WBS	Outline Level	Task Name	Duration	Resource Names	Schedule Duration
1.3.1.9.2.2.8.2.2	9	Cut sheet distributed to Securus Team	0.5 hrs	Field Service Technician 4	0.5h
1.3.1.9.2.2.8.2.3	9	Live network traffic monitoring : continuous NOC monitoring	1 hr	Network Operations Center	1h
	0	Network Operations Center		Network Operations Center	
1.3.1.9.2.2.8.2.4	9	Post cutover equipment monitoring	8 hrs	Site Engineer 4	8h
	0	Site Engineer 4		Site Engineer 4	
1.3.1.9.2.2.8.3	8	Installation Finalization			1d
1.3.1.9.2.2.8.3.1	9	Complete walk through	8 hrs	Field Service Technician 4	8h
1.3.1.9.2.2.8.3.2	9	Update Site Design / Engineering documentation	1 hr	Field Service Technician 4	1h
1.3.1.9.2.2.8.3.3	9	Final site review with Engineer and Project Manager	1 hr	Field Service Technician 4	1h
1.3.1.9.2.2.8.4	8	Clean-up and exit			0.25d
1.3.1.9.2.2.8.4.1	9	Phone room clean-up	2 hrs	Field Service Technician 4	2h
1.3.1.9.2.2.8.4.2	9	Customer meeting to transition installation materials, site property, etc.	1 hr	Field Service Technician 4	1h
1.3.1.9.2.2.9	7	Jefferson City Correctional Center - 94 ITS & 1 TDD			1d
1.3.1.9.2.2.9.1	8	Transition Preperation			0.13d
1.3.1.9.2.2.9.1.1	9	Phone room and equipment inspection	1 hr	Field Service Technician 5	1h
1.3.1.9.2.2.9.1.2	9	Debit balance verifications	1 hr	Field Service Technician 5	1h
1.3.1.9.2.2.9.1.3	9	Notice to MODOC Facility Personnel - Ready for ITS Transition	1 hr	Field Service Technician 5	1h
1.3.1.9.2.2.9.2	8	Transition			1d
1.3.1.9.2.2.9.2.1	9	Move 25 pair cables from Incumbent to Securus SCP equipment	1 hr	Field Service Technician 5	1h
1.3.1.9.2.2.9.2.2	9	Cut sheet distributed to Securus Team	0.5 hrs	Field Service Technician 5	0.5h
1.3.1.9.2.2.9.2.3	9	Live network traffic monitoring : continuous NOC monitoring	1 hr	Network Operations Center	1h
	0	Network Operations Center		Network Operations Center	
1.3.1.9.2.2.9.2.4	9	Post cutover equipment monitoring	8 hrs	Site Engineer 3	8h
	0	Site Engineer 3		Site Engineer 3	
1.3.1.9.2.2.9.3	8	Installation Finalization			1d
1.3.1.9.2.2.9.3.1	9	Complete walk through	8 hrs	Field Service Technician 5	8h
1.3.1.9.2.2.9.3.2	9	Update Site Design / Engineering documentation	1 hr	Field Service Technician 5	1h
1.3.1.9.2.2.9.3.3	9	Final site review with Engineer and Project Manager	1 hr	Field Service Technician 5	1h
1.3.1.9.2.2.9.4	8	Clean-up and exit			0.25d
1.3.1.9.2.2.9.4.1	9	Phone room clean-up	2 hrs	Field Service Technician 5	2h
1.3.1.9.2.2.9.4.2	9	Customer meeting to transition installation materials, site property, etc.	1 hr	Field Service Technician 5	1h
1.3.1.9.2.3	6	Southeast Region			2d
1.3.1.9.2.3.1	7	Missouri Eastern Correctional Center - 53 ITS & 1 TDD			1d
1.3.1.9.2.3.1.1	8	Transition Preperation			0.13d
1.3.1.9.2.3.1.1.1	9	Phone room and equipment inspection	1 hr	Field Service Technician 6	1h
