



Incarcerated People's Communications Services

2026 Mandatory Data Collection

WC Docket Nos. 23-62, 12-375

Instructions

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I. Data Collection Overview

The Martha Wright-Reed Just and Reasonable Communications Act of 2022 (MWRA) expanded the Commission’s statutory authority over communications between incarcerated people and the non-incarcerated to include “any audio or video communications service used by inmates . . . regardless of technology used.”¹ The MWRA also amended section 2(b) of the Communications Act, to make clear that the Commission’s authority extends to intrastate as well as interstate and international communications services used by incarcerated people.²

The MWRA required the Commission to consider, as part of its implementation, the costs of “necessary” safety and security measures, as well as “differences in costs” based on Facility size or “other characteristics.”³ It also allowed the Commission to “use industry-wide average costs of telephone service and advanced communications services and the average costs of service of a communications service provider” in determining just and reasonable rates for incarcerated people’s communications services (IPCS).⁴

The Commission delegated authority to the Wireline Competition Bureau (WCB or Bureau) and the Office of Economics and Analytics (OEA) to collect “data on all incarcerated people’s communications services from all providers of those services” subject to the Commission’s expanded authority under the MWRA⁵ and reaffirmed and reiterated that delegation in 2025 “to enable the Commission to set permanent rate caps for both audio and video IPCS.”⁶

These instructions and the accompanying templates are designed to implement the Commission’s directives.⁷

II. General Instructions

In these instructions, we first identify the entities that are required to respond to this data collection. We then review the information we require those entities 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 that qualify as Providers, as we define that term below.

You may contact Commission staff at IPCS@fcc.gov if you have questions regarding your Company’s response to this data collection.

¹ Martha Wright-Reed Just and Reasonable Communications Act of 2022, Pub. L. No. 117-338, 136 Stat. 6156, § 2(a)(2), (b) (Martha Wright-Reed Act or the Act); see 47 U.S.C. §§ 152(b), 153(1)(E), 276(b)(1)(A), (d).

² *Id.* § 2(c).

³ *Id.* § 3(b)(2).

⁴ *Id.* § 3(b)(1).

⁵ *Incarcerated People’s Communications Services; Implementation of the Martha Wright-Reed Act; Rates for Interstate Inmate Calling Services*, WC Docket Nos. 23-62, 12-375, Notice of Proposed Rulemaking and Order, 38 FCC Rcd 2669, 2701, para. 84 (2023) (2023 IPCS Notice or 2023 IPCS Order).

⁶ See *Incarcerated People’s Communications Services; Implementation of the Martha Wright-Reed Act; Rates for Interstate Inmate Calling Services*, WC Docket Nos. 23-62, 12-375, Report and Order, Order on Reconsideration, and Further Notice of Proposed Rulemaking, FCC 25-75, at 40, para. 81 (rel. Nov. 6, 2025) (2025 IPCS Order).

⁷ The templates consist of a Word document and Excel worksheets. For simplicity, we refer to these respective portions of the template as the Word template and the Excel template.

A. Who Must Submit Data

All IPCS Providers, as defined below, must submit complete, accurate, and truthful responses to this data collection.⁸ “Providers” includes all entities within the definition of “payphone provider” in section 276(d) of the Communications Act that provide communications between incarcerated people and the non-incarcerated,⁹ including Subcontractors as defined below. Providers that are affiliated shall respond as a single entity, regardless of the number of separately incorporated companies or other entities within that group that provide IPCS.¹⁰

An entity is classified as a Provider if it provides IPCS to people incarcerated in a Facility (i.e., a Prison or Jail), as defined in Part III of these instructions. In some instances, two entities work together to provide IPCS to a particular Facility. We refer to the Provider that has the contractual or other arrangement with the Contracting Authority as the Contractor, and the Provider without that arrangement as the Subcontractor. Thus, an entity is classified as a Provider if it partners with a Contractor, and also, for example, completes communications for incarcerated people, bills Consumers for those communications, and retains revenue from those communications. An entity does not fall outside the definition of a Provider simply because it lacks a direct contractual relationship with a correctional authority. In contrast, an entity that provides billing and collection for IPCS provided by a separate entity and remits those revenues does not, without more, meet the definition of a Provider.

Providers (including all Contractors and Subcontractors) must complete all portions of this data collection unless otherwise indicated. Section II.C below provides instructions as to how certain data shall be submitted.

B. What Must Be Submitted

You must fully and completely respond to each request for information in this data collection by using the specified Word and Excel templates and certification form, as approved by the Office of Management and Budget (OMB) pursuant to the Paperwork Reduction Act of 1995 (PRA), Public Law No. 104-13.¹¹ After obtaining approval from OMB, WCB and OEA will issue a Public Notice providing links to the approved Word and Excel templates and certification form. A reference copy of the templates and certification form is attached to these instructions.

Your full response shall consist of several parts:

- (1) A Word document (i.e., the Word template) containing responses that require a narrative explanation (see Appendix A to these instructions);
- (2) A set of Excel worksheets (i.e., the Excel template) containing responses that indicate specific numbers, percentages, and/or information (see Appendix B to these instructions);
- (3) An audited financial statement or report for 2025; and
- (4) A signed certification of truthfulness, accuracy, and completeness (see Appendix C to these instructions).

⁸ See Part III, below, for the definition of “Provider.”

⁹ 47 U.S.C. § 276(d); see Martha Wright-Reed Act § 2(a)(2).

¹⁰ See Part III, below, for the definitions of “Accounting Entity,” “Affiliates,” “Contractor,” “Provider,” and “Subcontractor,” which collectively make clear which entities must file responses to this data collection.

¹¹ Pub. L. No. 104-13, 109 Stat. 163 (1995) (codified at 44 U.S.C. §§ 3501-3520); see *2025 IPCS Order* at 40, para. 81 (reaffirming delegation of authority to WCB and OEA to conduct an additional data collection). Providers must report their information according to the best information in their possession, custody, or control. See *generally* Appx. C (certification of an authorized officer stating that all statements and information are “true, accurate, and complete”).

The Word and Excel templates and any additional worksheets must be submitted in machine-readable and manipulable formats. As indicated, you also must submit an audited financial statement or report for 2025. In the absence of an audited financial statement or report, you must submit similar financial documentation for 2025 to the extent the Company produced it in the ordinary course of business. We note that this exception for the ordinary course of business is only applicable to the submission of this alternative documentation and does not extend to other requirements of the data collection.

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 returned for correction and resubmission.

We caution Providers to proceed in good faith and with absolute candor in responding to this data collection.¹² 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.¹³ 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 the Word and Excel templates. 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 (Appendix A). Use that template to provide any additional information needed to ensure that your responses are full and complete, and to identify and explain any caveats associated with your responses. You should also use the Word template to provide any formulas, explanations, or appropriate references for calculations, where necessary, including any explanations needed to make your entries in the Excel template transparent and understandable.

Unless otherwise stated, use the Excel template (Appendix B) to provide your responses to the inquiries that follow. As a general matter, your entries on that template will be specific numbers or percentages (e.g., a Facility's Average Daily Population) or discrete information (e.g., a Facility's address). The Excel template has formulas in certain cells that operate in accordance with these instructions and that use data you enter in other cells to facilitate a complete reporting of the required data. To be complete, your submission must include both the data that you enter in the cells and the data that are automatically generated by the Excel formulas embedded in the template.

As described in further detail in the "Color Coding & Checks" tab in the Excel template, cells that contain formulas are generally highlighted in yellow or green. In certain tabs, to maintain visual clarity, only the first cell in a given row or column of cells with formulas is highlighted; the instructions set forth here apply to all cells with formulas, regardless of whether or not they are highlighted. Do not delete formulas from any cells, or manually enter data or other information in cells that contain formulas. To ensure accurate and complete reporting, allow cells that have formulas to generate the appropriate data. The Excel template uses "N/A" to identify cells in which no data are to be reported. Do not report data in

¹² See *FCC Enforcement Advisory; Enforcement Bureau Reminds Providers of Inmate Calling Services that They Are Responsible for Complying with the Commission's Rules Relating to Those Services*, WC Docket No. 12-375, Public Notice, 35 FCC Rcd 12999, 13001-02 (WCB 2020) (reminding providers of the duty of absolute candor); see generally *Rates for Interstate Inmate Calling Services*, WC Docket No. 12-375, Report and Order on Remand and Fourth Further Notice of Proposed Rulemaking, 35 FCC Rcd 8485, 8502, 8533, paras. 51, 133 (2020) (stating that the Commission "will not hesitate to take action to ensure full compliance with" its inmate calling services rules; and reminding "inmate calling services providers of their duty to provide complete and accurate information in required reports and responses").

¹³ See 47 U.S.C. §§ 502, 503(b).

cells populated with “N/A.” Following the same format provided in the Excel template, you should add additional rows or columns to this template as necessary to complete your responses.

This data collection seeks data for the single calendar year 2025, covering the period from January 1, 2025, through December 31, 2025.

