Intralata	65,645	711,696	646,051
Intrastate	16,577	164,547	147,970
Interstate	10,339	104,354	94,015
<b>Grand Total</b>	<b>275,543</b>	<b>2,780,009</b>	<b>2,504,466</b>
<b>PREPAID</b>	<b>Number of Calls</b>	<b>Total Minutes</b>	<b>Additional Minutes</b>
Local	100,591	1,304,163	1,203,572
Intralata	44,259	553,424	509,165
Intrastate	15,778	160,018	144,240
Interstate	8,420	75,040	66,620
<b>Grand Total</b>	<b>169,408</b>	<b>2,092,645</b>	<b>1,923,597</b>
<b>DEBIT</b>	<b>Number of Calls</b>	<b>Total Minutes</b>	<b>Additional Minutes</b>
Local	470,717	2,910,203	2,439,486
Intralata	252,407	1,663,979	1,411,572
Intrastate	78,722	588,045	509,323
Interstate	62,065	476,166	414,101
International	23,880	129,427	105,547
<b>Grand Total</b>	<b>887,791</b>	<b>5,767,820</b>	<b>4,880,029</b>

✓ Securus has read, understands, and complies.

Securus understands that Addendum #6 provided updated call data and has used this new information to provide Securus' Pricing Proposal.

These projections are provided by our current vendor to give potential Offerors estimates which may be used or not used, and is at the complete discretion of the proposer. The above number of calls and number of minutes are true and correct to the best of the Departments ability but the County makes no representations or guarantee as to the accuracy of these numbers. These projections do not, and shall be construed by the proposer or any successful contractor, as any guarantee of a minimum call volume. The Contractor is responsible for the basis of calculations of rates for their proposal.

✓ Securus has read, understands, and complies.

4.4 Offeror shall describe all payment options available to the called party for collect, prepaid and debit calls. Description shall include any and all fees associated with different types of payment options charged to the called party including but not limited to Bill Statement/Bill



Rendering Fees, Transaction Funding Fees, Refunding Fees, Account Setup Fees, Account Maintenance Fees, Account Closing Fees and Third Party Payment Processing Fees. Offeror shall specify for each fee whether the County will receive a commission. Complete EXHIBIT E – CALLING FEES AND SURCHARGES accordingly.

✓ **Securus has read, understands, and complies.**

Please refer to Securus' completed Exhibit E on page 37.

Securus provides dedicated customer service to the called parties 24 hours a day, 7 days a week, 365 days per year and always offers a no fee funding options to our customers; your constituents. We use an in-house call center because we feel customer service is too important a function to delegate to an outside vendor. We are the only national inmate telephone provider to fully support our customers with our own customer service organization. Our call center is located in the Dallas, TX metropolitan area.

Our ability to produce our own direct billing and to use local exchange carriers for collect billing allows us to offer the most robust collect call program in the industry. Securus has more billing arrangements in place with local carriers than any other inmate telephone provider – this means we can place more calls without requiring called parties to set up prepaid accounts resulting in fewer complaints on blocked calls. More calls mean more revenue and commissions and fewer grievances.

Securus offers a wide variety of funding options, including prepaid/debit, for friends and family members of inmates to use in setting up prepaid accounts. We know that convenience drives account creation and that account creation drives more calling, so we focus on making sure the funding process is easy to follow and available when and where the inmates' friends and family members need it. We believe that we offer the most comprehensive and convenient options for funding accounts in the industry, including no cost funding options, and we are always willing to work with our law enforcement partners to adjust fees as part of our overall program. Friends and family members can call our call center 24x7x365 and speak with a live operator to help them set-up and fund their accounts, or they can take advantage of our easy to use website for funding, or they can fund accounts by mail or by visiting one of over 68,000 Western Union locations. The fees vary based on the method used but Securus will always provide no fee funding options to end users as we recognize the importance of fostering communications between the inmates and friends and families.

### **Prepaid/Debit Accounts**

Inmate Debit accounts are inmate-owned phone accounts that allow inmates to fund phone calls to numbers they want to call. Because the calls are funded by the inmate, there is no cost to the called party and Securus does not deduct any additional fees from the debit account.

Our debit system is designed to be flexible and support multiple ordering configurations depending on the specific needs of our customers. Many facilities utilize a commissary provider for the delivery of debit calling and we currently support these integrations with over one hundred different vendors. Securus also has developed interfaces to facilitate ordering for any customers

that utilize a self operated commissary system for the ordering of debit calling and fully supports this type of interface. An inmate can transfer funds from the commissary system to his Inmate Debit calling account or purchase blocks of calling time depending on the sites needs. The inmate initiates the funds transfer from the commissary system to his Inmate Debit calling account through the commissary or funds may be deposited through end user purchase. The inmate will provide his inmate identification at the point of sale and request the transfer of funds. The transfer amount will be deducted from the inmate's trust or commissary account and added to his Inmate Debit calling account. Debit transactions will include inmate ID and the dollar amount transferred, and will be sent electronically from the commissary to Securus' secure FTP server. The resulting electronic data exchange immediately updates the ITS to show the inmate identification and amount of debit time added to the phone account (by each inmate).

### **Prepaid and Debit System Administration and Operation**

Securus' SCP will provide a prepaid and debit calling option for the inmates. The system will allow for prepaid and debit calls to be placed to international locations, and will not require any assistance from a third party. All call restrictions in place for collect calling will remain in place for prepaid and debit calling, including three-way and remote call forward detection. Securus has reviewed the current process in place for ordering phone time, including orders via the Sheriff's Commissary Website, and thoroughly supports this type of integration, in addition to any improvements desired by the Sheriff's Office.

The system will be administered through the integrations with the Jail Information Management Systems (JIMS) and Sheriff's Jail Stores (Commissary). Our technical support group and local field services will provide any support required for the process. Inmates will have a PIN assigned that will be provided via automated interface. Inmates will use this PIN for each call, regardless of how the call is funded, and will select either a collect or debit (prepaid) call. The cost of the call and the remaining balance left on the account will be noted prior to each call. The called party will still accept the call and hear all of the prompts as they normally would, except for the charge for the call; all call controls will remain in place.

Calling purchases can be made by either the inmate or the called party through the Sheriff's Commissary or via Securus. With our integration, Securus will support the current look up process in place on the Sheriff's Commissary Website, in addition to providing the same capability through kiosks, if desired. Securus can also support funding through our US-based call center to further increase revenues. Debit purchase transactions will include inmate ID and the dollar amount transferred, and will be sent electronically from the commissary to Securus' secure server. The resulting electronic data exchange immediately updates the ITS to show the inmate identification and amount of debit time added to the phone account (by each inmate).

When an inmate is released from San Diego's facility, the release information is transmitted to SCP. The Inmate Debit account is closed in SCP and the remaining unused balance is made available for refund to the inmate. Securus can remit the unused funds to San Diego to be refunded to the inmate via San Diego's current refund process. Or, Securus will make the refunds available to the inmates directly via Western Union's more than 470,000 worldwide retail locations. Again, Securus will

provide the debit program in the manner desired by the Sheriff's Office and guarantees our ability to provide this integration.

Securus will be solely responsible for handling all refunds and problems associated with the prepaid and debit calling options and will support the resolution of any billing issues for inmates or inmates' families via toll free number through our internally operated, multi lingual, U.S.-based call center.

### **Adding Funds**

As an additional option to San Diego County, Friends and family members can add funds to an Inmate Debit account without opening their own account. Friends and family members can deposit money directly into an inmate's debit account using several convenient points of sale:

- Securus Correctional Billing Services' Website
- Customer service representatives
- United States Post Office—mail the payment to Securus Correctional Billing Services' PO Box.

Friends and family members also have multiple payment options to fund accounts, including credit or debit card and check by phone.

### **An Explanation Of Our Fees**

Securus recognizes our law enforcement customers must balance the needs for technology and services with the cost of communications to the friends and family of the inmates that make up your community. Fees are an important portion of the overall cost of calling and must take into account all segments of the population so as not to impede important communications. Securus always provides a no fee funding option and most fees are applied once monthly depending on the method of calling chosen.



# Exhibit C

---

Please refer to the following pages for Securus' completed Exhibit C.

**COUNTY OF SAN DIEGO, SHERIFF'S DEPARTMENT**

**Request for Proposals (RFP) 5337 - Detention Facilities - Inmate Telephone Services**

**Exhibit C - Pricing - Revised 04022012**

OFFERORS ARE REQUIRED TO SEPARATE EXHIBIT C AND OTHER PRICING INFORMATION FROM THE TECHNICAL PROPOSAL AND SUBMIT IN A SEPARATE ENVELOPE AS THE PRICE PROPOSAL

CALL RATES – CONTRACTOR SHALL SUBMIT COSTS FOR CALLS BY CATEGORY. ENTER RATES IN THE SCHEDULE BELOW.

RATES ARE FIRM AND FIXED THROUGHOUT THE CONTRACT TERM BUT CAN BE CHANGED AT THE COUNTY'S DISCRETION

**Contract Year 1**

<b>Collect</b>												
	Vendor Rate		Connect + First Minute	=	Cost		Vendor Rate		Additional Minutes	=	Cost	Total
Local	\$3.10	X	150,912	=	\$467,827.20		\$ 0.10	X	1,414,141	=	\$141,414.10	\$609,241.30
Intralata	\$3.10	X	56,224	=	\$174,294.40		\$ 0.25	X	556,271	=	\$139,067.75	\$313,362.15
Intrastate	\$3.10	X	13,444	=	\$41,676.40		\$ 0.30	X	128,932	=	\$38,679.60	\$80,356.00
Interstate	\$3.25	X	8,826	=	\$28,684.50		\$ 0.50	X	87,374	=	\$43,687.00	\$72,371.50
<b>Prepaid</b>												
	Vendor Rate		Connect + First Minute	=	Cost		Vendor Rate		Additional Minutes	=	Cost	Total
Local	\$2.85	X	95,075	=	\$270,963.75		\$0.10	X	1,182,792	=	\$118,279.20	\$389,242.95
Intralata	\$3.10	X	41,273	=	\$127,946.30		\$0.25	X	463,902	=	\$115,975.50	\$243,921.80
Intrastate	\$3.10	X	16,133	=	\$50,012.30		\$0.30	X	163,937	=	\$49,181.10	\$99,193.40
Interstate	\$3.15	X	6,406	=	\$20,178.90		\$0.50	X	53,866	=	\$26,933.00	\$47,111.90
International	\$3.25	X	3	=	\$9.75		\$0.50	X	55	=	\$27.50	\$37.25
<b>Debit</b>												
	Vendor Rate		Connect + First Minute	=	Cost		Vendor Rate		Additional Minutes	=	Cost	Total
Local	\$0.25	X	462,827	=	\$115,706.75		\$0.25	X	2,555,246	=	\$638,811.50	\$754,518.25
Intralata	\$0.25	X	275,717	=	\$68,929.25		\$0.25	X	1,548,588	=	\$387,147.00	\$456,076.25
Intrastate	\$0.25	X	86,143	=	\$21,535.75		\$0.25	X	595,657	=	\$148,914.25	\$170,450.00
Interstate	\$0.25	X	63,086	=	\$15,771.50		\$0.25	X	450,311	=	\$112,577.75	\$128,349.25
International	\$3.25	X	27,143	=	\$88,214.75		\$0.50	X	115,499	=	\$57,749.50	\$145,964.25
<b>Total-Contract Year 1</b>											<b>\$3,510,196.25</b>	

**REQUEST FOR PROPOSALS (RFP) No. XXX**

**Request for Proposals (RFP) XXXX - Inmate Telephone Services**

**Exhibit C - Pricing - Revised 04022012**

OFFERORS ARE REQUIRED TO SEPARATE EXHIBIT C AND OTHER PRICING INFORMATION FROM THE TECHNICAL PROPOSAL AND SUBMIT IN A SEPARATE ENVELOPE AS THE PRICE PROPOSAL

CALL RATES – CONTRACTOR SHALL SUBMIT COSTS FOR CALLS BY CATEGORY. ENTER RATES IN THE SCHEDULE BELOW.