1.3.1.9.2.3.1.1.2	9	Debit balance verifications	1 hr	Field Service Technician 6	1h
1.3.1.9.2.3.1.1.3	9	Notice to MODOC Facility Personnel - Ready for ITS Transition	1 hr	Field Service Technician 6	1h
1.3.1.9.2.3.1.2	8	Transition			1d
1.3.1.9.2.3.1.2.1	9	Move 25 pair cables from Incumbent to Securus SCP equipment	0.5 hrs	Field Service Technician 6	0.5h
1.3.1.9.2.3.1.2.2	9	Cut sheet distributed to Securus Team	0.5 hrs	Field Service Technician 6	0.5h
1.3.1.9.2.3.1.2.3	9	Live network traffic monitoring : continuous NOC monitoring	1 hr	Network Operations Center	1h
	0	Network Operations Center		Network Operations Center	
1.3.1.9.2.3.1.2.4	9	Post cutover equipment monitoring	8 hrs	Site Engineer 4	8h

WBS	Outline Level	Task Name	Duration	Resource Names	Schedule Duration
	0	Site Engineer 4		Site Engineer 4	
1.3.1.9.2.3.1.3	8	Installation Finalization			1d
1.3.1.9.2.3.1.3.1	9	Complete walk through	8 hrs	Field Service Technician 6	8h
1.3.1.9.2.3.1.3.2	9	Update Site Design / Engineering documentation	1 hr	Field Service Technician 6	1h
1.3.1.9.2.3.1.3.3	9	Final site review with Engineer and Project Manager	1 hr	Field Service Technician 6	1h
1.3.1.9.2.3.1.4	8	*Clean-up and exit*			0.25d
1.3.1.9.2.3.1.4.1	9	Phone room clean-up	2 hrs	Field Service Technician 6	2h
1.3.1.9.2.3.1.4.2	9	Customer meeting to transition installation materials, site property, etc.	1 hr	Field Service Technician 6	1h
1.3.1.9.2.3.2	7	Eastern Reception & Diagnostic Center- 167 ITS & 1 TDD			2d
1.3.1.9.2.3.2.1	8	Transition Preperation			0.25d
1.3.1.9.2.3.2.1.1	9	Phone room and equipment inspection	2 hrs	Field Service Technician 7	2h
1.3.1.9.2.3.2.1.2	9	Debit balance verifications	1 hr	Field Service Technician 7	1h
1.3.1.9.2.3.2.1.3	9	Notice to MODOC Facility Personnel - Ready for ITS Transition	1 hr	Field Service Technician 7	1h
1.3.1.9.2.3.2.2	8	Transition			1d
1.3.1.9.2.3.2.2.1	9	Move 25 pair cables from Incumbent to Securus SCP equipment	1 hr	Field Service Technician 7	1h
1.3.1.9.2.3.2.2.2	9	Cut sheet distributed to Securus Team	0.5 hrs	Field Service Technician 7	0.5h
1.3.1.9.2.3.2.2.3	9	Live network traffic monitoring : continuous NOC monitoring	1 hr	Network Operations Center	1h
	0	Network Operations Center		Network Operations Center	
1.3.1.9.2.3.2.2.4	9	Post cutover equipment monitoring	8 hrs	Site Engineer 4	8h
	0	Site Engineer 4		Site Engineer 4	
1.3.1.9.2.3.2.3	8	Installation Finalization			2d
1.3.1.9.2.3.2.3.1	9	Complete walk through	16 hrs	Field Service Technician 7	16h
1.3.1.9.2.3.2.3.2	9	Update Site Design / Engineering documentation	2 hrs	Field Service Technician 7	2h
1.3.1.9.2.3.2.3.3	9	Final site review with Engineer and Project Manager	1 hr	Field Service Technician 7	1h
1.3.1.9.2.3.2.4	8	Clean-up and exit			0.38d
1.3.1.9.2.3.2.4.1	9	Phone room clean-up	3 hrs	Field Service Technician 7	3h
1.3.1.9.2.3.2.4.2	9	Customer meeting to transition installation materials, site property, etc.	1 hr	Field Service Technician 7	1h
