FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 64
[WC Docket No. 12–375, DA 22–52; FRS 69893]

Third Mandatory Data Collection for Calling Services for Incarcerated People

AGENCY: Federal Communications Commission.

ACTION: Final rule.

SUMMARY: The Wireline Competition Bureau and the Office of Economics and Analytics (WCB/OEA) adopt an Order defining the contours and specific requirements of the forthcoming Third Mandatory Data Collection for calling services for incarcerated people.

DATES: The effective date of the Order is delayed indefinitely. The Federal Communications Commission will publish a document in the Federal Register announcing the effective date once the Office of Management and Budget (OMB) has provided the approval required by the Paperwork Reduction Act (PRA).

ADDRESSES: You may submit comments, identified by WC Docket No. 12–375, by any of the following methods:
- Electronic Filers: Comments may be filed electronically using the internet by accessing the ECFS: http://apps.fcc.gov/ecfs/.
- Paper Filers: Parties who choose to file by paper must file an original and one copy of each filing.
- Filings can be sent by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail. All filings must be addressed to the Commission’s Secretary, Office of the Secretary, Federal Communications Commission.
- Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9050 Junction Drive, Annapolis Junction, MD 20701.
- U.S. Postal Service first-class, Express, and Priority mail must be addressed to 45 L Street NE, Washington, DC 20554.

EFFECTIVE DATE: March 19, 2020, and until further notice, the Commission no longer accepts any hand or messenger delivered filings. This is a temporary measure taken to help protect the health and safety of individuals, and to mitigate the transmission of COVID–19. See FCC Announces Closure of FCC Headquarters Open Window and Changes in Hand-Delivery Policy, Public Notice, DA 20–304 (March 19, 2020), https://www.fcc.gov/document/fcc-closes-headquarters-open-window-and-changes-hand-delivery-policy.

People with Disabilities: To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an email to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at 202–418–0530 (voice), 202–418–0432 (TTY).

FOR FURTHER INFORMATION CONTACT: Erik Raven-Hansen, Pricing Policy Division of the Wireline Competition Bureau, at (202) 418–1532 or via email at Erik.Raven-Hansen@fcc.gov.

SUPPLEMENTARY INFORMATION: This is a summary of the FCC’s Order, DA 22–52, released January 18, 2022. The full text of this Order is available at https://docs.fcc.gov/public/attachments/DA-22-52A1.pdf.

I. Introduction

1. By this Order, the WCB/OEA adopt instructions, a reporting template, and a certification form to implement a Third Mandatory Data Collection related to calling services for incarcerated people. The reporting template consists of a Word document and Excel spreadsheets. For simplicity, the Commission refers to these respective portions of the reporting template as the Word template and the Excel template. The Commission’s actions today largely adopt the proposals contained in the Third MDC Proposal document, with certain refinements and reevaluations responsive to record comments.

II. Background

2. In the 2021 ICS Order, the Commission directed WCB/OEA to develop a new data collection “related to providers’ operations, costs, demand, and revenues.” The Commission has conducted two prior mandatory data collections (MDCs) relating to inmate calling services (calling services or ICS) in the past—the 2014 First Mandatory Data Collection and the 2019 Second Mandatory Data Collection. The Commission explained that it would use the collected information to set permanent interstate and international inmate calling services provider-related rate caps that more closely reflect providers’ costs of serving correctional facilities. The Commission also emphasized that the information would enable it to evaluate and, if warranted, revise the current caps for ancillary service charges.

3. The Commission delegated authority to WCB/OEA to implement this Third Mandatory Data Collection and directed WCB/OEA to develop a template and instructions for the collection. The Commission also directed WCB/OEA to consider suggestions in the record regarding, among other matters, data granularity, cost allocation, and specificity in definitions and instructions in designing the data collection, and “to require each provider to fully explain and justify each step of its costing process” including, where appropriate, “to specify the methodology the provider shall use in any or all of those steps.”

4. Pursuant to this delegation, WCB/OEA developed proposals for the Third Mandatory Data Collection and issued a Public Notice seeking comments on all aspects of the proposed collection. Concurrently, pursuant to the Paperwork Reduction Act of 1995 (PRA), the Commission published a document in the Federal Register seeking comment on potential burdens of the proposed one-time reporting requirements.

5. The Commission received comments from numerous ICS providers, public interest advocates, and other interested parties in response to the Public Notice, and one comment on the PRA document. The Commission received comments or reply comments in response to this Public Notice from Benj Ázose; Global Tel*Link Corporation (GTL); NCIC Inmate Communications (NCIC); PayTel Communications, Inc. (PayTel); Prison Policy Initiative, Inc. (PPI); Securus Technologies, LLC (Securus); Worth Rises; and the Wright Petitioners, the Benton Institute for Broadband & Society, and Public Knowledge (collectively, Public Interest Parties). GTL filed the comment in response to the PRA Notice. Recently, GTL issued a press release announcing it had changed its name to ViaPath Technologies. For purposes of this Order, to avoid confusion with reference to the record, the Commission will continue to refer to this entity as GTL. The Commission has thoroughly considered all of these filings in implementing this final data collection. The Commission has also made a small number of minor conforming edits to the instructions and reporting template to, for example, ensure consistency in the use of defined terms.

III. Discussion

A. Implementing the Third Mandatory Data Collection

6. Pursuant to delegated authority, the Commission adopts the instructions, template, and certification form to implement the Third Mandatory Data Collection. Commenters generally
support the broad contours and specific requirements of the data collection as proposed in Third MDC Proposal document. In particular, the Commission received neither any comments criticizing the proposal to adopt separate Word- and Excel-formatted template forms, nor any proposals for an alternative organization or reporting structure. The Commission therefore implements the proposed structure.

7. Commenters did, however, offer suggestions to improve the quality, accuracy, and utility of the data collected. In response to these suggestions, the Commission has reevaluated some of the proposals and refined certain aspects of the instructions and templates, as set forth in greater detail below. These refinements include expanding the reporting period for cost data from one year to three years, revising certain proposed definitions, revamping the reporting of costs related to site commissions and security services, and reorganizing the reporting of operating expenses. The Commission concludes that these and the other modifications the Commission makes appropriately balance the need for “detailed and specific instructions and templates” and the desire to avoid unduly burdening providers. This conclusion is consistent with the Commission’s finding in the 2021 ICS Order that the benefits of conducting this data collection “far outweigh any burden on providers” given the “adverse impact that unreasonable rates and ancillary services charges have on incarcerated people and those family and loved ones they call.” Commenters reinforce this Commission finding. In particular, commenters highlight the importance of the Third Mandatory Data Collection considering that the “flaws in prior data collections impeded meaningful rate-setting analysis and, ultimately, led to the Third MDC.”

8. In finalizing the requirements for the data collection, the Commission does not resolve issues that are pending in the ICS rulemaking, such as the extent to which security costs are or are not related to ICS, or whether the Commission should change its rules, as some parties have suggested. As the Commission explained in the 2021 ICS Order, the purpose of this data collection is to provide the Commission with sufficient information to resolve various issues it is considering as part of that rulemaking, including the adoption of permanent interstate and international rate caps. Therefore, the Commission agrees with Worth Rises and others that this Order “is not the proper administrative vehicle” to revise the scope of the data collection or change Commission rules. In this regard, the Commission disagrees with GTL’s suggestion that the Commission already has or will get certain information regarding, for example, “site commission payments, correctional facilities served, and annual ICS and ancillary service charge revenues” from the ICS Annual Reports. As the Commission explained in the 2021 ICS Order, “while the Annual Reports contain useful and relevant marketplace information on providers’ rates and charges, the Commissions disagrees with the contention that the Annual Reports provide sufficient data to establish just and reasonable interstate inmate calling services rates.” The Commission does not revisit this view here. The Annual Reports do not require the type of detailed and disaggregated cost reporting that the Commission requires in this data collection, which the Commission has determined is an “essential prerequisite to adopting permanent interstate rate caps for both provider-related and facility-related costs.”

9. In the sections that follow, the Commission first addresses proposals to change specific data requests and then turns to proposals for more general revisions to the instructions.

B. Specific Data Requests

1. Categories of Information Requested

10. The Commission adopts a requirement for ICS providers to report customer prepayments separately and modify the definition and thus the calculation of “Net Capital Stock” to reflect the subtraction of customer deposits. PPI proposes this additional reporting requirement because “customer prepayments are a material balance-sheet item for ICS carriers.” The Commission finds that customer prepayments are a source of non-investor supplied capital that should be subtracted from the providers’ net capital stock because providers are able to use these monies to finance their operations. This subtraction treats customer deposits as zero interest, non-investor supplied capital, since the return on net capital stock reflected in the providers’ annual total expenses will be reduced in proportion to the reduction in net capital stock. The Commission also requires providers to report the interest, if any, paid on customer prepayments separately from other interest expenses; and the Commission allows providers to add the interest paid on the customer deposits directly to their capital expense and annual total expenses. The Commission modifies the definition of “Capital Expenses” to make this clear.

2. Factors Affecting the Costs of Providing Interstate and International Inmate Calling Services

11. In the Third MDC Proposal document, the Commission sought feedback about the types of data it should collect to help it understand the factors that affect the costs of providing interstate and international inmate calling services at the facility level. The Commission proposed to collect data on billed minutes, unbilled minutes, average daily population (ADP), the number of telephones and kiosks installed, the opening and closing of accounts, admissions, releases, and weekly turnover rate. Based on record support, the Commission finds it appropriate to collect information on each of these metrics, including figures for new account generation and account termination. Securus argues that it would be sufficient to collect only ADP data and on the opening and closing of accounts while GTL asserts that the number of kiosks or telephones and account generation and termination are inaccurate indicators of demand. GTL asks us to rely solely on billed and unbilled minutes to determine demand. The Commission declines to implement these proposals. As an initial matter, the ADP reported for a facility may not always accurately indicate the demand for ICS at the facility or otherwise fully capture the factors affecting providers’ costs. Thus, other metrics are critical in assessing cost causality. Obtaining data on activities like account set-up and termination will help the Commission understand if and how such activities impact providers’ costs. In view of the above, the Commission finds GTL’s suggestion that it can rely solely on billed and unbilled minutes too narrow. Instead, the Commission finds that collecting additional information on facility population metrics and account generation and termination will help the Commission better understand the providers’ cost structures, including at relatively small facilities.

12. The Commission further adopts the proposal to require providers to submit weekly turnover rate data, where it is available. These data will supplement, and help the Commission correct potential flaws in, other population metrics (i.e., facility-level ADP data and the figures for account generation and account termination). Some commenters disagree with this approach, arguing there is a significant burden on providers because the facilities keep the pertinent data and
often lag in reporting the measures, leaving ICS providers without a reliable way to track arrests and releases. Given the record evidence indicating that turnover rates may play a significant role in cost causality at smaller facilities, these data are important. Providers can work with the respective facilities they serve to compile this data where providers otherwise have no other way to ascertain it. The Commission therefore declines the suggestion that the Commission refrain from collecting turnover data, where available, simply because such data may not be available for all facilities. The Commission concludes that the various population measures the Commission adopts collectively supplement one another and will help the Commission understand provider cost drivers, particularly at smaller jails.

3. Site Commission Data

13. The Commission takes a series of steps to reform the proposals concerning site commission data in response to the record in an effort to obtain more detailed and disaggregated information. First, consistent with the Commission’s actions in the 2021 ICS Order, the Commission adopts the proposal to require ICS providers to categorize their site commission payments as either legally mandated or contractually prescribed for each of calendar years 2019 through 2021. GTL claims that requiring this categorization for three calendar years would impose a significant burden on providers because they had no obligation to separate site commission payments before the rules adopted in the 2021 ICS Order became effective on October 26, 2021. The Commission finds that GTL’s characterization of the burden is overstated. Once a provider establishes whether site commission payments were legally mandated or contractually prescribed as of October 26, 2021, the additional burden of determining their categorization during earlier portions of the reporting period should be relatively minor, particularly where the provider operated under the same facility contract for the prior two years.

14. Second, after considering record comments, generally, regarding the proposed site commission data and various ways of supplementing reportable site commission data, the Commission modifies, on its own motion, the instructions and reporting requirements for site commissions to require providers to disaggregate their reported site commission payment information into monetary and in-kind payments and, further, between fixed and variable payments. The Commission likewise requires providers to disclose each entity to which they pay site commissions at each facility in any fashion, and the amount of the same. The Commission finds that this additional disaggregated information will improve the Commission’s understanding of the market and the role that site commissions play in the provision of inmate calling services.

15. Third, the Commission adopts Securus’s proposal that it require providers to identify and report up-front site commission payments at the beginning of a contract as a subset of fixed site commissions. The Commission agrees that this information will “provide a more accurate picture of overall site commissions,” and the Commission finds that the associated burden on providers will be minimal.

16. The Commission also adopts a new requirement instructing providers to explain how they allocate site commission payments between ICS and non-ICS operations. The Commission agrees with PPI that this will resolve uncertainty in situations where carriers make site commission payments for both ICS and non-ICS services. Gathering this information is also consistent with the directive that the Commission ensure providers allocate common expenses between their ICS operations and other operations. Although Securus urges us to reject this proposal, claiming that it will “further inject[ ] the Commission into unregulated services over which it has no jurisdiction,” this information will help the Commission determine what portion, if any, of site commission payments are properly attributable to ICS.

17. The Commission rewards the instructions on the allocation of site commissions at the facility level to correct for a loophole that could otherwise result in some of a provider’s total site commission payments not being allocated to any facility. Specifically, the Commission instructs providers to fully allocate any reported site commissions among the facilities associated with each site commission payment during the reporting period. One commenter suggests that the Commission should require providers to identify the contract that governs ICS at each facility and require disclosure of the amounts and types of site commissions paid under that contract so that the Commission may understand instances where site commission payments were received by non-facility entities such as a governmental agency. The Commission believes that the requirement for providers to report each entity to which they pay site commissions at each facility in any fashion, and the amount of the same as a less burdensome alternative that will help clarify site commission allocations at the facility level.

18. The Commission declines to adopt additional reporting requirements regarding how site commission payments are spent or how the expenditures are related to ICS. To be useful, such information would need to be broken down into categories similar to those that the Commission requires for provider costs. In addition, providers would most likely have to obtain this detailed categorized information from facility administrators, who, in turn, would have to expend significant efforts in compiling the requested information. In many cases, these administrators may be reluctant to provide accurate information about their use, especially where it bears no relationship to inmate calling. Given these circumstances, the Commission declines to require providers to collect and report this information.

4. Information on Security Services

19. In the Third MDC Proposal document, the Commission proposed to require providers to report their security costs in connection with their ICS and non-ICS-related operations as part of their reporting on site commission payments and sought comment on a number of associated issues. After considering the comments, the Commission expands the data collection to include additional inquiries regarding providers’ security and surveillance services outside the site commission section, including inquiries requiring narrative explanations describing such services. ICS providers should be mindful that any reporting in the separate subcategories outside the Site Commission section must be exclusive of the data reported in connection with site commissions to prevent double-counting of security and surveillance costs. This approach is consistent with Worth Rises’ and the Public Interest Parties’ arguments that the collection should capture all security costs, not just those incurred in the context of site commission payments, since many security and surveillance costs would be excluded under the proposed instructions. The Commission agrees and revises the instructions accordingly.

20. The Commission declines, however, to adopt a proposal that it collect more detailed information on security and surveillance costs spanning over 30 suggested categories. The Commission agrees with certain ICS providers that the requested level of granularity would be
overly burdensome. The Commission similarly declines to collect security and surveillance costs data “at a granular level without ICS provider labeling” or a breakdown of security costs included and excluded from in-kind site commission payments as requested by another commenter. The Commission invites providers to include in their written responses in the Word template any information they have that would be responsive to Worth Rises’ requests. While the collection of robust security and surveillance cost data is a critical component of this data collection, the Commission finds that further granularity in reported security costs is unnecessary in light of the revisions it incorporates into the security and surveillance data collection as well as the adoption of instructions that require ICS providers to submit narrative explanations of such costs and cost allocations. The Commission directs providers to include in their narrative responses any information they have that would provide more granular information about their security and surveillance costs.

21. Finally, the Commission declines to address the issue of what categories, if any, of security and surveillance costs may be recoverable through interstate and international ICS rates. That issue is expressly teased out in the Commission’s 2021 ICS Notice and is a matter for the Commission to decide as part of its rulemaking proceeding. The record confirms it is not the proper subject of this data collection Bureau-level Order.

5. Ancillary Service Charges Data

22. Although the Commission declines to modify the definition of “Revenue-Sharing Agreement” as discussed below, the Commission revises the instructions to require providers to identify the payer and payee in each Revenue-Sharing Agreement, as requested by PPI. The Commission agrees that this additional information indicating the flow of funds between such entities will shed useful light on revenue-sharing practices and help the Commission better understand how the marketplace for these agreements functions.

6. Other Proposals

23. Video Calling Services. One commenter requests that the Commission expands the data collection to require the reporting of detailed cost and other data on video services at this time. In GTL v. FCC, the U.S. Court of Appeals for the District of Columbia Circuit (D.C. Circuit) vacated the Commission’s reporting requirements related to video calling, finding that the Commission had not sufficiently explained how its statutory authority extends to such services. The Commission has not reached this question on remand. The Commission made no reference to video services in the guidelines it directed WCB/OEA to use in developing the data collection.

24. Additional Data Concerning Contracts. The Commission also declines to adopt requests that it collect all contracts between ICS providers and correctional facilities. Although collection of all, or a sample of, such contracts might assist the interpretation of facility-level data, the Commission finds that at this time that the burden on providers of such a collection would outweigh any possible benefits, and would substantially increase the administrative burdens associated with processing the related data. Given that the Commission has authority to ask providers to produce specific contracts at any time if the need arises, the Commission declines to impose such an obligation at this time. The Commission made no reference to video services in the guidelines it directed WCB/OEA to use in developing the data collection.

25. Information Concerning Patent Assets/Royalty Expenditures. The Commission is not persuaded to expand the collection to obtain information concerning the potential use of patents as a tool for dominant carriers to prevent competition, as one commenter asks. The commenter does not articulate why or how the information it requests, such as the identity of the payer/licensor or a copy of any contract, would aid the Commission’s review of inmate calling services costs and pricing. The Commission also finds that the production of this information would lie outside the scope of this collection while unduly burdening providers. Accordingly, the Commission declines to require providers to submit information regarding patents.

26. Miscellaneous. The Commission revises all references to “credit card” in the instructions and templates to instead refer to “payment card,” a change that will avoid confusion and help us obtain data associated with both debit and credit cards. The Commission clarifies that this adopted revision only relates to this data collection and does not extend to definitions contained in the Commission’s rules. The Commission, declines, however, to create three new call categories: (1) Traditional billed calls (paid for by end users), (2) facility-paid calls, and (3) unbilled calls (for which carriers receive no compensation). The Commission finds the creation of these new reporting categories unnecessary and that the burdens associated with requiring providers to classify each call into one of these three new categories outweigh the potential benefits.

27. The Commission revises the relevant portions of the instructions to require providers to submit individual-facility data where multiple facilities are covered by a single contract. As the record reflects, providers with multi-facility contracts often merge or repeat the same data for several facilities covered by a single contract. Where the responsive data are available, ICS providers must submit individual data for each facility even if that facility is covered by the same contract as other facilities. The Commission declines, however, a request to require providers to submit separate, unredacted site commission data. Although certain site commission data may be publicly available, the Commission cannot properly prejudice potential provider requests for confidential treatment of other site commission data. Instead, any such requests will be evaluated in accordance with the Protective Order in this proceeding. Filings containing legitimate confidential information can be appropriately redacted and filed pursuant to the guidance and limitations set forth in the Protective Order and the standard set forth in section 0.459 of the Commission’s rules.

