

**COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND CABLE**

No. D.T.C. 11-16

**PETITION OF RECIPIENTS OF COLLECT CALLS FROM
PRISONERS AT CORRECTIONAL INSTITUTIONS IN MASSACHUSETTS
SEEKING RELIEF FROM
THE UNJUST AND UNREASONABLE COST OF SUCH CALLS**

**PETITIONERS' FIRST SET OF INTERROGATORIES TO RESPONDENT INMATE CALLING
SOLUTIONS**

Petitioners hereby propound the following interrogatories on the Respondent, pursuant to 220 CMR 100.06(c). Each interrogatory must be answered separately and fully in writing and under the penalties of perjury and in accordance with the D.T.C. 11-16 Procedural Order dated February 27, 2014.

Definitions and Instructions:

Petitioners incorporate the definitions described in Superior Court Standing Order 1-09.

Additionally, as used herein:

1. "Inmate Calling Solutions" and "you" or "your" refer to Inmate Calling Solutions' (ICSolutions), its employees, directors, agents, insurers, assigns, successors, corporations, administrators, affiliates, executors, firms, trustees, receivers, custodians, contractors, subcontractors, officers, shareholders and any parent, organization, subsidiary, agent, assignee, or other entity acting on behalf of, at the direction of or otherwise for ICSolutions.

2. The term “fixed fee” refers to a rate charged for a call at a predetermined rate. For example, a local call might be available for a \$0.50 fixed fee rather than being billed on a per minute basis.
3. The term “surcharge” refers to a flat fee assessed for connecting to the network, prior to being charged on a per minute basis.
4. “Debit” and “pre-paid” calling refer to calls charged to a person who has set up an account with you and paid in advance for inmate calling service calls.
5. “Advance pay” refers to calls paid by prisoners with pre-paid minutes that they have purchased.
6. “Consumer” refers to any person using inmate calling services, whether incarcerated or receiving telephone calls from an incarcerated person.
7. “Calendar year,” when referring to 2014, means from January 1, 2014 to date.

Interrogatories

Rates, Receipts and Commissions

1. Please identify all contracts for inmate calling service (hereinafter ICS) calls in Massachusetts to which you have been a party since January 2011, naming the government authority with whom you contracted and including any modifications or amendments. For each calendar year of each contract, please provide the following information. You are not restricted to using this identical format as long as you can provide all of the requested responses.

	<u>Fixed Rate</u>	<u>Surcharge</u>	<u>Rate Per Minute</u>	<u>Site Commission Percentage</u>
<u>Collect Calling</u>				
Local Calling				
State IntraLATA Calling				
State InterLATA Calling				
Interstate				
<u>Debit Calling</u>				
Local Calling				

State IntraLATA Calling
State InterLATA Calling

Advance payment calling

Local Calling
State IntraLATA Calling
State InterLATA Calling

Total

2. For each year of each contract identified in response to Interrogatory Number 1, above, (hereinafter No. 1) please provide the following information. You are not restricted to using this identical format as long as you can provide all of the requested responses.

	Gross receipts	Commissions Paid
<u>Collect Calling</u>		
Local Calls		
State IntraLATA Calls		
State InterLATA Calls		
Interstate		

Debit Calling

Local Calling
State IntraLATA Calling
State InterLATA Calling

Advance payment calling

Local Calling
State IntraLATA Calling
State InterLATA Calling

Total

3. For each year of each contract identified in response to No. 1, please provide the following information. You are not restricted to using this identical format as long as you can provide all of the requested responses.

	No. of Calls Completed	Average Call Length	Total No. of Minutes Used
<u>Collect Calling</u>			
Local Calls			

State IntraLATA Calls
State InterLATA Calls
Interstate

Debit Calling

Local Calling
State IntraLATA Calling
State InterLATA Calling

Advance payment calling

Local Calling
State IntraLATA Calling
State InterLATA Calling

Total

4. For each year of each contract identified in response to No. 1, please list any minimum commission guaranteed by the contract and state the amount paid, if any, to satisfy this guarantee.
5. Please identify any documents demonstrating revenue that you received and commission payments made under each of the contracts identified in response to No. 1.
6. Please list all categories of costs associated with providing ICS in Massachusetts, including but not limited to the following potential costs. For each cost, please indicate how much you spent during each calendar year of each contract identified in No. 1. To the extent that you allocate shared costs between facilities, or between Massachusetts and other jurisdictions, please so indicate and state the basis for your calculation of pro-rated costs.
 - a. Call processing systems
 - b. Automated operators
 - c. Live operators
 - d. Call recording and monitoring equipment
 - e. Fraud control programs
 - f. Financial processing
 - g. Lobbying and other government advocacy
 - h. Back office administrative costs
 - i. Call centers
 - j. Database checks
 - k. Voice overlays
 - l. Customized call detail reports
 - m. Research and Development
 - n. Call control systems