1.3.1.9.2.3.3	7	South Central Correctional Center -79 ITS & 1 TDD			1d
1.3.1.9.2.3.3.1	8	Transition Preperation			0.13d
1.3.1.9.2.3.3.1.1	9	Phone room and equipment inspection	1 hr	Field Service Technician 8	1h
1.3.1.9.2.3.3.1.2	9	Debit balance verifications	1 hr	Field Service Technician 8	1h
1.3.1.9.2.3.3.1.3	9	Notice to MODOC Facility Personnel - Ready for ITS Transition	1 hr	Field Service Technician 8	1h
1.3.1.9.2.3.3.2	8	Transition			1d
1.3.1.9.2.3.3.2.1	9	Move 25 pair cables from Incumbent to Securus SCP equipment	1 hr	Field Service Technician 8	1h
1.3.1.9.2.3.3.2.2	9	Cut sheet distributed to Securus Team	0.5 hrs	Field Service Technician 8	0.5h
1.3.1.9.2.3.3.2.3	9	Live network traffic monitoring : continuous NOC monitoring	1 hr	Network Operations Center	1h
	0	Network Operations Center		Network Operations Center	
1.3.1.9.2.3.3.2.4	9	Post cutover equipment monitoring	8 hrs	Site Engineer 4	8h
	0	Site Engineer 4		Site Engineer 4	
1.3.1.9.2.3.3.3	8	*Installation Finalization*			1d
1.3.1.9.2.3.3.3.1	9	Complete walk through	8 hrs	Field Service Technician 8	8h
1.3.1.9.2.3.3.3.2	9	Update Site Design / Engineering documentation	1 hr	Field Service Technician 8	1h
1.3.1.9.2.3.3.3.3	9	Final site review with Engineer and Project Manager	1 hr	Field Service Technician 8	1h

WBS	Outline Level	Task Name	Duration	Resource Names	Schedule Duration
1.3.1.9.2.3.3.4	8	Clean-up and exit			0.25d
1.3.1.9.2.3.3.4.1	9	Phone room clean-up	2 hrs	Field Service Technician 8	2h
1.3.1.9.2.3.3.4.2	9	Customer meeting to transition installation materials, site property, etc.	1 hr	Field Service Technician 8	1h
1.3.1.9.2.3.4	7	Ozark Correctional Center - 26 ITS & 1 TDD			1d
1.3.1.9.2.3.4.1	8	Transition Preperation			0.13d
1.3.1.9.2.3.4.1.1	9	Phone room and equipment inspection	1 hr	Field Service Technician 9	1h
1.3.1.9.2.3.4.1.2	9	Debit balance verifications	1 hr	Field Service Technician 9	1h
1.3.1.9.2.3.4.1.3	9	Notice to MODOC Facility Personnel - Ready for ITS Transition	1 hr	Field Service Technician 9	1h
1.3.1.9.2.3.4.2	8	Transition			1d
1.3.1.9.2.3.4.2.1	9	Move 25 pair cables from Incumbent to Securus SCP equipment	0.5 hrs	Field Service Technician 9	0.5h
1.3.1.9.2.3.4.2.2	9	Cut sheet distributed to Securus Team	0.5 hrs	Field Service Technician 9	0.5h
1.3.1.9.2.3.4.2.3	9	Live network traffic monitoring : continuous NOC monitoring	1 hr	Network Operations Center	1h
	0	Network Operations Center		Network Operations Center	
1.3.1.9.2.3.4.2.4	9	Post cutover equipment monitoring	8 hrs	Site Engineer 1	8h
	0	Site Engineer 1		Site Engineer 1	
1.3.1.9.2.3.4.3	8	Installation Finalization			0.5d
1.3.1.9.2.3.4.3.1	9	Complete walk through	4 hrs	Field Service Technician 9	4h
1.3.1.9.2.3.4.3.2	9	Update Site Design / Engineering documentation	1 hr	Field Service Technician 9	1h