RATES ARE FIRM AND FIXED THROUGHOUT THE CONTRACT TERM BUT CAN BE CHANGED AT THE COUNTY’S DISCRETION

**Contract Year 2**

<b>Collect</b>												
	Vendor Rate		Connect + First Minute		Cost		Vendor Rate		Additional Minutes		Cost	Total
Local	\$3.10	X	150,912	=	\$467,827.20		\$ 0.10	X	1,414,141	=	\$141,414.10	\$609,241.30
Intralata	\$3.10	X	56,224	=	\$174,294.40		\$ 0.25	X	556,271	=	\$139,067.75	\$313,362.15
Intrastate	\$3.10	X	13,444	=	\$41,676.40		\$ 0.30	X	128,932	=	\$38,679.60	\$80,356.00
Interstate	\$3.25	X	8,826	=	\$28,684.50		\$ 0.50	X	87,374	=	\$43,687.00	\$72,371.50
<b>Prepaid</b>												
	Vendor Rate		Connect + First Minute		Cost		Vendor Rate		Additional Minutes		Cost	Total
Local	\$2.85	X	95,075	=	\$270,963.75		\$0.10	X	1,182,792	=	\$118,279.20	\$389,242.95
Intralata	\$3.10	X	41,273	=	\$127,946.30		\$0.25	X	463,902	=	\$115,975.50	\$243,921.80
Intrastate	\$3.10	X	16,133	=	\$50,012.30		\$0.30	X	163,937	=	\$49,181.10	\$99,193.40
Interstate	\$3.15	X	6,406	=	\$20,178.90		\$0.50	X	53,866	=	\$26,933.00	\$47,111.90
International	\$3.25	X	3	=	\$9.75		\$0.50	X	55	=	\$27.50	\$37.25
<b>Debit</b>												
	Vendor Rate		Connect + First Minute		Cost		Vendor Rate		Additional Minutes		Cost	Total
Local	\$0.25	X	462,827	=	\$115,706.75		\$0.25	X	2,555,246	=	\$638,811.50	\$754,518.25
Intralata	\$0.25	X	275,717	=	\$68,929.25		\$0.25	X	1,548,588	=	\$387,147.00	\$456,076.25
Intrastate	\$0.25	X	86,143	=	\$21,535.75		\$0.25	X	595,657	=	\$148,914.25	\$170,450.00
Interstate	\$0.25	X	63,086	=	\$15,771.50		\$0.25	X	450,311	=	\$112,577.75	\$128,349.25
International	\$3.25	X	27,143	=	\$88,214.75		\$0.50	X	115,499	=	\$57,749.50	\$145,964.25
<b>Total-Contract Year 2</b>											\$3,510,196.25	

**REQUEST FOR PROPOSALS (RFP) No. XXX**  
**Request for Proposals (RFP) XXXX - Inmate Telephone Services**  
**Exhibit C - Pricing - Revised 04022012**

OFFERORS ARE REQUIRED TO SEPARATE EXHIBIT C AND OTHER PRICING INFORMATION FROM THE TECHNICAL PROPOSAL AND SUBMIT IN A SEPARATE ENVELOPE AS THE PRICE PROPOSAL

CALL RATES – CONTRACTOR SHALL SUBMIT COSTS FOR CALLS BY CATEGORY. ENTER RATES IN THE SCHEDULE BELOW.

RATES ARE FIRM AND FIXED THROUGHOUT THE CONTRACT TERM BUT CAN BE CHANGED AT THE COUNTY'S DISCRETION

**Contract Year 3**

<b>Collect</b>												
	Vendor Rate		Connect + First Minute		Cost		Vendor Rate		Additional Minutes		Cost	Total
Local	\$3.10	X	150,912	=	\$467,827.20		\$ 0.10	X	1,414,141	=	\$141,414.10	\$609,241.30
Intralata	\$3.10	X	56,224	=	\$174,294.40		\$ 0.25	X	556,271	=	\$139,067.75	\$313,362.15
Intrastate	\$3.10	X	13,444	=	\$41,676.40		\$ 0.30	X	128,932	=	\$38,679.60	\$80,356.00
Interstate	\$3.25	X	8,826	=	\$28,684.50		\$ 0.50	X	87,374	=	\$43,687.00	\$72,371.50
<b>Prepaid</b>												
	Vendor Rate		Connect + First Minute		Cost		Vendor Rate		Additional Minutes		Cost	Total
Local	\$2.85	X	95,075	=	\$270,963.75		\$0.10	X	1,182,792	=	\$118,279.20	\$389,242.95
Intralata	\$3.10	X	41,273	=	\$127,946.30		\$0.25	X	463,902	=	\$115,975.50	\$243,921.80
Intrastate	\$3.10	X	16,133	=	\$50,012.30		\$0.30	X	163,937	=	\$49,181.10	\$99,193.40
Interstate	\$3.15	X	6,406	=	\$20,178.90		\$0.50	X	53,866	=	\$26,933.00	\$47,111.90
International	\$3.25	X	3	=	\$9.75		\$0.50	X	55	=	\$27.50	\$37.25
<b>Debit</b>												
	Vendor Rate		Connect + First Minute		Cost		Vendor Rate		Additional Minutes		Cost	Total
Local	\$0.25	X	462,827	=	\$115,706.75		\$0.25	X	2,555,246	=	\$638,811.50	\$754,518.25
Intralata	\$0.25	X	275,717	=	\$68,929.25		\$0.25	X	1,548,588	=	\$387,147.00	\$456,076.25
Intrastate	\$0.25	X	86,143	=	\$21,535.75		\$0.25	X	595,657	=	\$148,914.25	\$170,450.00
Interstate	\$0.25	X	63,086	=	\$15,771.50		\$0.25	X	450,311	=	\$112,577.75	\$128,349.25
International	\$3.25	X	27,143	=	\$88,214.75		\$0.50	X	115,499	=	\$57,749.50	\$145,964.25
<b>Total-Contract Year 3</b>											<b>\$3,510,196.25</b>	

**REQUEST FOR PROPOSALS (RFP) No. XXX**

**Request for Proposals (RFP) XXXX - Inmate Telephone Services**

**Exhibit C - Pricing - Revised 04022012**

OFFERORS ARE REQUIRED TO SEPARATE EXHIBIT C AND OTHER PRICING INFORMATION FROM THE TECHNICAL PROPOSAL AND A SEPARATE ENVELOPE AS THE PRICE PROPOSAL

CALL RATES – CONTRACTOR SHALL SUBMIT COSTS FOR CALLS BY CATEGORY. ENTER RATES IN THE SCHEDULE BELOW.

RATES ARE FIRM AND FIXED THROUGHOUT THE CONTRACT TERM BUT CAN BE CHANGED AT THE COUNTY'S DISCRETION

**Option Year 1**

<b>Collect</b>												
	Vendor Rate		Connect + First Minute	=	Cost		Vendor Rate		Additional Minutes	=	Cost	Total
Local	\$3.10	X	150,912	=	\$467,827.20		\$ 0.10	X	1,414,141	=	\$141,414.10	\$609,241.30
Intralata	\$3.10	X	56,224	=	\$174,294.40		\$ 0.25	X	556,271	=	\$139,067.75	\$313,362.15
Intrastate	\$3.10	X	13,444	=	\$41,676.40		\$ 0.30	X	128,932	=	\$38,679.60	\$80,356.00
Interstate	\$3.25	X	8,826	=	\$28,684.50		\$ 0.50	X	87,374	=	\$43,687.00	\$72,371.50
<b>Prepaid</b>												
	Vendor Rate		Connect + First Minute	=	Cost		Vendor Rate		Additional Minutes	=	Cost	Total
Local	\$2.85	X	95,075	=	\$270,963.75		\$0.10	X	1,182,792	=	\$118,279.20	\$389,242.95
Intralata	\$3.10	X	41,273	=	\$127,946.30		\$0.25	X	463,902	=	\$115,975.50	\$243,921.80
Intrastate	\$3.10	X	16,133	=	\$50,012.30		\$0.30	X	163,937	=	\$49,181.10	\$99,193.40
Interstate	\$3.15	X	6,406	=	\$20,178.90		\$0.50	X	53,866	=	\$26,933.00	\$47,111.90
International	\$3.25	X	3	=	\$9.75		\$0.50	X	55	=	\$27.50	\$37.25
<b>Debit</b>												
	Vendor Rate		Connect + First Minute	=	Cost		Vendor Rate		Additional Minutes	=	Cost	Total
Local	\$0.25	X	462,827	=	\$115,706.75		\$0.25	X	2,555,246	=	\$638,811.50	\$754,518.25
Intralata	\$0.25	X	275,717	=	\$68,929.25		\$0.25	X	1,548,588	=	\$387,147.00	\$456,076.25
Intrastate	\$0.25	X	86,143	=	\$21,535.75		\$0.25	X	595,657	=	\$148,914.25	\$170,450.00
Interstate	\$0.25	X	63,086	=	\$15,771.50		\$0.25	X	450,311	=	\$112,577.75	\$128,349.25
International	\$3.25	X	27,143	=	\$88,214.75		\$0.50	X	115,499	=	\$57,749.50	\$145,964.25
<b>Total-Option Year 1</b>											<b>\$3,510,196.25</b>	



**REQUEST FOR PROPOSALS (RFP) No. XXX**  
**Request for Proposals (RFP) XXXX - Inmate Telephone Services**  
**Exhibit C - Pricing - Revised 04022012**

OFFERORS ARE REQUIRED TO SEPARATE EXHIBIT C AND OTHER PRICING INFORMATION FROM THE TECHNICAL PROPOSAL AND SUBMIT IN A SEPARATE ENVELOPE AS THE PRICE PROPOSAL

CALL RATES – CONTRACTOR SHALL SUBMIT COSTS FOR CALLS BY CATEGORY. ENTER RATES IN THE SCHEDULE BELOW.  
 RATES ARE FIRM AND FIXED THROUGHOUT THE CONTRACT TERM BUT CAN BE CHANGED AT THE COUNTY'S DISCRETION

**Option Year 2**

<b>Collect</b>													
	Vendor Rate		Connect + First Minute		Cost		Vendor Rate		Additional Minutes		Cost		Total
Local	\$3.10	X	150,912	=	\$467,827.20		\$ 0.10	X	1,414,141	=	\$141,414.10		\$609,241.30
Intralata	\$3.10	X	56,224	=	\$174,294.40		\$ 0.25	X	556,271	=	\$139,067.75		\$313,362.15
Intrastate	\$3.10	X	13,444	=	\$41,676.40		\$ 0.30	X	128,932	=	\$38,679.60		\$80,356.00
Interstate	\$3.25	X	8,826	=	\$28,684.50		\$ 0.50	X	87,374	=	\$43,687.00		\$72,371.50
<b>Prepaid</b>													
	Vendor Rate		Connect + First Minute		Cost		Vendor Rate		Additional Minutes		Cost		Total
Local	\$2.85	X	95,075	=	\$270,963.75		\$0.10	X	1,182,792	=	\$118,279.20		\$389,242.95
Intralata	\$3.10	X	41,273	=	\$127,946.30		\$0.25	X	463,902	=	\$115,975.50		\$243,921.80
Intrastate	\$3.10	X	16,133	=	\$50,012.30		\$0.30	X	163,937	=	\$49,181.10		\$99,193.40
Interstate	\$3.15	X	6,406	=	\$20,178.90		\$0.50	X	53,866	=	\$26,933.00		\$47,111.90
International	\$3.25	X	3	=	\$9.75		\$0.50	X	55	=	\$27.50		\$37.25
<b>Debit</b>													
	Vendor Rate		Connect + First Minute		Cost		Vendor Rate		Additional Minutes		Cost		Total
Local	\$0.25	X	462,827	=	\$115,706.75		\$0.25	X	2,555,246	=	\$638,811.50		\$754,518.25
Intralata	\$0.25	X	275,717	=	\$68,929.25		\$0.25	X	1,548,588	=	\$387,147.00		\$456,076.25
Intrastate	\$0.25	X	86,143	=	\$21,535.75		\$0.25	X	595,657	=	\$148,914.25		\$170,450.00
Interstate	\$0.25	X	63,086	=	\$15,771.50		\$0.25	X	450,311	=	\$112,577.75		\$128,349.25
International	\$3.25	X	27,143	=	\$88,214.75		\$0.50	X	115,499	=	\$57,749.50		\$145,964.25
<b>Total-Option Year 2</b>												<b>\$3,510,196.25</b>	

**REQUEST FOR PROPOSALS (RFP) No. XXX**  
**Request for Proposals (RFP) XXXX - Inmate Telephone Services**  
**Exhibit C - Pricing - Revised 04022012**

OFFERORS ARE REQUIRED TO SEPARATE EXHIBIT C AND OTHER PRICING INFORMATION FROM THE TECHNICAL PROPOSAL AND SUBMIT IN A SEPARATE ENVELOPE AS THE PRICE PROPOSAL  
 CALL RATES – CONTRACTOR SHALL SUBMIT COSTS FOR CALLS BY CATEGORY. ENTER RATES IN THE SCHEDULE BELOW.  
 RATES ARE FIRM AND FIXED THROUGHOUT THE CONTRACT TERM BUT CAN BE CHANGED AT THE COUNTY’S DISCRETION