28. The Commission also implements the proposal to allow ICS providers to elect whether to use the default weighted average cost of capital (WACC) of 9.75% or an alternative WACC. If an ICS provider chooses to use a higher alternative WACC, the provider must submit a narrative response fully documenting and justifying the alternative. The Commission reminds providers that if they elect to claim a WACC greater than 9.75% and do not fully document, explain, and justify their calculations, then WCB/OEA may apply the default WACC of 9.75% instead. The Commission agrees with the Public Interest Parties’ argument that an adequate response requires providers to submit calculations and work papers as both are necessary to establish that the provider’s alternative WACC estimate reflects the provider’s own and a demonstrably comparable-group of firms’ financial data and economic circumstances, the use of widely accepted methods to estimate debt and equity costs and capital.

C. General Revisions Related to the Adopted Instructions

1. Definitions

29. Accounting Entity, Affiliate, Business Segment, and Company. The Commission adopts the definitions of “Accounting Entity,” “Affiliate,” “Business Segment,” and “Company” set forth in the proposed instructions. Although the Commission appreciates concerns that these definitions could be read to allow selective reporting that would adversely affect the results of the data collection, as the Commission explains, the Commission finds it unnecessary to revise the definition of “Company” to mean “the legal entity that contains the Accounting Entity.” Investments and expenses to be assigned, attributed, or allocated to or among Inmate Calling Services, Automated Payment Service, Live Agent Service, Paper Bill/Statement Service, Other Ancillary Services, and non-ICS Services are presumptively limited to those investments and expenses reflected in the existing financial reports that are routinely and specifically prepared for the accounting entity for management, shareholder, or creditor review. The provider may rebut this presumption with data and analysis but faces a high bar given the obvious incentives to shift investments and expenses to rate-regulated services. Although the Commission appreciates concerns that these definitions could be read to allow selective reporting that would adversely affect the results of the data collection, the Commission finds it unnecessary to revise the definition of “Company” to mean “the legal entity that contains the Accounting Entity.” As noted above, this data collection is not the appropriate vehicle to modify the Commission’s existing rules.

Accordingly, commenter suggestions that urge the Commission to change the definitions of terms contained in the Commission’s rules are also outside the scope of this data collection.

30. Accordingly, the Commission adheres to the proposal to define “Company” as synonymous with “Accounting Entity,” which means “the smallest group of separate Business Segments that collectively account for 100% of the Provider’s ICS-Related Operations and ICS-related investments, expenses, and revenues.” Together with “Business Segment,” these terms ground the cost-reporting process in existing financial reports, while allowing us to avoid the cost allocation issues and reporting issues that adversely impacted the Commission’s earlier mandatory data collections. In contrast, the definition of “Company” suggested by one commenter would broaden the scope of the cost-reporting process significantly without improving cost-reporting results. If a calling services provider organizes its operations in a manner aimed at inflating its reported costs of providing calling services to incarcerated people, that fact should be apparent in the provider’s response to the data collection.

31. Security Services. The Commission revises the proposed definition of “Security Services” to prevent an overinclusive reading of the term. The revised definition is as follows: “Security Services means any security and surveillance system, product, or service that a Provider supplies to a Facility, including any such system, product, or service that allows Incarcerated Persons to make telephone calls as permitted by the Facility; helps the Facility ensure that Incarcerated Persons do not call persons they are not allowed to call; helps monitor and record on-going calls; or inspects and analyzes recorded calls. Security Services also include other related systems, products, and services, such as a voice biometrics system, a PIN system, or a system concerning the administration of subpoenas concerning telephone calls. The classification of a system, product, or service as a Security Service does not mean that it is part of a Provider’s ICS-Related Operations.” Under the proposed definition, “Security Services” would include “any security and surveillance system, product, or service that a Provider supplies to a Facility” as well as “any service that allows Incarcerated Persons to make telephone calls as permitted by the Facility.” As commenters explain, this proposed definition could “encompass a wide variety of non-security related services” or “would classify all ICS costs as ‘security services.’” The Commission agrees that, without amendment, the definition could skew provider responses. The revised definition removes this ambiguity, and also addresses concerns that the proposed definition is unclear and potentially overbroad. For further clarity, the Commission also removes the last sentence from the proposed definition as unnecessary and inconsistent with comments in the record. The related requests for information the Commission adopts ask providers to identify and describe supplied Security Services in the context of In-Kind Site Commissions or ICS-related Operations. “ICS-Related Operations means the actions or tasks performed by the Provider or authorized personnel to deliver Inmate Calling Services and related Ancillary Services to Incarcerated Persons and those they call, including but not limited to billing, customer service, and other requirements as determined by contract or by law. It excludes all Site Commissions or ICS-related Operations.”

32. Revenue-Sharing Agreement. The Commission declines to adopt the suggestion that it narrow the definition of “Revenue-Sharing Agreement” so that it applies only to “a contract for services to be rendered by an Affiliate or Third Party, which also provides for payments to the Provider.” The Commission concludes that the proposed definition is tailored to identify the general relationship between the parties, rather than bringing clarity to specific scenarios discussed in the record. Because the definition encompasses agreements regarding the provision of ICS or any ancillary service that “directly or indirectly” result in payments to providers, it encompasses both the practices of concern identified in the record and any additional, as yet undisclosed, revenue sharing practices in which providers have engaged.

33. Site Commission-Related Definitions. The Commission also does not modify the definition of “Monetary Site Commission” to include site commissions that “take the form of a payment in money or an equivalent accounting entry.” Doing so would obscure the data regarding site commissions, rather than bring clarity to it. As proposed, the instructions intentionally delineate between monetary site commissions and in-kind site commissions by focusing on the actual exchange of money. This proposal would effectively reclassify an in-kind site commission, like the provision of certain equipment, as a monetary site commission, collapsing the distinction the Commission intends to capture between in-kind site commissions and monetary site commissions. The Commission does agree, however, with PPI’s suggestion that it clarify that the definition of “Contractually Prescribed Site Commissions” prescribes only site mandated site commission payments even when such legally mandated
payments are reflected in a contract. This clarification appropriately recognizes that a contract for the provision of inmate calling services may recite or incorporate state mandates for the payment of site commissions that are not the type of discretionary negotiated payments contemplated by the term “Contractually Prescribed Site Commissions.”

34. Capital Expenses. The Commission finds it unnecessary to make the definition of “Capital Expenses” more comprehensive by specifically “capitalizing expenditures on intangible assets such as technology licenses or expenses on software.” The current definition already includes annual amounts related to the amortization of capitalized expenditures on such intangible assets. This clarification appropriately recognizes that a contract for the provision of inmate calling services may recite or incorporate state mandates for the payment of site commissions that are not the type of discretionary negotiated payments contemplated by the term “Contractually Prescribed Site Commissions.”

35. Average Daily Population. On its own motion, the Commission revises the definition of “Average Daily Population” to make clear that data reported for that measure must reflect actual populations, rather than any estimate. A provider unable to provide exact ADP must provide its best estimate and, in the Word template, indicate that fact and provide the basis for its estimate.

2. Adopting a Three-Year Reporting Period

36. The Commission expands the proposed reporting period from one year to three years for the entire Mandatory Data Collection, including the cost data, as supported by the record. This action revises the proposal to generally collect data for each calendar year from 2019 through 2021, but to limit the collection of cost data to only calendar year 2021. Commenters, including both service providers and public interest groups, convince us that collecting cost data for three years will help prevent atypical, one-time expenses from being considered normal company costs, which they argue is a potential downside to collecting only a single year’s cost data. This potentiality becomes particularly acute if providers incurred large one-time costs related to COVID–19, as the record suggests may have happened. Additionally, the Commission finds that the difference in burden between providing one year versus three years of cost data is marginal and far outweighed by the benefits of collecting cost data for three years. The adoption of a three-year reporting period also accounts for providers that argue that data for the year 2021 is the most relevant and the best indicator of costs. The three-year reporting period the Commission adopts includes the year 2021 such that if that year proves most relevant, the collected information will speak for itself. Further, the Commission finds that adopting a consistent three-year period for all the data requests will reduce confusion among reporting providers, as well as include the pre-year time period prior to any anomalous effects caused by the COVID–19 pandemic. In inviting comment on the proposed instructions and templates, the Commission asked commenters how it should “require providers that track costs only on a contract level to respond.” GTL offers no specific proposal for how the Commission could structure contract-level reporting to avoid the issues the Commission encountered in the Second Mandatory Data Collection. GTL argues that this average “grossly underestimate[s]” providers’ response times for that data collection as outlined in that Notice. Instead of providing an alternative estimate, GTL simply points out that it provides calling services to over 1,900 facilities and that, even if it took only an hour per facility to respond to the data collection, GTL alone would spend over 1,900 hours preparing its response. The Commission rejects GTL’s argument. As the Commission has recognized, GTL is the largest calling services provider, “with an estimated market share approaching 50%.” Given that market share, the Commission would expect that GTL’s total response time would far exceed any industry average, regardless of the number of estimated hours. Nevertheless, the Commission will update its average burden estimate to account for the additional effort required to produce the additional two years of cost data that are now required and the other changes made in this Order. The Commission’s revised estimate will be included in the subsequent PRA document related to this data collection, will reflect the likely burden of the data collection.

3. Rejecting Revisions to Financial Data Requests

37. The Commission adopts the proposed requests for financial data set forth in the Public Notice and accompanying draft instructions and template—including conformance with generally accepted accounting principles—with a few minor exceptions suggested by the record as reflected herein. GTL argues that the financial data requests are “impossible to satisfy,” are formatted specifically for dominant carriers, and are beyond the Commission’s authority. The Commission disagrees. GTL fails to provide any specific explanation for why it would not be able to comply with the proposed request. GTL’s claims are also contradicted by the comments of other providers, indicating that ICS providers “already have access” to the requested data, and that the requests are “consistent with existing ICS provider recordkeeping practices.” The Commission agrees with PPI that any purported similarity to accounting rules for dominant carriers is “irrelevant,” especially when corporations are “frequently called upon to reformat [accounting] information for different reporting purposes.” Finally, collecting this financial information is well within the Commission’s statutory authority and the authority the Commission delegated to WCB/OEA for this collection.

38. The Commission declines one commenter’s request that the Commission eliminate the proposed reporting concerning non-ICS services, as well as its suggestion that mandating such reporting is beyond the Commission’s authority. Collecting the requested information regarding non-ICS services is essential if the Commission is to ensure that, consistent with section 201(b) of the Communications Act, the costs relied upon to set rates for regulated services—in this case, ICS and associated ancillary services—do not include the costs of nonregulated activities. Additionally, this information will help the Commission verify the accuracy and reasonableness of providers’ cost allocations. Although the commenter complains of the burden involved in providing this information, the instructions enable providers to report non-ICS services’ costs collectively, substantially reducing the burdens that would otherwise be associated with providing more granular information about the costs of nonregulated services. In addition, many rows of the data requests will not apply to non-ICS services, in which case providers only have to report amounts for relatively general categories such as “Maintenance, repair, and engineering of site plant, equipment, and facilities,” which should further limit the burden involved. At the same time, the Commission declines to broaden the financial data requests to include federal income taxes paid, because the
collection already requests that providers report “[o]ther income tax-related adjustments.”

4. Adopting Cost Allocation Procedures as Proposed

39. The Commission adopts the cost allocation procedures as proposed in the Public Notice and decline to implement alternative proposals for the reasons that follow. As the Public Interest Parties recognize, “[t]he Third MDC provides a detailed methodology for providers to implement the allocation consistently.” The instructions require providers to fully document, explain, and justify all cost allocations they make. This already comprehensive requirement obviates the need to yield to record requests that the Commission provide examples and guidance regarding direct attribution, or that the Commission provide more detailed information on the methodology for such allocations. Other commenters seek revisions to the allocation of common costs relying on direct costs either by allowing to alternative methodologies of common cost allocation, or by suggesting that the Commission should consider whether, or when, additional common cost allocation metrics are appropriate. The Commission declines to modify the instructions requiring a direct cost allocation of common costs. While the Commission is aware that using direct costs to allocate common or indirect costs “can be a problem if the direct costs are a very small share of total costs,” the Commission notes that this cost allocation method is the last two steps in a hierarchy of methodologies. Thus, the Commission does not expect it to be used for a significant portion of any provider’s costs, assuming each provider does its due diligence with respect to identifying and measuring the actual factors that drive its costs. Authorizing alternative approaches to the allocation of common costs would sacrifice the desired uniformity in the allocation process. The Commission similarly declines a request that it reorder the third and fourth cost allocation steps. The Commission finds no sound reason why the inversion of these two steps would be beneficial or efficient.

40. Other comments suggest adding a contract-level allocation step to the hierarchy of allocation instructions. However, the instructions already explain that contract-level costs that are not directly assignable to facilities are to be treated as shared costs and provide steps for allocating such shared costs. The Commission has no reason to make any changes to these instructions. The Commission is also unpersuaded that an allocation methodology based upon ADP will result in improved cost attribution, as one of the key objectives of the data collection is to ascertain from the cost data how costs vary among facilities that have different ADPs.

5. Adopting Certain Revisions to Response Granularity

41. The Commission implements the proposal to require providers to submit data both at the company-wide level and at the correctional facility level. However, the Commission adjusts the reporting of operating expenses between the company-wide level and the facility level to ensure consistency in reporting of these expenses at all levels and to avoid imposing additional burdens on reporting providers. The Commission disagrees with commenters that argue that providers should be able to report cost information only at the contract level. The Commission finds that making such a change would substantially increase the likelihood of recreating the issues the Commission confronted in the context of the Second Mandatory Data Collection.

42. The Commission initially proposed an allocation of operating costs for facilities that differed from that sought at the company level. The record persuades us to revise the requirements on the allocation of operating costs among facilities to parallel the level of disaggregation required at the company level. As Securus explains, the proposed instructions would require 16 categories of operating expenses to be reported at the company level, but only four categories of operating expenses to be reported at the facility level. Securus explains that requiring similar levels of disaggregation for both company and facility data “would assist the Commission in identifying the different cost drivers between larger and smaller facilities” and “help the Commission and interested parties understand and validate the cost-causative methodologies used.” The Commission agrees that adopting a similar level of disaggregation for facility data as for company-wide data will yield more useful cost allocation results. In addition, requiring consolidation of accounts at the facility level appears to require an additional step for providers, thereby imposing an unnecessary burden. As the Commission seeks to maximize the benefits of the data collection while minimizing burdens to the extent possible, the Commission concludes that the same level of disaggregation should be required for both company-wide and facility-specific data. Considering that the Commission adopts facility-level disaggregation of operating expenses, the Commission clarifies that providers may use the same number of allocators they would have used to allocate expenses from the company-wide disaggregated accounts to the facility-level consolidated accounts. Thus, providers may use the same allocators for more than one cost category, instead of a separate allocator for each cost category. The proposed instructions and Excel template required: (a) 16 categories of operating expenses to be reported at the company-wide level (site commissions are included); (b) 15 to be reported at the company-wide, service specific level (site commissions are excluded); and (c) four to be reported at the facility-specific, ICS level (reflecting an aggregation of the company-wide, service specific categories). The Commission modifies these instructions and the template to require 15 categories of operating expenses to be reported at the facility-specific, ICS level. (Site commissions are excluded.)

43. The Commission declines to adopt GTL’s proposal to permit providers to report information on a contract-only basis, rather than at the company and facility levels. GTL claims that reporting information at the company and facility levels would be “directly contrary to the Commission’s finding that ‘many providers assess their inmate calling services operations on a contract-by-contract basis.’” The Commission disagrees. The Commission made this observation in connection with its analysis of the responses to the Second Mandatory Data Collection and identified contract-level reporting as one of the principal limitations in the reported data. In requiring the Third Mandatory Data Collection, the Commission directed WCB/OEA to “incorporate lessons learned from the two prior data collections” and to “[e]nsure that the provider has directly assigned to specific contracts or facilities investments and expenses directly attributable to inmate calling services to the extent feasible.” The decision to require facility-level reporting instead of contract-level reporting is a direct response to the Commission’s directives to avoid a repeat of the problems that affected prior data collections. Accordingly, the Commission is unpersuaded that it should permit contract-level reporting, especially considering that other ICS providers support facility-level reporting.

6. Financial Reports

44. The Commission adopts the proposal to require all providers to
submit audited financial statements or reports, or similar documentation, for the reporting period, to the extent they have been produced in the ordinary course of business. Providers must either submit these reports for each year of the reporting period or certify that they have not produced such reports in the ordinary course of business.

7. Effective Date

45. The Commission’s actions in this Order shall be effective on the date specified in a document to be published in the Federal Register announcing approval by the Office of Management and Budget (OMB).

46. Pursuant to the Commission’s directive set forth in the 2021 ICS Order, responses to this Third Mandatory Data Collection will be due 120 days after WCB announces in a public document that OMB has approved the data collection.

IV. Procedural Matters

47. Supplemental Final Regulatory Flexibility Act Analysis. As required by the Regulatory Flexibility Act of 1980, as amended (RFA), the Commission has prepared a Supplemental Final Regulatory Flexibility Analysis (FRFA) relating to this Order.

48. Final Paperwork Reduction Act Analysis. The Order contains new or modified information collection requirements subject to the Paperwork Reduction Act of 1995 (PRA), Public Law 104–13. It will be submitted to OMB for review under section 3507(d) of the PRA. OMB, the general public, and other Federal agencies will be invited to comment on the new or modified information collection requirements contained in this proceeding. In addition, the Commission notes that pursuant to the Small Business Paperwork Relief Act of 2002, Public Law 107–198; see U.S.C. 3506(c)(4), the Commission previously sought specific comment on how the Commission might further reduce the information collection burden for small business concerns with fewer than 25 employees. The Commission has assessed the effects of the data collection on small business concerns, including those having fewer than 25 employees, and find that to the extent such entities are subject to the collection, any further reduction in the burden of the collection would be inconsistent with the objectives behind the collection.

49. Congressional Review Act. The Commission will not send a copy of this Order to Congress and the Government Accountability Office pursuant to the Congressional Review Act (CRA), see 5 U.S.C. 801(a)(1)(A), because it does not adopt any rule as defined in the CRA, 5 U.S.C. 804(3).

V. Supplemental Final Regulatory Flexibility Analysis

1. As required by the Regulatory Flexibility Act of 1980, as amended (RFA), the Wireline Competition Bureau (WCB) and the Office of Economics and Analytics (OEA) (collectively, WCB/OEA) have prepared this Supplemental Final Regulatory Flexibility Analysis (Supplemental FRFA) of the possible significant economic impact on small entities by the policies and rules adopted in this Order pertaining to the forthcoming Third Mandatory Data Collection for inmate calling services (ICS). A Supplemental Initial Regulatory Flexibility Analysis (Supplemental IRFA) was included with a Public Notice seeking comment on proposals to implement the Third Mandatory Data Collection in the Commission’s Inmate Calling Services proceeding. WCB/OEA sought written public comment on the proposals in that Notice, including comment on the Supplemental IRFA. WCB/OEA did not receive comments directed toward the IRFA. The Commission will send a copy of the Order, including this Supplemental FRFA, to the Chief Counsel for Advocacy of the Small Business Administration (SBA). In addition, the Order and the Supplemental FRFA (or summaries thereof) will be published in the Federal Register.

A. Need for, and Objectives of, the Data Collection

2. In this Order, WCB/OEA adopt policies and specific requirements to implement the forthcoming Third Mandatory Data Collection for ICS. In the 2021 ICS Order, the Commission adopted a new data collection requirement. The Commission determined that this data collection would enable it to adopt permanent interstate and international rate caps, protect consumers against unjust and unreasonable ancillary service charges, and improve its continuing review of the inmate calling services marketplace.