1.3.1.9.2.3.4.3.3	9	Final site review with Engineer and Project Manager	1 hr	Field Service Technician 9	1h
1.3.1.9.2.3.4.4	8	Clean-up and exit			0.25d
1.3.1.9.2.3.4.4.1	9	Phone room clean-up	2 hrs	Field Service Technician 9	2h
1.3.1.9.2.3.4.4.2	9	Customer meeting to transition installation materials, site property, etc.	1 hr	Field Service Technician 9	1h
1.3.1.9.2.3.5	7	Farmington Correctional Center- 135 ITS & 1 TDD			2d
1.3.1.9.2.3.5.1	8	Transition Preperation			0.25d
1.3.1.9.2.3.5.1.1	9	Phone room and equipment inspection	2 hrs	Field Service Technician 1	2h
1.3.1.9.2.3.5.1.2	9	Debit balance verifications	1 hr	Field Service Technician 1	1h
1.3.1.9.2.3.5.1.3	9	Notice to MODOC Facility Personnel - Ready for ITS Transition	1 hr	Field Service Technician 1	1h
1.3.1.9.2.3.5.2	8	Transition			1d
1.3.1.9.2.3.5.2.1	9	Move 25 pair cables from Incumbent to Securus SCP equipment	1 hr	Field Service Technician 1	1h
1.3.1.9.2.3.5.2.2	9	Cut sheet distributed to Securus Team	0.5 hrs	Field Service Technician 1	0.5h
1.3.1.9.2.3.5.2.3	9	Live network traffic monitoring : continuous NOC monitoring	1 hr	Network Operations Center	1h
	0	Network Operations Center		Network Operations Center	
1.3.1.9.2.3.5.2.4	9	Post cutover equipment monitoring	8 hrs	Site Engineer 4	8h
	0	Site Engineer 4		Site Engineer 4	
1.3.1.9.2.3.5.3	8	Installation Finalization			2d
1.3.1.9.2.3.5.3.1	9	Complete walk through	16 hrs	Field Service Technician 1	16h
1.3.1.9.2.3.5.3.2	9	Update Site Design / Engineering documentation	2 hrs	Field Service Technician 1	2h
1.3.1.9.2.3.5.3.3	9	Final site review with Engineer and Project Manager	1 hr	Field Service Technician 1	1h
1.3.1.9.2.3.5.4	8	Clean-up and exit			0.38d
1.3.1.9.2.3.5.4.1	9	Phone room clean-up	3 hrs	Field Service Technician 1	3h
1.3.1.9.2.3.5.4.2	9	Customer meeting to transition installation materials, site property, etc.	1 hr	Field Service Technician 1	1h
1.3.1.9.2.3.6	7	Southeast Correctional Center -88 ITS & 1 TDD			1d
1.3.1.9.2.3.6.1	8	Transition Preperation			0.13d

WBS	Outline Level	Task Name	Duration	Resource Names	Schedule Duration
1.3.1.9.2.3.6.1.1	9	Phone room and equipment inspection	1 hr	Field Service Technician 2	1h
1.3.1.9.2.3.6.1.2	9	Debit balance verifications	1 hr	Field Service Technician 2	1h
1.3.1.9.2.3.6.1.3	9	Notice to MODOC Facility Personnel - Ready for ITS Transition	1 hr	Field Service Technician 2	1h
1.3.1.9.2.3.6.2	8	Transition			1d
1.3.1.9.2.3.6.2.1	9	Move 25 pair cables from Incumbent to Securus SCP equipment	1 hr	Field Service Technician 2	1h
1.3.1.9.2.3.6.2.2	9	Cut sheet distributed to Securus Team	0.5 hrs	Field Service Technician 2	0.5h
1.3.1.9.2.3.6.2.3	9	Live network traffic monitoring : continuous NOC monitoring	1 hr	Network Operations Center	1h
	0	Network Operations Center		Network Operations Center	
1.3.1.9.2.3.6.2.4	9	Post cutover equipment monitoring	8 hrs	Site Engineer 4	8h
	0	Site Engineer 4		Site Engineer 4	
