

DRAFT 04/16/2014

Instructions for Inmate Calling Services Mandatory Data Collection

On September 26, 2013, the Federal Communications Commission (Commission) released the *Rates for Interstate Inmate Calling Services Report and Order and Further Notice of Proposed Rulemaking*.¹ In that *Order*, the Commission adopted interstate inmate calling services (ICS) reform. To enable the Commission to take further action to reform ICS rates, as well as to inform its evaluation of other rate reform options in the *Further Notice*, the Commission required all ICS providers to file data regarding their costs to provide inmate calling services.

We require ICS providers to include direct and common costs incurred in providing inmate calling services for debit, prepaid, collect, and any other inmate calling services. We specifically require providers to separate costs into the following categories for each service type: (1) telecommunications costs and interconnection fees; (2) equipment investment costs; (3) security costs for monitoring and call blocking; (4) costs of providing inmate calling services that are ancillary to the provision of ICS, including any costs that are passed through to consumers as ancillary charges; and (5) other relevant cost data.² ICS providers must also include commissions paid, revenue and non-revenue producing minutes of use,³ the number of revenue and non-revenue producing calls, and average call durations.⁴ Where indicated, providers must include data for local, state intra-LATA, state inter-LATA, interstate, and international inmate calling services.

All ICS providers are required to provide data to document the above-mentioned costs at the holding company level, and by contract size. Information provided by contract size must be submitted separately for jails and for prisons that the ICS provider serves. All information should reflect costs incurred from January 1, 2012 to December 31, 2012, and from January 1, 2013 to December 31, 2013 for each ICS contract during the reporting period. We also require ICS providers to include a forecast, supported by evidence, for each cost category from January 1, 2014 to December 31, 2014.

Additionally, the Commission requires providers to include a list by state and call type (i.e., local, state intra-LATA, state inter-LATA, interstate, and international inmate calling services) of all ancillary charges or fees it charges to ICS consumers and account holders. ICS providers must also include the level, the costs, and the demand for each charge or fee, and indicate whether each charge or fee applies to jails or to prisons or to both.

All data should be provided in the Commission-provided Excel template (in the format dictated in the spreadsheet), located at [\[\[www.XXX.gov\]\]](http://www.XXX.gov). All data that requires clarification should be noted and fully explained in an attached Description and Justification (D&J), submitted in .pdf format. The D&J should also include formulas, explanations, and appropriate references for calculations, where necessary.

¹ See *Rates for Interstate Inmate Calling Services*, WC Docket No. 12-375, Report and Order and Further Notice of Proposed Rulemaking, 28 FCC Rcd 14107 (2013) (*Order*).

² See *id.* at 14172-73, paras. 124-26.

³ We recognize that pursuant to ICS contracts, correctional facility requirements or other requirements beyond their control, some ICS providers may offer services that are non-revenue producing such as first call free, calls to inmate commissary accounts or the recording and monitoring of in-person visitation.

⁴ See *Order* at 14172-73, paras. 124-26.

Identifying information, including the appropriate docket number as well as the name and appropriate contact information for the filing company should be included in a cover letter filed with the excel spreadsheet. Data and supporting documents may be filed under the *Protective Order* in this proceeding, and, would subsequently be treated as confidential.⁵ For respondents' convenience, a link to the *Protective Order* is provided at the above-referenced web address.

All data and supporting documents must be filed at the Commission no later than 30 days after notification of receipt of Office of Management and Budget (OMB) approval of these instructions and associated form.

Please contact Don Sussman of the Wireline Competition Bureau's Pricing Policy Division (by email at don.sussman@fcc.gov or by telephone at (202) 418-1520) with questions related to completing the mandatory data collection form.