You must submit a valid entry on the Excel template in response to each request in this data collection. If a request on the Excel template is for a specific number or percentage and a response is required, enter a specific number or percentage, including zero or zero percent, or allow the Excel template to generate the number or percentage, as appropriate; do not enter “N/A” or any other non-specified response. If a request on the Excel template is for a specific number or percentage and a response is optional, enter a specific number or percentage, including zero or zero percent, as appropriate, if a response is provided; otherwise enter “N/A.” A response is optional only if specifically identified as such in these instructions.

Enter only positive numbers or zero on the Excel template in response to a request for numbers or percentages, with the following exception: if the Company’s account balance for an asset, contra asset, liability, contra liability, revenue, contra revenue, expense, or contra expense account is the opposite of its expected debit or credit balance, report that balance as a negative number on the Excel template. For example, the expected account balance for accumulated deferred income taxes is a credit balance, representing a tax debt that will need to be paid in the future. If this is the case, report a positive number for accumulated deferred income taxes. If, instead, the account balance for the accumulated deferred income taxes is a debit balance, representing an over-payment or advance payment of income taxes, report that balance as a negative number.

Blank cells in the Excel worksheets will be understood to be zeros. Do not hide cells or split cells. Do not add rows above the Provider’s reported data in the worksheets. If a Provider wishes to state that the data in a particular worksheet are confidential, do so on rows below the Provider’s data response.

If your responses are deemed incomplete or are not submitted in the required format, your filing will be returned to you for correction and resubmission. Providers with incomplete or noncompliant submissions following the filing deadline may be subject to enforcement actions, including monetary forfeitures.¹⁴

C. Filing Deadline and Submission

The Commission will submit this data collection, including all required forms, to OMB for its approval, pursuant to the PRA. After obtaining approval from OMB, WCB and OEA will publish a notice in the Federal Register announcing OMB’s approval and establishing an effective date for the data collection.¹⁵ WCB and OEA will also issue a Public Notice announcing the effective date. Your response to this data collection will be due within 90 days of the release of an order adopting the collection.

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

You may file any information that you believe should be afforded confidential treatment in accordance with the terms of the *Protective Order* adopted for use in these dockets and by adhering to the standard set forth in section 0.459(b) of the Commission’s rules.¹⁶ You may access the *Protective Order* through this

¹⁴ See 47 U.S.C. §§ 502, 503(b).

¹⁵ 2023 *IPCS Order*, 38 FCC Rcd at 2702, para. 85 (explaining that any new or modified data collections that require OMB approval will “be effective on the date specified in a notice published in the Federal Register announcing OMB’s approval”).

¹⁶ *Incarcerated People’s Communications Services; Implementation of the Martha Wright-Reed Act; Rates for Interstate Inmate Calling Services*, WC Docket Nos. 23-62, 12-375, Protective Order, DA 23-298 (WCB Apr. 5,

link: <https://www.fcc.gov/document/wireline-competition-bureau-adopts-ipcs-protective-order>. A confidential version of your filing must be submitted to the Secretary's office using the original Word and Excel templates, as approved by OMB, and in a machine-readable and manipulable format. You must also provide courtesy copies of the confidential filing to WCB and OEA via email at IPCS@fcc.gov.

For further information and any questions on completing your response, please contact the Wireline Competition Bureau's Pricing Policy Division at IPCS@fcc.gov.

III. Relevant Definitions

All capitalized terms used in these instructions are defined terms with the meaning assigned to them in this section.

2025 means calendar year 2025, the one-year period from January 1, 2025, to December 31, 2025.

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

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 hold or control an equity interest (or the equivalent thereof) of more than 10%.

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

Audio IPCS means, for the purpose of this data collection, all services classified as inmate calling services within the meaning of 47 CFR § 64.6000, including: (a) Interconnected VoIP; (b) Non-interconnected VoIP; (c) all Telecommunications Relay Services (TRS), including the use of a device or transmission service to access TRS; and (d) all point-to-point video services made available to incarcerated people for communication in American Sign Language (ASL) with other ASL users.

Average Daily Population or ADP means the sum of all Incarcerated People in a Facility for each day of a Year, divided by the number of days in the Year. For the purposes of this data collection, references to ADP should be read consistent with 47 CFR § 64.6000.

Billed Communications means the number of discrete IPCS communications supplied during a Year for which payment is demanded, including communications supplied as a part of an alternate pricing plan within the meaning of 47 CFR § 64.6140.

Billed Minutes means the number of Audio and/or Video IPCS minutes supplied during a Year for which payment is demanded, including minutes supplied as a part of an alternate pricing plan within the meaning of 47 CFR § 64.6140.

2023) (specifying the procedures for filing and providing access to confidential information filed in these proceedings); 47 CFR § 0.459(b); *see id.* § 0.459(c) (specifying that "[c]asual requests [for confidential treatment] (including simply stamping pages 'confidential') . . . will not be considered"); *Enforcement Bureau Reminds Public that Requests for Confidentiality Must Cover Only Material Warranting Confidential Treatment Under the Commission's Rules*, Public Notice, 35 FCC Rcd 6300 (EB 2020).

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.

Billed Transactions means the number of discrete instances where a Provider pays a fee to a Third Party to provide IPCS-related Payment Processing Services.

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.

C Corporation means a Company that is taxed as a distinct entity under the rules of the Internal Revenue Service.

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 or Customer means the party paying a Provider of IPCS.

Contracting Authority means an entity with authority to enter into contracts on behalf of a Facility. It includes any Facility that does its own contracting.

Contractor means the Provider that has a contractual or other arrangement with a Contracting Authority to provide IPCS at a Facility.

Extra Payments to Telecommunications Carriers or Other Entities for International Communications means the incremental charges a Provider pays to complete communications solely to international destinations.

Facility means a Jail or Prison and, for the purposes of this data collection, includes synonymous terms, such as “correctional Facility,” “correctional institution,” and “detention Facility.”

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

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

Incarcerated People’s Communications Services or IPCS means the provision of telephone service; interconnected VoIP service; non-interconnected VoIP service; interoperable video conferencing service; and any audio or video communications service used by incarcerated people for the purpose of communicating with individuals outside the Facility where the incarcerated person is held, regardless of the technology used and regardless of interstate, intrastate, or international jurisdiction.

IPCS-Related Operations means the actions or tasks performed by the Provider or authorized personnel to deliver IPCS to Incarcerated People and those they communicate with, including but not limited to billing, customer service, and other requirements as determined by contract or by law, including, for example, Telecommunications Relay Services (TRS) requirements.

IPCS-related Payment Processing Services means any service, including fraud detection, provided by a Third Party to process a Customer's IPCS-related financial transaction for which the Provider pays a fee. This term excludes any of the Provider's own labor, management, assets, or any aspect of its internal operations. This term also excludes any service provided by a Third Party to process a non-IPCS-related financial transaction. For reporting purposes, the fees attributable to these services include chargeback fees but exclude the chargeback amounts.

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

Incarcerated People's Kiosk means a self-service transaction machine that a Provider owns or leases and makes available to Incarcerated People at a Facility to obtain IPCS-Related Services, such as obtaining a calling card or depositing money in a prepaid account, or a stationary device that a Provider owns or leases and makes available at a Facility for Incarcerated People to access IPCS or to obtain IPCS-Related Products and Services. An Incarcerated People's Kiosk may also be used to access Other Products and Services.

Incarcerated People's Tablet means a portable device that a Provider owns or leases and makes available to an Incarcerated Person or to Incarcerated People at a Facility to access IPCS or to obtain IPCS-Related Products and Services, such as depositing money in a prepaid account. An Incarcerated People's Tablet may also be used to access Other Products and Services.

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

Interconnected Voice over Internet Protocol or Interconnected VoIP means a service that: (i) enables real-time, two-way voice communications; (ii) requires a broadband connection from the user's location; (iii) requires Internet protocol-compatible customer premises equipment (CPE); and (iv) permits users generally to receive calls that originate on the public switched telephone network and to terminate calls to the public switched telephone network.

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.

Interoperable Video Conferencing Service means a service that provides real-time video communications, including audio, to enable users to share information of the user's choosing.

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.

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 People; 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.

Maximum Communication Duration means the maximum limit, if any, that a Provider or Facility imposes on the length of an Audio IPCS call or a Video IPCS communication from a Facility.

Monetary Site Commission means a Site 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.

Non-interconnected VoIP Service means a service that enables real-time voice communications that originate from, or terminate to, the end-user's location using Internet Protocol or any successor protocol and that requires Internet Protocol compatible customer premises equipment. It does not include any service that is an Interconnected VoIP service.

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 IPCS-specific expenses specified in this data request.

Other Products and Services means products and services other than Audio IPCS, Video IPCS, Safety and Security Measures, and IPCS-related Payment Processing Services.

Pass-Through Entity means a Company that passes its income through to its owners.

Payments to Facilities Excluding Site Commissions means the value of all compensation, whether monetary or in-kind, that the Provider provides to the respective Contracting Authority or Contracting Authorities for the provision of IPCS excluding the value of any Site Commission payments as defined herein.

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 People are post-conviction or are committed to confinement for sentences of longer than one year.

Provider means any communications service provider that provides IPCS, as defined in 47 U.S.C. §§ 153, 276(d), regardless of the technology used. This definition includes all Contractors, as defined above, as well as all Subcontractors, as defined below, to the extent that their activities include the provision of IPCS. A Provider may offer Audio IPCS, Video IPCS, or both.