1.3.1.9.2.3.6.3	8	Installation Finalization			1d
1.3.1.9.2.3.6.3.1	9	Complete walk through	8 hrs	Field Service Technician 2	8h
1.3.1.9.2.3.6.3.2	9	Update Site Design / Engineering documentation	1 hr	Field Service Technician 2	1h
1.3.1.9.2.3.6.3.3	9	Final site review with Engineer and Project Manager	1 hr	Field Service Technician 2	1h
1.3.1.9.2.3.6.4	8	Clean-up and exit			0.25d
1.3.1.9.2.3.6.4.1	9	Phone room clean-up	2 hrs	Field Service Technician 2	2h
1.3.1.9.2.3.6.4.2	9	Customer meeting to transition installation materials, site property, etc.	1 hr	Field Service Technician 2	1h
1.4	2	Project Monitor & Control			2.5d
1.4.1	3	Distribute Information / Stakeholder Updates / Report Performance			0.25d
1.4.1.1	4	Weekly Project Stakeholder Meeting	2 hrs	Project Manager	2h
1.4.1.2	4	Weekly Project Stakeholder Meeting	2 hrs	Project Manager	2h
1.4.1.3	4	Weekly Project Stakeholder Meeting	2 hrs	Project Manager	2h
1.4.1.4	4	Weekly Project Stakeholder Meeting	2 hrs	Project Manager	2h
1.4.1.5	4	Weekly Project Stakeholder Meeting	2 hrs	Project Manager	2h
1.4.1.6	4	Weekly Project Stakeholder Meeting	2 hrs	Project Manager	2h
1.4.1.7	4	Securus & Missouri DOC Project Team Meeting - Touch Point : Pre-Transition Installation Review			0.13d
1.4.1.7.1	5	Review current progress	0.5 hrs	Project Manager	0.5h
1.4.1.7.2	5	Confirm LEC T1 Installations complete	0.5 hrs	Project Manager	0.5h
1.4.1.7.3	5	Confirm hardware Shipments received at each facility	0.5 hrs	Project Manager	0.5h
1.4.1.7.4	5	Review and confirm Securus Installation Team schedules and facility access	1 hr	Project Manager	1h
1.4.1.8	4	Weekly Project Stakeholder Meeting	2 hrs	Project Manager	2h
1.4.1.9	4	Weekly Project Stakeholder Meeting	2 hrs	Project Manager	2h
1.4.1.10	4	Weekly Project Stakeholder Meeting	2 hrs	Project Manager	2h
1.4.1.11	4	Weekly Project Stakeholder Meeting	2 hrs	Project Manager	2h
1.4.1.12	4	Weekly Project Stakeholder Meeting	2 hrs	Project Manager	2h
1.4.1.13	4	Weekly Project Stakeholder Meeting	2 hrs	Project Manager	2h
1.4.1.14	4	Securus & Missouri DOC Project Team Meeting - Touch Point : Pre-Transition Review			0.06d
1.4.1.14.1	5	Review Regional Summary Reports - Installation Activity	0.5 hrs	Project Manager	0.5h
1.4.1.14.2	5	Review Quality Control Documentation	0.5 hrs	Project Manager	0.5h
1.4.1.14.3	5	Review S-Gate User Interface training updates	0.5 hrs	Project Manager	0.5h
1.4.1.14.4	5	Review Open Issues	0.5 hrs	Project Manager	0.5h
1.4.1.15	4	Securus & Missouri DOC Project Team Meeting - Touch Point : Transition Schedule Review			0.06d
1.4.1.15.1	5	Review finalized transition schedule	0.5 hrs	Project Manager	0.5h
1.4.1.15.2	5	Review Quality Control and Project Status reports	0.5 hrs	Project Manager	0.5h
1.4.1.15.3	5	Review Huber interface status	0.5 hrs		0.5h
1.4.1.15.4	5	Review Guarded Exchange interface status	0.5 hrs		0.5h