**Option Year 3**

<b>Collect</b>													
	Vendor Rate		Connect + First Minute	=	Cost		Vendor Rate		Additional Minutes	=	Cost		Total
Local	\$3.10	X	150,912	=	\$467,827.20		\$ 0.10	X	1,414,141	=	\$141,414.10		\$609,241.30
Intralata	\$3.10	X	56,224	=	\$174,294.40		\$ 0.25	X	556,271	=	\$139,067.75		\$313,362.15
Intrastate	\$3.10	X	13,444	=	\$41,676.40		\$ 0.30	X	128,932	=	\$38,679.60		\$80,356.00
Interstate	\$3.25	X	8,826	=	\$28,684.50		\$ 0.50	X	87,374	=	\$43,687.00		\$72,371.50
<b>Prepaid</b>													
	Vendor Rate		Connect + First Minute	=	Cost		Vendor Rate		Additional Minutes	=	Cost		Total
Local	\$2.85	X	95,075	=	\$270,963.75		\$0.10	X	1,182,792	=	\$118,279.20		\$389,242.95
Intralata	\$3.10	X	41,273	=	\$127,946.30		\$0.25	X	463,902	=	\$115,975.50		\$243,921.80
Intrastate	\$3.10	X	16,133	=	\$50,012.30		\$0.30	X	163,937	=	\$49,181.10		\$99,193.40
Interstate	\$3.15	X	6,406	=	\$20,178.90		\$0.50	X	53,866	=	\$26,933.00		\$47,111.90
International	\$3.25	X	3	=	\$9.75		\$0.50	X	55	=	\$27.50		\$37.25
<b>Debit</b>													
	Vendor Rate		Connect + First Minute	=	Cost		Vendor Rate		Additional Minutes	=	Cost		Total
Local	\$0.25	X	462,827	=	\$115,706.75		\$0.25	X	2,555,246	=	\$638,811.50		\$754,518.25
Intralata	\$0.25	X	275,717	=	\$68,929.25		\$0.25	X	1,548,588	=	\$387,147.00		\$456,076.25
Intrastate	\$0.25	X	86,143	=	\$21,535.75		\$0.25	X	595,657	=	\$148,914.25		\$170,450.00
Interstate	\$0.25	X	63,086	=	\$15,771.50		\$0.25	X	450,311	=	\$112,577.75		\$128,349.25
International	\$3.25	X	27,143	=	\$88,214.75		\$0.50	X	115,499	=	\$57,749.50		\$145,964.25
<b>Total-Option Year 3</b>												<b>\$3,510,196.25</b>	

**REQUEST FOR PROPOSALS (RFP) No. XXX**

**Request for Proposals (RFP) XXXX - Inmate Telephone Services**

**Exhibit C - Pricing - Revised 04022012**

OFFERORS ARE REQUIRED TO SEPARATE EXHIBIT C AND OTHER PRICING INFORMATION FROM THE TECHNICAL PROPOSAL AND SUBMIT IN A SEPARATE ENVELOPE AS THE PRICE PROPOSAL

CALL RATES – CONTRACTOR SHALL SUBMIT COSTS FOR CALLS BY CATEGORY. ENTER RATES IN THE SCHEDULE BELOW.

RATES ARE FIRM AND FIXED THROUGHOUT THE CONTRACT TERM BUT CAN BE CHANGED AT THE COUNTY'S DISCRETION

**Option Year 4**

<b>Collect</b>												
	Vendor Rate		Connect + First Minute		Cost		Vendor Rate		Additional Minutes		Cost	Total
Local	\$3.10	X	150,912	=	\$467,827.20		\$ 0.10	X	1,414,141	=	\$141,414.10	\$609,241.30
Intralata	\$3.10	X	56,224	=	\$174,294.40		\$ 0.25	X	556,271	=	\$139,067.75	\$313,362.15
Intrastate	\$3.10	X	13,444	=	\$41,676.40		\$ 0.30	X	128,932	=	\$38,679.60	\$80,356.00
Interstate	\$3.25	X	8,826	=	\$28,684.50		\$ 0.50	X	87,374	=	\$43,687.00	\$72,371.50
<b>Prepaid</b>												
	Vendor Rate		Connect + First Minute		Cost		Vendor Rate		Additional Minutes		Cost	Total
Local	\$2.85	X	95,075	=	\$270,963.75		\$0.10	X	1,182,792	=	\$118,279.20	\$389,242.95
Intralata	\$3.10	X	41,273	=	\$127,946.30		\$0.25	X	463,902	=	\$115,975.50	\$243,921.80
Intrastate	\$3.10	X	16,133	=	\$50,012.30		\$0.30	X	163,937	=	\$49,181.10	\$99,193.40
Interstate	\$3.15	X	6,406	=	\$20,178.90		\$0.50	X	53,866	=	\$26,933.00	\$47,111.90
International	\$3.25	X	3	=	\$9.75		\$0.50	X	55	=	\$27.50	\$37.25
<b>Debit</b>												
	Vendor Rate		Connect + First Minute		Cost		Vendor Rate		Additional Minutes		Cost	Total
Local	\$0.25	X	462,827	=	\$115,706.75		\$0.25	X	2,555,246	=	\$638,811.50	\$754,518.25
Intralata	\$0.25	X	275,717	=	\$68,929.25		\$0.25	X	1,548,588	=	\$387,147.00	\$456,076.25
Intrastate	\$0.25	X	86,143	=	\$21,535.75		\$0.25	X	595,657	=	\$148,914.25	\$170,450.00
Interstate	\$0.25	X	63,086	=	\$15,771.50		\$0.25	X	450,311	=	\$112,577.75	\$128,349.25
International	\$3.25	X	27,143	=	\$88,214.75		\$0.50	X	115,499	=	\$57,749.50	\$145,964.25
<b>Total-Option Year 4</b>											<b>\$3,510,196.25</b>	

**REQUEST FOR PROPOSALS (RFP) No. XXX**

**Request for Proposals (RFP) XXXX - Inmate Telephone Services**

**Exhibit C - Pricing - Revised 04022012**

OFFERORS ARE REQUIRED TO SEPARATE EXHIBIT C AND OTHER PRICING INFORMATION FROM THE TECHNICAL PROPOSAL AND SUBMIT IN A SEPARATE ENVELOPE AS THE PRICE PROPOSAL

CALL RATES – CONTRACTOR SHALL SUBMIT COSTS FOR CALLS BY CATEGORY. ENTER RATES IN THE SCHEDULE BELOW.  
 RATES ARE FIRM AND FIXED THROUGHOUT THE CONTRACT TERM BUT CAN BE CHANGED AT THE COUNTY'S DISCRETION

**Option Year 5**

<b>Collect</b>												
	Vendor Rate		Connect + First Minute	=	Cost		Vendor Rate		Additional Minutes	=	Cost	Total
Local	\$3.10	X	150,912	=	\$467,827.20		\$ 0.10	X	1,414,141	=	\$141,414.10	\$609,241.30
Intralata	\$3.10	X	56,224	=	\$174,294.40		\$ 0.25	X	556,271	=	\$139,067.75	\$313,362.15
Intrastate	\$3.10	X	13,444	=	\$41,676.40		\$ 0.30	X	128,932	=	\$38,679.60	\$80,356.00
Interstate	\$3.25	X	8,826	=	\$28,684.50		\$ 0.50	X	87,374	=	\$43,687.00	\$72,371.50
<b>Prepaid</b>												
	Vendor Rate		Connect + First Minute	=	Cost		Vendor Rate		Additional Minutes	=	Cost	Total
Local	\$2.85	X	95,075	=	\$270,963.75		\$0.10	X	1,182,792	=	\$118,279.20	\$389,242.95
Intralata	\$3.10	X	41,273	=	\$127,946.30		\$0.25	X	463,902	=	\$115,975.50	\$243,921.80
Intrastate	\$3.10	X	16,133	=	\$50,012.30		\$0.30	X	163,937	=	\$49,181.10	\$99,193.40
Interstate	\$3.15	X	6,406	=	\$20,178.90		\$0.50	X	53,866	=	\$26,933.00	\$47,111.90
International	\$3.25	X	3	=	\$9.75		\$0.50	X	55	=	\$27.50	\$37.25
<b>Debit</b>												
	Vendor Rate		Connect + First Minute	=	Cost		Vendor Rate		Additional Minutes	=	Cost	Total
Local	\$0.25	X	462,827	=	\$115,706.75		\$0.25	X	2,555,246	=	\$638,811.50	\$754,518.25
Intralata	\$0.25	X	275,717	=	\$68,929.25		\$0.25	X	1,548,588	=	\$387,147.00	\$456,076.25
Intrastate	\$0.25	X	86,143	=	\$21,535.75		\$0.25	X	595,657	=	\$148,914.25	\$170,450.00
Interstate	\$0.25	X	63,086	=	\$15,771.50		\$0.25	X	450,311	=	\$112,577.75	\$128,349.25
International	\$3.25	X	27,143	=	\$88,214.75		\$0.50	X	115,499	=	\$57,749.50	\$145,964.25
Total-Option Year 5											\$3,510,196.25	

**REQUEST FOR PROPOSALS (RFP) No. XXX**  
**Request for Proposals (RFP) XXXX - Inmate Telephone Services**  
**Exhibit C - Pricing - Revised 04022012**

OFFERORS ARE REQUIRED TO SEPARATE EXHIBIT C AND OTHER PRICING INFORMATION FROM THE TECHNICAL PROPOSAL AND SUBMIT IN A SEPARATE ENVELOPE AS THE PRICE PROPOSAL

CALL RATES – CONTRACTOR SHALL SUBMIT COSTS FOR CALLS BY CATEGORY. ENTER RATES IN THE SCHEDULE BELOW.  
 RATES ARE FIRM AND FIXED THROUGHOUT THE CONTRACT TERM BUT CAN BE CHANGED AT THE COUNTY’S DISCRETION

**Option Year 6**

<b>Collect</b>												
	Vendor Rate		Connect + First Minute		Cost		Vendor Rate		Additional Minutes		Cost	Total
Local	\$3.10	X	150,912	=	\$467,827.20		\$ 0.10	X	1,414,141	=	\$141,414.10	\$609,241.30
Intralata	\$3.10	X	56,224	=	\$174,294.40		\$ 0.25	X	556,271	=	\$139,067.75	\$313,362.15
Intrastate	\$3.10	X	13,444	=	\$41,676.40		\$ 0.30	X	128,932	=	\$38,679.60	\$80,356.00
Interstate	\$3.25	X	8,826	=	\$28,684.50		\$ 0.50	X	87,374	=	\$43,687.00	\$72,371.50
<b>Prepaid</b>												
	Vendor Rate		Connect + First Minute		Cost		Vendor Rate		Additional Minutes		Cost	Total
Local	\$2.85	X	95,075	=	\$270,963.75		\$0.10	X	1,182,792	=	\$118,279.20	\$389,242.95
Intralata	\$3.10	X	41,273	=	\$127,946.30		\$0.25	X	463,902	=	\$115,975.50	\$243,921.80
Intrastate	\$3.10	X	16,133	=	\$50,012.30		\$0.30	X	163,937	=	\$49,181.10	\$99,193.40
Interstate	\$3.15	X	6,406	=	\$20,178.90		\$0.50	X	53,866	=	\$26,933.00	\$47,111.90
International	\$3.25	X	3	=	\$9.75		\$0.50	X	55	=	\$27.50	\$37.25
<b>Debit</b>												
	Vendor Rate		Connect + First Minute		Cost		Vendor Rate		Additional Minutes		Cost	Total
Local	\$0.25	X	462,827	=	\$115,706.75		\$0.25	X	2,555,246	=	\$638,811.50	\$754,518.25
Intralata	\$0.25	X	275,717	=	\$68,929.25		\$0.25	X	1,548,588	=	\$387,147.00	\$456,076.25
Intrastate	\$0.25	X	86,143	=	\$21,535.75		\$0.25	X	595,657	=	\$148,914.25	\$170,450.00
Interstate	\$0.25	X	63,086	=	\$15,771.50		\$0.25	X	450,311	=	\$112,577.75	\$128,349.25
International	\$3.25	X	27,143	=	\$88,214.75		\$0.50	X	115,499	=	\$57,749.50	\$145,964.25
<b>Total-Option Year 6</b>											<b>\$3,510,196.25</b>	

**REQUEST FOR PROPOSALS (RFP) No. XXX**

**Request for Proposals (RFP) XXXX - Inmate Telephone Services**

**Exhibit C - Pricing - Revised 04022012**

**OFFERORS ARE REQUIRED TO SEPARATE EXHIBIT C AND OTHER PRICING INFORMATION FROM THE TECHNICAL PROPOSAL AND PROPOSAL AND SUBMIT IN A SEPARATE ENVELOPE AS THE PRICE**

