MINNESOTA DEPARTMENT OF CORRECTIONS OFFENDER PHONE SYSTEM INFORMATION

The Department of Corrections currently has a contract with Global Tel Link (GTL) to provide phone services for offenders. The contract was established using the State's competitive bidding process coordinated by the Department of Administration Materials Management Division. It is a commission only contract, at no cost to the state. Commissions generated through this contract are used by the Department of Corrections to cover costs associated with phone call monitoring and security of the system. Commissions are also used to fund expenses for the benefit of all offenders such as library supplies and publishing of offender newspapers.

As specified in the contract, GTL is required to provide all of the equipment, maintenance, repair, and 24 hour technical support needed to provide offender phone services throughout the Department of Correction's facilities. The contract requires that all call rates be within standard industry rates.

Offender calling options include both debit and collect. All offenders have the option of making collect calls. Only offenders who have deposited money in advance into their individual phone account can make debit calls. Over 75% of all calls are made using the debit option. The rates differ between debit and collect primarily because of the additional costs involved in billing and collecting amounts due for collect calls, and the bad debt that often occurs. A surcharge is applied to collect calls to ensure that the base cost of routing the call is recovered. As a result, the cost of a debit call is usually much less than calling collect. For example, a 15-minute debit call to another state would cost \$.32 per minute for a total of \$4.80. The same call using the collect option would be assessed a \$3.95 surcharge plus \$.89 per minute for a total of \$17.30.

Type of Call	Debit	Collect		
	No	Surcharge	Rate -1^{st} Minute	Rate – each
	Surcharge			add'l minute
Local	\$0.35/call		\$1.05	\$0.05
Intra LATA-Intrastate	\$0.32/min	\$3.00	\$0.13	\$0.13
Inter LATA-Intrastate	\$0.32/min	\$3.00	\$0.23	\$0.23
Interstate	\$0.32/min	\$3.95	\$0.89	\$0.89

Below is a table listing the current call rates effective 4/1/10 (additional taxes apply and vary based on local tax rates):

In Fiscal year 2012 the DOC had estimated receipts available of \$4,642,073 and used this amount to pay for a number of phone related services, but also for other expenditures listed on the attached pdf.