3. Pursuant to their delegated authority, WCB/OEA have prepared instructions and a template for the Third Mandatory Data Collection and are issuing the Order to adopt all aspects of these documents.

B. Summary of Significant Issues Raised by Public Comments in Response to the Supplemental IRFA

4. WCB/OEA did not receive comments specifically addressing the rules and policies proposed in the Supplemental IRFA.

C. Response to Comments by the Chief Counsel for Advocacy of the Small Business Administration

5. The Chief Counsel did not file any comments in response to the rules and policies proposed in the Supplemental IRFA.

D. Description and Estimate of the Number of Small Entities to Which the Third Mandatory Data Collection Will Apply

6. The RFA directs agencies to provide a description of, and where feasible, an estimate of the number of small entities that may be affected by the Third Mandatory Data Collection. The RFA generally defines the term “small entity” as having the same meaning as the terms “small business,” “small organization,” and “small governmental jurisdiction.” In addition, the term “small business” has the same meaning as the term “small-business concern” under the Small Business Act. A “small-business concern” is one which: (1) Is independently owned and operated; (2) is not dominant in its field of operation; and (3) satisfies any additional criteria established by the SBA.

7. Regulatory Flexibility Analyses were incorporated in the 2020 ICS Notice, 2021 ICS Order, and the Third MDC Proposal document. In those analyses, the Commission described in detail the small entities that might be affected. Accordingly, in this Order, for the Supplemental FRFA, the Commission hereby includes by reference the descriptions and estimates of the number of small entities from these previous Regulatory Flexibility Analyses.

E. Description of Projected Reporting, Recordkeeping, and Other Compliance Requirements for Small Entities

8. The Third Mandatory Data Collection requires ICS providers to submit, among other things, data and other information on calls, demand, operations, company and contract information, information about facilities served, revenues, site commission payments, and ancillary fees. WCB/OEA estimate that approximately 20 ICS providers will be subject to this one-time reporting requirement. In the aggregate, WCB/OEA estimate that responses will take approximately 47,100 hours and cost approximately $418,570.
F. Steps Taken To Minimize the Significant Economic Impact on Small Entities and Significant Alternatives Considered

9. The RFA requires an agency to describe any significant alternatives that it has considered in reaching its proposed approach, which may include the following four alternatives (among others): “(1) the establishment of differing compliance or reporting requirements or timetables that take into account the resources available to small entities; (2) the clarification, consolidation, or simplification of compliance and reporting requirements under the rules for such small entities; (3) the use of performance rather than design standards; and (4) an exemption from coverage of the rule, or any part thereof, for such small entities.”

10. The Third Mandatory Data Collection is a one-time request and does not impose a recurring obligation on providers. Because the Commission’s 2021 ICS Order requires all ICS providers to comply with the mandatory data collection, the collection will affect smaller as well as larger ICS providers. WCB/OEA have taken steps to ensure that the data collection template is competitively neutral and not unduly burdensome for any set of providers and have considered the economic impact on small entities, as identified in comments filed in response to the Third MDC Proposal document and the Supplemental IRFA, in finalizing the instructions and the template for the Third Mandatory Data Collection. In response to the comments, WCB/OEA have refined certain aspects of the data collection, including by expanding the reporting period for cost data, revising certain proposed definitions, and reorganizing the manner in which providers report certain costs. These modifications avoid unduly burdening responding providers while ensuring that providers have sufficiently detailed and specific instructions to respond to the data collection.

G. Report to Congress

11. The Commission will send a copy of the Order, including this Supplemental FRFA, in a report a report to be sent to Congress pursuant to the Small Business Regulatory Enforcement Fairness Act of 1996. In addition, the Commission will send a copy of the Order, including this Supplemental FRFA, to the Chief Counsel for Advocacy of the Small Business Administration. A copy of the Order, and Supplemental FRFA (or summaries thereof) will also be published in the Federal Register.

VI. Ordering Clauses

12. Accordingly, it is ordered that, pursuant to the authority contained in sections 1, 2, 4(i)–(j), 155(c), 201(b), 218, 220, 276, and 403 of the Communications Act of 1934, as amended, 47 U.S.C. 151, 152, 154(i)–(j), 155(c), 201(b), 218, 220, 276, and 403, and the authority delegated pursuant to sections 0.21, 0.91, 0.291, 0.201(d), 0.271, 0.291 of the Commission’s rules, 47 CFR 0.21, 0.91, 0.201(d), 0.271, this Order is adopted.

13. It is further ordered that the Commission’s Consumer and Governmental Affairs Bureau, Reference Information Center, shall send a copy of this Order, including the Supplemental Final Regulatory Flexibility Analysis, to the Chief Counsel for Advocacy of the Small Business Administration.

Federal Communications Commission.

Lynne Engledow,
Deputy Chief, Pricing Policy Division.
Wireline Competition Bureau.

Note: The following appendix, Third Mandatory Data Collection Instructions and Template, will not appear in the Code of Federal Regulations.

Third Mandatory Data Collection Instructions and Template

I. Data Collection Overview

In the 2021 ICS Order, the Commission determined that a Third Mandatory Data Collection would enable it to adopt permanent interstate and international rate caps for inmate calling services (ICS) and to evaluate and, if warranted, revise the current Ancillary Service Charge caps for those services. The Commission delegated authority to the WCB/OEA to implement this Third Mandatory Data Collection, “including determining and describing the types of information required related to providers’ operations, costs, demand, and revenues.” The Commission also delegated authority to WCB/OEA “to require each provider to fully explain and justify each step of its costing process and, where [WCB/OEA] deem it appropriate, to specify the methodology the provider shall use in any or all of those steps.”

The Commission directed WCB/OEA to develop a template and instructions for the collection. The Commission also directed that WCB/OEA consider, in designing the data collection, various suggestions regarding data granularity, cost allocation, and specificity in definitions and instructions received from providers to the 2020 ICS Notice, among other matters. Further, the Commission directed WCB/OEA to “incorporate lessons learned from the two prior [ICS] data collections to ensure that the Commission collect[s], to the extent possible, uniform cost, demand, and revenue data from each provider.”

These instructions and the accompanying template are designed to implement the Commission’s directives. The template consists of a Word document and Excel spreadsheets. For simplicity, we refer to these respective portions of the template as the Word template and the Excel template.

II. General Instructions

Our instructions first identify the entities which we require to respond to this data collection. We then review the information we require them to provide and describe the procedure for submitting the requisite responses. Throughout these instructions, the terms “you” and “your” refer to any entities directed to respond to these data requests which qualify as Inmate Calling Service Providers as we define them below.

You may contact the Commission staff at mandatorydatacollection@fcc.gov if you have questions regarding whether your Company must file a data collection response or the requirements for such a response.

A. Who Must Submit Data

All ICS Providers, as defined in our rules and as further described below, must submit complete, accurate, and truthful responses to this data collection. See Part III, below, for the definition of “ICS Provider.” Each group of affiliated Providers shall respond as a single entity, regardless of the number of separately incorporated companies or other entities within that group that provide ICS. See Part III, below, for the definitions of “Accounting Entity” and “Affiliates,” which collectively make clear which entities must file responses to this Data Collection.

A Subcontractor is included as an entity acting as an ICS Provider if it partners with or serves an ICS Provider which holds a direct contractual relationship with a correctional authority, and also, for example, completes calls for ICS Customers, bills Customers for those calls, and retains the revenue from those calls.

Subcontractors are therefore not exempted from the definition of an ICS Provider on the grounds that they lack a direct contractual relationship with a correctional authority. Alternatively, where a Subcontractor completes calls but the ICS Provider bills Customers for those calls and then pays the Subcontractor, that Subcontractor may...
also meet the definition of an ICS Provider. In contrast, an entity that provides billing and collection for Calling Services provided by a separate entity and remits those revenues may not, without more, meet the definition of an ICS Provider.

Providers (and all Subcontractors thereof who meet the definition herein) must complete all portions of this data collection unless otherwise indicated. Section II.C below provides instructions as to how certain data shall be reported.

B. What Must Be Submitted

You must fully and completely respond to each request for information in this data collection by using the Word and Excel templates attached to these instructions. Providers must report their information according to the best information in their possession, custody, or control.

Your full response shall consist of several parts:

1. A Word document containing responses that require a narrative explanation (see Appendix A to these instructions);
2. An Excel spreadsheet containing responses that indicate specific numbers, percentages, or information (see Appendix B to these instructions);
3. An audited financial statement or report for each Year from 2019 through 2021; and
4. A signed certification of truthfulness, accuracy, and completeness (see Appendix C to these instructions).

The Word and Excel templates and any additional spreadsheets must be submitted in machine-readable and manipulatable formats. As indicated, you also must submit an audited financial statement or report for each Year from 2019 through 2021, or similar documentation, to the extent they have been produced in the ordinary course of business. Additionally, all responses must be accompanied by a certification by an officer of the Provider that, based on information and belief formed after reasonable inquiry, the statements and information contained in the submission are true, accurate, and complete. You must complete the certification form provided in Appendix C before submitting your response.

Submissions made without a completed certification form will be rejected and returned for correction and resubmission.

We caution Providers that they must proceed in good faith and with absolute candor to respond to this data collection. We also caution that any failure to timely file an accurate, complete, and truthful response to this data collection may subject the Provider to sanctions, including, but not limited to, monetary forfeitures. See 47 U.S.C. 502, 503(b). Willful false statements in responses to this data collection also are punishable by fine or imprisonment under 18 U.S.C. 1001.

As a general matter, these instructions direct you to enter your responses to requests for certain information or numbers at specific places in these appendices. Where these instructions require you to provide the workpapers, formulas, calculations, or data underlying your responses, report and display the required information as clearly and succinctly as possible.

Narrative responses are to be provided in the Word template. Use that template to provide any additional information needed to ensure that your response is full and complete, and to identify and explain any caveats associated with your response. The Word template shall include formulas, explanations, and appendices. Where necessary, including any explanations needed to make your entries on the Excel template transparent and understandable.

Unless otherwise stated, use the Excel template to provide your responses to the inquiries that follow. As a general matter, your entries on that template will be for specific numbers or percentages (e.g., a Facility’s Average Daily Population) or discrete information (e.g., a Facility’s geographical coordinates). The Excel template has formulas in certain cells that operate in accordance with these instructions and use data you enter in other cells to facilitate a complete reporting of the required data. Data that you are required to “report” include both the data that you enter in the cells and the data that are automatically generated by the Excel formulas. The Excel template uses “N/A” to identify cells in which no data are to be reported. Following the same format, you should add additional rows or columns to this template as necessary to complete your responses.

Where indicated, please provide your responses for the three-year Reporting Period—from January 1, 2019, to December 31, 2021. Where inquiries do not specify a format for the Reporting Period, answer the question on a year-by-year basis, rather than in the aggregate for the Reporting Period.

You must submit a valid entry on the designated template in response to each request in this data collection. If a request does not pertain to your Company, enter “N/A” in the appropriate field, and use the Word document to fully explain the reasons for this response. If your responses are deemed incomplete or are not submitted in the required format, your filing may be rejected and returned to you for correction and resubmission.

C. Filing Deadline and Submission

The Commission will submit this data collection, including all required forms, to the Office of Management and Budget (OMB) for its approval under the Paperwork Reduction Act of 1995, Public Law 104–13. Within seven business days of our receiving that approval, we will issue a Public Notice announcing that approval and setting the deadline by which you must submit your response to this data collection, which will be 120 days after we issue the Public Notice announcing OMB approval. We also will publish a notice in the Federal Register announcing OMB’s approval of the data collection and the due date for your response.

You must submit public versions of your response by filing and certifying the completed templates and certification form electronically, using the Commission’s Electronic Comment Filing System (ECFS), by accessing the ECFS at https://www.fcc.gov/ecfs/.

You may file any information that you believe should be afforded confidential treatment pursuant to the guidance and limitations in the Protective Order in this proceeding and by adhering to the standard set forth in section 0.459(b) of the Commission’s rules. You may access the Protective Order through this link: https://apps.fcc.gov/edocs_public/attachmatch/DA-13-2434A1.pdf. Confidential versions of the reports must be submitted to the Secretary’s office using the original Word and Excel templates provided by the Commission and in a machine-readable and manipulatable format. You must also provide courtesy copies of the confidential filing to WCB/OEA via email at mandatorydatacollection@fcc.gov.

If your response is not completed properly, it may be rejected and/or returned to you. For further information and any questions on completing your response, please contact Erik Raven-Hansen, Wireline Competition Bureau, Pricing Policy Division, at 202–418–1532 or at Erik.Raven-Hansen@fcc.gov, or Richard Kwiatkowski, Office of Economics and Analytics, Economic Analysis Division, at 202–418–1383 or at Richard.Kwiatkowski@fcc.gov.

III. Relevant Definitions

Accounting Entity means the smallest group of separate Business Segments that collectively account for 100% of the
Provider's ICS-Related Operations and ICS-related investments, expenses, and revenues.

Admissions means the number of Incarcerated Persons booked into and housed in a Facility by formal legal documents and the authority of the courts or other official agency, including repeat offenders booked on new charges as well as persons sentenced to weekend programs who enter the Facility for the first time. It excludes Incarcerated Persons reentering the Facility after an escape, work release, medical appointment, treatment facility appointment, or bail and court appearance.

Affiliates means any two or more companies, partnerships, or other legal entities where (a) one entity directly or indirectly owns or controls the other or others, (b) a Third Party controls or has the power to control both or all, (c) the entities share common ownership or have interlocking directorates, or (d) the entities share employees, equipment, and/or facilities. For purposes of this definition, the term “own” means to own an equity interest (or the equivalent thereof) of more than 10%.

Affiliate Group means the Company and its ICS and non-ICS Affiliates.

Ancillary Service Charge means any charge Consumers may be assessed for, or in connection with, the interstate or international use of Inmate Calling Services that is not included in the per-minute charges assessed for such individual calls. Ancillary Service Charges that may be assessed are limited only to those listed in 47 CFR 64.6000(a)(1)-(5) and consist of Automated Payment Fees, Live Agent Fees, Paper Bill/Statement Fees, Fees for Single-Call and Related Services, and Third-Party Financial Transaction Fees. All other Ancillary Service Charges are prohibited in connection with interstate and international Inmate Calling Services. For purposes of this definition, “interstate” includes any jurisdictionally mixed charge, as defined in 47 CFR 64.6000(u).

Ancillary Services means Permissible Ancillary Services and Other Ancillary Services.

Annual Total Expenses means the sum of annual Operating Expenses and annual Capital Expenses.

Automated Payment Fees means credit card payment fees, debit card payment fees, and bill processing fees, including fees for payments made by interactive voice response (IVR), through the internet, or by use of an Incarcerated Person Kiosk.

Automated Payment Service means any service providing Customers of Inmate Calling Services with credit card payment, debit card payment, and bill processing services, including enabling payments by interactive voice response (IVR), web, or Incarcerated Person Kiosk.

Average Daily Population or ADP means the sum of all Incarcerated Persons in a Facility for each day of a Year, divided by the number of days in the Year.

Billed Calls means the number of Inmate Calling Services calls supplied during a Year for which payment is demanded.

Billed Uses means the number of times Automated Payment Service, Live Agent Service, or Paper Bill/Statement Service is put into action during a Year and for which payment is demanded.

Billed Transactions means the number of discrete instances where a seller supplies Single-Call and Related Service or Third-Party Financial Transaction Service and a buyer agrees to pay a price for that service.

Billed Minutes means the number of Inmate Calling Services minutes supplied during a Year for which payment is demanded.

Billed Revenues means gross sales, without adjustment for uncollectable accounts or expenses related to producing these sales, derived from the number of units of a service supplied during a Year for which payment is demanded.

Business Segment means a component of a Company that generates its own revenues and creates its own products, product lines, or services and for which a financial report is routinely prepared for management, shareholder, or creditor review.

Capital Expenses means the sum of (a) the Return that debt, preferred stock, and equity investors require; (b) interest paid on customer prepayments or deposits; (c) depreciation expense; (d) amortization expense; and (e) federal and state income tax expense attributable to the fraction of the Return attributable to equity holders.

Cash Working Capital means the average investor-supplied capital a firm needs to fund its day-to-day operations.

Company means the Accounting Entity unless otherwise indicated.

Consumer means the party paying a Provider of Inmate Calling Services.

Contractually Prescribed Site Commission means a Site Commission payment, other than a Legally Mandated Site Commission payment, required pursuant to a contract negotiated between a Facility and a Provider.

Customer means the Incarcerated Person or the person who pays for ICS if that person is not the Incarcerated Person.

Discretionary Tax or Discretionary Fee means a fee that a Provider must remit to federal, state, or local governments and may, but is not required to, recover it from Customers, including but not limited to fees for the Universal Service Fund.

Facility means a Prison or Jail as those terms are defined elsewhere in this document.

Fees for Single-Call and Related Services means billing arrangements whereby an Incarcerated Person's collect calls are billed through a Third Party on a per-call basis, where the called party does not have an account with the Provider of Inmate Calling Services or does not want to establish an account.

Fixed Site Commission means a Site Commission that is assessed or paid without regard to ICS usage or revenues. Fixed Site Commissions include, but are not limited to, minimum annual guarantee payments, other lump-sum payments, and payments in kind that Providers make pursuant to ICS contracts.

Gross Investment means the book value of an asset prior to subtracting accumulated depreciation or amortization.

Incarcerated Person means a person detained in a Prison or Jail, regardless of the duration of the detention.

Incarcerated Person Kiosk means a self-service transaction machine that a Provider of Inmate Calling Services owns or leases and makes available to Incarcerated Persons at a Facility to obtain ICS-Related Services, such as obtaining a calling card or depositing money in a prepaid account.

Incarcerated Person Telephone means a telephone instrument or other device capable of initiating telephone calls and set aside by a Facility for use by Incarcerated Persons.

Inmate Calling Services, Calling Services, and ICS mean a service that allows Incarcerated Persons to make calls to individuals outside the Facility where the Incarcerated Person is being held, regardless of the technology used to deliver the service.

ICS-Related Operations means the actions or tasks performed by the Provider or authorized personnel to deliver Inmate Calling Services and related Ancillary Services to Incarcerated Persons and those they call, including but not limited to billing, customer service, and other requirements as determined by contract or by law. It excludes all Site Commission payments, including In-Kind Site Commission payments.

ICS-Related Products and/or Services means any hardware, software,
applications, devices, products, or services used by a Provider or under a Provider’s direction as part of its ICS-Related Operations. ICS-Related Products and/or Services also may support a Company’s non-ICS Products and Services.

In-Kind Site Commission means a Site Commission that does not take the form of a Monetary Site Commission.

Intrastate Communication means any communication that originates and terminates in the same state, territory, or possession of the United States (other than the Canal Zone), or the District of Columbia.

International Communication means a communication or transmission from any state, territory, or possession of the United States, or the District of Columbia to points outside the United States.

Interstate Communication means, pursuant to 47 U.S.C. 153(28), communication or transmission (a) from any state, territory, or possession of the United States (other than the Canal Zone), or the District of Columbia, to any other state, territory, or possession of the United States (other than the Canal Zone), or the District of Columbia, (b) from or to the United States to or from the Canal Zone, insofar as such communication or transmission takes place within the United States, or (c) between points within the United States but through a foreign country. Interstate Communication shall not, for purposes of these instructions, include wire or radio communication between points in the same state, territory, or possession of the United States, or the District of Columbia, through any place outside thereof, if such communication is regulated by a state commission.