GENERAL INSTRUCTIONS

This data collection is prescribed under authority of sections 1, 4(i), 4(j), 201, 225, 276, and 303(r) of the Communications Act of 1934, as amended, 47 U.S.C. §§ 151, 154 (i)-(j), 201, 225, 276, 303(r). All providers of ICS are required to file this report, pursuant to the *Rates for Interstate Inmate Calling Services Report and Order and Further Notice of Proposed Rulemaking*. ICS providers must file this collection by [[XXXX XX, 2014]], and must do so by submitting the completed Excel template prepared by the Commission (located at [[www.XXX.gov]]) into the Commission's Electronic Comment Filing System (ECFS) in WC Docket No. 12-375. If the filing contains confidential information a redacted spreadsheet may be filed via ECFS with non-redacted versions filed, as instructed in the *Protective Order* in this proceeding, via CD or other means necessary to ensure that Commission staff has ready electronic access to the data.

All instructions shall be followed. All questions and statements must be completed. If the proper answer is "none," "not applicable," or "zero (0)," insert that answer. Providers shall report all data in whole numbers, shall report dollar amounts without using dollar signs, and shall report all amounts using a comma to separate thousands (*e.g.*, report one million dollars as 1,000,000).

The Commission-provided Excel template is a workbook that has separate tabs to report data on debit calling, prepaid calling, collect calling, other ICS costs, and ancillary services. Columns are provided for each of the major categories of costs identified. Costs for provision of ancillary services should not be included in the first four tabs. Any data that reflects part or partial years should be annualized, and noted and explained in the accompanying D&J.

Relevant Definitions:

Ancillary charges are fees charged to ICS end users such as, but not limited to, a charge for the establishment of debit and prepaid accounts for inmates in facilities served by the ICS provider or those inmates' called parties; a charge to add money to those established debit or prepaid accounts; a charge to close debit or prepaid accounts and refund any outstanding balance; a charge to send paper statements to

⁵ See *Rates for Interstate Inmate Calling Services*, WC Docket No. 12-375, Protective Order, DA 13-2434 (Wireline Comp. Bur. rel. Dec. 19, 2013) (*Protective Order*).

ICS end users; a charge to send calls to wireless numbers; fees characterized as “regulatory recovery fees,” penalty charges assessed on the account for perceived three-way calling or other perceived violations of the security provisions mandated by the correctional facility; and other charges ancillary to the provision of communications service.

Collect calling means a calling arrangement whereby the called party agrees to pay for charges associated with an Inmate Calling Services call originating from an Inmate Telephone. Services such as, but not limited to, text-to-collect and pay now are considered to fall under the collect calling definition for purposes of this data collection and should be filed within the “collect” tab on the spreadsheet.

Consumer means the party paying a provider of inmate calling services.

Debit calling means a calling arrangement that allows a consumer to pay for inmate calling services from an existing or established account.

Inmate means a person detained at a correctional institution, regardless of the duration of the detention.

Inmate calling services means the offering of interstate calling capabilities from an inmate telephone.

Inmate telephone means a telephone instrument or other device capable of initiating telephone calls set aside by authorities of a correctional institution for use by inmates.

Prepaid calling means a calling arrangement that allows consumers to pay in advance for a specified amount of inmate calling services.

Prepaid collect calling means a calling arrangement that allows an Inmate to initiate an inmate calling services call without having a pre-established billing arrangement and also provides a means, within that call, for the called party to establish an arrangement to be billed directly by the provider of inmate calling services for future calls from the same Inmate. Data related to these types of calls should be recorded in the “prepaid” tab of the spreadsheet.

Provider of Inmate Calling Services, or Provider, means any communications service provider that provides inmate calling services, regardless of the technology used.

Basic Filing Information for Debit, Prepaid, Collect and Other ICS Calls:

Holding Company Name: Enter the name of the holding company for which the report is filed.

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

Total ICS Information: In this table provide information for the indicated service at the holding company level per year. Data reported in subsequent tables (*i.e.*, reported by contracts for jails and prisons) should match data reported in the “total” tables when aggregated. If data does not match, provide justification and explanation for the difference in the accompanying D&J.

Telecom Costs: Enter all payments to third party telecommunications service providers (*i.e.*, local and long distance providers) for the origination, termination, interconnection and provision of ICS calls. All costs included should be identified and explained in the accompanying D&J. Information provided in the D&J should fully explain the allocation of common costs.