1.4.1.15.5	5	Review Guarded Exchange Monitoring program status	0.5 hrs		0.5h
1.4.1.15.6	5	Green Light for ITS Transition	0.5 hrs	Project Manager	0.5h
1.4.1.16	4	Securus & Missouri DOC Project Team Meeting - Touch Point : Transition Progress Review - Northwest Region			0.06d
1.4.1.16.1	5	Review current progress on ITS transition	0.5 hrs	Project Manager	0.5h
1.4.1.16.2	5	Review issues register	0.5 hrs	Project Manager	0.5h
1.4.1.16.3	5	Review risk register	0.5 hrs	Project Manager	0.5h

WBS	Outline Level	Task Name	Duration	Resource Names	Schedule Duration
1.4.1.16.4	5	update schedule and registers as necessary	0.5 hrs	Project Manager	0.5h
1.4.1.17	4	Securus & Missouri DOC Project Team Meeting - Touch Point : Transition Progress Review - Central Region			0.06d
1.4.1.17.1	5	Review current progress on ITS transition	0.5 hrs	Project Manager	0.5h
1.4.1.17.2	5	Review issues register	0.5 hrs	Project Manager	0.5h
1.4.1.17.3	5	Review risk register	0.5 hrs	Project Manager	0.5h
1.4.1.17.4	5	update schedule and registers as necessary	0.5 hrs	Project Manager	0.5h
1.4.1.18	4	Securus & Missouri DOC Project Team Meeting - Touch Point : Transition Progress Review - Southeast Region			0.06d
1.4.1.18.1	5	Review current progress on ITS transition	0.5 hrs	Project Manager	0.5h
1.4.1.18.2	5	Review issues register	0.5 hrs	Project Manager	0.5h
1.4.1.18.3	5	Review risk register	0.5 hrs	Project Manager	0.5h
1.4.1.18.4	5	update schedule and registers as necessary	0.5 hrs	Project Manager	0.5h
1.4.2	3	Perform Quality Control			2.5d
1.4.2.1	4	Integration Interface Quality Control			2.5d
1.4.2.1.1	5	Perform quality control on Huber integration interface	0.5 wks	Quality Engineer 1,Quality Engineer 2	0.5w
1.4.2.1.2	5	Perform quality control on Guarded Exchange integration interface	0.5 wks	Quality Engineer 3,Quality Engineer 4	0.5w
1.4.2.1.3	5	Perform Production testing on Huber integration interface	2 days	Integration Engineer 1	2d
1.4.2.1.4	5	Perform Production testing on Guarded Exchange integration interface	2 days	Integration Engineer 2	2d
1.4.2.2	4	Installation Quality Control Checkpoint 1: Customer Provisioning			0.38d
1.4.2.2.1	5	Northeastern Region			0.38d
1.4.2.2.1.1	6	Crossroads Correctional Center - 93 ITS & 2 TDD	3 hrs	Quality Control Analyst	3h
1.4.2.2.1.2	6	Maryville Treatment Center - 23 ITS & 2 TDD	3 hrs	Quality Control Analyst	3h
1.4.2.2.1.3	6	Western Missouri Correctional Center - 93 ITS & 2 TDD	3 hrs	Quality Control Analyst	3h
1.4.2.2.1.4	6	Western Reception, Diagnostic & Correctional Center - 111 ITS & 2 TDD	3 hrs	Quality Control Analyst	3h
1.4.2.2.1.5	6	Chillicothe Correctional Center - 92 ITS & 1 TDD	3 hrs	Quality Control Analyst	3h
1.4.2.2.2	5	Central Region			0.25d
1.4.2.2.2.1	6	Moberly Correctional Center - 64 ITS & 1 TDD	2 hrs	Quality Control Analyst	2h
1.4.2.2.2.2	6	Women's Reception, Diagnostic & Correctional Center - 70 ITS & 1 TDD	2 hrs	Quality Control Analyst	2h