Jail means a facility of a local, state, or federal law enforcement agency that is used primarily to hold individuals who are: (a) Awaiting adjudication of criminal charges; (b) post-conviction and committed to confinement for sentences of one year or less; or (c) post-conviction and awaiting transfer to another facility. The term also includes city, county or regional facilities that have contracted with a private company to manage day-to-day operations; privately owned and operated facilities primarily engaged in housing city, county or regional Incarcerated Persons; facilities used to detain individuals operated directly by the Federal Bureau of Prisons or U.S. Immigration and Customs Enforcement, or pursuant to a contract with those agencies; juvenile detention centers; and secure mental health facilities.

Legally Mandated Site Commission means a Site Commission payment required by state statutes or laws and regulations that are adopted pursuant to state administrative procedure statutes where there is notice and an opportunity for public comment such as by a state public utility commission or similar regulatory body with jurisdiction to establish Inmate Calling Services rates, terms, and conditions and that operate independently of the contracting process between Facilities and Providers.

Live Agent Fee means a fee associated with the optional use of a live operator to complete Inmate Calling Services Transactions.

Live Agent Service means providing Customers of Inmate Calling Services the optional use of a live operator to complete Inmate Calling Services Transactions.

Mandatory Tax or Mandatory Fee means a fee that a Provider is required to collect directly from Customers and remit to federal, state, or local governments.

Maximum Call Duration means the maximum limit, if any, that a Provider or Facility imposes on the length of ICS calls from a Facility.

Monetary Site Commission means a Commission that takes the form of a monetary payment.

Net Capital Stock means Gross Investment in assets, net of accumulated depreciation and amortization, accumulated deferred federal and state income taxes, and customer prepayments or deposits, plus an allowance for Cash Working Capital.

Net Investment means the book value of an asset after subtracting accumulated depreciation or amortization.

Operating Expenses means recurring expenses incurred to supply a service on a continuous basis, including but not limited to maintenance and repair of plant, equipment, and facilities; billing, collection, and customer care; general and administrative expense; other overhead expense; tax expense other than income tax expense; bad debt expense; and the Inmate Calling Service-specific expenses specified in this data request.

Other Ancillary Services means an ancillary service that is not a Permissible Ancillary Service.

Paper Bill/Statement Fees means fees associated with providing Customers of Inmate Calling Services an optional paper billing statement.

Paper Bill/Statement Service means providing Customers of Inmate Calling Services an optional paper billing statement.

Permissible Ancillary Services means Automated Payment Service, Live Agent Service, Paper Bill/Statement Service, Single-Call and Related Services, and Third-Party Financial Transaction Services, as defined in Part 64 of the Commission’s rules and these instructions.

Prison means a facility operated by a territorial, state, or federal agency that is used primarily to confine individuals convicted of felonies and sentenced to terms in excess of one year. The term also includes public and private facilities that provide outsource housing to other agencies such as the State Departments of Correction and the Federal Bureau of Prisons; and facilities that would otherwise fall under the definition of Jail but in which the majority of Incarcerated Persons are post-conviction or are committed to confinement for sentences of longer than one year.

Provider, ICS Provider, and Provider of Inmate Calling Services mean any communications service provider that provides Inmate Calling Services, regardless of the technology used, as defined in 47 CFR 64.6000. This definition includes all entities acting as Subcontractors as defined below, to the extent that their activities otherwise include the provision of Inmate Calling Services.

Releases means the number of Incarcerated Persons released after a period of confinement (e.g., sentence completion, bail or bond releases, other pretrial releases, transfers to other jurisdictions, and deaths). It includes Incarcerated Persons who have completed weekend programs and are leaving the Facility for the last time. It excludes temporary discharges, such as discharges for work, medical or treatment appointments, court appearances, furloughs, and day reporting.

Reporting Period means the three-year period from January 1, 2019, to December 31, 2021. Where inquiries do not specify a format for reporting, provide responses for each year of the Reporting Period.

Return means the product of a Company’s Net Capital Stock and its Weighted Average Cost of Capital.

Revenue-Sharing Agreement means any agreement, whether express, implied, written, or oral between a Provider or any Affiliate and a Third Party, such as a financial institution, or between a Provider and any of its Affiliates that, over the course of the agreement, directly or indirectly results in the payment of all or part of the revenue received from the provision of ICS or any Ancillary Service to the other party to the agreement.

Security Services means any security and surveillance system, product, or
service that a Provider supplies to a Facility, including any such system, product, or service that allows Incarcerated Persons to make telephone calls as permitted by the Facility: helps the Facility ensure that Incarcerated Persons do not call persons they are not allowed to call; helps monitor and record on-going calls; or inspects and analyzes recorded calls. Security Services also include other related systems, products, and services, such as a voice biometrics system, a PIN system, or a system concerning the administration of subpoenas concerning telephone calls. The classification of a system, product, or service as a Security Service does not mean that it is part of a Provider’s ICS-Related Operations.

Single-Call and Related Services means billing arrangements whereby an Incarcerated Person’s collect calls are billed through a Third Party on a per-call basis, where the called party does not have an account with the Provider of Inmate Calling Services.

Site Commissions means any form of monetary payment, in kind payment, gift, exchange of services or goods, fee, technology allowance, or product that a Provider of Inmate Calling Services or Affiliate of a Provider of Inmate Calling Services may pay, give, donate, or otherwise provide to an entity that operates a correctional institution, an entity with which the Provider of Inmate Calling Services enters into an agreement to provide ICS, a governmental agency that oversees a Facility, the city, the county, or state where a Facility is located, or an agent of any such Facility.

Subcontractor means an entity that provides ICS to a Facility and has a contract or other arrangement with another Provider for provision of ICS to that Facility. A Subcontractor need not have a contractual relationship with the Facility.

Third Party means an entity that is not a Provider, an Affiliate of a Provider, or a Facility.

Third-Party Financial Transaction Fees means the exact fees, with no markup, that Providers of Inmate Calling Services are charged by Third Parties to transfer money or process financial transactions to facilitate a Customer’s ability to make account payments via a Third Party.

Third-Party Financial Transaction Services means the transfer of money or the processing of financial transactions to facilitate a Customer’s ability to make account payments via a Third Party.

Unbilled Minutes, Unbilled Minutes of Use, and Unbilled MOU mean the number of Inmate Calling Services minutes supplied during a Year for which payment is not demanded.

Variable Site Commissions means Site Commissions that are assessed on a per-unit basis, such as a per-minute basis, percentage of ICS revenue, or number of ICS phones at a Facility.

Weekly Turnover Rate means the percentage calculated by subtracting the average number of weekly Releases during a Year from the average number of weekly Admissions during that Year and then dividing the resulting number by the Average Daily Population for that Year.

Weighted Average Cost of Capital means the sum of the cost of equity, the cost of preferred stock, and the cost of debt, each expressed as an annual percentage rate and weighted by its proportion in the capital structure.

Year means a calendar year, from January 1 through December 31 of any given year.

IV. Required Information

This Part sets forth the information you must provide in your response to this data collection. In some cases, the data are to be reported on the attached Word template, while other questions require a narrative response on the Excel template. In general, this Part proceeds from the general (Company-level data) to the specific (Facility-level data). This Part begins by asking you to provide general information about your Company, including information pertaining to your ICS-Related Operations. Next, we direct you to provide financial data and related information at the Company level. We then direct you to disaggregate that financial information into service-specific categories and provide detailed instructions regarding cost allocation in connection with this step. We also instruct you how to report data where a Provider has an agreement with another entity for the provision of ICS.

Next, we require you to report Company-level Ancillary Services and Site Commission data, followed by data regarding transactions with Affiliates. Finally, following the instructions for reporting Company-level data, we direct you to report certain financial information at the Facility level.

A. General Information

This section directs you to provide general information and data about your Company and its Affiliates, among other matters, in total for the Reporting Period, unless otherwise specified.

1. Company Name: Enter the Company’s name.

2. Accounting Entity: Enter the name of each corporation, partnership, or other legal entity within the Accounting Entity.

3. Contact Person: Enter the name, title, email address, and phone number of the person whom the Commission may contact to inquire about the Company’s response to the collection.

4. Holding Company Name: Enter the name of Company’s ultimate parent, if any.

5. Filing Date: Enter the filing date using the following format: “MM/DD/YYYY” to indicate the month, day, and year.

6. Headquarters Address: Enter the physical address where the Company’s headquarters are located.

7. Publicly Listed: Identify whether the Company is a corporation or part of a corporation whose ownership is dispersed among the general public in many shares of stock which are freely traded on a stock exchange or in over-the-counter markets.

8. ICS-Related Services: List all ICS-Related Services, including any Ancillary Services, that the Company provided at or for Facilities, or to Incarcerated Persons or those they call, during the Reporting Period. List all such services even if the Company only provided them at some Facilities.

9. Non-ICS Business Segments:

(a) List all non-ICS Business Segments that the Company engaged in during the Reporting Period.

(b) Provide the Billed Revenues for each listed Business Segment during each Year of the Reporting Period.

(c) In the Word template, describe generally the operations of each listed non-ICS Business Segment.

(d) List all non-ICS Business Segments the Company or an Affiliate provided at or for Facilities, or to Incarcerated Persons or those they call, during the Reporting Period. List all such Business Segments even if the Company or Affiliate provided them only at some Facilities.

(e) In the Word template, describe in detail all non-ICS Business Segments the Company or an Affiliate provided at or for Facilities, or to Incarcerated Persons or those they call, during the Reporting Period.

(f) In the Word template, describe in detail how, if at all, the Company’s ICS Business Segments and non-ICS Business Segments interact with each other.

10. Assets:

(a) List each type of asset that the Company used in its ICS-Related Operations during the Reporting Period.
Exclude any type of asset whose Net Investment is less than 5% of the Company’s total Net Investment.

(b) Provide the Net Investment in each listed type of asset as of December 31, 2021.

(c) List each ICS-Related Product or Service that each listed type of asset supported.

(d) List each non-ICS-Related Product or Service, if any, that each listed type of asset supported.

(11) Non-ICS Affiliates: List the names of all of the Company’s non-ICS Affiliates during the Reporting Period.

(12) Non-ICS Affiliates’ Annual Revenues: Enter total Billed Revenues for each Year of the Reporting Period.

(13) Non-ICS Affiliates’ Business Segments:

(a) List all Business Segments in which non-ICS Affiliates engaged during the Reporting Period.

(b) Identify each non-ICS Affiliate that participated in the supply of each Business Segment on your list.

(14) Non-ICS Affiliates’ Annual Revenues by Business Segments: Enter total Billed Revenues for each Year of the Reporting Period by each non-ICS Affiliate for each Business Segment on your list.

(15) Affiliate Transactions: List all types of assets and services that the Company obtained from a non-ICS Affiliate that were used in the provision of ICS-Related Services during the Reporting Period. For each type of asset and service that you list, identify for each Year of the Reporting Period:

(a) Each non-ICS Affiliate that provided those assets or services;

(b) The amounts the Company paid its non-ICS Affiliates for those assets and services; and

(c) The non-ICS Affiliates’ Net Investment in those assets and the Annual Total Expenses incurred to provide those services.

(16) Accounting and Record Keeping Systems: In the Word template, describe in detail the Accounting Entity’s accounting and record-keeping systems.

(17) Mandatory Data Collection Response: In the Word template, provide an overview of how the Company used its accounting and record-keeping system to respond to this Mandatory Data Collection. As part of this overview, explain the process by which the Company used data from income statements, balance sheets, general ledger, subledger, journals, department, division, or other organization group accounts or subaccounts, and other records or sources of financial data to develop, compile, assign, attribute, allocate or report Company-wide, service-specific, and Facility-specific revenues, investments, and expenses, as required by this Mandatory Data Collection. Identify the sources for all depreciation and amortization schedules or asset life projections used to determine the amount of depreciation and amortization expenses reported and how these expenses are derived using these schedules and projections or other methods in lieu of or in combination with these schedules and projections. Explain how Company-wide, service-specific, Facility-specific, department, division, or other organization group data are used to determine how costs are incurred in order to assign, attribute, or allocate investments and expenses, as required by this Mandatory Data Collection, including, for example, data as to the number of calls or call minutes, ADP, headcounts, labor hours, or salaries; computer processing, electronic equipment or other inside or outside plant equipment, circuit, and electric power use or capacity; internal or external maintenance or computer-center help desk requests, tickets, orders or dispatch numbers; and purchase orders, transactions, or other measures of resource use and cost-causation.

(18) Representative Information: In the Word template, address in detail whether the information collected though the data collection will be representative of the Company’s future ICS-Related Operation given the effects of the COVID–19 pandemic on those operations during the Reporting Period. Identify for the two-year period January 1, 2022, to December 31, 2023, any specific known and measurable changes to the Company ICS-related investments, expenses, revenues, and demand that are not reflected in the data collected through this data collection.

(19) Sources: In the Word template, identify the source for any data or any document included in or relied upon in your response.

B. Overview Information

This section provides an overview of your ICS-Related Operations by incorporating information from other sections of your Excel template. You should first enter the data required in those other portions into that template. Once you do that, the data required for this section will automatically be entered into this portion of the template. All of those data will be at the Accounting Entity level.

(1) Company Name

(2) Facilities

(a) Number of Facilities

(b) Number of Prisons

(c) Number of Jails with ADP of 1,000 and above

(d) Number of Jails with ADP below 1,000

(e) Number of contracts

(f) Number of Prison contracts

(g) Number of Jail contracts

(3) Annual Total Expenses for each Year of the Reporting Period for:

(a) Inmate Calling Services

(b) Automated Payment Service

(c) Live Agent Service

(d) Paper Bill/Statement Service

(4) Revenues during each Year of the Reporting Period for:

(a) Inmate Calling Services

(b) Permissible Ancillary Services

(c) Other Ancillary Services

(d) Non-ICS Products and Services

(5) Site Commissions paid during each Year of the Reporting Period:

(a) Total Site Commissions

(b) Total Monetary Site Commissions

(ii) Total In-Kind Site Commissions

(b) Legally Mandated Site Commissions

(c) Total Contractually Prescribed Site Commissions

C. Company-Wide Information

This section seeks general financial data and other information about the Company and directs you to determine the Annual Total Expenses the Company incurs to provide Inmate Calling Services, Automated Payment Service, Live Agent Service, and Paper Bill/Statement Service during the Reporting Period.

1. Overall Financial Information

This subsection directs you to provide financial data and other information in the aggregate for the entire Company (i.e., Accounting Entity). All financial data must comply with generally accepted accounting principles (GAAP). The carrying value of all assets, both tangible and intangible, shall reflect the results of the most recent impairment testing, and any adjustments required to account for any impairment loss shall be separately identified. In the Word template, explain in detail the process the Company used to comply with this requirement and provide any additional information needed to make that process fully transparent and understandable. Alternatively, explain in detail in the Word template why an impairment test is not now necessary, when impairment testing normally occurs under Company policy, and identify with specificity any accounting adjustments that were made at the time of the most recent impairment testing.

(1) Annual Revenues: Enter the total Billed Revenues for the Accounting Entity for Inmate Calling Services for each Year of the Reporting Period.

(2) Investment and Expense Data: Provide the following investment and
expense data in the aggregate for the Accounting Entity for the Reporting Period:
   (a) Capital Assets: Report year-end amounts for each Year of the Reporting Period for each of the items specified below. Report amounts for items (i), (ii) or (iii), and (iv) separately for each of the following types of assets: (aa) Tangible assets; (bb) capitalized research and development; (cc) purchased software; (dd) internally developed software; (ee) trademarks; (ff) other identifiable intangible assets; and (gg) goodwill. Report a single amount for each of items (v), (vi), and (vii).
   (i) Gross Investment;
   (ii) Accumulated depreciation;
   (iii) Accumulated amortization;
   (iv) Net Investment;
   (v) Accumulated deferred federal income taxes;
   (vi) Accumulated deferred state income taxes; and
   (vii) Customer prepayments or deposits.
   (b) Capital Expenses: Report the annual amount for each Year of the Reporting Period for each of the items specified below. Report amounts for items (i) or (ii) separately for each of the following types of assets: (aa) Tangible assets; (bb) capitalized research and development; (cc) purchased software; (dd) internally developed software; (ee) trademarks; (ff) other identifiable intangible assets; and (gg) goodwill. Report a single amount for each of items (iii), (iv), and (v).
   (i) Depreciation;
   (ii) Amortization;
   (iii) Interest other than interest paid on customer prepayments or deposits;
   (iv) Interest paid on customer prepayments or deposits; and
   (v) Other income tax-related adjustments.
   (c) Operating Expenses: Report the annual amount for each Year of the Reporting Period for each of the items specified below. Each expense must be reported for a particular category; for example, do not report expense incurred for termination of International Communication as an expense incurred for Interstate and Intra-state Communication. Exclude any charges for asset impairment loss.
   (i) Maintenance, repair, and engineering of site plant, equipment, and facilities;
   (ii) Origination, switching, and transporting of Interstate, International and Intra-state Communication and termination of Interstate and Intra-state Communication;
   (iii) Termination of International Communication;
   (iv) Field service;
   (v) Network operations;
   (vi) Call center;
   (vii) Data center;
   (viii) Security Services related to the Company’s ICS-Related Operations, non-ICS Operations, or both;
   (ix) Payment of Site Commissions;
   (x) Billing, collection, client management, and customer care;
   (xi) Sales and marketing;
   (xii) General and administrative;
   (xiii) Other overhead;
   (xiv) Taxes other than income taxes;
   (xv) Transactions related to mergers and acquisitions; and
   (xvi) Bad debt.
   (d) Income Tax Rates: Report separately for each Year of the Reporting Period each state income tax rate applicable to the Company. Report total Billed ICS Revenues separately for each state. The Excel template uses these reported data to calculate an ICS-Related Operations revenue-weighted average of the individual state income tax rates (i.e., the sum of the products of each state tax rate multiplied by the percentage of the Company’s total Billed ICS Revenues derived from ICS supplied at Facilities located in each corresponding state). The result of this calculation is used to calculate state income tax expense reported separately for specific services as instructed below.
2. Service-Specific Financial Information
   The preceding subsection instructs you to provide financial information at the Company level. We now require you to determine the Annual Total Expenses the Company incurs to provide Inmate Calling Services, Automated Payment Service, Live Agent Service, and Paper Bill/Statement Service for each Year of the Reporting Period. This process involves several steps.
   First, we instruct you to assign, attribute, or allocate the reported Company-wide investments and expenses (without separation between federal and state jurisdictions) among Inmate Calling Services, Automated Payment Service, Live Agent Service, and Paper Bill/Statement Service for each Year of the Reporting Period. We then require you to elect whether to use the default Weighted Average Cost of Capital or an alternative Weighted Average Cost of Capital. We next instruct you to make two elections. If you elect an alternative Weighted Average Cost of Capital greater than 9.75% or include an allowance for Cash Working Capital, we require you to report the components of those elections.
   We instruct you to provide the Company’s Annual Total Expenses (without separation between federal and state jurisdictions) of providing Inmate Calling Services, Automated Payment Service, Live Agent Service, and Paper Bill/Statement Service and to make certain elections relating to adjustments to Annual Total Expenses. Finally, we also instruct you to elect whether to adjust the Company’s Annual Total Expenses and thus to report Annual Total Expenses for the federal jurisdiction alone (covering both Interstate and International Communications), either to recognize any cost differentials between interstate/international Inmate Calling Services and intra-state Inmate Calling Services that should be reflected in an interstate rate cap or for any other reason.
   a. Cost Allocation Instructions
   You must assign or allocate Company-wide investments and expenses (without separation between federal and state jurisdictions) among Inmate Calling Services, Automated Payment Service, Live Agent Service, Paper Bill/Statement Service, Other Ancillary Services, and non-ICS Services using the hierarchy of methods specified below. For purposes of these cost allocation instructions, Inmate Calling Services, Automated Payment Service, Live Agent Service, Paper Bill/Statement Service, Other Ancillary Services, and non-ICS Services which shall include amounts for investments, Capital Expenses, and Operating Expenses. We also instruct you to report your federal and state income tax calculations for Inmate Calling Services, Automated Payment Service, Live Agent Service, and Paper Bill/Statement Service.
   We then require you to make two elections. We first instruct you to elect whether to use the default Weighted Average Cost of Capital or an alternative Weighted Average Cost of Capital. We then instruct you to elect whether to include an allowance for Cash Working Capital. If you elect an alternative Weighted Average Cost of Capital greater than 9.75% or include an allowance for Cash Working Capital, we require you to report the components of those elections.
   We instruct you to provide the Company’s Annual Total Expenses (without separation between federal and state jurisdictions) of providing Inmate Calling Services, Automated Payment Service, Live Agent Service, and Paper Bill/Statement Service and to make certain elections relating to adjustments to Annual Total Expenses. Finally, we also instruct you to elect whether to adjust the Company’s Annual Total Expenses and thus to report Annual Total Expenses for the federal jurisdiction alone (covering both Interstate and International Communications), either to recognize any cost differentials between interstate/international Inmate Calling Services and intra-state Inmate Calling Services that should be reflected in an interstate rate cap or for any other reason.
   a. Cost Allocation Instructions
   You must assign or allocate Company-wide investments and expenses (without separation between federal and state jurisdictions) among Inmate Calling Services, Automated Payment Service, Live Agent Service, Paper Bill/Statement Service, Other Ancillary Services, and non-ICS Services using the hierarchy of methods specified below. For purposes of these cost allocation instructions, Inmate Calling Services, Automated Payment Service, Live Agent Service, Paper Bill/Statement Service, Other Ancillary Services, and non-ICS Services which shall include amounts for investments, Capital Expenses, and Operating Expenses. We also instruct you to report your federal and state income tax calculations for Inmate Calling Services, Automated Payment Service, Live Agent Service, Paper Bill/Statement Service, Other Ancillary Services, and non-ICS Services.
Services, and non-ICS Services are each a separate “service.” Also, any costs the Company incurs in providing Single-Call and Related Services or Third-Party Financial Transaction Services shall be included in its Inmate Calling Services costs.