- o. Other personnel costs
 - p. Other costs not referenced in a. through o.
7. For each type of call described in No.1 (Collect, Debit and Advance Pay Calling), please provide an itemization of your expenses associated with the cost to complete such a call. To the extent that it is not possible to itemize your expenses, please describe in detail each component of the aggregate costs to you of completing such calls.
 8. Please describe what equipment is used to store, record and monitor inmate telephone calls in each of the Massachusetts correctional facilities listed in response to No. 1.
 9. If you currently use live operators in the provision of inmate calling services in Massachusetts, how many and in what capacity are they used at each facility for which you provide ICS?
 10. With respect to each year, each contract and each type of call (collect, debit and advanced payment) identified in No. 1,
 - a) what dollar amount of receivables were not collectable?
 - b) what dollar amount of lost revenue did this amount to?
 11. For each contract identified in No. 1, please describe:
 - a) The number of pre-paid or “debit” accounts for each year from January 2011 to present;
 - b) the process used to deposit funds into a pre-paid account. If the process used is different depending on the source of the funds (cash, credit card, western union, check) please explain the process for each separately;
 - c) the costs attributable to processing deposits to pre-paid accounts;
 - d) the costs attributable to processing refunds from pre-paid accounts;
 - e) the dollar amount that was actually refunded to Massachusetts consumers for each calendar year from January 2011 to the present.
 12. Please describe the process used to refund unused funds from pre-paid accounts to consumers. If the refunds are unclaimed or otherwise not processed, please describe how these funds are accounted for (e.g. retained as income, transferred to the State’s unclaimed funds program) and whether or not commissions are paid on income generated from the unclaimed funds.
 13. For each contract identified in No. 1, please identify and describe any and all fees charged by your company to consumers of inmate calling services in Massachusetts for establishing, using, maintaining or closing a pre-paid account, including but not limited to fees for opening an account; depositing funds to an account by cash, check, western union, moneygram, or

credit card; obtaining a refund from an account; and maintaining an inactive account, stating the percentage or amount any site commission paid from these fees.

14. Please identify and describe all taxes and regulatory and other surcharges charged by your company to consumers of inmate calling services in Massachusetts.
15. Please describe the process used for receiving, processing and closing a complaint regarding the provision of inmate calling services for each facility currently under contract with you in Massachusetts.
16. For each year of each contract identified in No. 1, please state the number of complaints in each of the following categories. If it is not possible to break down complaints by category, please so state and give the most detailed breakdown that your records permit.
 - a) Static, line noise and other problems with audibility
 - b) Dropped calls
 - c) Broken telephone sets
 - d) Billing concerns, including but not limited to charges for dropped calls, problems with refunds, and contested fees and surcharges.
17. For each complaint received and listed in Interrogatory 16, please describe any action, if any, you took to address the complaint and how and if the complaint was resolved.
18. Please describe any upgrades you made to the telephone systems in any of the facilities listed in No. 1 since 2011.
19. Please describe systems that you use to track or manage complaints about billing issues and identify any documents describing these systems.
20. Please describe systems or processes that you use to track performance by facility, state and by region, in the following categories, and identify any documents describing these systems.
 - a) financial and / or margin performance (i.e. the revenue, expenses and margin you received);
 - b) quality performance (i.e. how you did on completing calls);
 - c) technical and network performance (i.e. how the network, equipment and software performed).
21. Describe your budgetary process including how you set financial goals for the year, and how you compare actual results to what was budgeted.

22. Please identify and describe any reports, analysis or other documentation that is created to report profitability to management.
23. Please list any and all enforcement actions or investigations against you by other public utility commissions from 2009 to the present.
24. Please state both your gross and net earnings derived from the provision of inmate calling services to the facilities in Massachusetts listed in Response to No. 1 from 2008 to the present, including a comparison of your gross and net earnings derived from your provision of inmate calling services in other states.
25. Please state how many telephones for incarcerated ICS consumers are currently installed in each Massachusetts facility to which you provide services and how many service calls you made to each facility for each calendar year from 2011 to the present. If any telephone units were replaced in any of the facilities, please state how many, when they were replaced and why.

Respectfully Submitted,

Date: _____

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