1.4.2.2.2.3	6	Northeast Correctional Center - 127 ITS & 1 TDD	2 hrs	Quality Control Analyst	2h
1.4.2.2.2.4	6	Boonville Correctional & Treatment Center - 59 ITS & 1 TDD	2 hrs	Quality Control Analyst	2h
1.4.2.2.2.5	6	Cremer Therapeutic Center - 6 ITS	2 hrs	Quality Control Analyst	2h
1.4.2.2.2.6	6	Fulton Reception & Diagnostic Center	2 hrs	Quality Control Analyst	2h
1.4.2.2.2.7	6	Tipton Correctional Center	2 hrs	Quality Control Analyst	2h
1.4.2.2.2.8	6	Algoa Correctional Center	2 hrs	Quality Control Analyst	2h
1.4.2.2.2.9	6	Jefferson City Correctional Center	2 hrs	Quality Control Analyst	2h
1.4.2.2.3	5	Southeastern Region			0.25d
1.4.2.2.3.1	6	Missouri Eastern Correctional Center	2 hrs	Quality Control Analyst	2h
1.4.2.2.3.2	6	Eastern Reception & Diagnostic Correctional Center	2 hrs	Quality Control Analyst	2h
1.4.2.2.3.3	6	Potosi Correctional Center	2 hrs	Quality Control Analyst	2h
1.4.2.2.3.4	6	South Central Correctional Center	2 hrs	Quality Control Analyst	2h
1.4.2.2.3.5	6	Ozark Correctional Center	2 hrs	Quality Control Analyst	2h
1.4.2.2.3.6	6	Farmington Correctional Center	2 hrs	Quality Control Analyst	2h
1.4.2.2.3.7	6	Southeast Correctional Center	2 hrs	Quality Control Analyst	2h

WBS	Outline Level	Task Name	Duration	Resource Names	Schedule Duration
1.4.2.3	4	Installation Quality Control Checkpoint 2:Customer Pre-Installation			0.25d
1.4.2.3.1	5	Northwestern Region			0.25d
1.4.2.3.1.1	6	Crossroads Correctional Center - 93 ITS & 2 TDD	2 hrs	Field Service Technician 1,Field Service Technician 2	2h
1.4.2.3.1.2	6	Maryville Treatment Center - 23 ITS & 2 TDD	2 hrs	Field Service Technician 1,Field Service Technician 2	2h
1.4.2.3.1.3	6	Western Missouri Correctional Center - 93 ITS & 2 TDD	2 hrs	Field Service Technician 1,Field Service Technician 2	2h
1.4.2.3.1.4	6	Western Reception, Diagnostic & Correctional Center - 111 ITS & 2 TDD	2 hrs	Field Service Technician 1,Field Service Technician 2	2h
1.4.2.3.1.5	6	Chillicothe Correctional Center - 92 ITS & 1 TDD	2 hrs	Field Service Technician 1,Field Service Technician 2	2h
1.4.2.3.2	5	Central Region			0.25d
1.4.2.3.2.1	6	Moberly Correctional Center - 64 ITS & 1 TDD	2 hrs	Field Service Technician 3,Field Service Technician 4	2h
1.4.2.3.2.2	6	Women's Reception, Diagnostic & Correctional Center - 70 ITS & 1 TDD	2 hrs	Field Service Technician 3,Field Service Technician 4	2h
1.4.2.3.2.3	6	Northeast Correctional Center - 127 ITS & 1 TDD	2 hrs	Field Service Technician 3,Field Service Technician 4	2h
1.4.2.3.2.4	6	Boonville Correctional & Treatment Center - 59 ITS & 1 TDD	2 hrs	Field Service Technician 3,Field Service Technician 4	2h
1.4.2.3.2.5	6	Cremer Therapeutic Center - 6 ITS	2 hrs	Field Service Technician 5	2h
1.4.2.3.2.6	6	Fulton Reception & Diagnostic Center	2 hrs	Field Service Technician 6,Field Service Technician 7	2h