Releases means the number of Incarcerated People 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 People 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 other appointments, court appearances, furloughs, and day reporting.

Return means the Company's Net Capital Stock multiplied by 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 IPCS or any Ancillary Services to the other party to the agreement.

Safety and Security Measures means any safety or security surveillance system, product, or service, including any such system, product, or service that helps the Facility ensure that Incarcerated People do not communicate with persons they are not allowed to communicate with; helps monitor and record ongoing communications; or inspects and analyzes recorded communications. Safety and Security Measures also include other related systems, products, and services, such as a voice biometrics system, a personal identification number system, or a system concerning the administration of subpoenas concerning communications. The classification of a system, product, or service as a Safety and Security Measure does not mean that it is part of a Provider's IPCS-Related Operations.

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 or Affiliate of a Provider may pay, give, donate, or otherwise provide to an entity that operates a Facility, an entity with which the Provider enters into an agreement to provide IPCS, a governmental agency that oversees a Facility, the city, county, or state where a Facility is located, or an agent of any such Facility.

Subcontractor means an entity that provides IPCS at or for a Facility on behalf of a Provider that has a contractual or other arrangement with a Contracting Authority to provide IPCS at or for the Facility. A Subcontractor need not have a direct contractual relationship with a Contracting Authority.

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

Unbilled Communications means the number of IPCS communications supplied during a Year for which payment is not demanded.

Unbilled Minutes, Unbilled Minutes of Use, and Unbilled MOU mean the number of Audio and/or Video IPCS minutes supplied during a Year for which payment is not demanded.

Video IPCS means any video communications service or interoperable video conferencing service used by Incarcerated People for the purpose of communicating with individuals outside the correctional institution where the people are incarcerated, regardless of the technology used. It typically includes an integrated audio component, and excludes all services classified as Audio IPCS, as well as Other Products

and Services, such as one-way entertainment, educational, religious, vocational, and instructional programming.

Weighted Average Cost of Capital or WACC 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. For the purposes of this data collection, and the calculation of Return, the WACC is set to 9.75%, as reflected in the accompanying Excel Template.

Year means a calendar year, beginning January 1 and ending 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 most cases, data are to be reported on the attached Excel template, while other questions require a narrative response on the attached Word template. Unless otherwise indicated, all responses should be entered into the Excel template. In general, this Part proceeds from Company-wide inquiries to Facility-specific inquiries.

This Part begins by asking you to provide general information about your Company, including information pertaining to your IPCS 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 you detailed cost allocation instructions 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 IPCS. We then require you to report data regarding transactions with Affiliates. Finally, following the instructions for reporting Company-level data, we direct you to report certain information at the Facility level.

As a reminder, this data collection seeks data for calendar year 2025. Please provide data for your responses for 2025, the one-year reporting period from January 1, 2025, to December 31, 2025.

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 2025, 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 traded on a stock exchange or in over-the-counter markets.
- (8) **IPCS:**

- (a) List all IPCS that the Company provided at or for Facilities, or to Incarcerated People or those they communicated with, during 2025. List all such services even if the Company only provided them at some Facilities. List one service per column, starting in Column B.
- (b) In the Word template, describe in detail each type of Audio IPCS that the Company provided at or for Facilities during 2025.
- (c) In the Word template, describe in detail each type of Video IPCS that the Company provided during 2025. Identify the transmission technology, the service parameters and the key performance indicators used to provide and evaluate each type of Video IPCS. Describe the steps the Company took to monitor these services to ensure they functioned as intended.
- (d) In the Word Template, describe the infrastructure, including any Wi-Fi routers, wiring, or other infrastructure located within Facilities, the Company provided to deliver each of its Video IPCS offerings during 2025. Explain how, if at all, the infrastructure the Company provided to deliver Video IPCS differed from the infrastructure it provided to deliver Audio IPCS. To what extent was the Company, as opposed to the Facility, generally responsible for providing and maintaining any infrastructure that is located within a Facility? Submit any information the Company has on the capabilities (e.g., speed and latency) of the Video IPCS infrastructure located within the Facilities the Company serves.
- (e) In the Word template, identify each type of device that the Company used to provide IPCS during 2025, including any devices that the Company provided to Incarcerated People or to those with whom they communicate. Provide the average per-unit price that the Company paid for each identified type of device used during 2025.
- (f) In the Word template, identify and describe the infrastructure, devices, and other equipment and technologies the Company used to provide:
 - (i) Both Audio IPCS and Video IPCS;
 - (ii) Only Audio IPCS; and
 - (iii) Only Video IPCS.
- (g) In the Word Template, describe generally whether the Company or the Facilities the Company serves provided any broadband connection used to provide IPCS. Where the Company provided the broadband connection, explain the extent to which the Company used those connections to provide Audio IPCS as well as Video IPCS, and the extent to which Facilities used those connections for their own communications. Identify the broadband service level required for the Company's Audio IPCS and Video IPCS offerings to function as intended, and generally discuss the availability of this service level at the Facilities the Company serves.
- (h) In the Word Template, describe the type of data storage, if any, the Company used to retain the contents of, or information regarding, Incarcerated People's communications during 2025. Generally describe the amount of storage space required, expressed in terms of the amount of data used, to store the contents of, and data regarding, Incarcerated People's communications. Additionally, describe in detail any contractual provisions, including any provisions addressing the storage system, data retention period, or retrieval and analysis of stored information, that required or addressed such data storage. Also identify and describe, if applicable, the software the Company used to store the contents of, or information regarding, Incarcerated People's communications.
- (i) In the Word Template, explain how the Company markets its Video IPCS to Consumers, including identifying any packages, bundles, and other services or features included with

Video IPCS. Additionally, include the units of sale the Company uses to sell Video IPCS to Consumers (e.g., calls, minutes, or data allotments).

- (j) In the Word Template, explain any conditions or limitations in place that restrict how Incarcerated People may use the Company's Video IPCS, including accessing the service, the availability of the service, and any other limitations that affect usage. Separately, identify whether these conditions are imposed by the Company or by the Facility.
- (k) In the Word template, if the Company reported fees paid for IPCS-related Payment Processing Services during 2025, identify the Third Party payment processors used by the Company and the total amount paid to each. Also identify the function of the services they performed, and the manner in which the Company was charged for those services, including the percentage or fixed charges assessed by each. Include chargeback fees (as opposed to the chargeback amounts themselves) and fraud detection fees. If the Company engaged in revenue sharing with any Third Party payment processor, identify each party to the revenue sharing arrangement and report the total amount of revenue shared during 2025.

(9) **Business Segments Other Than IPCS:**

- (a) List all Business Segments, other than IPCS, that the Company or an Affiliate engaged in during 2025. List one Business Segment per column, starting in Column B.
- (b) Provide the Billed Revenues for each listed Business Segment during 2025. Enter Billed Revenues in the same column as the corresponding Business Segment.
- (c) List all Business Segments, other than IPCS, the Company or an Affiliate provided at or for Facilities, or to Incarcerated People or those they communicate with, during 2025. List all such Business Segments even if the Company or Affiliate provided them only at some Facilities. List one Business Segment per column.
- (d) In the Word template, describe in detail all Business Segments, other than IPCS and IPCS-related Payment Processing Services, the Company or an Affiliate provided at or for Facilities, or to Incarcerated People or those they communicate with, during 2025.

(10) **Assets:**

- (a) List each type of tangible asset (e.g., phones, tablets, audio communications equipment, video communications equipment, and kiosks) and intangible asset (e.g., capitalized research and development, purchased software, internally developed software, patents, trademarks, capitalized site commissions, acquired technology rights, acquired contract rights, costs to obtain customer contracts, capitalized Site Commissions, and capitalized Payments to Facilities Excluding Site Commissions) attributable to providing IPCS during 2025. Exclude any type of asset whose Net Investment is less than 5% of the Company's total Net Investment. List one asset per column, starting in Column B.
- (b) Provide the Net Investment in each listed type of asset as of December 31, 2025. Enter Net Investment in the same column as the corresponding asset.
- (c) List each Audio IPCS and Video IPCS that each listed type of asset supported. List each service in the same column as the corresponding asset.
- (d) List each Other Product or Service, if any, that each listed type of asset supported. List each Product or Service in the same column as the corresponding asset.

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

(12) **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 ledgers, subledgers, 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 communications 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.