**CALL RATES – CONTRACTOR SHALL SUBMIT COSTS FOR CALLS BY CATEGORY. ENTER RATES IN THE SCHEDULE BELOW.**

**RATES ARE FIRM AND FIXED THROUGHOUT THE CONTRACT TERM BUT CAN BE CHANGED AT THE COUNTY'S DISCRETION**

**Option Year 7**

<b>Collect</b>												
	Vendor Rate		Connect + First Minute		Cost		Vendor Rate		Additional Minutes		Cost	Total
Local	\$3.10	X	150,912	=	\$467,827.20		\$ 0.10	X	1,414,141	=	\$141,414.10	\$609,241.30
Intralata	\$3.10	X	56,224	=	\$174,294.40		\$ 0.25	X	556,271	=	\$139,067.75	\$313,362.15
Intrastate	\$3.10	X	13,444	=	\$41,676.40		\$ 0.30	X	128,932	=	\$38,679.60	\$80,356.00
Interstate	\$3.25	X	8,826	=	\$28,684.50		\$ 0.50	X	87,374	=	\$43,687.00	\$72,371.50
<b>Prepaid</b>												
	Vendor Rate		Connect + First Minute		Cost		Vendor Rate		Additional Minutes		Cost	Total
Local	\$2.85	X	95,075	=	\$270,963.75		\$0.10	X	1,182,792	=	\$118,279.20	\$389,242.95
Intralata	\$3.10	X	41,273	=	\$127,946.30		\$0.25	X	463,902	=	\$115,975.50	\$243,921.80
Intrastate	\$3.10	X	16,133	=	\$50,012.30		\$0.30	X	163,937	=	\$49,181.10	\$99,193.40
Interstate	\$3.15	X	6,406	=	\$20,178.90		\$0.50	X	53,866	=	\$26,933.00	\$47,111.90
International	\$3.25	X	3	=	\$9.75		\$0.50	X	55	=	\$27.50	\$37.25
<b>Debit</b>												
	Vendor Rate		Connect + First Minute		Cost		Vendor Rate		Additional Minutes		Cost	Total
Local	\$0.25	X	462,827	=	\$115,706.75		\$0.25	X	2,555,246	=	\$638,811.50	\$754,518.25
Intralata	\$0.25	X	275,717	=	\$68,929.25		\$0.25	X	1,548,588	=	\$387,147.00	\$456,076.25
Intrastate	\$0.25	X	86,143	=	\$21,535.75		\$0.25	X	595,657	=	\$148,914.25	\$170,450.00
Interstate	\$0.25	X	63,086	=	\$15,771.50		\$0.25	X	450,311	=	\$112,577.75	\$128,349.25
International	\$3.25	X	27,143	=	\$88,214.75		\$0.50	X	115,499	=	\$57,749.50	\$145,964.25
Total-Option Year 7											\$3,510,196.25	
Grand Total-Contract Years 1-3, Option Years 1-7											\$35,101,962.50	
Securus Technologies												

**COUNTY OF SAN DIEGO, SHERIFF'S DEPARTMENT**

**Request for Proposals (RFP) 5337 - Detention Facilities - Inmate Telephone Services**

**Exhibit C - Pricing - Revised 04022012**

OFFERORS ARE REQUIRED TO SEPARATE EXHIBIT C AND OTHER PRICING INFORMATION FROM THE TECHNICAL PROPOSAL AND SUBMIT IN A SEPARATE ENVELOPE AS THE PRICE PROPOSAL

CALL RATES – CONTRACTOR SHALL SUBMIT COSTS FOR CALLS BY CATEGORY. ENTER RATES IN THE SCHEDULE BELOW.

RATES ARE FIRM AND FIXED THROUGHOUT THE CONTRACT TERM BUT CAN BE CHANGED AT THE COUNTY'S DISCRETION

**Contract Year 1**

<b>Collect</b>												
	Vendor Rate		Connect + First Minute		Cost		Vendor Rate		Additional Minutes		Cost	Total
Local	\$3.15	X	150,912	=	\$475,372.80		\$ 0.10	X	1,414,141	=	\$141,414.10	\$616,786.90
Intralata	\$3.15	X	56,224	=	\$177,105.60		\$ 0.15	X	556,271	=	\$83,440.65	\$260,546.25
Intrastate	\$3.15	X	13,444	=	\$42,348.60		\$ 0.15	X	128,932	=	\$19,339.80	\$61,688.40
Interstate	\$3.15	X	8,826	=	\$27,801.90		\$ 0.25	X	87,374	=	\$21,843.50	\$49,645.40
<b>Prepaid</b>												
	Vendor Rate		Connect + First Minute		Cost		Vendor Rate		Additional Minutes		Cost	Total
Local	\$3.15	X	95,075	=	\$299,486.25		\$0.10	X	1,182,792	=	\$118,279.20	\$417,765.45
Intralata	\$3.15	X	41,273	=	\$130,009.95		\$0.15	X	463,902	=	\$69,585.30	\$199,595.25
Intrastate	\$3.15	X	16,133	=	\$50,818.95		\$0.15	X	163,937	=	\$24,590.55	\$75,409.50
Interstate	\$3.15	X	6,406	=	\$20,178.90		\$0.15	X	53,866	=	\$8,079.90	\$28,258.80
International	\$3.15	X	3	=	\$9.45		\$0.25	X	55	=	\$13.75	\$23.20
<b>Debit</b>												
	Vendor Rate		Connect + First Minute		Cost		Vendor Rate		Additional Minutes		Cost	Total
Local	\$0.25	X	462,827	=	\$115,706.75		\$0.25	X	2,555,246	=	\$638,811.50	\$754,518.25
Intralata	\$0.25	X	275,717	=	\$68,929.25		\$0.25	X	1,548,588	=	\$387,147.00	\$456,076.25
Intrastate	\$0.25	X	86,143	=	\$21,535.75		\$0.25	X	595,657	=	\$148,914.25	\$170,450.00
Interstate	\$0.25	X	63,086	=	\$15,771.50		\$0.25	X	450,311	=	\$112,577.75	\$128,349.25
International	\$3.15	X	27,143	=	\$85,500.45		\$0.25	X	115,499	=	\$28,874.75	\$114,375.20
<b>Total-Contract Year 1</b>											<b>\$3,333,488.10</b>	

**REQUEST FOR PROPOSALS (RFP) No. XXX**

**Request for Proposals (RFP) XXXX - Inmate Telephone Services**

**Exhibit C - Pricing - Revised 04022012**

OFFERORS ARE REQUIRED TO SEPARATE EXHIBIT C AND OTHER PRICING INFORMATION FROM THE TECHNICAL PROPOSAL AND SUBMIT IN A SEPARATE ENVELOPE AS THE PRICE PROPOSAL

CALL RATES – CONTRACTOR SHALL SUBMIT COSTS FOR CALLS BY CATEGORY. ENTER RATES IN THE SCHEDULE BELOW.

RATES ARE FIRM AND FIXED THROUGHOUT THE CONTRACT TERM BUT CAN BE CHANGED AT THE COUNTY’S DISCRETION

**Contract Year 2**

<b>Collect</b>												
	Vendor Rate		Connect + First Minute	=	Cost		Vendor Rate		Additional Minutes	=	Cost	Total
Local	\$3.15	X	150,912	=	\$475,372.80		\$ 0.10	X	1,414,141	=	\$141,414.10	\$616,786.90
Intralata	\$3.15	X	56,224	=	\$177,105.60		\$ 0.15	X	556,271	=	\$83,440.65	\$260,546.25
Intrastate	\$3.15	X	13,444	=	\$42,348.60		\$ 0.15	X	128,932	=	\$19,339.80	\$61,688.40
Interstate	\$3.15	X	8,826	=	\$27,801.90		\$ 0.25	X	87,374	=	\$21,843.50	\$49,645.40
<b>Prepaid</b>												
	Vendor Rate		Connect + First Minute	=	Cost		Vendor Rate		Additional Minutes	=	Cost	Total
Local	\$3.15	X	95,075	=	\$299,486.25		\$0.10	X	1,182,792	=	\$118,279.20	\$417,765.45
Intralata	\$3.15	X	41,273	=	\$130,009.95		\$0.15	X	463,902	=	\$69,585.30	\$199,595.25
Intrastate	\$3.15	X	16,133	=	\$50,818.95		\$0.15	X	163,937	=	\$24,590.55	\$75,409.50
Interstate	\$3.15	X	6,406	=	\$20,178.90		\$0.15	X	53,866	=	\$8,079.90	\$28,258.80
International	\$3.15	X	3	=	\$9.45		\$0.25	X	55	=	\$13.75	\$23.20
<b>Debit</b>												
	Vendor Rate		Connect + First Minute	=	Cost		Vendor Rate		Additional Minutes	=	Cost	Total
Local	\$0.25	X	462,827	=	\$115,706.75		\$0.25	X	2,555,246	=	\$638,811.50	\$754,518.25
Intralata	\$0.25	X	275,717	=	\$68,929.25		\$0.25	X	1,548,588	=	\$387,147.00	\$456,076.25
Intrastate	\$0.25	X	86,143	=	\$21,535.75		\$0.25	X	595,657	=	\$148,914.25	\$170,450.00
Interstate	\$0.25	X	63,086	=	\$15,771.50		\$0.25	X	450,311	=	\$112,577.75	\$128,349.25
International	\$3.15	X	27,143	=	\$85,500.45		\$0.25	X	115,499	=	\$28,874.75	\$114,375.20
Total-Contract Year 2											\$3,333,488.10	



**REQUEST FOR PROPOSALS (RFP) No. XXX**

**Request for Proposals (RFP) XXXX - Inmate Telephone Services**

**Exhibit C - Pricing - Revised 04022012**

OFFERORS ARE REQUIRED TO SEPARATE EXHIBIT C AND OTHER PRICING INFORMATION FROM THE TECHNICAL PROPOSAL AND SUBMIT IN A SEPARATE ENVELOPE AS THE PRICE PROPOSAL

CALL RATES – CONTRACTOR SHALL SUBMIT COSTS FOR CALLS BY CATEGORY. ENTER RATES IN THE SCHEDULE BELOW.

RATES ARE FIRM AND FIXED THROUGHOUT THE CONTRACT TERM BUT CAN BE CHANGED AT THE COUNTY’S DISCRETION

**Contract Year 3**

<b>Collect</b>													
	Vendor Rate		Connect + First Minute	=	Cost		Vendor Rate		Additional Minutes	=	Cost		Total
Local	\$3.15	X	150,912	=	\$475,372.80		\$ 0.10	X	1,414,141	=	\$141,414.10		\$616,786.90
Intralata	\$3.15	X	56,224	=	\$177,105.60		\$ 0.15	X	556,271	=	\$83,440.65		\$260,546.25
Intrastate	\$3.15	X	13,444	=	\$42,348.60		\$ 0.15	X	128,932	=	\$19,339.80		\$61,688.40
Interstate	\$3.15	X	8,826	=	\$27,801.90		\$ 0.25	X	87,374	=	\$21,843.50		\$49,645.40
<b>Prepaid</b>													
	Vendor Rate		Connect + First Minute	=	Cost		Vendor Rate		Additional Minutes	=	Cost		Total
Local	\$3.15	X	95,075	=	\$299,486.25		\$0.10	X	1,182,792	=	\$118,279.20		\$417,765.45
Intralata	\$3.15	X	41,273	=	\$130,009.95		\$0.15	X	463,902	=	\$69,585.30		\$199,595.25
Intrastate	\$3.15	X	16,133	=	\$50,818.95		\$0.15	X	163,937	=	\$24,590.55		\$75,409.50
Interstate	\$3.15	X	6,406	=	\$20,178.90		\$0.15	X	53,866	=	\$8,079.90		\$28,258.80
International	\$3.15	X	3	=	\$9.45		\$0.25	X	55	=	\$13.75		\$23.20
<b>Debit</b>													
	Vendor Rate		Connect + First Minute	=	Cost		Vendor Rate		Additional Minutes	=	Cost		Total
Local	\$0.25	X	462,827	=	\$115,706.75		\$0.25	X	2,555,246	=	\$638,811.50		\$754,518.25
Intralata	\$0.25	X	275,717	=	\$68,929.25		\$0.25	X	1,548,588	=	\$387,147.00		\$456,076.25
Intrastate	\$0.25	X	86,143	=	\$21,535.75		\$0.25	X	595,657	=	\$148,914.25		\$170,450.00
Interstate	\$0.25	X	63,086	=	\$15,771.50		\$0.25	X	450,311	=	\$112,577.75		\$128,349.25
International	\$3.15	X	27,143	=	\$85,500.45		\$0.25	X	115,499	=	\$28,874.75		\$114,375.20
<b>Total-Contract Year 3</b>												<b>\$3,333,488.10</b>	