(1) First, to the extent possible, directly assign investments used exclusively to provide a particular service to that service; likewise, to the extent possible, directly assign expenses incurred exclusively to provide a particular service to that service. Calculate federal and state income taxes separately for Inmate Calling Services, Automated Payment Service, Live Agent Service, and Paper Bill/Statement Service as specified in items 7 and 8 below.

(2) Second, group shared investments and expenses into shared investment and expense categories based on business function, activity, or task. Group common investments and expenses into common investment and expense categories based on business function, activity, or task.

(a) Any investments and expenses that are not directly assignable to a specific service are shared or common investments and expenses.

(b) Shared investments are for assets used exclusively to supply a specific subset of services that are not assignable or attributable to a particular service. Shared expenses are expenses incurred solely to supply a specific subset of services that are not assignable or attributable to a specific service.

(c) Comments are for assets not assignable or attributable to a specific service or subset of services. Common expenses are expenses that are not assignable or attributable to a specific service or subset of services.

(3) Third, to the extent possible, directly attribute categories of shared investments and expenses, and categories of common investments and expenses, to particular services based on direct analysis of factors that cause a particular business function, activity, or task and thus investments or expenses to increase or decrease.

(4) Fourth, where neither direct assignment nor direct attribution is possible, allocate categories of shared investments and expenses to the particular services that share the investments and expenses in proportion to each service’s share of the total of all investments or expenses already directly assigned or attributed to these particular services. Allocate categories of common investments and expenses to particular services in proportion to each service’s share of the total of all investments or expenses already directly assigned or attributed to all services.

(6) The sums of the investment and expense amounts assigned to, attributed to, or allocated among Inmate Calling Service, Automated Payment Service, Live Agent Service, Paper Bill/Statement Service, and non-ICS Services shall equal the total investment and expense amounts respectively reported for the Company above (excluding federal and state income taxes, Cash Working Capital and Net Capital Stock, which are only reported for Inmate Calling Service, Automated Payment Service, Live Agent Service, Paper Bill/Statement Service). (7) Federal income taxes: First, subtract reported interest expense other than interest paid on customer prepayments or deposits (and any amount reported for other income tax-related adjustments) from Return to determine federal taxable income. Second, divide the federal income tax rate by 1 minus the federal income tax rate to determine a federal income tax gross-up factor. Third, multiply the federal income tax gross-up factor by federal taxable income to determine the amount of federal income tax to report.

(8) State income taxes: First, add the portion of federal income tax not deductible for state income tax purposes to federal taxable income to determine state taxable income. Second, divide the weighted average of the individual state income tax rates by 1 minus the weighted average of the individual state income tax rates to determine a state income tax gross-up factor. Third, multiply the state income tax gross-up factor by state taxable income to determine the amount of state income tax to report.

(9) Fully document, explain, and justify all cost assignments, attributions, and allocations using the Word template and submit additional workpapers developed using Excel spreadsheets.

b. Cost Allocation Results


(1) Capital Assets: Report the year-end amount for each Year of the Reporting Period for each of the items specified below. Report amounts for items (a), (b), or (c), and (d) separately for each of the following types of assets: (i) Tangible assets; (ii) capitalized research and development; (iii) purchased software; (iv) internally developed software; (v) trademarks; (vi) other identifiable intangible assets; and (vi) goodwill. Report a single amount for each of items (e) through (i).

(a) Gross Investment;
(b) Accumulated depreciation;
(c) Accumulated amortization;
(d) Net Investment;
(e) Accumulated deferred federal income taxes;
(f) Accumulated deferred state income taxes;
(g) Customer prepayments or deposits;
(h) Cash Working Capital (see d.(1) and (2) below); and
(i) Net Capital Stock.

(2) Capital Expenses and Related Tax Information: Report the annual amount or a percentage for each Year of the Reporting Period for each of the items specified below. Report amounts for items (a) and (b) separately for each of the following types of assets: (i) Tangible assets; (ii) capitalized research and development; (iii) purchased software; (iv) internally developed software; (v) trademarks; (vi) other identifiable intangible assets; and (vii) goodwill. Report a single amount for each of items (c) through (p).

(a) Depreciation;
(b) Amortization;
(c) Weighted Average Cost of Capital (see c.(1) and (2) below);
(d) Return;
(e) Interest other than interest paid on customer prepayments or deposits;
(f) Interest paid on customer prepayments or deposits;
(g) Other income tax-related adjustments;
(h) Federal taxable income;
(i) Federal income tax rate;
(j) Federal income tax gross-up factor;
(k) Federal income tax;
(l) Federal income tax not deductible for state income tax purposes;
(m) State taxable income;
(n) State income tax rate;
(o) State income tax gross-up factor; and
(p) State income tax.
(3) Operating Expenses: Report the annual amount for each Year of the Reporting Period for each of the items specified below. Exclude any charges for asset impairment loss.
   (a) Maintenance, repair, and engineering of site plant, equipment, and facilities;
   (b) Origination, switching, and transporting of Interstate, International and Intrastate Communication and termination of Interstate and Intrastate Communication;
   (c) Termination of International Communication;
   (d) Field service;
   (e) Network operations;
   (f) Call center;
   (g) Data center;
   (h) Security Services relating to the Company’s ICS-Related Operations, non-ICS Operations, or both;
   (i) Billing, collection, client management, and customer care;
   (j) Sales and marketing;
   (k) General and administrative;
   (l) Other overhead;
   (m) Taxes other than income taxes;
   (n) Transactions related to mergers and acquisitions; and
   (o) Bad debt.

c. Weighted Average Cost of Capital
   (1) Elect, by checking the appropriate box on the Excel template, whether to use the default Weighted Average Cost of Capital of 9.75% (which is the Commission’s currently authorized rate of return for incumbent local exchange carriers regulated on a rate-of-return basis) for each Year of the Reporting Period or an alternative Weighted Average Cost of Capital reflecting the Company’s own and a demonstrably comparable-group of firms’ financial data and economic circumstances, use of widely accepted methods to estimate current debt and equity costs and capital structure, and the collective risks of providing ICS, Automated Payment Service, Live Agent Service, and Paper Bill/Statement Service.
   (2) If you elect to use an alternative Weighted Average Cost of Capital greater than 9.75%, report on the Excel template the components of the Company’s current Weighted Average Cost of Capital and the Weighted Average Cost of Capital itself, as specified below. Use this singular estimate of the Company’s current Weighted Average Cost of Capital to calculate Return for each Year of the Reporting Period. In the Word template, fully document by submitting data, formulas, cost of equity analyses using, for example, the Discounted Cash Flow Model or Capital Asset Pricing Model, calculations, and worksheets, explain, and justify the development of each claimed component. Failure to fully document, explain, and justify each claimed component may result in the application of the default Weighted Average Cost of Capital of 9.75%.
      (a) Cost of debt;
      (b) Cost of preferred stock;
      (c) Cost of equity;
     (d) Total debt outstanding in dollars and as a percent of total capital outstanding (the sum of debt, preferred stock, and equity outstanding);
   (e) Total preferred stock outstanding and as a percent of total capital outstanding.
   (f) Total equity outstanding and as a percent of total capital outstanding; and
   (g) Weighted Average Cost of Capital.

d. Cash Working Capital
   (1) Elect, by checking the appropriate box on the Excel template, whether to include an allowance for Cash Working Capital in the Company’s Net Capital Stock.
   (2) If you elect to include an allowance for Cash Working Capital in the Company’s Net Capital Stock, report the allowance claimed for each Year of the Reporting Period on the Excel template separately for: (a) Inmate Calling Services; (b) Automated Payment Service; (c) Live Agent Service; and (d) Paper Bill/Statement Service. Submit a lead-lag study or the equivalent that estimates the average number of days between the payment of expenses and the receipt of revenues and average daily cash expenses as support for each claimed allowance. Fully document, explain, and justify each claimed allowance in the Word template.

e. Annual Total Expenses
   (1) Report Company-wide Annual Total Expenses separately for: (a) Inmate Calling Services; (b) Automated Payment Service; (c) Live Agent Service; and (d) Paper Bill/Statement Service. Exclude reported interest expense other than interest paid on customer prepayments or deposits from Annual Total Expenses. The allowance for interest expense other than interest paid on customer prepayments or deposits is included in the Return component of the Annual Total Expenses calculation. Include reported interest paid on customer prepayments or deposits in Annual Total Expenses. Exclude expense reported for termination of International Communication from Annual Total Expenses.
   (f) Optional Allocations and Adjustments
   (1) In the Word template, state whether the Company elects to further separate its investments, expenses, Net Capital Stock, and Annual Total Expenses between interstate/international and intrastate Inmate Calling Services, Automated Payment Service, Live Agent Service, and Paper Bill/Statement Service to reflect any measurable differences between the cost incurred to provide interstate/international and intrastate services. If you elect to separate the Company’s investments, expenses, Net Capital Stock, and Annual Total Expenses between interstate/international and intrastate Inmate Calling Services, Automated Payment Service, Live Agent Service, and Paper Bill/Statement Service, you must: (a) Fully document, explain, and justify this separation in the Word template; and (b) submit additional Excel spreadsheets, similar in design and level of data disaggregation to those in the Excel template, showing in detail each aspect of the Company’s separations processes. These showings in the Word template and Excel spreadsheets must fully document and justify each aspect of the processes by which the separated interstate/international Inmate Calling Services investment and expenses are further assigned, attributed, or allocated to or among each of the Company’s Facilities, and how the Net Capital Stock and Annual Total Expenses for each of these Facilities are developed. Electing this cost allocation option does not relieve the Company of its obligation to report its unseparated investments, expenses, Net Capital Stock, and Annual Total Expenses in the Excel template and in accordance with the instructions for reporting unseparated data.
   (2) In the Word template, state whether the Company elects to further adjust its investments, expenses, Net Capital Stock, and Annual Total Expenses developed in accordance with the instructions set out in this document, for any other reason. If you elect to make such an adjustment, you must: (a) Fully document, explain, and justify it in the Word template; and (b) submit additional Excel spreadsheets, similar in design and level of data disaggregation to those in the Excel template, showing in detail each aspect of the Company’s adjustments, including all changes to the Company’s data, cost allocation procedures, and results. If the Company also elects to further separate its investments, expenses, Net Capital Stock, and Annual Total Expenses as specified in Part IV.C.2.I(1), above, you also must separately justify and document the impact of any further adjustments in response to this Inquiry upon your
results under Part IV.C.2.f.(1). Electing this additional adjustment option does not relieve the Company of its obligation to report its unseparated and unadjusted investments, expenses, Net Capital Stock, and Annual Total Expenses on the Excel template and in accordance with the instructions for reporting unseparated and unadjusted data.

3. Other Company-Wide Information

This subsection directs you to report Company-wide data on Site Commissions, Security Services, Ancillary Services, and Affiliate Transactions. It also provides instructions on reporting data and other information where a Provider subcontracts with another entity for the provision of ICS.

a. Site Commissions

(1) Total Site Commissions: Enter the total amount of all Site Commissions paid by the Company during each Year of the Reporting Period, without regard to whether the Site Commission was Legally Mandated, Contractually Prescribed, Fixed, Variable, Monetary, or In-Kind.

(i) Enter the percentage of the total Site Commissions paid by the Company during each Year of the Reporting Period that were attributable to the Company’s ICS-Related Operations.

(ii) Total Legally Mandated Site Commissions: Enter the total amount of all Legally Mandated Site Commissions paid by the Company that were In-Kind Site Commissions and Fixed Site Commissions.

(iii) Total Contractually Prescribed Site Commissions: Enter the total amount of all Contractually Prescribed Site Commissions paid by the Company that were both Monetary Site Commissions and Variable Site Commissions.

(iv) Total Fixed Site Commissions: For each Year of the Reporting Period, enter the total amount of all Contractually Prescribed Site Commissions paid by the Company during each Year of the Reporting Period.

(b) Total In-Kind Site Commissions: For each Year of the Reporting Period, enter the total amount of Legally Mandated Site Commissions paid by the Company that were also In-Kind Site Commissions.

(i) In the Word template, describe these in-kind payments in detail. Specifically describe each Security Service that you classify as an In-Kind Site Commission payment. Also specifically describe any other payment, gift, exchange of services or goods, fee, technology allowance, or product that you classify as an In-Kind Site Commission payment.

(ii) Total Variable Site Commissions: For each Year of the Reporting Period, enter the total amount of all Legally Mandated Site Commissions paid by the Company that were both Fixed Site Commissions and Fixed Site Commissions but also were paid by the Company at the signing of a contract for ICS or during the first year of a contract for ICS.

For each Year of the Reporting Period, enter the total amount of Contractually Prescribed Site Commissions paid by the Company that were both Mon-Kind Site Commissions and Variable Site Commissions.

(iii) Total Fixed Site Commissions: For each Year of the Reporting Period, enter the total amount of all Contractually Prescribed Site Commissions paid by the Company that were both In-Kind Site Commissions and Fixed Site Commissions but also were paid by the Company at the signing of a contract for ICS or during the first year of a contract for ICS.

(iv) Total Variable Site Commissions: For each Year of the Reporting Period, enter the total amount of all Contractually Prescribed Site Commissions paid by the Company that were both In-Kind Site Commissions and Variable Site Commissions.

3. Other Company-Wide Information

This subsection directs you to report Company-wide data on Site Commissions, Security Services, Ancillary Services, and Affiliate Transactions. It also provides instructions on reporting data and other information where a Provider subcontracts with another entity for the provision of ICS.

a. Site Commissions

(1) Total Site Commissions: Enter the total amount of all Site Commissions paid by the Company during each Year of the Reporting Period, without regard to whether the Site Commission was Legally Mandated, Contractually Prescribed, Fixed, Variable, Monetary, or In-Kind.

(i) Enter the percentage of the total Site Commissions paid by the Company during each Year of the Reporting Period that were attributable to the Company’s ICS-Related Operations.

(ii) Total Legally Mandated Site Commissions: Enter the total amount of all Legally Mandated Site Commissions paid by the Company during each Year of the Reporting Period.

(a) Total Monetary Site Commissions: For each Year of the Reporting Period, enter the total amount of all Legally Mandated Site Commissions paid by the Company that were both Monetary Site Commissions and Fixed Site Commissions.

(b) Total In-Kind Site Commissions: For each Year of the Reporting Period, enter the total amount of Legally Mandated Site Commissions paid by the Company that were also In-Kind Site Commissions.

(i) In the Word template, describe these in-kind payments in detail. Specifically describe each Security Service that you classify as an In-Kind Site Commission payment. Also specifically describe any other payment, gift, exchange of services or goods, fee, technology allowance, or product that you classify as an In-Kind Site Commission payment.

(ii) Total Fixed Site Commissions: For each Year of the Reporting Period, enter the total amount of all Legally Mandated Site Commissions paid by the Company during each Year of the Reporting Period.

(a) Total Monetary Site Commissions: For each Year of the Reporting Period, enter the total amount of all Legally Mandated Site Commissions that not only were In-Kind Site Commissions but also were paid by the Company at the signing of a contract for ICS or during the first year of a contract for ICS.

(b) Total In-Kind Site Commissions: For each Year of the Reporting Period, enter the total amount of all Legally Mandated Site Commissions paid by the Company that were also In-Kind Site Commissions.

(i) In the Word template, describe these in-kind payments in detail. Specifically describe each Security Service that you classify as an In-Kind Site Commission payment. Also specifically describe any other payment, gift, exchange of services or goods, fee, technology allowance, or product that you classify as an In-Kind Site Commission payment.

(iii) Total Variable Site Commissions: For each Year of the Reporting Period, enter the total amount of all Legally Mandated Site Commissions paid by the Company that were both Fixed Site Commissions and Fixed Site Commissions but also were paid by the Company at the signing of a contract for I!CS or during the first year of a contract for ICS.

For each Year of the Reporting Period, enter the total amount of allContractually Prescribed Site Commissions paid by the Company that were both In-Kind Site Commissions and Variable Site Commissions.

(iii) Total Variable Site Commissions: For each Year of the Reporting Period, enter the total amount of all Contractually Prescribed Site Commissions paid by the Company that were both In-Kind Site Commissions and Variable Site Commissions.

(iv) Total Fixed Site Commissions: For each Year of the Reporting Period, enter the total amount of all Contractually Prescribed Site Commissions paid by the Company that were both In-Kind Site Commissions and Variable Site Commissions.

3. Other Company-Wide Information

This subsection directs you to report Company-wide data on Site Commissions, Security Services, Ancillary Services, and Affiliate Transactions. It also provides instructions on reporting data and other information where a Provider subcontracts with another entity for the provision of ICS.

b. Security Services Not Classified as Site Commissions

Reporting in response to the following questions (1) through (3) must be exclusive of the data reported in connection with Site Commissions to prevent double-counting.

(1) On the Excel template, report the total dollar amount of costs the Company incurred to provide the following categories of services for each Year of the Reporting Period:

(a) Law enforcement support services.

(b) In the Word template, identify by name and describe each service you
classify as a law enforcement support service, including a description of the specific tasks and functions covered by this service and whether you routinely offer this service in connection with ICS.

(b) Call security services.

(i) In the Word template, identify by name and describe each service you classify as a call security service, including a description of the specific tasks and functions covered by this service and whether you routinely offer this service in connection with ICS.

(c) Call recording services.

(i) In the Word template, identify by name and describe each service you classify as a call recording service, including a description of the specific tasks and functions covered by this service whether you routinely offer this service in connection with ICS.