- (13) **Representative Information:** In the Word template, address in detail whether the information collected through the data collection will be representative of the Company's future provision of IPCS and IPCS-related Payment Processing Services. Identify for the reporting period from January 1, 2025, to December 31, 2025, any specific known and measurable changes to the Company's IPCS or IPCS-related Payment Processing Services investments, expenses, revenues, and demand that are not reflected in the data collected through this data collection.
- (14) **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 the Company's provision of Audio and Video IPCS and associated IPCS-related Payment Processing Services. For some fields, this overview incorporates information from other sections of your Excel template. For these fields, you should first enter the information required in those other sections of the Excel template. Note, once you do that, the information required for this section will automatically be entered into the fields for subsections (3) through (5)(a) of this portion of the Excel template, which are highlighted in green. Manually enter the information requested only for subsections (1), (2), 5(a)(i) and 5(a)(ii), and (6) of this portion of the template. All of the information 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 between or equal to 350 – 999
- (e) Number of Jails with ADP between or equal to 100 – 349
- (f) Number of Jails with ADP between or equal to 50 – 99
- (g) Number of Jails with ADP between or equal to 0 – 49
- (h) Number of contracts
- (i) Number of Prison contracts
- (j) Number of Jail contracts

- (3) **Annual Total Expenses during 2025 for:**
 - (a) Audio IPCS
 - (b) Video IPCS
 - (c) Safety and Security Measures
 - (d) IPCS-related Payment Processing Services
- (4) **Billed Revenues during 2025 for:**
 - (a) Audio IPCS
 - (b) Video IPCS
 - (c) Safety and Security Measures
- (5) **Site Commissions paid during 2025:**
 - (a) Total IPCS- and Non-IPCS-Related Site Commissions
 - (i) Total IPCS-Related Monetary Site Commissions
 - (ii) Total IPCS-Related In-Kind Site Commissions
- (6) **Payments to Facilities Excluding Site Commissions to Cover Costs Incurred to Provide IPCS paid during 2025:**
 - (a) Total Monetary Payments to Facilities Excluding Site Commissions to Cover Costs Incurred to Provide IPCS
 - (b) Total In-Kind Payments to Facilities Excluding Site Commissions to Cover Costs Incurred to Provide IPCS

C. Company-Wide Information

This section seeks financial data and other information about the Company and directs you to determine the Annual Total Expenses the Company incurs to provide Audio IPCS, Video IPCS, Safety and Security Measures, IPCS-related Payment Processing Services, and Other Products and Services during 2025.

1. Overall Financial Information

This subsection directs you to provide financial data and other information in the aggregate for the entire Company as defined above in Part III. Relevant Definitions (i.e., Accounting Entity). All financial data must comply with generally accepted accounting principles (GAAP).¹⁷ 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 ensure GAAP-consistent impairment testing 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 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.

¹⁷ See generally Financial Accounting Standards Board, *Accounting Standards Codification*, <https://asc.fasb.org/> [(last visited Mar. 19, 2026)]. The Financial Accounting Standards Board (FASB) Accounting Standards Codification is the “source of authoritative generally accepted accounting principles (GAAP) recognized by the FASB to be applied by nongovernmental entities.” FASB Accounting Standards Codification, *About the Codification*, v. 5.11, at 4, https://asc.fasb.org/layoutComponents/getPdf?isSitesBucket=true&fileName=FASB_About_the_Codification.pdf [(last visited Mar. 19, 2026)]. Other sources of authoritative GAAP for Securities and Exchange Commission (SEC) registrants include rules and interpretive releases of the SEC. *Id.* at 7.

- (1) **Investment and Expense Data:** Provide the following investment and expense data in the aggregate for the Accounting Entity for 2025. If the Company has no investment or expense data to report for any of the following categories, report zero in the corresponding cell in the Excel template.
- (a) **Capital Assets:** Report year-end amounts for 2025 for each of the items specified below. Report amounts for items (i), (ii) or (iii), and (iv) separately for each of the following categories of assets: (aa) tangible assets; (bb) capitalized research and development; (cc) purchased software; (dd) internally developed software; (ee) trademarks; (ff) capitalized Site Commissions; (gg) capitalized Payments to Facilities Excluding Site Commissions; (hh) other identifiable intangible assets; and (jj) 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 amount for 2025 for each of the items specified below. Report amounts for items (i) or (ii) separately for each of the following categories of assets: (aa) tangible assets; (bb) capitalized research and development; (cc) purchased software; (dd) internally developed software; (ee) trademarks; (ff) capitalized Site Commissions; (gg) capitalized Payments to Facilities Excluding Site Commissions; (hh) other identifiable intangible assets; and (jj) goodwill. Report as amortization in item (ii) any amortization of capitalized Site Commissions and Payments to Facilities Excluding Site Commissions that the Company's books recognized as an amortization expense or as an offset against gross revenues (e.g., as contra revenues). Report a single amount for each of items (iii), (iv), and (v). In the Word template, identify the discrete types of expenses reported in each Capital Expense category.
- (i) Depreciation;
 - (ii) Amortization;
 - (iii) Tax-deductible interest;
 - (iv) Interest paid on customer prepayments or deposits; and
 - (v) Other income tax-related adjustments.
- (c) **Operating Expenses:** Report the amount for 2025 for each of the items specified below. Each expense must be reported for only one category. For example, do not report expenses incurred for Extra Payments to Telecommunications Carriers or Other Entities for International Communications as an expense incurred for Payments to telecommunications carriers or other entities for Interstate, International, or Intrastate Communications other than Extra Payments for International Communications; report such expenses in the designated category separately. Exclude any charges for asset impairment loss. Report the fees a Provider pays to a Third Party to process IPCS- and non-IPCS- related financial transactions as Billing, Collection, Client Management, and Customer Care expenses in the C1-C2. Company-Wide Information worksheet. These fees include chargeback fees but exclude the chargeback amounts. Report the loss associated with IPCS- and non-IPCS-related chargebacks as bad debt expense. In the Word template, identify the discrete types of expenses reported in each Operating Expense category.
- (i) Maintenance, repair, and engineering of site plant, equipment, and facilities;

- (ii) Payments to telecommunications carriers or other entities for Interstate, International, or Intrastate Communications other than Extra Payments to Telecommunications Carriers or Other Entities for International Communications;
- (iii) Extra Payments to Telecommunications Carriers or Other Entities for International Communications;
- (iv) Field services;
- (v) Network operations;
- (vi) Call center;
- (vii) Data center and storage;
- (viii) Site Commissions, Recognized as an Expense or an Offset Against Gross Revenues When Paid or When Transaction Occurred;
- (ix) Payments to Facilities Excluding Site Commissions, Recognized as an Expense or an Offset Against Gross Revenues When Paid or When Transaction Occurred;
- (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.

2. Service-Specific Financial Information

The preceding subsection instructs you to provide financial information at the Company level. We require you to provide Company-wide revenue and Annual Total Expense data for 2025, separately and discretely, for Audio IPCS, Video IPCS, Safety and Security Measures, IPCS-related Payment Processing Services, and Other Products and Services.

Determining the Company's Annual Total Expenses for 2025 involves several steps. First, we instruct you to assign, attribute, or allocate the reported Company-wide investments and expenses (in total, without separation into interstate, international, and intrastate components), other than those for Site Commissions or Payments to Facilities Excluding Site Commissions, among Audio IPCS, Video IPCS, Safety and Security Measures, IPCS-related Payment Processing Services, and Other Products and Services in accordance with the cost allocation instructions set forth below.

We then instruct you to calculate federal and state income taxes, Cash Working Capital, Net Capital Stock, and Return for Audio IPCS, Video IPCS, and Safety and Security Measures. We do not require a calculation of federal and state income taxes, Cash Working Capital, Net Capital Stock, or Return for IPCS-related Payment Processing Services or Other Products and Services. Cells are populated with N/A in the Excel template to indicate that federal and state income taxes, Cash Working Capital, Net Capital Stock, and Return are not be reported for IPCS-related Payment Processing Services or Other Products and Services. In the Excel template, cells are also populated with N/A to indicate that expenses are not to be allocated to or reported for any service for capitalized Site Commissions, capitalized Payments to Facilities Excluding Site Commissions, amortization for capitalized Site Commissions, amortization for Payments to Facilities Excluding Site Commissions, Site Commissions accounted for as an expense or offset to gross revenues, and Payments to Facilities Excluding Site Commissions accounted for as an expense or offset to gross revenues.

We next instruct you to provide the results of your cost assignments, attributions, and allocations separately and discretely (i.e., totaling, in sum, the respective amounts reported for Company-wide investments and expenses) for Audio IPCS, Video IPCS, Safety and Security Measures, IPCS-related Payment Processing Services, and Other Products and 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 separately and discretely for Audio IPCS, Video IPCS, and Safety and Security Measures.

We instruct you to provide the Company's Annual Total Expenses (in total, without separation into interstate, international, and intrastate components) of providing, separately and discretely, Audio IPCS, Video IPCS, Safety and Security Measures, and IPCS-related Payment Processing Services.

We then instruct you to elect whether to adjust the Company's investments, expenses, Net Capital Stock, and Annual Total Expenses. These potential adjustments would involve adjusting your investments, expenses, Net Capital Stock, and Annual Total Expenses for Audio IPCS, Video IPCS, Safety and Security Measures, and IPCS-related Payment Processing Services for any reason. We will interpret elections to not make these adjustments as establishing that the adjustments would show no meaningful differences in investments, expenses, Net Capital Stock, and Annual Total Expenses costs.

a. Revenue Data

Enter, for 2025, the total Billed Revenues for the Accounting Entity for each of the following categories. The revenue reported for items (a), (b), and (d) shall exclude all revenue derived from the sale of Safety and Security Measures for which there is a separate price:

- (a) Audio IPCS;
- (b) Video IPCS;
- (c) Safety and Security Measures; and
- (d) Other Products and Services.

b. Cost Allocation Instructions

Using the hierarchy of methods specified below, you must assign, attribute, or allocate Company-wide investments and expenses (in total, without separation into interstate, international, and intrastate components) among:

- (a) Audio IPCS;
- (b) Video IPCS;
- (c) Safety and Security Measures;
- (d) IPCS-related Payment Processing Services; and
- (e) Other Products and Services.

