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***By Electronic Filing***

Marlene H. Dortch  
Secretary  
Federal Communications Commission  
Washington, D.C. 20554  
445 12<sup>th</sup> Street, S.W.

***Ex Parte Notice***

***Re: Docket No. 12-375, Rates for Interstate Inmate Calling Services***

Dear Ms. Dortch:

On July 20, 2015, Vincent Townsend, President of Pay Tel Communications, Inc. (“Pay Tel”), and Don Wood, economic consultant to Pay Tel, met with Madeleine Findley, Lynne Engledow, Rhonda Lien, Gil Strobel, and Don Sussman of the Pricing Policy Division and the Wireline Competition Bureau.

In this meeting, Pay Tel discussed its position of record regarding the importance of explicit facility compensation, the various sources of data in the record regarding the magnitude of this compensation, and the kinds of call management costs incurred by facilities of different sizes. Pay Tel’s discussion included reference to two hand-outs—“What Are Facility ICS Costs” and “Facility Cost Recovery Options.” Copies of these hand-outs are attached.

In accordance with Section 1.1206 of the Commission’s rules, this letter is submitted for inclusion in the record of the above-captioned proceeding. Please do not hesitate to contact the undersigned should any questions arise concerning this notice.

Sincerely yours,

/s/ Marcus W. Trathen  
Marcus W. Trathen

cc (via email):

Madeleine Findley  
Lynne Engledow  
Rhonda Lien  
Gil Strobel  
Don Sussman

## What are Facility ICS Costs?

**Facilities with >1000 ADP**

**1 Full Time (40 Hours) System Administrator Provided by ICS Provider  
(1 System Administrator per 2500 Inmates)**

Duties Performed by Pay Tel System Administrator	Duties Performed Exclusively by Facility Officers
<ul style="list-style-type: none"> <li>• PIN Administration</li> <li>• Administer/Enroll Voice Biometrics</li> <li>• Administer Debit Accounts</li> <li>• Respond to Inmate Questions on Using ICS</li> <li>• Respond to Family Questions on Using ICS and Account Setup</li> <li>• Accept Public Requests for Blocking /Unblocking</li> <li>• Administer Blocked Numbers</li> <li>• Accompany technicians who come to the facility to repair</li> </ul>	<ul style="list-style-type: none"> <li>• Monitor Calls to ensure safety of inmates, staff and the public</li> <li>• Perform all System Administrator Tasks for the remaining 128 hours of the week</li> </ul>

**Facilities with <1000 ADP**

No Site Administrator	Duties Performed Exclusively by Facility Officers
	<ul style="list-style-type: none"> <li>• Monitor Calls to ensure safety of inmates, staff and the public</li> <li>• Perform all System Administrator Tasks 24/7</li> <li>• PIN Administration</li> <li>• Administer/Enroll Voice Biometrics</li> <li>• Administer Debit Accounts</li> <li>• Respond to Inmate Questions on Using ICS</li> <li>• Respond to Family Questions on Using ICS and Account Setup</li> <li>• Accept Public Requests for Blocking /Unblocking</li> <li>• Administer Blocked Numbers</li> <li>• Accompany technicians who come to the facility to repair</li> </ul>

## Facility Cost Recovery Options

Option	Impact
<b>Set a Rate Cap, and let Facilities and Vendors “Work it Out”</b>	<ul style="list-style-type: none"><li>• Creates loopholes for gaming</li><li>• The cap will become the rate</li><li>• No downward pressure on rates</li><li>• Pressure for future rate increases</li><li>• Future cost savings will result in more money to the provider and/or facility instead of a cost savings for the consumer</li><li>• Risk that 2,500+ Sheriffs in small facilities will receive no compensation and maybe forced to limited hours phones are available</li><li>• “Work it Out” approach to commissions in Alabama is the basis of the current legal challenge</li><li>• Continuation of the existing flawed system</li></ul>
<b>Explicit Administrative Support Fee (per minute) added to Rate Cap</b>	<ul style="list-style-type: none"><li>• Eliminates loopholes for gaming</li><li>• Motivates facilities to encourage lower rates (to increase calls resulting in more MOUs)</li><li>• Easily monitored by families</li><li>• Future cost savings are more likely to be passed through to consumers</li><li>• Explicit compensation will encourage Law Enforcement support for the Order and reduce incentive for court challenge</li></ul>