(d) Call monitoring services.

(i) In the Word template, identify by name and describe each service you classify as a voice biometric service, including a description of the specific tasks and functions covered by this service and whether you routinely offer this service in connection with ICS.

(e) Voice biometrics services.

(i) In the Word template, identify by name and describe each service you classify as a voice biometric service, including a description of the specific tasks and functions covered by this service whether you routinely offer this service in connection with ICS.

(f) Other services.

(i) In the Word template, identify by name and describe each Security Service you provide that is not classified under one of the foregoing subcategories, including a description of the specific tasks and functions covered by each service and whether you routinely offer each service in connection with ICS.

(ii) In the Word template, specifically describe each Security Service provided by you that you do not classify as a Site Commission and is not offered in connection with ICS.

(iii) In the Word template, specifically describe any other payment, gift, exchange of goods or services, fee, technology allowance, or product provided for security purposes that you do not classify as a Site Commission payment.

c. Ancillary Services

This subsection directs you to provide certain Company-level information on your Ancillary Services expenses and revenues, and Revenue-Sharing Agreements in connection with your Ancillary Services. First, this subsection directs you to report expenses you incurred in providing Ancillary Services and includes inquiries requiring you to report subsets of those expenses and/or provide narratives in the Word template. Second, this subsection directs you to report revenues earned from providing Ancillary Services and similarly includes questions requiring you to report subsets of those revenues and/or provide narrative responses.

(i) In the next cell, enter “Yes” if you charged Customers more than one Permissible Ancillary Service Charge fee in connection with the same interstate, international, or mixed-jurisdictional transaction during the Reporting Period.

(ii) Enter the amount the Company paid each Third Party for billing services for Single-Call and Related Services during each Year of the Reporting Period.

(iii) Enter the amount the Company paid to each Third Party in the next cell.

(aa) If you entered “Yes,” identify each such Third Party in the next cell.

(bb) In the next cell, enter the amount the Company paid to each Third Party in the next cell.

(c) In the next cell, enter “Yes” if the Company used a Third Party in providing its Live Agent Service.

(ii) In the next cell, enter “Yes” if the Company used a Third Party in providing its Live Agent Service. Otherwise enter “No.”

(aa) If you entered “Yes,” identify each such Third Party in the next cell.

(bb) In the next cell, enter the amount the Company paid each listed Third Party for each Year of the Reporting Period.

(i) In the next cell, identify each Affiliate, if any, that the Company used in providing its Live Agent Service.

(ii) In the next cell, enter “Yes” if the Company used a Third Party in providing its Live Agent Service. Otherwise enter “No.”

(aa) If you entered “Yes,” identify each such Third Party in the next cell.

(bb) In the next cell, enter the amount the Company paid each listed Third Party for each Year of the Reporting Period.

(iii) In the next cell, enter “Yes” if the Company used a Third Party in providing its Paper Bill/Statement Service.

(ii) In the next cell, enter “Yes” if the Company used a Third Party in providing its Paper Bill/Statement Service. Otherwise enter “No.”

(aa) If you entered “Yes,” identify each such Third Party in the next cell.

(bb) In the next cell, enter the amount the Company paid each listed Third Party for each Year of the Reporting Period.

(i) In the next cell, identify each Affiliate, if any, that the Company used in providing its Paper Bill/Statement Service.

(ii) In the next cell, enter “Yes” if the Company used a Third Party in providing its Paper Bill/Statement Service. Otherwise enter “No.”

(aa) If you entered “Yes,” identify each such Third Party in the next cell.

(bb) In the next cell, enter the amount the Company paid each listed Third Party for each Year of the Reporting Period.

(i) In the next cell, identify each Affiliate, if any, that the Company used in providing its Automated Payment Service.

(ii) In the next cell, enter “Yes” if the Company used a Third Party in providing its Automated Payment Service. Otherwise enter “No.”

(aa) If you entered “Yes,” identify each such Third Party in the next cell.

(bb) In the next cell, enter the amount the Company paid each listed Third Party for each Year of the Reporting Period.

(i) In the next cell, identify each Affiliate, if any, that the Company used in providing its Automated Payment Service.

(ii) In the next cell, enter “Yes” if the Company used a Third Party in providing its Automated Payment Service. Otherwise enter “No.”

(aa) If you entered “Yes,” identify each such Third Party in the next cell.

(bb) In the next cell, enter the amount the Company paid each listed Third Party for each Year of the Reporting Period.

(i) In the next cell, identify each Affiliate, if any, that the Company used in providing its Automated Payment Service.

(ii) In the next cell, enter “Yes” if the Company used a Third Party in providing its Automated Payment Service. Otherwise enter “No.”

(aa) If you entered “Yes,” identify each such Third Party in the next cell.

(bb) In the next cell, enter the amount the Company paid each listed Third Party for each Year of the Reporting Period.

(iii) In the next cell, identify each Affiliate, if any, that the Company used in providing its Automated Payment Service.

(ii) In the next cell, enter “Yes” if the Company used a Third Party in providing its Automated Payment Service. Otherwise enter “No.”

(aa) If you entered “Yes,” identify each such Third Party in the next cell.

(bb) In the next cell, enter the amount the Company paid each listed Third Party for each Year of the Reporting Period.

(i) In the next cell, identify each Affiliate, if any, that the Company used in providing its Automated Payment Service.

(ii) In the next cell, enter “Yes” if the Company used a Third Party in providing its Automated Payment Service. Otherwise enter “No.”

(aa) If you entered “Yes,” identify each such Third Party in the next cell.

(bb) In the next cell, enter the amount the Company paid each listed Third Party for each Year of the Reporting Period.

(i) In the next cell, identify each Affiliate, if any, that the Company used in providing its Automated Payment Service.

(ii) In the next cell, enter “Yes” if the Company used a Third Party in providing its Automated Payment Service. Otherwise enter “No.”

(aa) If you entered “Yes,” identify each such Third Party in the next cell.

(bb) In the next cell, enter the amount the Company paid each listed Third Party for each Year of the Reporting Period.

(i) In the next cell, identify each Affiliate, if any, that the Company used in providing its Automated Payment Service.

(ii) In the next cell, enter “Yes” if the Company used a Third Party in providing its Automated Payment Service. Otherwise enter “No.”

(aa) If you entered “Yes,” identify each such Third Party in the next cell.

(bb) In the next cell, enter the amount the Company paid each listed Third Party for each Year of the Reporting Period.

(i) In the next cell, identify each Affiliate, if any, that the Company used in providing its Automated Payment Service.

(ii) In the next cell, enter “Yes” if the Company used a Third Party in providing its Automated Payment Service. Otherwise enter “No.”

(aa) If you entered “Yes,” identify each such Third Party in the next cell.

(bb) In the next cell, enter the amount the Company paid each listed Third Party for each Year of the Reporting Period.

(i) In the next cell, identify each Affiliate, if any, that the Company used in providing its Automated Payment Service.

(ii) In the next cell, enter “Yes” if the Company used a Third Party in providing its Automated Payment Service. Otherwise enter “No.”

(aa) If you entered “Yes,” identify each such Third Party in the next cell.

(bb) In the next cell, enter the amount the Company paid each listed Third Party for each Year of the Reporting Period.

(i) In the next cell, identify each Affiliate, if any, that the Company used in providing its Automated Payment Service.

(ii) In the next cell, enter “Yes” if the Company used a Third Party in providing its Automated Payment Service. Otherwise enter “No.”

(aa) If you entered “Yes,” identify each such Third Party in the next cell.

(bb) In the next cell, enter the amount the Company paid each listed Third Party for each Year of the Reporting Period.

(i) In the next cell, identify each Affiliate, if any, that the Company used in providing its Automated Payment Service.

(ii) In the next cell, enter “Yes” if the Company used a Third Party in providing its Automated Payment Service. Otherwise enter “No.”

(aa) If you entered “Yes,” identify each such Third Party in the next cell.

(bb) In the next cell, enter the amount the Company paid each listed Third Party for each Year of the Reporting Period.

(i) In the next cell, identify each Affiliate, if any, that the Company used in providing its Automated Payment Service.

(ii) In the next cell, enter “Yes” if the Company used a Third Party in providing its Automated Payment Service. Otherwise enter “No.”

(aa) If you entered “Yes,” identify each such Third Party in the next cell.

(bb) In the next cell, enter the amount the Company paid each listed Third Party for each Year of the Reporting Period.

(i) In the next cell, identify each Affiliate, if any, that the Company used in providing its Automated Payment Service.

(ii) In the next cell, enter “Yes” if the Company used a Third Party in providing its Automated Payment Service. Otherwise enter “No.”

(aa) If you entered “Yes,” identify each such Third Party in the next cell.

(bb) In the next cell, enter the amount the Company paid each listed Third Party for each Year of the Reporting Period.

(i) In the next cell, identify each Affiliate, if any, that the Company used in providing its Automated Payment Service.

(ii) In the next cell, enter “Yes” if the Company used a Third Party in providing its Automated Payment Service. Otherwise enter “No.”

(aa) If you entered “Yes,” identify each such Third Party in the next cell.

(bb) In the next cell, enter the amount the Company paid each listed Third Party for each Year of the Reporting Period.
Party for billing services in connection with Single-Call and Related Services for each Year of the Reporting Period that the Company passed through to Customers.

(vi) In the Word template, state whether any entity other than the Company charged Customers Single-Call and Related Services Fees in connection with the Company’s ICS-Related Operations during each Year of the Reporting Period. If so, list each such entity, indicate whether each listed entity is a Third Party, and provide the amount of such fees each listed entity charged Customers during each Year of the Reporting Period.

(e) Third-Party Financial Transaction Services: (i) Payment Card Processing for Third-Party Financial Transaction Services: In the Word template, describe payment card processing services performed in connection with Third-Party Financial Transaction Services during each Year of the Reporting Period. Identify whether the payment card processing was performed by the Company, an Affiliate, or a Third Party. If provided by an Affiliate or Third Party, identify the Affiliate or Third Party.

(ii) List each entity that charged the Company for providing Third-Party Financial Transaction Services during the Reporting Period in connection with the Company’s ICS-Related Operations. Indicate whether each listed entity is a Third Party.

(iii) Enter the amount the Company paid a Third Party for Third-Party Financial Transaction Services during each Year of the Reporting Period.

(iv) Enter the amount the Company paid to a Third Party for Third-Party Financial Transaction Services that the Company passed through to Customers during each Year of the Reporting Period.

(v) Enter the amount the Company paid to an entity other than a Third Party for Third-Party Financial Transaction Services during each Year of the Reporting Period.

(vi) Enter the amount the Company paid to an entity other than a Third Party for Third-Party Financial Transaction Services that the Company passed through to Customers during each Year of the Reporting Period.

(vii) In the Word template, state whether any entity other than the Company charged Customers for Third-Party Financial Transaction Services in connection with the Company’s ICS-Related Operations during each Year of the Reporting Period. If so, list each such entity and provide the amount of such fees each listed entity charged Customers during each Year of the Reporting Period.

(3) Ancillary Services Revenues: Enter the total revenues you received from Customers for providing Permissible Ancillary Services during each Year of the Reporting Period. This total shall include fees Customers paid the Company for Automated Payment Service, Live Agent Service, Paper Bill/Statement Service, Single-Call and Related Services, Third-Party Financial Transaction Services, and Other Ancillary Services.

(a) Automated Payment Service Revenues: Enter the total amount of revenues the Company received from charging Automated Payment Fees during each Year of the Reporting Period.

(i) Payment Card Processing Revenues for Automated Payment Service: Of the amount reported for Total Automated Payment Fee Revenues above, enter the amount of those revenues applicable to payment card processing for each Year of the Reporting Period.

(aa) In the Word template, describe the payment card processing services in connection with Automated Payment Service revenue. Identify whether the payment card processing was performed by the Company, an Affiliate, or a Third Party. If payment card processing was performed by an Affiliate or Third Party, identify the Affiliate or Third Party.

(ii) Automated Payment Service Revenue-Sharing Agreements: If the Provider has a Revenue-Sharing Agreement with an Affiliate or a Third Party in connection with Automated Payment Service, including for any payment card processing functions enter “Yes.” Otherwise, enter “No.”

(aa) If you answered “Yes,” you must provide the information requested below under the “Ancillary Services Revenue-Sharing Agreements” heading in the Word template.

(b) Live Agent Fee Revenues: Enter the total revenues you received from charging the Live Agent Fee for each Year during the Reporting Period.

(ii) In the next cell, enter “Yes” if an Affiliate or Third Party charged the Live Agent Fee for each Year during the Reporting Period. Otherwise, enter “No.” If you entered “Yes,” identify each such Affiliate or Third Party in the next cell and provide the amount charged by the Affiliate or Third Party next to the name.

(c) Paper Bill/Statement Fee Revenues: Enter the total revenues the Company received from charging the Paper Bill/Statement Fee for each Year during the Reporting Period.

(d) Single-Call and Related Services Revenues: Enter the total amount of revenues the Company received from charging Fees for Single-Call and Related Services for each Year during the Reporting Period.

(i) Single-Call and Related Services: Of the amount reported for Total Single-Call and Related Services Revenues above, enter the amount of those revenues the Company received from charging the adopted, per-minute rate in connection with Single-Call and Related Services. This amount should exclude any Third-Party charges passed through to Customers as part of providing Single-Call and Related Services.

(ii) Single-Call and Related Services Revenue-Sharing Agreements: If the Provider has a Revenue-Sharing Agreement with an Affiliate or a Third Party in connection with Single-Call and Related Services enter “Yes.” Otherwise, enter “No.”

(aa) If you answered “Yes,” you must provide the information requested below under the “Ancillary Services Revenue-Sharing Agreements” heading in the Word template.

(e) Third-Party Financial Transaction Fee Revenue: Enter the total revenues the Company received from charging Third-Party Financial Transaction Fees for each Year during the Reporting Period.

(i) Payment Card Processing Revenues from Third-Party Financial Transaction Services: Of the amount reported for Total Third-Party Financial Transaction Service Revenue, enter the amount of that revenue applicable to payment card processing for each Year during the Reporting Period.

(ii) Payment Card Processing Fee Revenue-Sharing Agreements: If the Provider has a Revenue-Sharing Agreement with an Affiliate or a Third Party in connection with Third-Party Financial Transaction Fees, enter “Yes.” Otherwise, enter “No.”

(aa) In the Word template, describe these payment card processing services, including whether they were performed by the Provider, an Affiliate, or a Third Party. If provided by an Affiliate or a Third Party, identify each Affiliate or Third Party. State whether the Company charged Customers payment card processing fees for each Year during the Reporting Period. If so, enter the amount of such fees charged to Customers for each Year during the Reporting Period.

(b) Live Agent Fee Revenues: Enter the total revenues you received from charging the Adopted, per-minute rate in connection with Live Agent Fee revenue applicable to payment card processing for each Year during the Reporting Period.

(ii) In the next cell, enter “Yes” if an Affiliate or Third Party charged the Live Agent Fee for each Year during the Reporting Period. Otherwise, enter “No.” If you entered “Yes,” identify each such Affiliate or Third Party in the next cell and provide the amount charged by the Affiliate or Third Party next to the name.

(c) Paper Bill/Statement Fee Revenues: Enter the total revenues the Company received from charging the Paper Bill/Statement Fee for each Year during the Reporting Period.

(d) Single-Call and Related Services Revenues: Enter the total amount of revenues the Company received from charging Fees for Single-Call and Related Services for each Year during the Reporting Period.

(i) Single-Call and Related Services: Of the amount reported for Total Single-Call and Related Services Revenues above, enter the amount of those revenues the Company received from charging the adopted, per-minute rate in connection with Single-Call and Related Services. This amount should exclude any Third-Party charges passed through to Customers as part of providing Single-Call and Related Services.

(ii) Single-Call and Related Services Revenue-Sharing Agreements: If the Provider has a Revenue-Sharing Agreement with an Affiliate or a Third Party in connection with Single-Call and Related Services enter “Yes.” Otherwise, enter “No.”

(aa) If you answered “Yes,” you must provide the information requested below under the “Ancillary Services Revenue-Sharing Agreements” heading in the Word template.

(e) Third-Party Financial Transaction Fee Revenue: Enter the total revenues the Company received from charging Third-Party Financial Transaction Fees for each Year during the Reporting Period.

(i) Payment Card Processing Revenues from Third-Party Financial Transaction Services: Of the amount reported for Total Third-Party Financial Transaction Service Revenue, enter the amount of that revenue applicable to payment card processing for each Year during the Reporting Period.

(ii) Payment Card Processing Fee Revenue-Sharing Agreements: If the Provider has a Revenue-Sharing Agreement with an Affiliate or a Third Party in connection with Third-Party Financial Transaction Fees, enter “Yes.” Otherwise, enter “No.”

(aa) In the Word template, describe these payment card processing services, including whether they were performed by the Provider, an Affiliate, or a Third Party. If provided by an Affiliate or a Third Party, identify each Affiliate or Third Party. State whether the Company charged Customers payment card processing fees for each Year during the Reporting Period. If so, enter the amount of such fees charged to Customers for each Year during the Reporting Period.

(b) Live Agent Fee Revenues: Enter the total revenues you received from charging the Adopted, per-minute rate in connection with Live Agent Fee revenue applicable to payment card processing for each Year during the Reporting Period.

(ii) In the next cell, enter “Yes” if an Affiliate or Third Party charged the Live Agent Fee for each Year during the Reporting Period. Otherwise, enter “No.” If you entered “Yes,” identify each such Affiliate or Third Party in the next cell and provide the amount charged by the Affiliate or Third Party next to the name.

(c) Paper Bill/Statement Fee Revenues: Enter the total revenues the Company received from charging the Paper Bill/Statement Fee for each Year during the Reporting Period.

(d) Single-Call and Related Services Revenues: Enter the total amount of revenues the Company received from charging Fees for Single-Call and Related Services for each Year during the Reporting Period.

(i) Single-Call and Related Services: Of the amount reported for Total Single-Call and Related Services Revenues above, enter the amount of those revenues the Company received from charging the adopted, per-minute rate in connection with Single-Call and Related Services. This amount should exclude any Third-Party charges passed through to Customers as part of providing Single-Call and Related Services.

(ii) Single-Call and Related Services Revenue-Sharing Agreements: If the Provider has a Revenue-Sharing Agreement with an Affiliate or a Third Party in connection with Single-Call and Related Services enter “Yes.” Otherwise, enter “No.”

(aa) If you answered “Yes,” you must provide the information requested below under the “Ancillary Services Revenue-Sharing Agreements” heading in the Word template.

(e) Third-Party Financial Transaction Fee Revenue: Enter the total revenues the Company received from charging Third-Party Financial Transaction Fees for each Year during the Reporting Period.

(i) Payment Card Processing Revenues from Third-Party Financial Transaction Services: Of the amount reported for Total Third-Party Financial Transaction Service Revenue, enter the amount of that revenue applicable to payment card processing for each Year during the Reporting Period.

(ii) Payment Card Processing Fee Revenue-Sharing Agreements: If the Provider has a Revenue-Sharing Agreement with an Affiliate or a Third Party in connection with Third-Party Financial Transaction Fees, enter “Yes.” Otherwise, enter “No.”

(aa) In the Word template, describe these payment card processing services, including whether they were performed by the Provider, an Affiliate, or a Third Party. If provided by an Affiliate or a Third Party, identify each Affiliate or Third Party. State whether the Company charged Customers payment card processing fees for each Year during the Reporting Period. If so, enter the amount of such fees charged to Customers for each Year during the Reporting Period.

(b) Live Agent Fee Revenues: Enter the total revenues you received from charging the Adopted, per-minute rate in connection with Live Agent Fee revenue applicable to payment card processing for each Year during the Reporting Period.