For purposes of these cost allocation instructions, each of these services is treated as a separate (or particular) "service." The data for items (a), (b), (d), and (e) shall exclude all investments and expenses assigned, attributed, or allocated to Safety and Security Measures. Report the fees a Provider pays to a Third Party to process IPCS-related financial transactions as an expense attributable to IPCS-related Payment Processing Services in cell F87 in the C1-C2. Company-Wide Information worksheet. These fees include chargeback fees but exclude the chargeback amounts. Report no other expenses and no investments for these services. Rows corresponding to column F other than row 87 in this worksheet are populated with N/A to indicate no other expenses and no investments are to be reported for IPCS-related Payment Processing Services. Report the loss associated with the IPCS-related chargebacks as bad debt expense attributable to Audio IPCS, Video IPCS, or Safety and Security Measures in cells C93, D93, or E93, respectively, in the C1-C2. Company-Wide Information worksheet. If, for example, the Provider writes the IPCS-related chargebacks off as an expense on its own books, report the amount of that expense as bad debt expense attributable to Audio IPCS, Video IPCS, or Safety and Security Measures. If the Provider recognizes the IPCS-related chargebacks as immediate offsets to revenues on its own books, and later reports disputed funds that are returned as revenue in the period these funds are received, report the amount recognized as immediate offsets to revenues, net of the disputed amounts the Provider received upon resolution in 2025 as bad debt expense attributable to Audio IPCS, Video IPCS, or Safety

and Security Measures. Report the fees a Provider pays to a Third Party to process non-IPCS-related financial transactions as an expense attributable to Other Products and Services in cell G87 in the C1-C2. Company-Wide Information worksheet. Report the loss associated with non-IPCS-related chargebacks as bad debt expense attributable to Other Products and Services in cell G93 in the C1-C2. Company-Wide Information worksheet.

The sums of the investment and expense amounts assigned, attributed, or allocated to each particular service (excluding amounts for federal and state income taxes, Cash Working Capital, Net Capital Stock, and Return allocated to these services) shall, for each type of investment or expense, equal the total investment and expense amounts (excluding capitalized or expensed Site Commissions or Payments to Facilities Excluding Site Commissions) respectively reported for the Company in the Excel template.

- (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 each of Audio IPCS, Video IPCS, and Safety and Security Measures, as specified in items 6 and 7 below. Do not calculate federal and state income taxes for IPCS-related Payment Processing Services or Other Products and Services. For any investments or expenses that are not directly assignable, turn to the next step.
- (2) Second, determine which remaining investments and expenses are shared investments or expenses and which are common investments or expenses. Any investments and expenses that are not directly assignable to a specific service are either shared or common investments and expenses. Then, group shared investments and expenses into shared investment and expense categories based on business function, activity, or task. Similarly, group common investments and expenses into common investment and expense categories based on business function, activity, or task.
 - (a) 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.
 - (b) Common investments 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, determine the subset of services for which each category of shared investments and expenses, and each category of common investments and expenses, was incurred. Then, to the extent possible, directly attribute each category of shared and common investments and expenses to their associated services based on direct analysis of factors that cause a particular business function, activity, or task, and thus investments or expenses, attributable to a particular service to increase or decrease. For any category of shared or common investments or expenses that cannot be directly attributed in this manner, turn to the next step.
- (4) Fourth, for each remaining category of shared and common investments and expenses for which neither direct assignment nor direct attribution is possible, determine whether there is an indirect, cost-causative link to an investment or expense category (or group of categories) that has already been directly assigned or directly attributed. Where there is such a link, indirectly attribute each remaining category of shared and common investments and expenses to the same services, in the same proportion, to which its linked categories were directly assigned or directly attributed. For any category of shared or common investments or expenses that cannot be indirectly correlated in this manner, turn to the next step.
- (5) Fifth, where none of the methods described above is possible, allocate categories of shared investments and expenses among the particular services that share those investments and

expenses in proportion to each service's share of the sum of all of those investments or expenses that have already been directly assigned or attributed to these particular services. Allocate categories of common investments and expenses among the 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) **Federal income taxes** (calculated for Audio IPCS, Video IPCS, and Safety and Security Measures): First, subtract reported tax-deductible interest expense (and any amount reported for other income tax-related adjustments) from Return to determine the federal taxable income. Second, divide the corresponding reported federal income tax rate by 1 minus this reported federal income tax rate to determine a federal income tax gross-up factor. (See the following instructions below for determining the federal income tax rate to report.) Third, multiply the federal income tax gross-up factor by federal taxable income to determine the amount of federal income tax to report.
- (a) **Federal income tax rate for Accounting Entities that are C Corporations or taxed as C Corporations under the rules of the IRS.** Report the 2025 federal corporate income tax rate, 21%, if the Accounting Entity is or is part of a company that is a C corporation or taxed as a C Corporation under the rules of the IRS. Use this tax rate to calculate federal income taxes as instructed above.
- (b) **Federal income tax rate for Pass-Through Entities under the rules of the IRS.** An Accounting Entity that passes income through or is part of a company that passes income through to its owners (i.e., a Pass-Through Entity, as defined in Part III) for federal income tax purposes may claim an allowance for federal income taxes. If the Accounting Entity passes income through or is part of a company that passes income through to its owners and wishes to claim an allowance for federal income taxes, report a weighted average of the 2025 federal income tax rate applicable to each owner, where the weights reflect each owner's share of the 2025 total income passed through. Use this weighted average federal income tax rate to calculate federal income taxes as instructed above. Otherwise, report a federal tax rate equal to zero.
- (7) **State income taxes** (calculated for Audio IPCS, Video IPCS, and Safety and Security Measures): 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 reported applicable individual state income tax rates by 1 minus the weighted average of the reported applicable state income tax rates to determine a state income tax gross-up factor. (See the following instructions below for calculating the weighted average of the reported applicable state income tax rates.) Third, multiply the state income tax gross-up factor by state taxable income to determine the amount of state income tax to report.
- (a) **Weighted average state income tax rate:** Enter "C" in the specified cells in the Excel template if the Company is subject to the state corporate income tax rate under the rules of a given state's taxing authority. Enter "PTE" (for Pass-Through Entity) if the Company passes income through to its owners under the rules of a given state's taxing authority. Report separately for 2025 each state income tax rate applicable to the Company. (See the following instructions below for determining the state income tax rates to report.) Report the total of your 2025 Billed Revenues from Audio IPCS and Video IPCS separately for each state. The Excel template uses these reported data to calculate an Audio and Video IPCS 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 of Audio and Video IPCS Billed Revenues derived from the supply of these services in each corresponding state). Use the weighted average state income tax rate to calculate state income taxes as instructed above.

- (b) **State income tax rates for Accounting Entities that are subject to state corporate income taxes under the rules of the applicable state taxing authority.** Report the 2025 state corporate income tax rate for each state in which the Accounting Entity is subject to or is part of a company that is subject to state corporate income taxes. Use these state corporate income tax rates to calculate the revenue-weighted average of the state income tax rates as instructed above. If the Accounting Entity is subject to state corporate income taxes in some states but passes income through to its owners for state tax purposes in other states, follow the instruction below for reporting income tax rates for those other states.
- (c) **State income tax rates for Accounting Entities that pass income through to their owners for state income tax purposes.** An Accounting Entity that passes income through or is part of a company that passes income through to owners for state income tax purposes may claim an allowance for state income taxes. If the Accounting Entity passes income through to its owners and wishes to claim an allowance for state income taxes, report, for each pass-through income state, a weighted average of the 2025 state income tax rate applicable to each owner, where the weights reflect each owner's share of the 2025 total pass through income attributable to the state. Use each owner income-weighted state tax rate, where applicable, to calculate the revenue-weighted average of the individual state income tax rates as instructed above. Otherwise, use a state income tax rate equal to zero for these states to calculate the revenue-weighted average of the individual state income tax rates as instructed above.
- (8) Fully document, explain, and justify all cost assignments, attributions, and allocations using the Word template and submit additional workpapers developed using Excel worksheets. As part of your explanation, specifically describe the development of each cost driver or general allocator used to perform any attributions or allocations, and explain the process you used to perform each attribution and allocation.

c. Cost Allocation Results

The preceding subsection instructs you to determine, using a hierarchy of cost allocation and other required methods, the Annual Total Expenses the Company incurred to provide certain specified services during 2025. We now explain how you are to report the results of those determinations.

Report your assignments, attributions, and allocations separately for Audio IPCS, Video IPCS, Safety and Security Measures, IPCS-related Payment Processing Services, and Other Products and Services in the Excel template, as specified below. Report for IPCS-related Payment Processing Services only the fees, including chargeback fees, a Provider pays to a Third Party to process IPCS-related financial transactions, as explained above. Report your federal and state income tax calculations, Cash Working Capital, Net Capital Stock, and Return separately only for Audio IPCS, Video IPCS, and Safety and Security Measures, as specified below. If you have no investment or expense data to report for any of the following categories, report zero in the corresponding cell in the Excel template.