**REQUEST FOR PROPOSALS (RFP) No. XXX**  
**Request for Proposals (RFP) XXXX - Inmate Telephone Services**  
**Exhibit C - Pricing - Revised 04022012**

**OFFERORS ARE REQUIRED TO SEPARATE EXHIBIT C AND OTHER PRICING INFORMATION FROM THE TECHNICAL PROPOSAL AND A SEPARATE ENVELOPE AS THE PRICE PROPOSAL**

**CALL RATES – CONTRACTOR SHALL SUBMIT COSTS FOR CALLS BY CATEGORY. ENTER RATES IN THE SCHEDULE BELOW. RATES ARE FIRM AND FIXED THROUGHOUT THE CONTRACT TERM BUT CAN BE CHANGED AT THE COUNTY'S DISCRETION**

**Option Year 1**

<b>Collect</b>												
	Vendor Rate		Connect + First Minute	=	Cost		Vendor Rate		Additional Minutes	=	Cost	Total
Local	\$3.15	X	150,912	=	\$475,372.80		\$ 0.10	X	1,414,141	=	\$141,414.10	\$616,786.90
Intralata	\$3.15	X	56,224	=	\$177,105.60		\$ 0.15	X	556,271	=	\$83,440.65	\$260,546.25
Intrastate	\$3.15	X	13,444	=	\$42,348.60		\$ 0.15	X	128,932	=	\$19,339.80	\$61,688.40
Interstate	\$3.15	X	8,826	=	\$27,801.90		\$ 0.25	X	87,374	=	\$21,843.50	\$49,645.40
<b>Prepaid</b>												
	Vendor Rate		Connect + First Minute	=	Cost		Vendor Rate		Additional Minutes	=	Cost	Total
Local	\$3.15	X	95,075	=	\$299,486.25		\$0.10	X	1,182,792	=	\$118,279.20	\$417,765.45
Intralata	\$3.15	X	41,273	=	\$130,009.95		\$0.15	X	463,902	=	\$69,585.30	\$199,595.25
Intrastate	\$3.15	X	16,133	=	\$50,818.95		\$0.15	X	163,937	=	\$24,590.55	\$75,409.50
Interstate	\$3.15	X	6,406	=	\$20,178.90		\$0.15	X	53,866	=	\$8,079.90	\$28,258.80
International	\$3.15	X	3	=	\$9.45		\$0.25	X	55	=	\$13.75	\$23.20
<b>Debit</b>												
	Vendor Rate		Connect + First Minute	=	Cost		Vendor Rate		Additional Minutes	=	Cost	Total
Local	\$0.25	X	462,827	=	\$115,706.75		\$0.25	X	2,555,246	=	\$638,811.50	\$754,518.25
Intralata	\$0.25	X	275,717	=	\$68,929.25		\$0.25	X	1,548,588	=	\$387,147.00	\$456,076.25
Intrastate	\$0.25	X	86,143	=	\$21,535.75		\$0.25	X	595,657	=	\$148,914.25	\$170,450.00
Interstate	\$0.25	X	63,086	=	\$15,771.50		\$0.25	X	450,311	=	\$112,577.75	\$128,349.25
International	\$3.15	X	27,143	=	\$85,500.45		\$0.25	X	115,499	=	\$28,874.75	\$114,375.20
<b>Total-Option Year 1</b>											<b>\$3,333,488.10</b>	

**REQUEST FOR PROPOSALS (RFP) No. XXX**  
**Request for Proposals (RFP) XXXX - Inmate Telephone Services**  
**Exhibit C - Pricing - Revised 04022012**

OFFERORS ARE REQUIRED TO SEPARATE EXHIBIT C AND OTHER PRICING INFORMATION FROM THE TECHNICAL PROPOSAL AND SUBMIT IN A SEPARATE ENVELOPE AS THE PRICE PROPOSAL

CALL RATES – CONTRACTOR SHALL SUBMIT COSTS FOR CALLS BY CATEGORY. ENTER RATES IN THE SCHEDULE BELOW.  
 RATES ARE FIRM AND FIXED THROUGHOUT THE CONTRACT TERM BUT CAN BE CHANGED AT THE COUNTY’S DISCRETION

**Option Year 2**

<b>Collect</b>													
	Vendor Rate		Connect + First Minute		Cost		Vendor Rate		Additional Minutes		Cost		Total
Local	\$3.15	X	150,912	=	\$475,372.80		\$ 0.10	X	1,414,141	=	\$141,414.10		\$616,786.90
Intralata	\$3.15	X	56,224	=	\$177,105.60		\$ 0.15	X	556,271	=	\$83,440.65		\$260,546.25
Intrastate	\$3.15	X	13,444	=	\$42,348.60		\$ 0.15	X	128,932	=	\$19,339.80		\$61,688.40
Interstate	\$3.15	X	8,826	=	\$27,801.90		\$ 0.25	X	87,374	=	\$21,843.50		\$49,645.40
<b>Prepaid</b>													
	Vendor Rate		Connect + First Minute		Cost		Vendor Rate		Additional Minutes		Cost		Total
Local	\$3.15	X	95,075	=	\$299,486.25		\$0.10	X	1,182,792	=	\$118,279.20		\$417,765.45
Intralata	\$3.15	X	41,273	=	\$130,009.95		\$0.15	X	463,902	=	\$69,585.30		\$199,595.25
Intrastate	\$3.15	X	16,133	=	\$50,818.95		\$0.15	X	163,937	=	\$24,590.55		\$75,409.50
Interstate	\$3.15	X	6,406	=	\$20,178.90		\$0.15	X	53,866	=	\$8,079.90		\$28,258.80
International	\$3.15	X	3	=	\$9.45		\$0.25	X	55	=	\$13.75		\$23.20
<b>Debit</b>													
	Vendor Rate		Connect + First Minute		Cost		Vendor Rate		Additional Minutes		Cost		Total
Local	\$0.25	X	462,827	=	\$115,706.75		\$0.25	X	2,555,246	=	\$638,811.50		\$754,518.25
Intralata	\$0.25	X	275,717	=	\$68,929.25		\$0.25	X	1,548,588	=	\$387,147.00		\$456,076.25
Intrastate	\$0.25	X	86,143	=	\$21,535.75		\$0.25	X	595,657	=	\$148,914.25		\$170,450.00
Interstate	\$0.25	X	63,086	=	\$15,771.50		\$0.25	X	450,311	=	\$112,577.75		\$128,349.25
International	\$3.15	X	27,143	=	\$85,500.45		\$0.25	X	115,499	=	\$28,874.75		\$114,375.20
<b>Total-Option Year 2</b>												<b>\$3,333,488.10</b>	

**REQUEST FOR PROPOSALS (RFP) No. XXX**  
**Request for Proposals (RFP) XXXX - Inmate Telephone Services**  
**Exhibit C - Pricing - Revised 04022012**

OFFERORS ARE REQUIRED TO SEPARATE EXHIBIT C AND OTHER PRICING INFORMATION FROM THE TECHNICAL PROPOSAL AND SUBMIT IN A SEPARATE ENVELOPE AS THE PRICE PROPOSAL.  
 CALL RATES – CONTRACTOR SHALL SUBMIT COSTS FOR CALLS BY CATEGORY. ENTER RATES IN THE SCHEDULE BELOW.  
 RATES ARE FIRM AND FIXED THROUGHOUT THE CONTRACT TERM BUT CAN BE CHANGED AT THE COUNTY’S DISCRETION

**Option Year 3**

<b>Collect</b>													
	Vendor Rate		Connect + First Minute	=	Cost		Vendor Rate		Additional Minutes	=	Cost		Total
Local	\$3.15	X	150,912	=	\$475,372.80		\$ 0.10	X	1,414,141	=	\$141,414.10		\$616,786.90
Intralata	\$3.15	X	56,224	=	\$177,105.60		\$ 0.15	X	556,271	=	\$83,440.65		\$260,546.25
Intrastate	\$3.15	X	13,444	=	\$42,348.60		\$ 0.15	X	128,932	=	\$19,339.80		\$61,688.40
Interstate	\$3.15	X	8,826	=	\$27,801.90		\$ 0.25	X	87,374	=	\$21,843.50		\$49,645.40
<b>Prepaid</b>													
	Vendor Rate		Connect + First Minute	=	Cost		Vendor Rate		Additional Minutes	=	Cost		Total
Local	\$3.15	X	95,075	=	\$299,486.25		\$0.10	X	1,182,792	=	\$118,279.20		\$417,765.45
Intralata	\$3.15	X	41,273	=	\$130,009.95		\$0.15	X	463,902	=	\$69,585.30		\$199,595.25
Intrastate	\$3.15	X	16,133	=	\$50,818.95		\$0.15	X	163,937	=	\$24,590.55		\$75,409.50
Interstate	\$3.15	X	6,406	=	\$20,178.90		\$0.15	X	53,866	=	\$8,079.90		\$28,258.80
International	\$3.15	X	3	=	\$9.45		\$0.25	X	55	=	\$13.75		\$23.20
<b>Debit</b>													
	Vendor Rate		Connect + First Minute	=	Cost		Vendor Rate		Additional Minutes	=	Cost		Total
Local	\$0.25	X	462,827	=	\$115,706.75		\$0.25	X	2,555,246	=	\$638,811.50		\$754,518.25
Intralata	\$0.25	X	275,717	=	\$68,929.25		\$0.25	X	1,548,588	=	\$387,147.00		\$456,076.25
Intrastate	\$0.25	X	86,143	=	\$21,535.75		\$0.25	X	595,657	=	\$148,914.25		\$170,450.00
Interstate	\$0.25	X	63,086	=	\$15,771.50		\$0.25	X	450,311	=	\$112,577.75		\$128,349.25
International	\$3.15	X	27,143	=	\$85,500.45		\$0.25	X	115,499	=	\$28,874.75		\$114,375.20
<b>Total-Option Year 3</b>												<b>\$3,333,488.10</b>	

**REQUEST FOR PROPOSALS (RFP) No. XXX**

**Request for Proposals (RFP) XXXX - Inmate Telephone Services**

**Exhibit C - Pricing - Revised 04022012**

OFFERORS ARE REQUIRED TO SEPARATE EXHIBIT C AND OTHER PRICING INFORMATION FROM THE TECHNICAL PROPOSAL AND SUBMIT IN A SEPARATE ENVELOPE AS THE PRICE PROPOSAL

CALL RATES – CONTRACTOR SHALL SUBMIT COSTS FOR CALLS BY CATEGORY. ENTER RATES IN THE SCHEDULE BELOW.

RATES ARE FIRM AND FIXED THROUGHOUT THE CONTRACT TERM BUT CAN BE CHANGED AT THE COUNTY’S DISCRETION

**Option Year 4**

<b>Collect</b>													
	Vendor Rate		Connect + First Minute	=	Cost		Vendor Rate		Additional Minutes	=	Cost		Total
Local	\$3.15	X	150,912	=	\$475,372.80		\$ 0.10	X	1,414,141	=	\$141,414.10		\$616,786.90
Intralata	\$3.15	X	56,224	=	\$177,105.60		\$ 0.15	X	556,271	=	\$83,440.65		\$260,546.25
Intrastate	\$3.15	X	13,444	=	\$42,348.60		\$ 0.15	X	128,932	=	\$19,339.80		\$61,688.40
Interstate	\$3.15	X	8,826	=	\$27,801.90		\$ 0.25	X	87,374	=	\$21,843.50		\$49,645.40
<b>Prepaid</b>													
	Vendor Rate		Connect + First Minute	=	Cost		Vendor Rate		Additional Minutes	=	Cost		Total
Local	\$3.15	X	95,075	=	\$299,486.25		\$0.10	X	1,182,792	=	\$118,279.20		\$417,765.45
Intralata	\$3.15	X	41,273	=	\$130,009.95		\$0.15	X	463,902	=	\$69,585.30		\$199,595.25
Intrastate	\$3.15	X	16,133	=	\$50,818.95		\$0.15	X	163,937	=	\$24,590.55		\$75,409.50
Interstate	\$3.15	X	6,406	=	\$20,178.90		\$0.15	X	53,866	=	\$8,079.90		\$28,258.80
International	\$3.15	X	3	=	\$9.45		\$0.25	X	55	=	\$13.75		\$23.20
<b>Debit</b>													
	Vendor Rate		Connect + First Minute	=	Cost		Vendor Rate		Additional Minutes	=	Cost		Total
Local	\$0.25	X	462,827	=	\$115,706.75		\$0.25	X	2,555,246	=	\$638,811.50		\$754,518.25
Intralata	\$0.25	X	275,717	=	\$68,929.25		\$0.25	X	1,548,588	=	\$387,147.00		\$456,076.25
Intrastate	\$0.25	X	86,143	=	\$21,535.75		\$0.25	X	595,657	=	\$148,914.25		\$170,450.00
Interstate	\$0.25	X	63,086	=	\$15,771.50		\$0.25	X	450,311	=	\$112,577.75		\$128,349.25
International	\$3.15	X	27,143	=	\$85,500.45		\$0.25	X	115,499	=	\$28,874.75		\$114,375.20
<b>Total-Option Year 4</b>												<b>\$3,333,488.10</b>	

**REQUEST FOR PROPOSALS (RFP) No. XXX**

**Request for Proposals (RFP) XXXX - Inmate Telephone Services**

**Exhibit C - Pricing - Revised 04022012**

OFFERORS ARE REQUIRED TO SEPARATE EXHIBIT C AND OTHER PRICING INFORMATION FROM THE TECHNICAL PROPOSAL AND SUBMIT IN A SEPARATE ENVELOPE AS THE PRICE PROPOSAL

CALL RATES – CONTRACTOR SHALL SUBMIT COSTS FOR CALLS BY CATEGORY. ENTER RATES IN THE SCHEDULE BELOW.