(ii) In the next cell, enter “Yes” if an Affiliate or Third Party charged the Live Agent Fee for each Year during the Reporting Period. Otherwise, enter “No.” If you entered “Yes,” identify each such Affiliate or Third Party in the next cell and provide the amount charged by the Affiliate or Third Party next to the name.

(c) Paper Bill/Statement Fee Revenues: Enter the total revenues the Company received from charging the Paper Bill/Statement Fee for each Year during the Reporting Period.

(d) Single-Call and Related Services Revenues: Enter the total amount of revenues the Company received from charging Fees for Single-Call and Related Services for each Year during the Reporting Period.

(i) Single-Call and Related Services: Of the amount reported for Total Single-Call and Related Services Revenues above, enter the amount of those revenues the Company received from charging the adopted, per-minute rate in connection with Single-Call and Related Services. This amount should exclude any Third-Party charges passed through to Customers as part of providing Single-Call and Related Services.

(ii) Single-Call and Related Services Revenue-Sharing Agreements: If the Provider has a Revenue-Sharing Agreement with an Affiliate or a Third Party in connection with Single-Call and Related Services enter “Yes.” Otherwise, enter “No.”

(aa) If you answered “Yes,” you must provide the information requested below under the “Ancillary Services Revenue-Sharing Agreements” heading in the Word template.
any Affiliate and/or Third Party in connection with any Ancillary Service.

(a) For each Revenue-Sharing Agreement identified, provide, at a minimum, the following information:

(i) The parties to the agreement;
(ii) Identify each payor and each payee under the agreement;
(iii) Whether any party to the agreement is an Affiliate or Third Party;
(iv) The Ancillary Service for which revenue is required to be shared under the agreement;
(v) The amount of revenue to be shared under the terms of the agreement;
(vi) The total amount of revenue shared for each Year of the Reporting Period;
(vii) The total amount of revenue shared for each Ancillary Service; and
(viii) The effective and termination dates of the agreement.

d. Affiliate Transactions

(1) In the Word template, describe in detail all types of transactions between the Accounting Entity and its non-Accounting Entity Affiliates.

(2) Provider’s Payments to Non-Accounting Entity Affiliates:

(a) Total ICS Revenue Paid to Non-Accounting Entity Affiliates: Enter the amount of ICS revenue the Provider paid to any non-Accounting Entity Affiliate during each Year of the Reporting Period.

(b) Total Automated Payment Fee Revenue Paid to Non-Accounting Entity Affiliates: Enter the amount of Automated Payment Fee revenue the Provider paid to any non-Accounting Entity Affiliate during each Year of the Reporting Period.

(c) Total Single-Call and Related Services Revenue Paid to Non-Accounting Entity Affiliates: Enter the amount of revenue from charging Fees for Single-Call and Related Services the Provider paid to any non-Accounting Entity Affiliate during each Year of the Reporting Period.

(d) Total Live Agent Fee Revenue Paid to Non-Accounting Entity Affiliates: Enter the amount of Live Agent Fee revenue the Provider paid to any non-Accounting Entity Affiliate during each Year of the Reporting Period.

(e) Total Paper Bill/Statement Fee Revenue Paid to Non-Accounting Entity Affiliates: Enter the amount of Paper Bill/Statement Fee revenue the Provider paid to any Affiliate during each Year of the Reporting Period.

(f) Total Third-Party Financial Transaction Fee Revenue Paid to Non-Accounting Entity Affiliates: Enter the amount of Third-Party Financial Transaction Fee Revenue the Provider paid to any non-Accounting Entity Affiliate during each Year of the Reporting Period.

(g) International Termination Payments to Affiliates: Enter the total amounts paid by the Company to an affiliated international service provider during each Year of the Reporting Period to terminate International ICS Calls originating from the Facility.

e. Instructions Relating to Subcontracts To Provide Inmate Calling Services

This subsection provides instructions on reporting data and other information where a Provider subcontracts with another entity for the provision of ICS. The primary goal in requiring the submission of these data is to prevent double counting of costs and/or revenues between a Company and other entities when they have a contractual or other arrangement to provide ICS to the same Facility. Further, we also seek to understand the nature of any such arrangements.

Subcontract Reporting of Cost and Revenue Data: In reporting cost and revenue data, Subcontractors shall not treat any Billed Revenue passed on to a Provider as an expense and shall otherwise report investments, expenses, and revenues in accordance with the instructions set forth in this document.

(1) Provider Reporting of Cost Data: Where a Provider has a Subcontractor:

(a) The Provider shall directly assign, attribute, or allocate its investments and expenses based on the cost allocation hierarchies set forth in these instructions to or among:

(i) Inmate Calling Services,
(ii) Automated Payment Service, Live Agent Service, Paper Bill/Statement Service, Other Ancillary Services, and non-ICS Services;
(iii) Further directly assign, attribute, or allocate the Provider’s Inmate Calling Services investments and expenses to or among (i) Provider-supplied facilities; and (ii) Subcontractor-supplied facilities.

(2) Narrative Description of a Subcontract to Provide ICS: If a Provider contracts with a Subcontractor to provide any aspect of ICS, the Provider and the Subcontractor shall explain each such arrangement in the Word templates of their respective responses. At a minimum, each such explanation shall include:

(a) The name of the Provider with the contractual or other agreement with a Facility or contracting authority for the provision of ICS;
(b) The name of the Subcontractor;
(c) The services provided by the Subcontractor under the agreement;
(d) The unique identifier and address for the Facilities at which the Subcontractor provides services under the agreement;
(e) A description of the ICS-Related Operations provided by the Provider and the Subcontractor;
(f) The types of ICS calls billed by the Provider and the Subcontractor; and
(g) A description of any Revenue-Sharing Agreement between the Provider and the Subcontractor.

D. Facility-Specific Information

The previous section directs you to provide general financial data and other information at the Company level. In this section, we direct you to provide financial data and other information at the Facility level. You must submit individual data for each Facility even if that Facility is covered by the same contract as other Facilities. Those data must be specific to the Facility in question and not simply a repeat of data reported for other Facilities covered by the same contract.

1. Facility-Specific Financial Information

Part IV.C.2, above, directs you to provide Company-wide financial information. We now direct you to provide financial information at the Facility level. We begin by providing cost allocation instructions. We then direct you to provide the results of the cost allocation process. We also direct you to provide Annual Total Expenses for ICS at each Facility as well as Facility-specific demand and revenue data. In particular, this subsection seeks Inmate Calling Service demand, revenue, and expense information allocated by Facility in accordance with the cost allocation instructions set forth below.

a. Cost Allocation Instructions

In Part IV.C.2, above, we direct you to allocate your Company-wide investments and expenses to Inmate Calling Services, among other services, in accordance with certain instructions. We now provide instructions on how you are to allocate the Company-wide investments and expenses allocated to Inmate Calling Services among the Facilities at which the Company provides Calling Services to incarcerated people.

To the extent possible, you must assign or allocate Company-wide investments and expenses for Inmate Calling Services among Facilities using the hierarchy of methods specified below:

(1) First, to the extent possible, directly assign investments used
exclusively to provide Inmate Calling Services at or for a particular Facility to that Facility; likewise, to the extent possible, directly assign expenses incurred exclusively to provide Inmate Calling Services at or for a particular Facility to that Facility. Calculate federal and state income taxes relative to Inmate Calling Services for a particular Facility as specified in 6 and 7 below.

(2) Second, group shared investments and expenses into shared investment and expense categories based on business function, activity, or task. Group common investments and expenses into common investment and expense categories based on business function, activity, or task.

(a) Any investments and expenses that are not directly assignable to a specific Facility are shared or common investments and expenses.

(b) Shared investments are for assets used exclusively to provide Inmate Calling Services at or for a specific subset of Facilities that are not assignable or attributable to a particular Facility. Shared expenses are expenses incurred solely to provide Inmate Calling Services at or for a specific subset of Facilities that are not assignable or attributable to a specific Facility.

(c) Common investments are for assets not assignable or attributable to a specific Facility or subset of facilities. Common expenses are expenses that are not assignable or attributable to a specific Facility or subset of Facilities.

(3) Third, to the extent possible, directly attribute categories of shared investments and expenses, and categories of common investments and expenses, to particular Facilities based on direct analysis of factors that cause a particular business function, activity, or task—and thus investments or expenses—to increase or decrease.

(4) Fourth, where neither direct assignment nor direct attribution is possible, allocate categories of shared investments and expenses, and categories of common investments and expenses, to particular Facilities based on an indirect, cost-causalistic link to another investment and expense or another investment or expense category (or group of categories) for which direct assignment or attribution is possible.

(5) Fifth, where none of the methods described above is possible, allocate categories of shared investments and expenses to the particular Facilities that share the investments and expenses in proportion to each Facility’s share of the total of all investments or expenses already directly assigned or attributed to these particular Facilities. Allocate categories of common investments and expenses to particular Facilities in proportion to each Facility’s share of the total of all investments or expenses already directly assigned or attributed to all Facilities.

(6) Federal income taxes: First, subtract reported interest expense other than interest paid on customer prepayments or deposits (and any amount reported for other income tax-related adjustments) from Return to determine federal taxable income. Second, divide the federal income tax rate by 1 minus the federal income tax rate to determine a federal income tax gross-up factor. Third, multiply the federal income tax gross-up factor by federal taxable income to determine the amount of federal income tax to report.

(7) State income taxes: First, add the portion of federal income tax that is not deductible for state income tax purposes to federal taxable income to determine state taxable income. Second, divide the individual state income tax rate applicable to a particular Facility by 1 minus the individual state income tax rate applicable to that Facility to determine a state income tax gross-up factor. Third, multiply the state income tax gross-up factor by state taxable income to determine the amount of state income tax to report.

The sums of the investment and expense amounts assigned to, attributed to, or allocated among Facilities shall equal the total of the Company-wide investment and expense amounts reported for Inmate Calling Services. The sums of the federal and state income taxes calculated separately for each of the Facilities shall equal the Company-wide federal and state income tax amounts reported for Inmate Calling Services. Fully document, explain, and justify all cost assignments, attributions, and allocations in the Word template.

b. Cost Allocation Results
Report the results of your cost assignments, attributions, and allocations in Excel template.
(1) Capital Assets: Report the year-end amount related to the provision of Inmate Calling Services at or for each Facility for each Year of the Reporting Period for each of the items specified below. For Cash Working Capital (item (h)), please report the average amount.

(a) Gross Investment;
(b) Accumulated depreciation;
(c) Accumulated amortization;
(d) Net Investment;
(e) Accumulated deferred federal income taxes;
(f) Accumulated deferred state income taxes;
(g) Customer prepayments or deposits;
(h) Cash Working Capital; and
(i) Net Capital Stock.
(2) Capital Expenses and Related Tax Information: Report the annual amount or percentages related to the provision of Inmate Calling Services at or for each Facility for each Year of the Reporting Period for each of the items specified below.

(a) Depreciation;
(b) Amortization;
(c) Weighted Average Cost of Capital;
(d) Return;
(e) Interest other than interest paid on customer prepayments or deposits;
(f) Interest paid on customer prepayments or deposits;
(g) Other income tax-related adjustments;
(h) Federal taxable income;
(i) Federal income tax rate;
(j) Federal income tax gross-up factor;
(k) Federal income tax;
(l) Federal income tax not deductible for state income tax purposes;
(m) State taxable income;
(n) State income tax rate;
(o) State income tax gross-up factor; and
(p) State income tax.
(3) Operating Expenses: Report the annual amount related to the provision of Inmate Calling Services at or for each Facility for each Year of the Reporting Period for each of the items specified below. Each expense must be reported for a particular category; for example, do not report expense incurred for termination of International Communication as an expense incurred for Interstate and Intrastate Communication. Exclude any charges for asset impairment loss.

(a) Maintenance, repair, and engineering of site plant, equipment, and facilities;
(b) Origination, switching, and transporting of Interstate, International and Intrastate Communication and termination of Interstate and Intrastate Communication;
(c) Termination of International Communication;
(d) Field service;
(e) Network operations;
(f) Call center;
(g) Data center;
(h) Security Services relating to the Company's ICS-Related Operations;
(i) Billing, collection, client management, and customer care;
(j) Sales and marketing;
(k) General and administrative;
(l) Other overhead;
(m) Taxes other than income taxes; and
(n) Transactions related to mergers and acquisitions; and
(o) Bad debt.
c. Facility-Specific Annual Total Expenses

Report the separate Facility-specific Annual Total Expenses for Inmate Calling Services for each Facility at which you provided Calling Services to incarcerated people. Exclude reported interest expense other than interest paid on customer prepayments or deposits from Annual Total Expenses. The allowance for interest expense other than interest paid on customer prepayments or deposits is included in the Return component of the Annual Total Expenses calculation. Include reported interest paid on customer prepayments or deposits in Annual Total Expenses. Exclude expense reported for termination of International Communication from Annual Total Expenses.

d. Facility-Specific Demand and Revenue Data

(1) Demand for Inmate Calling Services: Report on the Excel template the annual demand for Inmate Calling Services for each Year of the Reporting Period. Provide separate data for each Facility at which you provided Calling Services to incarcerated people. Annual demand shall be expressed in the units and for the categories specified below. Billed and Unbilled Minutes and Calls reported for different categories shall sum to the relevant total reported for Billed and Unbilled Minutes and Calls. You must submit individual data for each Facility even if that Facility is covered by the same contract as other Facilities. Those data must be specific to the Facility in question and not simply a repeat of data reported for other Facilities covered by the same contract. If you repeat or merge data across multiple facilities covered by a single contract, explain in the Word template why you did so and how you reported the data.

(a) Total Billed Calls;
(b) Billed Calls separately for (i) Interstate Communication, (ii) International Communication, and (iii) Intrastate Communication;
(c) Total Unbilled Calls;
(d) Total Billed and Unbilled Calls;
(e) Total Billed Minutes;
(f) Billed Minutes separately for (i) Interstate Communication, (ii) International Communication, and (iii) Intrastate Communication;
(g) Total Unbilled Minutes;
(h) Total Billed and Unbilled Minutes;
(i) Average Daily Population;
(aa) If you do not know a Facility’s Average Daily Population, so indicate and provide your best estimate of that Average Daily Population. Explain the basis for this estimate in the Word template.
(j) Total number of ICS accounts opened;
(k) Total number of ICS accounts closed;
(l) Total Admissions;
(m) Total Releases;
(n) Weekly Turnover Rate;
(o) Number of Incarcerated Person Telephones Installed; and
(p) Number of Incarcerated Person Kiosks Installed.


(3) Revenues from Inmate Calling Services: Report on the Excel template the annual Billed Revenues from Inmate Calling Services for each Year of the Reporting Period. Provide separate data for each of the categories specified below for each Facility at which you provided Calling Services for incarcerated people. Billed Revenues reported for different categories shall sum to the relevant total reported for Billed Revenues.

(a) Total Billed Revenues;
(b) Billed Revenues separately for (i) Interstate Communication, (ii) International Communication, and (iii) Intrastate Communication;


2. Other Facility-Specific Information

The following information requires you to report various Facility-level data in the Excel template.

a. General Information

(1) Unique Identifier for Contract: Enter a unique identifier for each contract under which the Company provides Inmate Calling Services.

(2) Counterparty to Contract: For each contract identified above, list the name of the party or entity that entered into the contract with the Provider.

(3) Unique Identifier for Facility: Enter a unique identifier for each Facility at which the Company offers Inmate Calling Services.

(4) Facility Address: Enter the complete address (street address, city, state, and ZIP Code) of the physical location of each Facility.

(5) Facility Geographical Coordinates: Enter the geographical coordinates of each Facility.

(6) Facility Type (Jail or Prison): Indicate whether each Facility is a Prison (P) or a Jail (J).

(7) Maximum Call Duration: Enter in minutes the Maximum Call Duration for ICS calls originating from each Facility. If neither the Facility nor the Company imposes a limit on the length of ICS calls placed from the Facility, enter “N/A.”

b. Site Commissions

This subsection directs you to report Facility-specific data on Site Commissions. You must fully allocate all reported Site Commissions during the Reporting Period among the Facilities associated with each Site Commission payment.

(1) Site Commissions: For each Year of the Reporting Period, enter the total amount of all Site Commissions paid by the Company that was related to the Facility, without regard to whether the Site Commission was Legally Mandated, Contractually Prescribed, Fixed, Variable, Monetary, or In-Kind.

(a) For each Year of the Reporting Period, enter the percentage of the total Site Commissions paid by the Company that was related to the Facility and that was attributable to the Company’s ICS-Related Operations.

(b) List the non-ICS Products and Services that the Company provided at the Facility during each year of the Reporting Period.

(c) In the Word template, identify for each Year of the Reporting Period any Site Commissions paid by the Company that related to any Facility and that
included both a monetary payment and an in-kind payment. Provide the name of the Facility, the entity to which you paid the Site Commission, and the amount of the monetary payment, and describe in detail the in-kind payment, including any Security Service.

(d) In the Word template, list for each Year of the Reporting Period each entity to which you paid a Site Commission. Provide the name of the Facility for which that entity is responsible and the amount paid to that entity without regard to whether the Site Commission was Legally Mandated, Contractually Prescribed, Fixed, Variable, Monetary, or In-Kind.

(2) Legally Mandated Site Commissions: Enter the total amount of Legally Mandated Site Commissions paid in connection with ICS calls from the Facility during each Year of the Reporting Period.

(a) Recipient: For each Year of the Reporting Period, enter the name of the entity or entities to which you paid Legally Mandated Site Commissions in connection with ICS calls from the Facility. If the Site Commissions were paid to more than one entity, allocate the payment between the relevant entities.

(b) Legally Mandated Site Commission Authority: For each year of the Reporting Period during which you paid Legally Mandated Site Commissions in connection with ICS calls from the Facility, provide a citation to the authority requiring the such payment.

(c) Total Monetary Site Commissions: For each Year of the Reporting Period, enter the total amount of Legally Mandated Site, Monetary Site Commissions paid in connection with ICS calls from the Facility.

(d) Recipient: For each Year of the Reporting Period, enter the name of the entity or entities to which you paid Legally Mandated, Monetary Site Commissions in connection with ICS calls from the Facility. If the Site Commissions were paid to more than one entity, allocate the payment between the relevant entities.

(e) Total In-Kind Site Commissions: For each Year of the Reporting Period, enter the total amount of Legally Mandated Site Commissions that were both Monetary Site Commissions and In-Kind Site Commissions.

(f) Recipient: For each Year of the Reporting Period, enter the name of the entity or entities to which you paid Legally Mandated, Variable, Monetary Site Commissions. If these Site Commissions were paid to more than one entity, allocate the payments among the relevant entities.

(g) Total In-Kind Site Commissions: For each Year of the Reporting Period, enter the total amount of Legally Mandated Site Commissions that were both Monetary Site Commissions and In-Kind Site Commissions.

(h) Recipient: For each Year of the Reporting Period, enter the name of the entity or entities to which you paid Legally Mandated, In-Kind Site Commissions in connection with ICS calls from the Facility. If these Site Commissions were paid to more than one entity, allocate the payments among the relevant entities.

(i) In the Word template, describe these in-kind payments in detail. Specifically describe each Security Service provided at the Facility that you classify as an In-Kind Site Commission payment. Also specifically describe any other payment, gift, exchange of services or goods, fee, technology allowance, or product provided the Facility that you classify as an In-Kind Site Commission payment.

### (ii) Variable Site Commissions

(a) For each Year of the Reporting Period, enter the total amount of Legally Mandated Site Commissions that were both Monetary Site Commissions and Variable Site Commissions.