- (1) **Capital Assets:** Report the amount for 2025 for each of the items specified below.

First, report year-end 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 (vii) goodwill:

- (a) Gross Investment;
- (b) Accumulated depreciation;
- (c) Accumulated amortization; and
- (d) Net Investment.

Next, report a single year end amount for each of the following items, except for Cash Working Capital. For Cash Working Capital (item (h)), report the average amount:

- (e) Accumulated deferred federal income taxes;
- (f) Accumulated deferred state income taxes;
- (g) Customer prepayments or deposits;
- (h) Cash Working Capital (see below); and
- (i) Net Capital Stock.

- (2) **Capital Expenses and Related Tax Information:** Report the annual amount for 2025 for each of the items specified below.

First, report amounts for items (a) or (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:

- (a) Depreciation; or
- (b) Amortization.

Next, report a single amount or percentage, as appropriate, for each of the following items:

- (c) Weighted Average Cost of Capital (set to 9.75% in the Excel Template);
- (d) Return;
- (e) Tax-deductible interest;
- (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 2025 for each of the items specified below. Each expense must be reported for only one category; for example, do not report expense incurred for Extra Payments to Telecommunications Carriers or Other Entities for International Communications as an expense incurred for Payments to telecommunications carriers or other entities for Interstate, International, or Intrastate Communications other than Extra Payments to Telecommunications Carriers or Other Entities for International Communications. Exclude any charges for asset impairment loss.

- (a) Maintenance, repair, and engineering of site plant, equipment, and facilities;
- (b) Payments to telecommunications carriers or other entities for Interstate, International, or Intrastate Communications other than Extra Payments to Telecommunications Carriers or Other Entities for International Communications;
- (c) Extra Payments to Telecommunications Carriers or Other Entities for International Communications;
- (d) Field services;
- (e) Network operations;
- (f) Call center;
- (g) Data center and storage;
- (h) Billing, collection, client management, and customer care;
- (i) Sales and marketing;

- (j) General and administrative;
- (k) Other overhead;
- (l) Taxes other than income taxes;
- (m) Transactions related to mergers and acquisitions; and
- (n) Bad debt.

d. Cash Working Capital

- (1) If the Company includes an allowance for Cash Working Capital in the Company's Net Capital Stock, report the allowance claimed for 2025 in the Excel template separately for: (a) Audio IPCS, (b) Video IPCS, and (c) Safety and Security Measures. 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) Audio IPCS; (b) Video IPCS; (c) Safety and Security Measures; and (d) IPCS-related Payment Processing Services.
- (2) Exclude reported tax-deductible interest expense from Annual Total Expenses. The allowance for tax-deductible and non-tax-deductible interest expense other than interest paid on customer prepayments or deposits is already included in the Return component of the Annual Total Expenses calculation. However, you should include reported interest paid on customer prepayments or deposits in Annual Total Expenses. You should also exclude expense reported for Extra Payments to Telecommunications Carriers or Other Entities for International Communications from Annual Total Expenses.
- (3) Annual Total Expenses for IPCS-related Payment Processing Services equal the fees a Provider pays to a Third Party to process IPCS-related financial transactions.

f. Optional Adjustments

- (1) In the Word template, state whether the Company elects to 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 worksheets, 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. Electing this 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 in the Excel template and in accordance with the instructions for reporting unseparated and unadjusted data.

3. Other Company-Wide Information

a. Company-Wide Costs of Providers' Safety and Security Measures

In subsection IV.C.2, above, we instruct you to determine the Annual Total Expenses the Company incurred to provide Safety and Security Measures during 2025. First, this subsection directs you to

identify and list the discrete Safety and Security Measures that the Company provided in 2025 on the worksheet provided in the Excel template. It also directs you to describe and explain in the Word template the function each discrete Safety and Security Measure provides. This subsection also defines seven different categories and directs you to associate each Safety and Security Measure with one or more of these seven categories in the Excel template.

Next, this subsection directs you to report in the Excel template the Company's best estimate of the percentage of its Annual Total Expenses for Safety and Security Measures that are attributable to each measure. It also directs you to describe the approach used to estimate these percentages in the Word template.

Identify and list the discrete Safety and Security Measures that the Company provided in 2025 on the worksheet provided in the Excel template. Add additional rows as necessary. List each Safety and Security Measure you identify in the Excel template also in the Word template, then describe and explain the function it provides.

On the same worksheet, for each Safety and Security Measure you identify, report one or more of the numbers (i.e., 1, 2, 3, 4, 5, 6, and 7) that correspond to one or more of the categories described below that include the function that each measure provides. Use commas to separate the numbers if you report more than one number for any particular measure.

1. CALEA compliance measures – These services include Safety and Security Measures that the Company took to comply with the Communications Assistance for Law Enforcement Act (CALEA).
2. Law enforcement support services – These services include, but are not limited to, the administration of subpoenas, the administration of crime tip lines, the administration of informant lines, and the maintenance of data repositories for use by law enforcement personnel.
3. Communication security services – These services include, but are not limited to, implementing measures that allow an Incarcerated Person to call only certain individuals or numbers; implementing measures that limit the individuals or numbers an incarcerated person may call; providing personal identification numbers (PINs) to incarcerated people; providing disclaimers to called parties regarding communication origination; implementing communication-acceptance procedures; preventing three-way communications; preventing chain communications; dual-tone multifrequency detection; manual call control for the Facility; tracking frequently called numbers; implementing incoming communication restrictions; and fraud management.
4. Communication recording services – These services include, but are not limited to, providing a disclaimer regarding recording of communications, recording of communications, and storage of recorded communications.
5. Communication monitoring services – These services include, but are not limited to, live or real-time monitoring of communications; automatic word detection; communication transcription; and analysis of recordings, which may also include keyword searches.
6. Voice biometrics services – These services include, but are not limited to, voice printing, voice identification, continuous voice verification, and voice databasing.
7. Other Safety and Security Measures – These services include, but are not limited to, reporting obligations, acquisition of patents to support safety and security technologies, and research and development of new safety and security technologies.

On the same worksheet, report the Company's best estimate of the percentage of its Annual Total Expenses for Safety and Security Measures incurred during 2025 that are attributable to each measure. The sum of the percentages reported for each Safety and Security Measure should equal 100%. The Excel template will multiply each reported percentage by the Company's Annual Total Expenses for Safety and Security Measures, as reported in response to subsection IV.C.2. above, to attribute a dollar amount to each measure.

In the Word template, document and explain the processes you used to estimate the percentage of Annual Total Expenses for Safety and Security Measures that are attributable to each measure.

b. Service-Specific Costs of Providing Safety and Security Measures

In subsection IV.C.3.a. above, we instruct you to report the Company's best estimate of the percentage of the Company's Annual Total Expenses for Safety and Security Measures incurred during 2025 that are attributable to each measure you identify. This subsection directs you to report for 2025 for each of those same Safety and Security Measures, the Company's best estimate of the percentage of the Safety and Security expenses that are attributable to (1) Audio IPCS; (2) Video IPCS; or (3) Other Products and Services.

In the worksheet provided on the Excel template, for each Safety and Security Measure you identify, report the Company's best estimate of the percentage of the Safety and Security expenses that are attributable to (1) Audio IPCS; (2) Video IPCS; or (3) Other Products and Services. The sum of the percentages reported for each Safety and Security Measure across these three categories of services should equal 100%. The Excel template will multiply the Safety and Security expenses already allocated to each Safety and Security Measure by each of these reported percentages to allocate these expenses among these three categories of services.

In the Word Template, document and explain the processes you used to estimate the percentages of total expenses reported for each Safety and Security Measure attributable to (1) Audio IPCS; (2) Video IPCS; or (3) Other Products and Services.

c. Instructions Relating to Subcontracts to Provide Incarcerated People's Communications Services

This subsection provides instructions on reporting data and other information where a Contractor contracts with a Subcontractor for the provision of IPCS. The primary goal of this subsection is to account for 100 percent of the costs or revenues without double counting when two entities have a contractual or other arrangement to provide IPCS to the same Facility. We also seek to understand the nature of any such arrangements.