RATES ARE FIRM AND FIXED THROUGHOUT THE CONTRACT TERM BUT CAN BE CHANGED AT THE COUNTY'S DISCRETION

**Option Year 5**

<b>Collect</b>													
	Vendor Rate		Connect + First Minute		Cost		Vendor Rate		Additional Minutes		Cost		Total
Local	\$3.15	X	150,912	=	\$475,372.80		\$ 0.10	X	1,414,141	=	\$141,414.10		\$616,786.90
Intralata	\$3.15	X	56,224	=	\$177,105.60		\$ 0.15	X	556,271	=	\$83,440.65		\$260,546.25
Intrastate	\$3.15	X	13,444	=	\$42,348.60		\$ 0.15	X	128,932	=	\$19,339.80		\$61,688.40
Interstate	\$3.15	X	8,826	=	\$27,801.90		\$ 0.25	X	87,374	=	\$21,843.50		\$49,645.40
<b>Prepaid</b>													
	Vendor Rate		Connect + First Minute		Cost		Vendor Rate		Additional Minutes		Cost		Total
Local	\$3.15	X	95,075	=	\$299,486.25		\$0.10	X	1,182,792	=	\$118,279.20		\$417,765.45
Intralata	\$3.15	X	41,273	=	\$130,009.95		\$0.15	X	463,902	=	\$69,585.30		\$199,595.25
Intrastate	\$3.15	X	16,133	=	\$50,818.95		\$0.15	X	163,937	=	\$24,590.55		\$75,409.50
Interstate	\$3.15	X	6,406	=	\$20,178.90		\$0.15	X	53,866	=	\$8,079.90		\$28,258.80
International	\$3.15	X	3	=	\$9.45		\$0.25	X	55	=	\$13.75		\$23.20
<b>Debit</b>													
	Vendor Rate		Connect + First Minute		Cost		Vendor Rate		Additional Minutes		Cost		Total
Local	\$0.25	X	462,827	=	\$115,706.75		\$0.25	X	2,555,246	=	\$638,811.50		\$754,518.25
Intralata	\$0.25	X	275,717	=	\$68,929.25		\$0.25	X	1,548,588	=	\$387,147.00		\$456,076.25
Intrastate	\$0.25	X	86,143	=	\$21,535.75		\$0.25	X	595,657	=	\$148,914.25		\$170,450.00
Interstate	\$0.25	X	63,086	=	\$15,771.50		\$0.25	X	450,311	=	\$112,577.75		\$128,349.25
International	\$3.15	X	27,143	=	\$85,500.45		\$0.25	X	115,499	=	\$28,874.75		\$114,375.20
<b>Total-Option Year 5</b>												<b>\$3,333,488.10</b>	

**REQUEST FOR PROPOSALS (RFP) No. XXX**

**Request for Proposals (RFP) XXXX - Inmate Telephone Services**

**Exhibit C - Pricing - Revised 04022012**

OFFERORS ARE REQUIRED TO SEPARATE EXHIBIT C AND OTHER PRICING INFORMATION FROM THE TECHNICAL PROPOSAL AND SUBMIT IN A SEPARATE ENVELOPE AS THE PRICE PROPOSAL

CALL RATES – CONTRACTOR SHALL SUBMIT COSTS FOR CALLS BY CATEGORY. ENTER RATES IN THE SCHEDULE BELOW.

RATES ARE FIRM AND FIXED THROUGHOUT THE CONTRACT TERM BUT CAN BE CHANGED AT THE COUNTY’S DISCRETION

**Option Year 6**

<b>Collect</b>												
	Vendor Rate		Connect + First Minute	=	Cost		Vendor Rate		Additional Minutes	=	Cost	Total
Local	\$3.15	X	150,912	=	\$475,372.80		\$ 0.10	X	1,414,141	=	\$141,414.10	\$616,786.90
Intralata	\$3.15	X	56,224	=	\$177,105.60		\$ 0.15	X	556,271	=	\$83,440.65	\$260,546.25
Intrastate	\$3.15	X	13,444	=	\$42,348.60		\$ 0.15	X	128,932	=	\$19,339.80	\$61,688.40
Interstate	\$3.15	X	8,826	=	\$27,801.90		\$ 0.25	X	87,374	=	\$21,843.50	\$49,645.40
<b>Prepaid</b>												
	Vendor Rate		Connect + First Minute	=	Cost		Vendor Rate		Additional Minutes	=	Cost	Total
Local	\$3.15	X	95,075	=	\$299,486.25		\$0.10	X	1,182,792	=	\$118,279.20	\$417,765.45
Intralata	\$3.15	X	41,273	=	\$130,009.95		\$0.15	X	463,902	=	\$69,585.30	\$199,595.25
Intrastate	\$3.15	X	16,133	=	\$50,818.95		\$0.15	X	163,937	=	\$24,590.55	\$75,409.50
Interstate	\$3.15	X	6,406	=	\$20,178.90		\$0.15	X	53,866	=	\$8,079.90	\$28,258.80
International	\$3.15	X	3	=	\$9.45		\$0.25	X	55	=	\$13.75	\$23.20
<b>Debit</b>												
	Vendor Rate		Connect + First Minute	=	Cost		Vendor Rate		Additional Minutes	=	Cost	Total
Local	\$0.25	X	462,827	=	\$115,706.75		\$0.25	X	2,555,246	=	\$638,811.50	\$754,518.25
Intralata	\$0.25	X	275,717	=	\$68,929.25		\$0.25	X	1,548,588	=	\$387,147.00	\$456,076.25
Intrastate	\$0.25	X	86,143	=	\$21,535.75		\$0.25	X	595,657	=	\$148,914.25	\$170,450.00
Interstate	\$0.25	X	63,086	=	\$15,771.50		\$0.25	X	450,311	=	\$112,577.75	\$128,349.25
International	\$3.15	X	27,143	=	\$85,500.45		\$0.25	X	115,499	=	\$28,874.75	\$114,375.20
<b>Total-Option Year 6</b>											<b>\$3,333,488.10</b>	

**REQUEST FOR PROPOSALS (RFP) No. XXX**

**Request for Proposals (RFP) XXXX - Inmate Telephone Services**

**Exhibit C - Pricing - Revised 04022012**

OFFERORS ARE REQUIRED TO SEPARATE EXHIBIT C AND OTHER PRICING INFORMATION FROM THE TECHNICAL PROPOSAL AND PROPOSAL AND SUBMIT IN A SEPARATE ENVELOPE AS THE PRICE

CALL RATES – CONTRACTOR SHALL SUBMIT COSTS FOR CALLS BY CATEGORY. ENTER RATES IN THE SCHEDULE BELOW.

RATES ARE FIRM AND FIXED THROUGHOUT THE CONTRACT TERM BUT CAN BE CHANGED AT THE COUNTY'S DISCRETION

**Option Year 7**

<b>Collect</b>												
	Vendor Rate		Connect + First Minute		Cost		Vendor Rate		Additional Minutes		Cost	Total
Local	\$3.15	X	150,912	=	\$475,372.80		\$ 0.10	X	1,414,141	=	\$141,414.10	\$616,786.90
Intralata	\$3.15	X	56,224	=	\$177,105.60		\$ 0.15	X	556,271	=	\$83,440.65	\$260,546.25
Intrastate	\$3.15	X	13,444	=	\$42,348.60		\$ 0.15	X	128,932	=	\$19,339.80	\$61,688.40
Interstate	\$3.15	X	8,826	=	\$27,801.90		\$ 0.25	X	87,374	=	\$21,843.50	\$49,645.40
<b>Prepaid</b>												
	Vendor Rate		Connect + First Minute		Cost		Vendor Rate		Additional Minutes		Cost	Total
Local	\$3.15	X	95,075	=	\$299,486.25		\$0.10	X	1,182,792	=	\$118,279.20	\$417,765.45
Intralata	\$3.15	X	41,273	=	\$130,009.95		\$0.15	X	463,902	=	\$69,585.30	\$199,595.25
Intrastate	\$3.15	X	16,133	=	\$50,818.95		\$0.15	X	163,937	=	\$24,590.55	\$75,409.50
Interstate	\$3.15	X	6,406	=	\$20,178.90		\$0.15	X	53,866	=	\$8,079.90	\$28,258.80
International	\$3.15	X	3	=	\$9.45		\$0.25	X	55	=	\$13.75	\$23.20
<b>Debit</b>												
	Vendor Rate		Connect + First Minute		Cost		Vendor Rate		Additional Minutes		Cost	Total
Local	\$0.25	X	462,827	=	\$115,706.75		\$0.25	X	2,555,246	=	\$638,811.50	\$754,518.25
Intralata	\$0.25	X	275,717	=	\$68,929.25		\$0.25	X	1,548,588	=	\$387,147.00	\$456,076.25
Intrastate	\$0.25	X	86,143	=	\$21,535.75		\$0.25	X	595,657	=	\$148,914.25	\$170,450.00
Interstate	\$0.25	X	63,086	=	\$15,771.50		\$0.25	X	450,311	=	\$112,577.75	\$128,349.25
International	\$3.15	X	27,143	=	\$85,500.45		\$0.25	X	115,499	=	\$28,874.75	\$114,375.20
<b>Total-Option Year 7</b>											\$3,333,488.10	
<b>Grand Total-Contract Years 1-3, Option Years 1-7</b>											\$33,334,881.00	
Securus Technologies												



# Exhibit E

Description of Payment Processing Charges or Fees and Surcharges	What is the amount of charge or fee	When and How Applied (Monthly, Per Transaction Account Set-Up, etc.)	Will Fee or Surcharge Impact Gross Revenue? (Y / N)	Commissionable? (Y / N) If yes, state the percentage
Check/Money Order Processing Fee	\$0.00	Not applicable	N	N
Automated Phone Payment Fee using Debit/Credit Cards	\$6.95	Per transaction	N	N
Customer Service Rep. Payment Fee using Debit/Credit Cards	\$6.95	Per transaction	N	N
Website Payment Fee using Debit or Credit Cards	\$6.95	Per transaction	N	N
<ul style="list-style-type: none"> <li>• Money Gram Fee</li> <li>• Western Union Fee</li> </ul>	Up to \$10.95 Up to \$12.95	Per transaction (Fee Not Charged by Securus)	N	N
Account Set-Up Fee	\$0.00	Not Applicable	N	N
Account Maintenance Fee	\$0.00	Not Applicable	N	N
Account Closing Fee	\$0.00	Not Applicable	N	N
Regulatory and Carrier Cost Recovery Fee	\$0.00	Not Applicable	N	N
Refunding Fee (e.g. debit or prepaid refund processing fee)	Securus Prepaid refund processing fee = \$0	Per transaction	N	N

Description of Payment Processing Charges or Fees and Surcharges	What is the amount of charge or fee	When and How Applied (Monthly, Per Transaction Account Set-Up, etc.)	Will Fee or Surcharge Impact Gross Revenue? (Y / N)	Commissionable? (Y / N) If yes, state the percentage
Securus' Biometrics Features Charge / Fee	\$0.25	Per call (if applicable)	N	N
Continuous Voice Verification Biometrics Identification Fee	\$0.25	Per call (if applicable)	N	N
State Regulatory Recovery Fee	\$0.00	Not Applicable	N	N
Transaction Funding Fee	\$6.95	Per Transaction	N	N
Third Party Payment Processing Fee	Please refer to Money Gram/ Western Union fees shown above	Per transaction	N	N
Inmate Station Service Charge	Please see proposed rates	Per call	Y	Y
Non-Subscriber Line Service Charge	N/A	N/A	N	N
Cellular Telephone Surcharge (initial or on-going cell phone termination fee)	\$2.99	Monthly (applicable only to any prepaid account with a wireless telephone number authorized to receive calls)	N	N
Universal Service Fund Fee	Multiple USF funds apply (e.g. CA Lifeline fund is based on 1.15% of intrastate end user revenue (less uncollectible))	Monthly	N	N
Universal Service Fund Recovery Fee	N/A	N/A	N	N
Miscellaneous or other surcharges and fees not listed above (itemize)				