Equip. Costs: Enter direct and common equipment costs incurred by the ICS provider of providing ICS, such as, but not limited to, depreciation expense, rent expense, salaries and wages, administrative and general expense, operational and maintenance expense, tax expense, interest expense, and extraordinary expense. All costs included should be identified and explained in the accompanying D&J. Information provided in the D&J should fully explain the allocation of common costs.

Security Costs: Enter direct and common, security costs incurred by the ICS provider in the provision of inmate calling services, such as, but not limited to, voice biometrics technology and call recording and monitoring. All costs included should be identified and explained in the accompanying D&J. Information provided in the D&J should fully explain the allocation of common costs.

Other Costs: Enter costs not entered elsewhere incurred in the provision of inmate calling services. All costs included should be identified and explained in the accompanying D&J. Information provided in the D&J should fully explain the allocation of common costs.

Commissions Paid: Enter dollar amount paid to facilities pursuant to the prevailing contract or state regulations.

Revenue Producing MOU: Minutes of use (MOU) for which the provider charges its customers for the relevant inmate calling service call type (*i.e.*, local, state intra-LATA, state inter-LATA, interstate, and international) for that year.

Non-Revenue Producing MOU: Minutes of use incurred by ICS customers for which the provider is not permitted, by law, state regulation, contract term, other third party mandate, or choice, to charge a rate or fee. Provide information for the relevant ICS call type (*i.e.*, local, state intra-LATA, state inter-LATA, interstate, and international) for that year.

Number of Revenue Producing Calls: The number of calls for which the provider is permitted to charge that were complete by its customers for the relevant ICS call type (*i.e.*, local, state intra-LATA, state inter-LATA, interstate, and international) for that year.

Number of Non-Revenue Producing Calls: The number of calls for which the provider is not permitted, by law, state regulation, contract term, other third party mandate, or choice, to charge a rate or fee. These include, but are not limited to, free first calls, calls to manage inmate commissary accounts, and in-person visits that are recorded by the ICS provider. Provide information for the relevant ICS call type (*i.e.*, local, state intra-LATA, state inter-LATA, interstate, and international) for that year.

Jail ICS Information by Contract Size: In this table provide information for the indicated service related only to the provision of ICS to jails.

Prison ICS Information by Contract Size: In this table provide information for the indicated service related only to the provision of ICS pursuant to state department of corrections contract.

Number of Facilities: Provide the number of facilities for all contracts having an average daily population within the range indicated in column B (Contract Size) of the table.

Telecom Costs: Enter direct and common cost for all payments to third party telecommunications service providers (*i.e.*, local and long distance providers) for the origination, termination, interconnection and provision of ICS calls for the given contract size. All costs included should be identified and explained in the accompanying D&J. Information provided in the D&J should fully explain the allocation of common costs.

Equip. Costs: Enter direct and common equipment costs incurred by the ICS provider of providing ICS, such as, but not limited to, depreciation expense, rent expense, salaries and wages, administrative and general expense, operational and maintenance expense, tax expense, interest expense, and extraordinary expense. All costs included should be identified and explained in the accompanying D&J. Information provided in the D&J should fully explain the allocation of common costs.

Security Costs: Enter direct and common security costs that are incurred by the ICS provider in the provision of inmate calling services, such as, but not limited to, voice biometrics technology, and call recording and monitoring. All costs included should be identified and explained in the accompanying D&J. Information provided in the D&J should fully explain the allocation of common costs.

Other Costs: Enter direct and common costs not entered elsewhere incurred in the provision of inmate calling services. All costs included should be identified and explained in the accompanying D&J. Information provided in the D&J should fully explain the allocation of common costs.

Commissions Paid: Enter total dollar amount paid to facilities pursuant to the prevailing contract or state regulations.

Jurisdiction: Enter information based on call type (*i.e.*, local, intra-LATA, inter-LATA, interstate, and international). All costs included should be identified and explained in the accompanying D&J. Information provided in the D&J should fully explain the allocation of common costs.