Subcontractor Reporting of Cost and Revenue Data: In reporting cost and revenue data, Subcontractors shall not treat any Billed Revenue passed on to another Provider as revenue or 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 or is a Subcontractor:
 - (a) The Provider shall directly assign, attribute, or allocate all of the investments it makes and the expenses it incurs, as a Contractor or a Subcontractor, based on the cost allocation hierarchies set forth in these instructions to or among:

- (i) Audio IPCS, Video IPCS, Safety and Security Measures, IPCS-related Payment Processing Services, and Other Products and Services; and
 - (ii) Further directly assign, attribute, or allocate the Provider's Audio IPCS and Video IPCS investments and expenses to or among (i) Contractor-supplied facilities (i.e., facilities at which the Provider incurs costs as a Contractor); and (ii) Subcontractor-supplied facilities (i.e., facilities at which the Provider incurs costs as a Subcontractor).
- (2) **Narrative Description of a Subcontract to Provide IPCS:** If a Contractor contracts with a Subcontractor to provide any aspect of Audio or Video IPCS, the Contractor and the Subcontractor shall explain each arrangement in the Word templates of their respective responses. At a minimum, each explanation shall include:
 - (a) The name of the Provider with the contractual or other arrangement with a Contracting Authority for the provision of IPCS;
 - (b) The services provided by the Contractor;
 - (c) The name of the Subcontractor;
 - (d) The services provided by the Subcontractor;
 - (e) The unique identifier and address for the Facilities at which the Subcontractor provides services under the agreement;
 - (f) A description of the operations of the Contractor and the Subcontractor related to providing IPCS;
 - (g) The types of Audio IPCS and Video IPCS billed by the Contractor and the Subcontractor, respectively; and
 - (h) A description of any Revenue-Sharing Agreement between the Contractor 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

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 Audio IPCS and Video IPCS at each Facility in accordance with the cost allocation instructions set forth below. We further direct you to report Facility-specific demand and revenue data for Audio IPCS, Video IPCS, and Facility-specific demand for IPCS-related Payment Processing Services as specified below.

a. Cost Allocation Instructions

In subsection IV.C.2, above, we direct you to allocate your Company-wide investments and expenses to Audio and Video IPCS, as well as other services, in accordance with certain instructions. We now provide instructions on how you are to allocate the Company-wide investments and expenses already allocated to Audio IPCS and Video IPCS among the Facilities at which the Company provides these services to Incarcerated People. Do not allocate capitalized Site Commissions or Payments to Facilities Excluding Site Commissions, amortization related to these capitalized payments, Site Commissions accounted for as an expense or an offset to gross revenues, or Payments to Facilities Excluding Site Commissions accounted for as an expense or an offset to gross revenues to any Facility. Do not allocate

Safety and Security Measure investments or expenses or the fees a Provider pays to a Third Party to process IPCS-related financial transactions among the Facilities.

To the extent possible, you must assign or allocate Company-wide investments and expenses for Audio IPCS and Video IPCS among Facilities using the hierarchy of methods specified below.

- (1) As a guiding principle, the sums of the investment and expense amounts assigned to, attributed to, or allocated among all Facilities for Audio IPCS and Video IPCS shall equal the total of the Company-wide investment and expense amounts, respectively, reported above for Audio IPCS and Video IPCS. Similarly, the sums of the federal income taxes calculated separately for each Facility for Audio IPCS and Video IPCS shall equal the total of the Company-wide federal income tax amounts, respectively, reported above for Audio IPCS and Video IPCS. Fully document, explain, and justify all cost assignments, attributions, and allocations in the Word template as specified in item 9, below.
- (2) First, to the extent possible, directly assign investments and expenses used exclusively to provide Audio IPCS and Video IPCS at or for a particular Facility to that Facility. Calculate federal and state income taxes relative to Audio IPCS and Video IPCS for a particular Facility as specified in items 7 and 8, below. For any investments or expenses that are not directly assignable to a particular Facility, proceed to the next step.
- (3) Second, determine which remaining investments and expenses are shared investments or expenses and which are common investments or expenses. Any investments and expenses that are not directly assignable to a specific Facility are shared or common investments and expenses.
 - (a) Shared investments are for assets used exclusively to provide Audio IPCS and Video IPCS 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 Audio IPCS and Video IPCS at or for a specific subset of Facilities that are not assignable or attributable to a specific Facility.
 - (b) 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.
- (4) Third, to the extent possible, directly attribute a percentage of shared and common investments and expenses to their associated Facilities, with the percentage of a given investment or expense attributed to each constituent Facility based on direct analysis of factors that cause a particular business function, activity, or task—and thus investments or expenses—attributable to a particular Facility to increase or decrease. For any shared or common investments or expenses that cannot be attributed to their constituent Facilities in this fashion, turn to the next step.
- (5) Fourth, where neither direct assignment nor direct attribution to a Facility is possible, determine where shared and common investments and expenses are related to an already assigned or attributed shared or common investment or expense. Then, allocate these shared and common investments and expenses to particular Facilities in proportion to the related investment or expense that has already been assigned or attributed. For any shared or common investments or expenses that cannot be indirectly correlated in this fashion, proceed to the next step.
- (6) Fifth, where none of the methods described above is possible, allocate shared investments and expenses to the particular Facilities that share those investments and expenses in proportion to each Facility's share of the sum of all of those investments or expenses that have already been directly assigned or attributed to these particular Facilities. Allocate 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.

- (7) **Federal income taxes:** First, for each Facility, subtract reported tax-deductible interest expense (and any amount reported for other income tax-related adjustments) from Return to determine federal taxable income. Second, divide the corresponding reported federal income tax rate by one minus this reported federal income tax rate to determine a federal income tax gross-up factor. (See the following instructions below for determining the federal income tax rate to report.) Third, multiply the federal income tax gross-up factor by federal taxable income to determine the amount of federal income tax to report.
- (a) **Federal income tax rate for Accounting Entities that are C corporations or taxed as C corporations under the rules of the IRS.** Report the 2025 federal corporate income tax rate, 21%, if the Accounting Entity is or is a part of a company that is a C corporation or taxed as a C corporation under IRS rules. Use this tax rate to calculate federal income taxes as instructed above.
 - (b) **Federal income tax rate for Accounting Entities that pass income through to their owners under the rules of the IRS.** An Accounting Entity that passes income through or is part of a company that passes income through to owners (i.e., a Pass-Through Entity, as defined in Part III) for federal income tax purposes may claim an allowance for federal income taxes. If the Accounting Entity passes income through or is part of a company that passes income through to its owners and wishes to claim an allowance for federal income taxes, report a weighted average of the 2025 federal income tax rate applicable to each owner, where the weights reflect each owner's share of the 2025 total income passed through. Use the weighted average federal income tax rate to calculate federal income taxes as instructed above. Otherwise, report a federal tax rate equal to zero.
- (8) **State income taxes:** First, for each Facility, 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 reported state income tax rate applicable to a particular Facility by one minus this reported state income tax rate applicable to that Facility to determine a state income tax gross-up factor. (See the following instructions below for determining the state income tax rates to report.) Third, multiply the state income tax gross-up factor by state taxable income to determine the amount of state income tax to report.
- (a) **State income tax rates for Accounting Entities that are subject to state corporate income taxes under the rules of the state taxing authority.** Report the state corporate income tax rate during 2025 for each state in which the Accounting Entity provides IPCS and is subject to or is part of a company that is subject to state corporate income taxes. Use the state corporate income tax rate applicable to state taxable income derived from a particular Facility to calculate the state income tax for that Facility as instructed above. If the Accounting Entity is subject to state corporate income taxes in some states but passes income through to its owners for state tax purposes in other states, follow the instruction below for reporting income tax rates for those other states.
 - (b) **State income tax rates for Accounting Entities that pass income through to their owners under the rules of the state taxing authority.** An Accounting Entity that passes income through or is part of a company that passes income through to its owners for state income tax purposes may claim an allowance for state income taxes. If the Accounting Entity passes income through or is part of a company that passes income through to its owners and wishes to claim an allowance for state income taxes, report, for each pass-through income state, a weighted average of the 2025 state income tax rate applicable to each owner, where the weights reflect each owner's share of the 2025 total pass through income attributable to the state. Use the owner income-weighted state income tax rate applicable to state taxable income derived from a particular Facility to calculate the state income tax for that Facility as instructed above. Otherwise, report a state income tax rate equal to zero for that Facility.

- (9) Using the Word template, fully document, explain, and justify all cost assignments, attributions, and allocations and submit additional workpapers developed using Excel worksheets. As part of your explanation, specifically describe each factor you used to perform any attributions or allocations, and explain the process you used to perform each attribution and allocation. Specify, for each cost assignment, attribution, and allocation, whether the relevant cost data were recorded at the Company, contract, or Facility level.

b. Cost Allocation Results

Report the results of your Facility-specific cost assignments, attributions, and allocations for Audio IPCS and Video IPCS in the Excel template, as specified below. Separate worksheets are provided in the Excel template for reporting these results separately for each of these services. If the Company has no investment or expense data to report for any of the following categories, report zero in the corresponding cell in the Excel template. Cells are populated with N/A in these worksheets to indicate that they are not to be allocated to or reported for any Facility, including those cells otherwise reflecting capitalized Site Commissions and Payments to Facilities Excluding Site Commissions, related amortization, and Site Commissions and Payments to Facilities Excluding Site Commissions recognized as an expense or an offset to gross revenues.

- (1) **Capital Assets:** Report year-end amounts related to the provision of Audio IPCS and Video IPCS at or for each Facility for 2025 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 (vii) goodwill:
- (a) Gross Investment;
 - (b) Accumulated depreciation;
 - (c) Accumulated amortization; and
 - (d) Net Investment.

Next, report a single year-end amount related to the provision of Audio IPCS and Video IPCS at or for each Facility for 2025 for each of the following items, except for Cash Working Capital. For Cash Working Capital (item (h)), report the average amount.

- (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 separate annual amounts related to the provision of Audio IPCS and Video IPCS at or for each Facility for 2025 for items (a) or (b) 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:
- (a) Depreciation; or
 - (b) Amortization.