Description of Payment Processing Charges or Fees and Surcharges	What is the amount of charge or fee	When and How Applied (Monthly, Per Transaction Account Set-Up, etc.)	Will Fee or Surcharge Impact Gross Revenue? (Y / N)	Commissionable? (Y / N) If yes, state the percentage
below)				
Bill Statement Fee	\$3.49	Monthly (only if customer is billed through their Local Exchange Carrier)	N	N
Return Check Charge	\$25.00	Per occurrence	N	N
Federal Regulatory Recovery Fee	\$3.49	Monthly (only if Interstate or international calls accepted)	N	N

# POLICY CHANGE 8

Effective 07/25/2012 , this endorsement forms a part of Policy No. 711-01-15-19-0002  
(At the time stated in the policy)

issued to:

SECURUS HOLDINGS, INC.  
(See ASC 00 11 01 98, Schedule 1)  
14651 DALLAS PKWY STE 600  
DALLAS, TX 75254-8815

Producer:

MCGRIFF, SEJBELS & WILLIAMS, INC.

by OneBeacon America Insurance Company

In Accordance with this Policy Change Your Premium is Revised as follows:

No Change in Premium

This Policy Change Amends the Following Policy Provisions:

Common Policy Declarations, 4 VIL 100 10 98

Add Form(s):

VIL 229 01 11

NOTICE OF CANCELLATION TO DESIGNATED  
CERTIFICATE HOLDER

3 8-33-0368 08/02/2012 TAP PR 0.126

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**Notice of Cancellation to Designated Certificate Holder**

- A.** If we cancel this policy for any reason other than nonpayment of premium, we will endeavor to provide notice of such cancellation at least thirty (30) days in advance of the cancellation effective date to the certificate holder(s) at the address(s) shown in the schedule below when notice of cancellation is sent to the first Named Insured. In no event will the timing of notice to a certificate holder exceed the timing of notice to the first Named Insured.
  
- B.** Our failure to provide notice of cancellation to a certificate holder scheduled below will not amend or extend the effective policy cancellation date or negate policy cancellation. Notice of cancellation is provided solely as a courtesy for the convenience of the first Named Insured and does not constitute a prerequisite to effective policy cancellation or confer any rights whatsoever on the certificate holder(s) scheduled below.

**SCHEDULE**

**Name of Certificate Holder and Address**

COUNTY OF SAN DIEGO  
DEPARTMENT OF PURCHASING AND CONTRACTING  
10089 WILLOW CREEK RD STE 150  
SAN DIEGO, CA 92131-1699

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## TEXAS @VANTAGE FOR GENERAL LIABILITY TECHNOLOGY COMPANIES

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE FORM

The following schedule lists the coverage extensions provided by this endorsement. Refer to the individual provisions to determine the extent of your coverage.

SCHEDULE OF COVERAGE EXTENSIONS	
1. Additional Insured – Broad Form Vendors	8. Coverage Territory – Worldwide
2. Additional Insured – by Contract, Agreement or Permit relating to: <ul style="list-style-type: none"><li>o Work performed by you</li><li>o Premises you own, rent, lease or occupy</li><li>o Equipment you lease</li></ul>	9. Duties in Event of Occurrence, Claim or Suit
3. Aggregate Limit Per Location	10. Expected or Intended Injury (PD)
4. Blanket Waiver of Subrogation	11. Medical Payments
5. Bodily Injury Redefined – Mental Anguish	12. Newly Acquired or Formed Organizations
6. Broadened Named Insured	13. Non-Owned Watercraft
7. Broadened Property Damage <ul style="list-style-type: none"><li>o Borrowed Equipment</li><li>o Customers' Goods</li><li>o Use of Elevators</li></ul>	14. Personal and Advertising Injury
	15. Product Recall Expense
	16. Supplementary Payments Increased Limits

#### 1. ADDITIONAL INSURED – BROAD FORM VENDORS

**Section II – Who Is An Insured** is amended to include as an additional insured any person(s) or organization(s) (referred to below as vendor) with whom you agreed in a written contract or agreement to provide insurance, but only with respect to "bodily injury" or "property damage" arising out of "your products" which are distributed or sold in the regular course of the vendor's business, subject to the following additional exclusions:

a. This provision 1. does not apply to:

- (1) "Bodily injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
- (2) Any express warranty unauthorized by you;
- (3) Any physical or chemical change in the product made intentionally by the vendor;
- (4) Repackaging, except when unpacked solely for the purpose of inspection, demonstration, testing or the substitution of parts under instructions from the manufacturer, and then repackaged in the original container;
- (5) Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products;
- (6) Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;
- (7) Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor; or
- (8) "Bodily injury" or "property damage" arising out of the sole negligence of the vendor for its own acts or omissions or those of its employees or anyone else acting on its behalf. However, this exclusion does not apply to:

(a) The exceptions contained in Subparagraphs 4. or 6.; or

09/28/2011 03:20 PM

(b) Such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business, in connection with the distribution or sale of the products.

(9) Any person or organization if the "products-completed operations hazard" is excluded either by the provisions of the Coverage Form or by endorsement.

b. This insurance does not apply to any insured person or organization, from whom you have acquired such products, or any ingredient, part or container, entering into, accompanying or containing such products.

## 2. ADDITIONAL INSURED – CONTRACT, AGREEMENT OR PERMIT

a. **Section II – Who Is An Insured** is amended to include as an additional insured any person(s) or organization(s) with whom you agreed in a written contract, written agreement or permit to provide insurance such as is afforded under this Coverage Part, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf:

1. In the performance of "your work" for the additional insured(s) at the location designated in the contract, agreement or permit; or
2. In the maintenance, operation or use of equipment leased to you by such person(s) or organization(s), or
3. In connection with premises you own, rent, lease or occupy.

This insurance applies on a primary or primary and non-contributory basis if that is required in writing by the contract, agreement or permit.

b. The insurance provided to the additional insured herein is limited. This insurance does not apply:

### 1. Unless

(a) the written contract, agreement or permit is currently in effect or becomes effective during the term of this policy; and

(b) the contract or agreement was executed or permit issued prior to the "bodily injury", "property damage", or "personal and advertising injury";

2. To any person or organization included as an insured under the Additional Insured - Broad Form Vendors provision of this endorsement;

3. To any person or organization included as an insured by an endorsement issued by us and made part of this Coverage Part;

4. To any person or organization if the "bodily injury", "property damage", or "personal and advertising injury" arises out of the rendering of or failure to render any professional architectural, engineering or surveying services by or for you including:

(a) The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or

(b) Supervisory, inspection, architectural or engineering activities.

### 5. To any:

(a) Lessor of equipment after the equipment lease expires; or

(b) Owners or other interests from whom land has been leased; or

(c) Managers or lessors of premises if:

(1) The "occurrence" takes place after you cease to be a tenant in that premises; or

(2) The "bodily injury", "property damage", "personal and advertising injury" arises out of structural alterations, new construction or demolition operations performed by or on behalf of the manager or lessor.

6. To "bodily injury, or "property damage" occurring after:

(a) All work on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured at the site of the covered operations has been completed; or

(b) That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as part of the same project.

09/28/2011 03:20 PM

c. **Limits of Insurance** applicable to the additional insured are those specified in the contract, agreement or permit or in the Declarations of this policy, whichever is less, and fix the most we will pay regardless of the number of:

1. Insureds;
2. Claims made or "suits" brought; or
3. Persons or organizations making claims or bringing "suits".

These Limits of Insurance are inclusive of and not in addition to the Limits of Insurance shown in the Declarations.

**3. AGGREGATE LIMIT PER LOCATION**

- a. Under **Section III – Limits of Insurance**, the **General Aggregate Limit** applies separately to each of your "locations" owned by or rented or leased to you.
- b. Under **Section V – Definitions**, the following definition is added:

"Location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.

**4. BLANKET WAIVER OF SUBROGATION**

**Section IV – Transfer of Rights of Recovery Against Others to Us** Condition is amended to add the following:

We will waive any right of recovery we may have against any person or organization because of payments we make for injury or damage arising out of your ongoing operations done under a written contract or agreement with that person or organization and included in "your work" or the "products-completed operations hazard". This waiver applies only to persons or organizations with whom you have a written contract, executed prior to the "bodily injury" or "property damage", that requires you to waive your rights of recovery.

**5. BODILY INJURY REDEFINED – MENTAL ANGUISH**

Under **Section V** the definition of "bodily injury" is replaced by the following:

"Bodily injury" means bodily injury, sickness, or disease sustained by a person, including mental anguish or death resulting from any of these at any time.

**6. BROADENED NAMED INSURED**

**Section II – Who Is An Insured** is amended to include as an insured the following:

Any organization which is a legally incorporated entity in which you own a financial interest of more than 50 percent of the voting stock on the effective date of this endorsement will be a Named Insured until the 180<sup>th</sup> day or the end of the policy period, whichever comes first, provided there is no other similar insurance available to that organization.

The insurance afforded herein does not apply to any entity which is also an insured under another policy or would be an insured under such policy but for its termination or the exhaustion of its limits of insurance.

**7. BROADENED PROPERTY DAMAGE – BORROWED EQUIPMENT, CUSTOMERS' GOODS AND USE OF ELEVATORS**

The insurance for "property damage" liability is subject to the following:

- a. The **Damage To Property** exclusion under **Section I Coverage A** is amended as follows:

1. The exclusion for *personal property in the care, custody or control* of the insured does not apply to "property damage" to equipment you borrow while at a job site and provided it is not being used by anyone to perform operations at the time of loss.
2. The exclusions for
  - (a) Property loaned to you;
  - (b) Personal property in the care, custody or control of the insured; and
  - (c) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it

do not apply to "property damage" to "customers' goods" while on your premises nor do they apply to "property damage" arising from the use of elevators at premises you own, rent, lease or occupy.

Subject to the Each Occurrence Limit, the most we will pay for "property damage" to "Customers' Goods" is \$25,000 per "occurrence".

09/28/2011 08:20 PM



b. Under **Section V – Definitions**, the following definition is added:

"Customers' Goods" means goods of your customer on your premises for the purpose of being:

1. Repaired; or
2. Used in your manufacturing process.

c. The insurance afforded by this provision is excess over any other valid and collectible property insurance (including any deductible) available to the insured whether such insurance is primary, excess, contingent or on any other basis. Any payments by us will follow the Other Insurance – Excess provisions in the **COMMERCIAL GENERAL LIABILITY CONDITIONS**.

#### 8. **COVERAGE TERRITORY – WORLDWIDE**

The definition of "coverage territory" is replaced by the following:

"Coverage territory" means anywhere. However, the insured's responsibility to pay damages must be determined in a settlement we agree to or in a "suit" on the merits brought within the United States of America (including its territories and possessions), Puerto Rico or Canada.

#### 9. **DUTIES IN THE EVENT OF OCCURRENCE, OFFENSE, CLAIM OR SUIT**

**Section IV – Duties In The Event Of Occurrence, Claim or Suit** is amended by adding the following paragraphs:

a. The requirements that you must

1. notify us of an "occurrence" offense, claim or "suit" and
  2. send us documents concerning a claim or "suit"
- apply only when such "accident" claim, "suit" or "loss" is known to:

1. You, if you are an individual;
2. A partner, if you are a partnership;
3. An executive officer of the corporation or insurance manager, if you are a corporation; or
4. A manager, if you are a limited liability company.

b. The requirement that you must notify us as soon as practicable of an "occurrence" or an offense that may result in a claim does not apply if you report an "occurrence" to your workers compensation insurer which later develops into a liability claim for which coverage is provided by this policy. However, as soon as you have definite knowledge that the particular "occurrence" is a liability claim rather than a workers compensation claim, you must comply with the **Duties In The Event Of Occurrence, Offense, Claim Or Suit Condition**.

#### 10. **EXPECTED OR INTENDED INJURY (PROPERTY DAMAGE)**

The **Expected Or Intended Injury** exclusion under **Coverage A Bodily Injury and Property Damage** is replaced by:

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

#### 11. **MEDICAL PAYMENTS - INCREASED LIMITS AND TIME PERIOD**

- a. In the Insuring Agreement under **Coverage C Medical Payments**, the requirement that expenses are incurred and reported to us within one year of the date of the accident is changed to three years.
- b. The Medical Expense Limit is \$10,000 per person or the amount shown in the Declarations as the Medical Expense Limit, whichever is greater.
- c. This provision 11. does not apply if **Coverage C - Medical Payments** is otherwise excluded either by the provisions of the Coverage Form or by endorsement.