Revenue Producing MOU: Minutes of use for which the provider charges its customers for the relevant inmate calling service call type (*i.e.*, local, state intra-LATA, state inter-LATA, interstate, and international) for that year.

Non-Revenue Producing MOU: Minutes of use incurred by ICS customers for which the provider is not permitted, by law, state regulation, contract term, other third party mandate, or choice, to charge a rate or fee. These include, but are not limited to, free first calls, calls to inmate commissary accounts, and in-person visits that are recorded by the ICS provider. Provide information for the relevant ICS call type (*i.e.*, local, state intra-LATA, state inter-LATA, interstate, and international) for that year.

Number of Revenue Producing Calls: The number of calls for which the provider is permitted to charge that were completed by its customers for the relevant ICS call type (*i.e.*, local, state intra-LATA, state inter-LATA, interstate, and international) for that year.

Number of Non-Revenue Producing Calls: The number of calls for which the provider is not permitted, by law or state regulation, to charge a rate or fee. Provide information for the relevant ICS call type (*i.e.*, local, state intra-LATA, state inter-LATA, interstate, and international) for that year.

Basic Filing Information for Ancillary Charges:

Ancillary Charges: The tab entitled “Ancillary Charges” on the accompanying form provides space for ICS providers to list all of their ancillary fees charged to ICS end users. ICS providers must include for each fee: 1) a description; 2) the state in which it is charged; 3) indication of whether the charge applies to jails, prisons, or to both; 4) indication of whether the charge applies to local, state intraLATA, state interLATA, interstate, or international calls; 5) recurring charges; 6) non-recurring charges; 7) demand; 8) direct costs; and 9) common costs. If there are no recurring charges then the ICS provider should enter “0.”

Total: Enter data in the total table that reflect total company ICS operations for the given period.

Demand: Enter the numbers of use for each of the ancillary charges or fees charged by the ICS provider for the given period.

Direct Costs: Enter costs directly assigned to the provision of ancillary services for the given period.

Common Costs: Enter costs common in the provision of ancillary services.

By Fee: Provide information for the given period.

Fee Description: Enter the name of the fee or charge.

State: Enter the state for which the fee or charge applies.

Applies to Jail (J), Prisons (P), or Both (B): Enter, respectively, either “J”, “P”, or “B” to indicate whether the fee or charge applies to Jails, to Prisons, or to Both.

Applies to Local (L), State IntraLata (Intra), State InterLATA (InterL), Interstate (InterS) or International (Intl): Enter, an “L” (Local),”Intra” (State IntraLata), “InterL” (State InterLATA), “InterS” (Interstate), or “Intl” (International) to indicate the type of call to which the ancillary charge applies.

Recurring Charges: Enter any recurring fees charged to ICS end users for services ancillary to the provision of ICS.

Non-recurring Charges: Enter any one-time fees charged to ICS end users for services ancillary to the provision of ICS.

Demand: Enter the numbers of use for the relevant ancillary charge or fee.

Direct Costs: Enter costs directly assigned to the provision of the identified ancillary services for the given period.

Common Costs: Enter costs common or shared in the provision of the identified ancillary services.

FCC NOTICE REQUIRED BY THE PAPERWORK REDUCTION ACT

We have estimated that each response to this collection of information will take each ICS provider approximately 90 hours. Our estimate includes the time to read the instructions, review existing records, gather and maintain the required data, and complete and review the form or response. If respondents have comments on this burden estimate, or on ways we can improve the collection and reduce the burden it causes respondents, please e-mail them to pra@fcc.gov or send them to the Federal Communications Commission, AMD-PERF, Paperwork Reduction Project (3060-[[XXXX]]), Washington, DC 20554. Please **DO NOT SEND COMPLETED COLLECTIONS TO THIS ADDRESS**. Remember – parties are not required to respond to a collection of information sponsored by the Federal government, and the government may not conduct or sponsor this collection, unless it displays a currently valid OMB control number or if we fail to provide you with this notice. This collection has been assigned an OMB control number of 3060-[[XXXX]].