(b) Recipient: For each Year of the Reporting Period, enter the name of the entity or entities to which you paid Legally Mandated, Variable, Monetary Site Commissions. If these Site Commissions were paid to more than one entity, allocate the payments among the relevant entities.

(c) Total Monetary Site Commissions: For each Year of the Reporting Period, enter the total amount of Legally Mandated Site Commissions that not only were Monetary Site Commissions and Fixed Site Commissions but also were paid, at the signing of a contract or during the first year of the contract, in connection with the provision of ICS at the Facility.

(d) Recipient: For each Year of the Reporting Period, enter the name of the entity or entities to which you paid Legally Mandated, Fixed, Variable, Monetary Site Commissions. If these Site Commissions were paid to more than one entity, allocate the payments among the relevant entities.

(e) Total In-Kind Site Commissions: For each Year of the Reporting Period, enter the total amount of Legally Mandated Site Commissions that not only were Monetary Site Commissions and In-Kind Site Commissions but also were paid, at the signing of a contract or during the first year of the contract, in connection with the provision of ICS at the Facility.

(f) Recipient: For each Year of the Reporting Period, enter the name of the entity or entities to which you paid Legally Mandated, Fixed, In-Kind Site Commissions payments among Facilities covered by the contract.

(g) Upfront Payments: For each Year of the Reporting Period, enter the total amount of Legally Mandated Site Commissions that were both Monetary Site Commissions and Fixed Site Commissions but also were paid, at the signing of a contract or during the first year of the contract, in connection with the provision of ICS at the Facility.

(h) Recipient: For each Year of the Reporting Period, enter the name of the entity or entities to which you paid Legally Mandated, Fixed, In-Kind Site Commissions in connection with ICS calls from the Facility. If the Site Commissions were paid to more than one entity, allocate the payments among the relevant entities.

(i) Variable Site Commissions: For each Year of the Reporting Period, enter the total amount of Legally Mandated Site Commissions that were both Monetary Site Commissions and In-Kind Site Commissions.

(j) Recipient: For each Year of the Reporting Period, enter the name of the entity or entities to which you paid Legally Mandated, In-Kind Site Commissions in connection with ICS calls from the Facility. If these Site Commissions were paid to more than one entity, allocate the payments among the relevant entities.
Contractually Prescribed Site Commissions paid in connection with ICS calls from the Facility during each Year of the Reporting Period.

(a) **Recipient:** For each Year of the Reporting Period, enter the name of the entity or entities to which you paid Contractually Prescribed Site Commissions Site Commissions in connection with ICS calls from the Facility. If the Site Commissions were paid to more than one entity, allocate the payment among the relevant entities.

(b) **Total Monetary Site Commissions:** For each Year of the Reporting Period, enter the total amount of Contractually Prescribed, Monetary Site Commissions paid related to the Facility.

(i) **Recipient:** For each Year of the Reporting Period, enter the name of the entity or entities to which you paid Contractually Prescribed, Monetary Site Commissions. If the Site Commissions were paid to more than one entity, allocate the payments among the relevant entities.

(ii) **Fixed Site Commissions:** For each Year of the Reporting Period, enter the total amount of Contractually Prescribed Site Commissions that were both Monetary Site Commissions and Fixed Site Commissions and that were paid in connection with ICS calls from the Facility.

(aa) **Recipient:** For each Year of the Reporting Period, enter the name of the entity or entities to which you paid Contractually Prescribed, Monetary Site Commissions. If the Site Commissions were paid to more than one entity, allocate the payments among the relevant entities.

(aaa) **Upfront Payments:** For each Year of the Reporting Period, enter the name of the entity or entities to which you paid these upfront payments. If the Site Commissions were paid to more than one entity, allocate the payments among the relevant entities.

(iii) **Variable Site Commissions:** For each Year of the Reporting Period, enter the total amount of Contractually Prescribed Site Commissions that were both Monetary Site Commissions and Variable Site Commissions and that were paid in connection with ICS calls from the Facility.

(aa) **Recipient:** For each Year of the Reporting Period, enter the name of the entity or entities to which you paid Contractually Prescribed, Variable, Monetary Site Commissions. If the Site Commissions were paid to more than one entity, allocate the payments among the relevant entities.

(c) **Total In-Kind Site Commissions:** For each Year of the Reporting Period, enter the total amount of Contractually Prescribed Site Commissions that were also In-Kind Site Commissions and that were paid related in connection with ICS calls from the Facility.

(i) **Recipient:** For each Year of the Reporting Period, enter the name of the entity or entities to which you paid Contractually Prescribed, In-Kind Site Commissions. If the Site Commissions were paid to more than one entity, allocate the payments among the relevant entities.

(ii) In the Word template, describe these in-kind payments in detail. Specifically describe each Security Service provided at the Facility that you classify as an In-Kind Site Commission payment. Also specifically describe any other payment, gift, exchange of services or goods, fee, technology allowance, or product provided the Facility that you classify as an In-Kind Site Commission payment.

(iii) **Fixed Site Commissions:** For each Year of the Reporting Period, enter the amount of Contractually Prescribed Site Commissions that were both In-Kind Site Commissions and Fixed Site Commissions and that were paid in connection with ICS calls from the Facility.

(aa) **Recipient:** For each Year of the Reporting Period, enter the name of the entity or entities to which you paid Contractually Prescribed, Fixed, In-Kind Site Commissions. If the Site Commissions were paid to more than one entity, allocate the payments among the relevant entities.

(ab) **Upfront Payments:** For each Year of the Reporting Period, enter the total amount of all Contractually Prescribed Site Commissions that not only were In-Kind Site Commissions and Fixed Site Commissions but also were paid, at the signing of a contract or during the first year of the contract, in connection with the provision of ICS at the Facility.

(ac) In the Word template, describe the methodology used to allocate the Contractually Prescribed, Fixed, In-Kind Site Commission payments among Facilities.

(ad) **Upfront Payments:** For each Year of the Reporting Period, enter the amount of all Contractually Prescribed Site Commissions that not only were In-Kind Site Commissions and Fixed Site Commissions but also were paid, at the signing of a contract or during the first year of the contract, in connection with the provision of ICS at the Facility.

(aaa) **Recipient:** For each Year of the Reporting Period, enter the name of the entity or entities to which you paid Contractually Prescribed, Fixed, In-Kind Site Commissions that were both In-Kind Site Commissions and Fixed Site Commissions and that were paid in connection with ICS calls from the Facility.

(aaa) **Recipient:** For each Year of the Reporting Period, enter the name of the entity or entities to which you paid these upfront payments. If those Site Commissions were paid to more than one entity, allocate the payments among the relevant entities.

(iv) **Variable Site Commissions:** For each Year of the Reporting Period, enter the amount of Contractually Prescribed Site Commissions that were both In-Kind Site Commissions and Variable Site Commissions and that were paid in connection with ICS calls from the Facility.

(aa) **Recipient:** For each Year of the Reporting Period, enter the name of the entity or entities to which you paid Contractually Prescribed, Variable, In-Kind Site Commissions. If the Site Commissions were paid to more than one entity, allocate the payments among the relevant entities.

(4) **Site Commission Allocation Methodology:** In the Word template, fully describe, document, explain, and justify the allocation methodology you used to allocate Site Commission payments between your ICS and non-ICS Operations at each Facility during each Year of the Reporting Period and in situations where you made Site Commission payments for both ICS and non-ICS Operations.

c. **Security Services Not Classified as Site Commissions**

Reporting in response to the following questions (1) through (4) must be exclusive of the data reported in connection with Site Commissions to prevent double-counting.

(1) On the Excel template, fully allocate and report the total dollar amount of costs the Company incurred to provide the following categories of services at each Facility during each Year of the Reporting Period.

(a) Law enforcement support services
(i) In the Word template, for each Facility and for each Year of the Reporting Period, identify by name and describe each service you classify as a law enforcement support service, including a description of the specific tasks and functions covered by this service and whether you routinely offer this service in connection with ICS.

(b) Call security services

(i) In the Word template, for each Facility and for each Year of the Reporting Period, identify by name and describe each service you classify as a call security service, including a description of the specific tasks and functions covered by this service and whether you routinely offer this service in connection with ICS.

(c) Call recording services

(i) In the Word template, for each Facility and for each Year of the Reporting Period, identify by name and describe each service you classify as a call recording service, including a description of the specific tasks and functions covered by this service and whether you routinely offer this service in connection with ICS.

(d) Call monitoring services

(i) In the Word template, for each Facility and for each Year of the Reporting Period, identify by name and describe each service you classify as a call monitoring service, including a description of the specific tasks and functions covered by this service and whether you routinely offer this service in connection with ICS.

(e) Voice biometrics services

(i) In the Word template, for each Facility and for each Year of the Reporting Period, identify by name and describe each service you classify as a voice biometric service, including a description of the specific tasks and functions covered by this service and whether you routinely offer this service in connection with ICS.

(f) Other Security Services

(i) In the Word template, for each Facility and for each Year of the Reporting Period, identify by name and describe each service you classify as a security service that is not included in one of the foregoing subcategories, including a description of the specific tasks and functions covered by each service and whether you routinely offer each service in connection with ICS.

(2) In the Word template, specifically describe each Security Service you provided at the Facility that you do not classify as a Site Commission payment.

(3) In the Word template, specifically describe each torment, gift, exchange of goods or services, fee, technology allowance, or product provided for security purposes at the Facility that you do not classify as a Site Commission payment.

(4) In the Word template, fully describe, document, explain, and justify the allocation methodology you use to allocate the costs of your Security Services between ICS and non-ICS operations at each Facility during each Year of the Reporting Period in situations where Security Services offered by you also shared elements or overlapped with your non-ICS operations at each Facility.

(d) Ancillary Services Information

(1) Automated Payment Fee Revenues: Enter the amount of Automated Payment Fee Revenues the Accounting Entity received from Customers for ICS calls originating in the Facility during each Year of the Reporting Period.

(2) Automated Payment Fees Paid to an Affiliate: Enter the amount of Automated Payment Fee revenue the Accounting Entity paid to any non-ICS Affiliate for ICS calls originating in the Facility during each Year of the Reporting Period.

(3) Affiliates Used in Providing Automated Payment Service: List each Affiliate, if any, that the Accounting Entity used in providing its Automated Payment Service at each Facility for each Year of the Reporting Period.

(4) Third Parties Used in Providing Automated Payment Service: List each Third Party, if any, that the Accounting Entity used in providing its Automated Payment Service at each Facility for each Year of the Reporting Period.

(5) Automated Payment Fees and Third-Party Transaction Fees Charged in the Same Transaction: In the Word template and for each Facility for each Year of the Reporting Period, identify any transactions for which both Automated Payment Fees and Third-Party Transaction Fees were charged, describe the services provided for the transaction, and apportion the fees charged for the services provided for each.

(6) Payment Card Processing Revenue for Automated Payment Fees: Of the amount reported for Automated Payment Fee Revenue above, enter the amount of that revenue attributable to payment card processing fees charged in connection with calls at each Facility during each Year of the Reporting Period.

(a) In the Word template, describe these payment card processing functions performed at each Facility, including whether they were performed by the Provider, an Affiliate, or a Third Party. If such functions were performed by an Affiliate or Third Party, identify the Affiliate or Third Party.

(7) Fees for Single-Call and Related Services: Enter the amount of Fees for Single-Call and Related Services the Accounting Entity received from Customers in connection with its ICS-Related Operations at the Facility during each Year of the Reporting Period.

(8) Single-Call and Related Services Revenues Paid to an Affiliate: Enter the amount of revenues from Fees for Single-Call and Related Services Customers paid to any Affiliate for ICS calls originating in the Facility during each Year of the Reporting Period.

(9) Entities Charging the Accounting Entity for Billing Services: List each entity that charged the Accounting Entity for billing services for Single-Call and Related services at each Facility for each year during the Reporting Period. Indicate whether each listed entity is a Third Party.

(10) Amounts Paid to Third Parties for Billing Services: Enter the amount the Accounting Entity paid to a Third Party for billing services in connection with Single-Call and Related Services at each Facility during each Year of the Reporting Period.

(11) Single-Call and Related Services Fees Passed through to Customers: Enter the amount the Accounting Entity paid to Third Parties for billing services in connection with Single-Call and Related Services that the Company passed through to Customers at each Facility during each Year of the Reporting Period.

(12) Amounts Paid to Other Entities for Billing Services: Enter the amount the Accounting Entity paid to entities other than Third Parties for billing services in connection with Single-Call and Related Services at each Facility during each Year of the Reporting Period.

(13) Amounts Paid to Other Entities for Billing Services Passed through to Customers: Enter the amount the Accounting Entity paid to entities other than Third Parties for billing services in connection with Single-Call and Related Services that the Company passed through to Customers at each Facility during each Year of the Reporting Period.

(14) Other Entities that Charged Customers for Single-Call and Related Services: In the Word template, state whether any entity other than the
during each Year of the Reporting Period.
(15) Live Agent Fees: Enter the amount of Live Agent Fee revenue the Accounting Entity received from Customers in connection with its ICS-Related Operations at the Facility during each Year of the Reporting Period.

(16) Affiliates Used to Provide Live Agent Service: List each Affiliate, if any, that the Accounting Entity used in providing its Live Agent Service at each Facility during each Year of the Reporting Period.

(17) Third Parties Used to Provide Live Agent Service: List each Third Party, if any, that the Accounting Entity used in providing its Live Agent Service at each Facility during each Year of the Reporting Period.

(18) Amounts Paid to Third Parties for Live Agent Service: Enter the amount the Accounting Entity paid to each listed Third Party for Live Agent Service at each Facility during each Year of the Reporting Period.

(19) Live Agent Fee Revenue Paid to an Affiliate: Enter the amount of Live Agent Fee revenues the Accounting Entity paid to any non-ICS Affiliate for ICS calls originating in the Facility during each Year of the Reporting Period.

(20) Paper Bill/Statement Fee Revenue: Enter the amount of Paper Bill/Statement Fee revenue generated by calls originating in the Facility during each Year of the Reporting Period.

(21) Affiliates Used to Provide Paper Bill/Statement Service: List each Affiliate, if any, that the Accounting Entity used in providing its Paper Bill/Statement Fee service at each Facility during each Year of the Reporting Period.

(22) Third Parties Used to Provide Paper Bill/Statement Service: List each Third Party, if any, that the Accounting Entity used in providing its Paper Bill/Statement Service at each Facility during each Year of the Reporting Period.

(23) Amounts Paid to Third Parties for Paper Bill/Statement Service: Enter the amount the Accounting Entity paid to each listed Third Party for Paper Bill/Statement Service at each Facility during each Year of the Reporting Period.

(24) Paper Bill/Statement Fee Revenue Paid to an Affiliate: Enter the amount of Paper Bill/Statement Fee revenue paid by the Accounting Entity to any non-ICS Affiliate for ICS calls originating in the Facility during each Year of the Reporting Period.

(25) Third-Party Financial Transaction Fees: Enter the amount of revenue from Third-Party Financial Transaction Fees the Accounting Entity received from Customers in connection with its ICS-Related Operations at the Facility during each Year of the Reporting Period.

(26) Per-Transaction Charges for Third-Party Transactions: Enter the per-transaction fee(s) charged to an end user for transferring money or processing other financial transactions to facilitate an end user’s ability to make account payments via a Third Party, including a Third Party that is an Affiliate of the Provider. For each fee, indicate whether the Third Party receiving the payment is an Affiliate or non-ICS Affiliate.

(27) Payment Card Processing Revenue from Third-Party Financial Transaction Fees: Of the amount reported for Third-Party Financial Transaction Fees above, enter the amount of that revenue applicable to charging Customers for payment card processing for each Facility during each Year during the Reporting Period.

(a) In the Word template, describe the payment card processing services in connection with revenue reported for Third-Party Financial Transaction Fees, including whether they were performed by the Provider, an Affiliate, or a Third Party. If such services were provided by an Affiliate or a Third Party, identify the Affiliate or Third Party.

(28) Entities Charging the Accounting Entity for Third-Party Financial Transaction Services: List each entity that charged the Accounting Entity for providing Third-Party Financial Transaction Services at each Facility for each Year of the Reporting Period. Indicate whether each listed entity is a Third Party.

(29) Amounts Paid to Third Parties for Third-Party Financial Transaction Services: Enter the amount the Accounting Entity paid to Third Parties for Third-Party Financial Transaction Services at each Facility during each Year of the Reporting Period.

(30) Amounts Paid to Third Parties for Third-Party Financial Transaction Services Passed Through to Customers: Enter the amount the Accounting Entity paid to Third Parties for Third-Party Financial Transaction Services that the Company passed through to Customers at each Facility during each Year of the Reporting Period.

(31) Amounts Paid to Other Entities for Third-Party Financial Transaction Services: Enter the amount the Accounting Entity paid to entities other than Third Parties for Third-Party Financial Transaction Services at each Facility during each Year of the Reporting Period.

(32) Amounts Paid to Other Entities for Third-Party Financial Transaction Services Passed through to Customers: Enter the amount the Accounting Entity paid to entities other than Third Parties for Third-Party Financial Transaction Services that the Company passed through to Customers at each Facility during each Year of the Reporting Period.

(33) Other Entities that Charged Customers for Third-Party Financial Transaction Services: In the Word template, state whether any entity other than the Company charged Customers for Third-Party Financial Transaction Services in connection with the Company’s ICS-Related Operations at each Facility for each Year of the Reporting Period. If so, list each such entity and provide the amount of such fees each listed entity charged Customers at each Facility for each Year of the Reporting Period.

(34) Third-Party Financial Transaction Fees Paid to an Affiliate: Enter the amount of Third-Party Financial Transaction Fees paid by the Accounting Entity to any non-ICS Affiliate for ICS calls originating in the Facility during each Year of the Reporting Period.

V. Certification Form

Each Provider of Inmate Calling Services must submit a signed certification form as part of its Mandatory Data Collection response. The Chief Executive Officer (CEO), Chief Financial Officer (CFO), or other senior executive of the Provider must complete the form and certify that, based on their reasonable inquiry, that all statements and information contained in the Provider’s Mandatory Data Collection response are true, accurate, and complete. The Certification Form is Appendix C to these instructions.

(1) Name of Service Provider: Provide the name under which the Provider offers ICS. If the Provider offers ICS under more than one name, provide all relevant names.

(2) Reporting Years: Provide the relevant time period for the information the certification covers.

(3) Officer Name, Title: Provide the name and title of the officer completing the certification form. The officer must be the Chief Executive Officer (CEO),
Chief Financial Officer (CFO), or other senior executive of the Provider who can attest to the truthfulness, accuracy, and completeness of the information provided.

(4) **Mailing Address of Officer:** Provide the business mailing address of the officer identified in item (3).

(5) **Telephone Number:** Provide the business telephone number, with area code, of the officer identified in item (3).

(6) **Email Address:** Provide the business email address of the officer identified in item (3).

(7) **Certification:** This section requires the person who signs the certification form on behalf of the Provider to declare, under penalty of perjury, that (1) the signatory is an officer of the above-named Provider and is authorized to submit the attached Mandatory Data Collection response on behalf of the Provider; (2) the signatory has examined the attached Mandatory Data Collection response and determined that all requested information has been provided; and (3) based on information known to the signatory, or provided to the signatory by employees responsible for the information being submitted, and on the signatory’s own reasonable inquiry, all statements and information contained in the Provider’s Mandatory Data Collection response are true, accurate, and complete.

(8) **Signature of Authorized Officer:** The signature of the officer identified in item (3) is required in this block.

(9) **Date:** The date the officer identified in item (3) signs the form is required in this block.

(10) **Printed Name of Authorized Officer:** The printed name of the officer identified in item (3) is required in this block.

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