#### 12. **NEWLY FORMED OR ACQUIRED ORGANIZATIONS**

Under **Section II – Who Is An Insured**, the time period limitation for newly acquired or formed organizations is replaced by:

Coverage under this provision is afforded only until the end of the current policy period.

#### 13. **NON-OWNED WATERCRAFT**

a. **Section II – Who Is An Insured** is amended to include as an insured for any watercraft that is covered by this policy, who, with your expressed or implied consent, either uses or is responsible for the use of a watercraft. However, no person or organization is an insured with respect to:

1. "Bodily injury" to a co-"employee" of the person operating the watercraft; or
  2. "Property damage" to property owned by, rented to, in the charge of or occupied by you or the employer of any person who is an insured under this provision.
- b. In the exception to the **Aircraft, Auto Or Watercraft** exclusion under **Coverage A Bodily Injury And Property Damage Liability**, the limitation on the length of a watercraft is increased to 51 feet.
- c. The insurance afforded by this provision 13. is excess over any other valid and collectible insurance (including any deductible or Self Insured Retention) available to the insured, whether such insurance is primary, excess, contingent or on any other basis. Any payments by us will follow the Other Insurance – Excess Insurance provisions in the **COMMERCIAL GENERAL LIABILITY CONDITIONS**.

**14. PERSONAL AND ADVERTISING INJURY**

The following exclusions under the definition of "personal and advertising injury" are amended as follows:

**a. Insureds In Media Type Businesses**

"Personal and advertising injury" committed by an insured whose business is:

- (1) Advertising, broadcasting, publishing or telecasting; or
- (2) Designing or developing content of websites for others.

However, this exclusion does not apply to paragraphs 14 a., b. and c. of "personal and advertising injury" under the Definitions Section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

**b. Electronic Chatrooms Or Bulletin Boards**

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or maintains for others.

**15. PRODUCT RECALL EXPENSE**

- a. With respect to this Provision 15., the **Recall Of Products, Work Or Impaired Property** exclusion under **Coverage A Bodily Injury And Property Damage Liability** is deleted.
- b. The following is added to **Section III - Limits Of Insurance** section:
1. The *Limits of Insurance shown in the Product Recall Schedule* and rules below fix the most we will pay regardless of the number of
    - (a) Insureds;
    - (b) "Covered recalls" initiated; or
    - (c) Number of "your products" recalled.
  2. The Product Recall Aggregate Limit is the most we will reimburse you for the sum of all "product recall expenses" incurred for all "covered recalls" initiated during the policy period.
  3. Subject to 2. above, the Each Product Recall Limit is the most we will reimburse you for the sum of all "product recall expenses" arising out of any one "covered recall" for the same defect or deficiency.

<b>Products Recall Schedule</b>	
	<b>Limits of Insurance</b>
Product Recall Aggregate Limit	\$50,000
Each Product Recall Limit	\$25,000

The Limits of Insurance for this coverage apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for the purposes of determining the Limits of Insurance.

09/28/2011 03:20 PM

- c. The following is added to the **Duties In The Event Of Occurrence, Offense, Claim Or Suit** provision under **Section IV – Conditions**:

You must see to it that the following are done in the event of an actual or anticipated "covered recall" that may result in "product recall expense":

1. Give us prompt notice of any discovery or notification that "your product" must be withdrawn or recalled. Include a description of "your product" and the reason for the withdrawal or recall;
2. Cease any further release, shipment, consignment or any other method of distribution of like or similar products until it has been determined that all such products are free from defects that could be a cause of loss under this insurance;
3. As often as may be reasonably required, permit us to inspect "your product" that demonstrates the need for the "covered recall" and permit us to examine your books and records. Also permit us to take damaged and undamaged samples of "your products" for inspection, testing and analysis; and permit us to make copies from your books and records;
4. Send us a signed, sworn, proof of loss containing the information we requested to settle the claim. You must do this within 60 days after our request. We will supply you with the necessary forms; and
5. Permit us to examine any insured under oath, while not in the presence of any other insured and at such times as may reasonably be required, about any matter relating to this insurance or your claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

- d. The following definitions are added to the Definitions Section:

1. "Covered recall" means a recall made necessary because the insured or a government body has determined that a known or suspected defect, deficiency, inadequacy or dangerous condition in "your product" has resulted in or will result in "bodily injury" or "property damage".

2. "Product Recall Expense" means:

(a) The following necessary and reasonable expenses you incur exclusively for the purpose of recalling "your product":

- (1) For communications, including radio or television announcements or printed advertisements including stationery, envelopes and postage;
- (2) For shipping the recalled products from any purchaser, distributor or user to the place or places designated by you;
- (3) For remuneration paid to your regular "employees" for necessary overtime;
- (4) For hiring additional persons, other than your regular "employees";
- (5) Incurred by "employees", including transportation and accommodations;
- (6) To rent additional warehouse or storage space; or
- (7) For disposal of "your products", but only to the extent that specific methods of destruction other than those employed for trash discarding or disposal are required to avoid "bodily injury" or "property damage" as a result of such disposal, but

"product recall expenses" does not include costs of regaining your market share, goodwill, revenue or profit.

(b) "Product Recall Expense" does not include any expenses resulting from:

- (1) Failure of any product to accomplish its intended purpose;
- (2) Breach of warranties of fitness, quality, durability or performance;
- (3) Loss of customer approval, or any cost incurred to regain customer approval;
- (4) Redistribution or replacement of "your product" which has been recalled by like products or substitutes;
- (5) Caprice or whim of the insured;
- (6) A condition likely to cause loss of which any insured knew or had reason to know at the inception of this insurance; and
- (7) Recall of "your products" that have no known or suspected defect solely because a known or suspected defect in another of "your products" has been found

09/28/2011 03:20 PM

**16. SUPPLEMENTARY PAYMENTS – INCREASED LIMITS**

In the SUPPLEMENTARY PAYMENTS – Coverages A and B provision:

- a. The limit for the cost of bail bonds is amended to \$2,500; and
- b. The limit for reasonable expenses incurred by the "insured" is amended to \$500 a day.

09/28/2011 03:20 PM

VCG 747 TX 06 07

Includes copyrighted material of Insurance Services Office, Inc.  
Copyright 2007, OneBeacon Insurance Group

Page 7 of 7





### ADDITIONAL REMARKS SCHEDULE

PRODUCER MCGRIFF, SEIBELS & WILLIAMS OF TEXAS, INC.		INSURED Securus Technologies, Inc.	
POLICY NUMBER			
CARRIER	NAIC CODE	ISSUE DATE: 07/25/2012	

#### ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,

FORM NUMBER: \_\_\_\_\_ FORM TITLE: \_\_\_\_\_

Employed Lawyer Professional Liability  
Carrier: Lloyd's of London  
Policy Term: 09/09/2011 - 09/09/2012  
Policy Number: W15LPD110401

Sub-limits: 5,000,000 Maximum Aggregate (for all damages & claims expenses)

Misc. Technology, Media and Professional Liability (E&O Coverage)  
Carrier: Lloyd's of London  
Policy Term: 09/09/2011 - 09/09/2012  
Policy Number: W15LPD110401

Limits: 5,000,000 Each Claim/Aggregate  
Deductible: 100,000 Each Claim Deductible

Commercial Crime Coverage  
Named Insured: Connect Acquisition Corp.  
Carrier: National Union Fire Insurance Company of Pittsburgh, PA  
Policy Term: 09/09/2011 - 09/09/2012  
Policy Number: 01-122-80-42

Limits: \$1,000,000 (coverage includes Clients Property)  
Deductible: \$50,000

## Request for Taxpayer Identification Number and Certification

Give Form to the  
 requester. Do not  
 send to the IRS.

Print or type  
 See Specific Instructions on page 2.

Name (as shown on your income tax return)  
**SECURUS TECHNOLOGIES, INC.**

Business name/disregarded entity name, if different from above

Check appropriate box for federal tax classification:  
 Individual/sole proprietor     C Corporation     S Corporation     Partnership     Trust/estate

Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ▶ \_\_\_\_\_

Other (see instructions) ▶ \_\_\_\_\_

Address (number, street, and apt. or suite no.)  
**14651 DALLAS PARKWAY STE. 600**

City, state, and ZIP code  
**DALLAS, TX 75254**

Requester's name and address (optional)

List account number(s) here (optional)

**Part I Taxpayer Identification Number (TIN)**

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

**Note.** If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number									

Employer identification number									
7	5	-	2	7	2	2	1	4	4

**Part II Certification**

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
- I am a U.S. citizen or other U.S. person (defined below).

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 4.

**Sign Here**      Signature of U.S. person ▶ Mary Creech      Date ▶ 3/14/12

**General Instructions**

Section references are to the Internal Revenue Code unless otherwise noted.

**Purpose of Form**

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

**Note.** If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

**Definition of a U.S. person.** For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

**Special rules for partnerships.** Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

# Withholding Exemption Certificate

**2011**

(This form can only be used to certify exemption from nonresident withholding under California Revenue and Taxation Code (R&TC) Section 18662. Do not use this form for exemption from wage withholding.)

**590**

File this form with your withholding agent. (Please type or print)

Withholding agent's name

County of San Diego

Payee's name

Securus Technologies, Inc.

Payee's  SSN or ITIN  
 SOS file no.  CA corp. no.  FEIN

7 5 - 2 7 2 2 1 4 4

Address (number and street, PO Box, or PMB no.)

14651 Dallas Parkway

Apt. no./ Ste. no.

6 0 0

City

Dallas

State

T X

ZIP Code

7 5 2 5 4

Read the following carefully and check the box that applies to the payee.

I certify that for the reasons checked below, the payee named on this form is exempt from the California income tax withholding requirement on payment(s) made to the entity or individual.

**Individuals — Certification of Residency:**

I am a resident of California and I reside at the address shown above. If I become a nonresident at any time, I will promptly notify the withholding agent. See instructions for General Information D, Who is a Resident, for the definition of a resident.

**Corporations:**

The above-named corporation has a permanent place of business in California at the address shown above or is qualified through the California Secretary of State (SOS) to do business in California. The corporation will file a California tax return and withhold on payments of California source income to nonresidents when required. If this corporation ceases to have a permanent place of business in California or ceases to do any of the above, I will promptly notify the withholding agent. See instructions for General Information F, What is a Permanent Place of Business, for the definition of permanent place of business.

**Partnerships or limited liability companies (LLC):**

The above-named partnership or LLC has a permanent place of business in California at the address shown above or is registered with the California SOS, and is subject to the laws of California. The partnership or LLC will file a California tax return and will withhold on foreign and domestic nonresident partners or members when required. If the partnership or LLC ceases to do any of the above, I will promptly inform the withholding agent. For withholding purposes, a limited liability partnership (LLP) is treated like any other partnership.

**Tax-Exempt Entities:**

The above-named entity is exempt from tax under California Revenue and Taxation Code (R&TC) Section 23701 \_\_\_\_\_ (insert letter) or Internal Revenue Code Section 501(c) \_\_\_\_\_ (insert number). The tax-exempt entity will withhold on payments of California source income to nonresidents when required. If this entity ceases to be exempt from tax, I will promptly notify the withholding agent. Individuals cannot be tax-exempt entities.

**Insurance Companies, Individual Retirement Arrangements (IRAs), or Qualified Pension/Profit Sharing Plans:**

The above-named entity is an insurance company, IRA, or a federally qualified pension or profit-sharing plan.

**California Trusts:**

At least one trustee and one noncontingent beneficiary of the above-named trust is a California resident. The trust will file a California fiduciary tax return and will withhold on foreign and domestic nonresident beneficiaries when required. If the trustee becomes a nonresident at any time, I will promptly notify the withholding agent.

**Estates — Certification of Residency of Deceased Person:**

I am the executor of the above-named person's estate. The decedent was a California resident at the time of death. The estate will file a California fiduciary tax return and will withhold on foreign and domestic nonresident beneficiaries when required.

**Nonmilitary Spouse of a Military Servicemember:**

I am a nonmilitary spouse of a military servicemember and I meet the Military Spouse Residency Relief Act (MSRRA) requirements. See instructions for General Information E, MSRRA.

**CERTIFICATE:** Please complete and sign below.

Under penalties of perjury, I hereby certify that the information provided in this document is, to the best of my knowledge, true and correct. If conditions change, I will promptly notify the withholding agent.

Payee's name and title (type or print) Mary Clear, VP Corporate Controller Daytime telephone no. 972-277-0330

Payee's signature ►  Date 07/24/2012