Next, report a single annual amount or percentage, as appropriate, related to the provision of Audio IPCS and Video IPCS at or for each Facility for 2025 for each of the following items:

- (c) Weighted Average Cost of Capital (set to 9.75% on the Excel Template);
- (d) Return;
- (e) Tax-deductible interest;

- (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 separate annual amounts related to the provision of Audio IPCS and Video IPCS at or for each Facility for 2025 for each of the items specified below. Each expense must be reported for a particular category; for example, do not report an expense incurred for Extra Payments to Telecommunications Carriers or Other Entities for International Communications as an expense incurred for Payments to telecommunications carriers or other entities for Interstate, International, or Intrastate Communications other than Extra Payments to Telecommunications Carriers or Other Entities for International Communications. Exclude any charges for asset impairment loss.
- (a) Maintenance, repair, and engineering of site plant, equipment, and facilities;
 - (b) Payments to telecommunications carriers or other entities for Interstate, International, or Intrastate Communications other than Extra Payments to Telecommunications Carriers or Other Entities for International Communications;
 - (c) Extra Payments to Telecommunications Carriers or Other Entities for International Communications;
 - (d) Field services;
 - (e) Network operations;
 - (f) Call center;
 - (g) Data center and storage;
 - (h) Billing, collection, client management, and customer care;
 - (i) Sales and marketing;
 - (j) General and administrative;
 - (k) Other overhead;
 - (l) Taxes other than income taxes;
 - (m) Transactions related to mergers and acquisitions; and
 - (n) Bad debt.

c. Facility-Specific Annual Total Expenses

Report separate Facility-specific Annual Total Expenses for Audio IPCS and Video IPCS for each Facility at which you provided these services.

Exclude reported tax-deductible interest expenses from Annual Total Expenses. The allowance for tax-deductible and non-tax-deductible interest expense other than interest paid on customer prepayments or deposits is included in the Return component of the Annual Total Expenses calculation. However, you should include reported interest paid on customer prepayments or deposits in Annual Total Expenses. You also should exclude expenses reported for Extra Payments to Telecommunications Carriers or Other Entities for International Communications from Annual Total Expenses.

d. Facility-Specific Demand and Revenue Data

We now direct you to report Facility-specific demand and revenue data. As indicated below, you must submit separate data for each Facility even if that Facility is covered by the same contract as another Facility.

- (1) **Demand for IPCS:** Report the separate Facility-specific annual demand for Audio IPCS and Video IPCS for 2025. Provide separate data for each Facility at which the Company provided these services during 2025. Annual demand shall be expressed in the units and for the categories specified below. Report demand expressed in terms of the number of discrete communications (e.g., calls, remote visits, or sessions) and in minutes, even if neither measure reflects the actual sales unit. Count each call, remote visit, session, or other communication, without regard to duration, as one communication. Estimate demand expressed in communications and minutes if necessary. Report billed minutes and billed communications for alternate Audio IPCS or Video IPCS pricing plans as part of the billed and total billed and unbilled minutes and communications for Audio or Video IPCS, respectively, as specified below, but exclude surplus or unused alternate pricing plan minutes or communications.
 - (a) Facility-specific Information: You must submit separate 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. If you do not know a Facility's Average Daily Population, provide your best estimate of that Average Daily Population in the Excel template. Explain the basis for this estimate in the Word template.
 - (b) Summing totals: The reported demand expressed in Billed and Unbilled Minutes and Billed and Unbilled Communications shall sum to the relevant total reported for Billed and Unbilled Minutes and Billed and Unbilled Communications.
 - (c) Incarcerated People's Tablets Total Billed and Unbilled IPCS and Non-IPCS Minutes: For each Facility, report tablet use separately for IPCS and Other Products and Services for each Facility expressed as total billed and unbilled minutes. For example, if a Facility has one tablet and this tablet is used to provision 500 billed minutes of Video IPCS, 100 unbilled minutes of Video IPCS, and 400 billed minutes of educational services, report tablet use of 600 billed and unbilled IPCS minutes and 400 billed and unbilled non-IPCS minutes for this Facility. If necessary, estimate these minutes, and separately report the basis for this estimation in the Word Template.

You must report data for all items listed below.

- (a) Total Billed Communications for Audio IPCS;
- (b) Total Unbilled Communications for Audio IPCS;
- (c) Total Billed and Unbilled Communications for Audio IPCS;
- (d) Total Billed Minutes for Audio IPCS;
- (e) Total Unbilled Minutes for Audio IPCS;
- (f) Total Billed and Unbilled Minutes for Audio IPCS;
- (g) Total Billed Communications for Video IPCS;
- (h) Total Unbilled Communications for Video IPCS;
- (i) Total Billed and Unbilled Communications for Video IPCS;
- (j) Total Billed Minutes for Video IPCS;
- (k) Total Unbilled Minutes for Video IPCS;
- (l) Total Billed and Unbilled Minutes for Video IPCS;

- (m) Average Daily Population;
 - (n) Number of Incarcerated People's Tablets;
 - (o) Incarcerated People's Tablets Total Billed and Unbilled IPCS Minutes;
 - (p) Incarcerated People's Tablets Total Billed and Unbilled Other Products and Services Minutes;
 - (q) Number of Incarcerated People's Kiosks; and
 - (r) Number of other devices used by Incarcerated People to access IPCS.
- (2) **Demand for IPCS-related Payment Processing Services:** Report the annual demand for IPCS-related Payment Processing Services provided in connection with IPCS during 2025. Provide separate data for each Facility. Calculate the annual demand for each Facility by summing the demand for IPCS-related Payment Processing Services in connection with Audio or Video IPCS at or for that Facility during 2025. Express demand for IPCS-related Payment Processing Services as the number of Billed Transactions. Billed demand reported for each Facility shall sum to the relevant total billed demand for such service for all Facilities.
- (3) **Revenues from IPCS:** Report the annual Billed Revenues from IPCS for 2025. Provide separate data for each of the categories specified below for each Facility at which the Company provided these services. Billed Revenues reported for different categories shall sum to the relevant total reported for Billed Revenues.
- (a) Total Billed Revenues from Audio IPCS; and
 - (b) Total Billed Revenues from Video IPCS.

2. Other Facility-Specific Information

This subsection directs you to report Facility-Specific data.

a. General Information

- (1) **Unique Identifiers for Contract.** Enter a unique identifier for each Contract under which the Company provided IPCS during 2025. The Contract identifier is for the contract between a Provider and the Contracting Authority, not for any contract between Providers. Contract renewals must use the same Contract identifier as before the renewal. Use the same unique contract identifier across tabs in the Excel template. Use at least one alphabetical (A-Z) character in each Contract identifier.
- (2) **Unique Identifiers for Facility:** Enter a unique identifier for each Facility at which the Company offered IPCS during 2025. Use the same unique Facility identifier across all Tabs in the Excel template. Use at least one alphabetical (A-Z) character in each Facility identifier.
- (3) **Contractor Name:** Enter the name of the Provider that has the contractual or other arrangement with the Contracting Authority to provide IPCS to the Facility. If you are the Contractor, enter your name.
- (4) **Subcontractor Name:** Enter the name of the Provider that provides IPCS under a contract or other arrangement with another Provider for provision of IPCS. If you are the Subcontractor, enter your name.
- (5) **Counterparty to Contract:** For each Facility identified above, list the name of the party or entity that entered into the contract with the Contractor.

- (6) **Facility Address:** Enter on separate rows the complete address of the physical location of each Facility parsed into five separate fields: (1) street number and street name; (2) building identifier (if any); (3) city; (4) state; and (5) ZIP Code. Do not enter any P.O. Box address.
- (7) **Facility Type (Jail or Prison):** Indicate whether each Facility is a Prison (P) or a Jail (J).
- (8) **Maximum Audio Communication Duration:** Enter in minutes the Maximum Communication Duration for Audio IPCS communications originating from each Facility. If neither the Facility nor the Company imposes a limit on the length of Audio IPCS communications placed from the Facility, enter "N/A."
- (9) **Maximum Video Communication Duration:** Enter in minutes the Maximum Communication Duration for Video IPCS communications originating from each Facility. If neither the Facility nor the Company imposes a limit on the length of Video IPCS communications placed from the Facility, enter "N/A."

V. Certification Form

Each Provider of Audio or Video IPCS 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 upon the executive's own 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 Audio or Video IPCS. If the Provider offers Audio or Video IPCS under more than one name, provide all relevant names.
- (2) **Reporting Period:** Calendar year 2025.
- (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.

APPENDIX A

The Word template that will be submitted to the Office of Management and Budget for its approval under the Paperwork Reduction Act of 1995 is available at: [2026 IPCS MDC Word Template](#).

APPENDIX B

The Excel template that will be submitted to the Office of Management and Budget for its approval under the Paperwork Reduction Act of 1995 is available at: [2026 IPCS MDC Excel Template](#).

APPENDIX C

The Certification Form that will be submitted to the Office of Management and Budget for its approval under the Paperwork Reduction Act of 1995 is available at: [2026 IPCS MDC Certification Form.docx](#).