1.4.2.3.2.7	6	Tipton Correctional Center	2 hrs	Field Service Technician 6,Field Service Technician 7	2h
1.4.2.3.2.8	6	Algoa Correctional Center	2 hrs	Field Service Technician 6,Field Service Technician 7	2h
1.4.2.3.2.9	6	Jefferson City Correctional Center	2 hrs	Field Service Technician 6,Field Service Technician 7	2h
1.4.2.3.3	5	Southeastern Region			0.25d
1.4.2.3.3.1	6	Missouri Eastern Correctional Center	2 hrs	Field Service Technician 8,Field Service Technician 9	2h
1.4.2.3.3.2	6	Eastern Reception & Diagnostic Correctional Center	2 hrs	Field Service Technician 8,Field Service Technician 9	2h
1.4.2.3.3.3	6	Potosi Correctional Center	2 hrs	Field Service Technician 8,Field Service Technician 9	2h
1.4.2.3.3.4	6	South Central Correctional Center	2 hrs	Field Service Technician 8,Field Service Technician 9	2h
1.4.2.3.3.5	6	Ozark Correctional Center	2 hrs	Field Service Technician 8,Field Service Technician 9	2h
1.4.2.3.3.6	6	Farmington Correctional Center	2 hrs	Field Service Technician 8,Field Service Technician 9	2h
1.4.2.3.3.7	6	Southeast Correctional Center	2 hrs	Field Service Technician 8,Field Service Technician 9	2h
1.4.2.4	4	Installation Quality Control Checkpoint 3: Equipment Testing / Functional Validation			0.25d
1.4.2.4.1	5	Northwest Region			0.25d

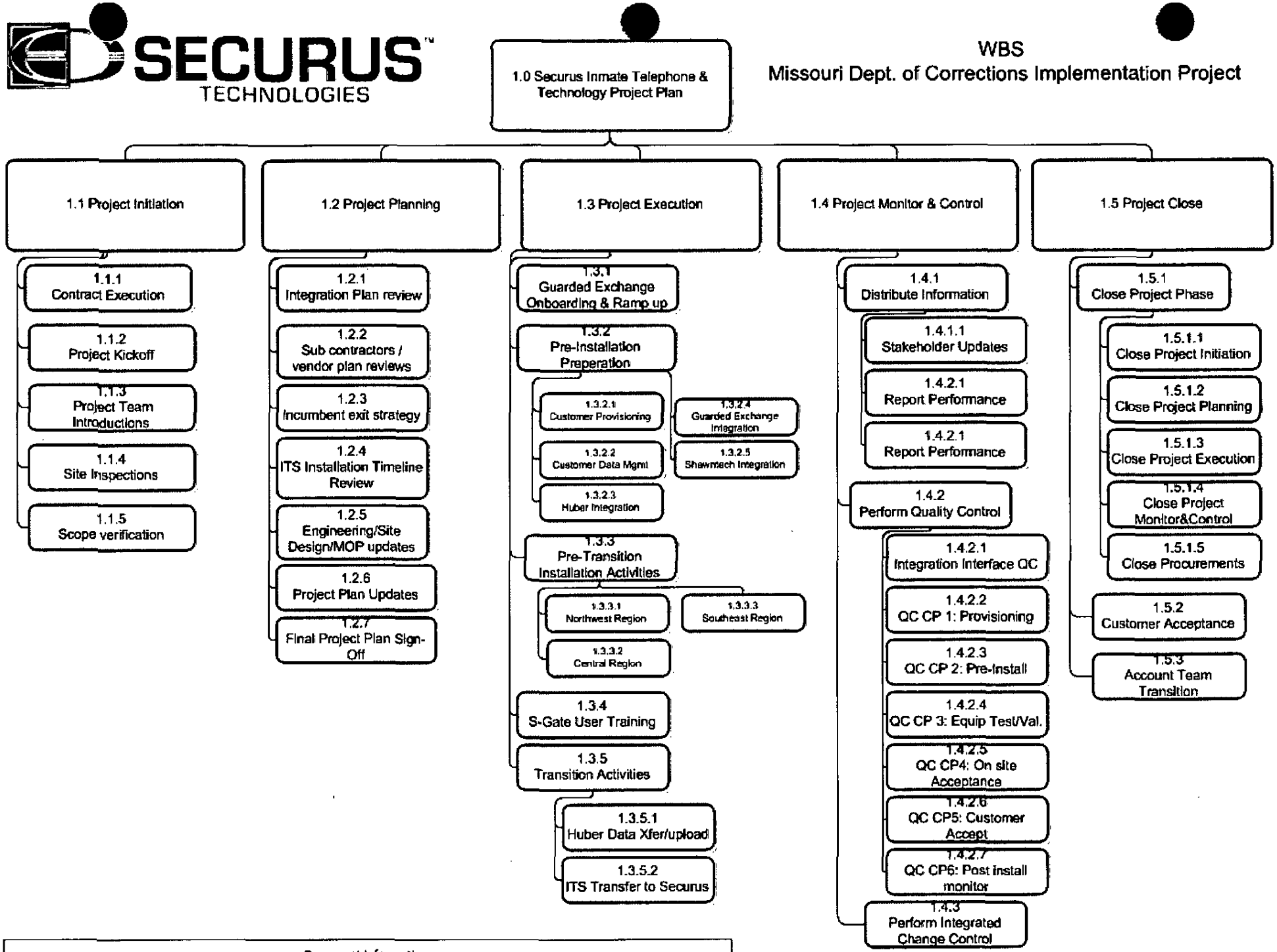
WBS	Outline Level	Task Name	Duration	Resource Names	Schedule Duration
1.4.2.4.1.1	6	Maryville Treatment Center - 23 ITS & 1 TDD	2 hrs	Field Service Technician 1	2h
1.4.2.4.1.2	6	Crossroads Correctional Center - 93 ITS & 1 TDD	2 hrs	Field Service Technician 2	2h
1.4.2.4.1.3	6	Western Missouri Correctional Center - 93 ITS & 1 TDD	2 hrs	Field Service Technician 3	2h
1.4.2.4.1.4	6	Western Reception, Diagnostic & Correctional Center - 111 ITS & 1 TDD	2 hrs	Field Service Technician 4	2h
1.4.2.4.1.5	6	Chillicothe Correctional Center - 92 ITS & 1 TDD	2 hrs	Field Service Technician 5	2h
1.4.2.4.2	5	Central Region			0.25d
1.4.2.4.2.1	6	Moberly Correctional Center - 64 ITS & 1 TDD	2 hrs	Field Service Technician 6	2h
1.4.2.4.2.2	6	Women's Reception, Diagnostic & Correctional Center - 70 ITS & 1 TDD	2 hrs	Field Service Technician 7	2h
1.4.2.4.2.3	6	Northeast Correctional Center - 127 ITS & 1 TDD	2 hrs	Field Service Technician 8	2h
1.4.2.4.2.4	6	Boonville Correctional & Treatment Center - 59 ITS & 1 TDD	2 hrs	Field Service Technician 9	2h
1.4.2.4.2.5	6	Cremer Therapeutic Center - 6 ITS	2 hrs	Field Service Technician 1	2h
1.4.2.4.2.6	6	Tipton Correctional Center - 58 ITS & 1 TDD	2 hrs	Field Service Technician 2	2h
1.4.2.4.2.7	6	Fulton Reception & Diagnostic Center - 147 ITS & 1 TDD	2 hrs	Field Service Technician 3	2h
1.4.2.4.2.8	6	Algoa Correctional Center - 61 ITS & 2 TDD	2 hrs	Field Service Technician 4	2h
1.4.2.4.2.9	6	Jefferson City Correctional Center - 94 ITS & 1 TDD	2 hrs	Field Service Technician 5	2h
1.4.2.4.3	5	Southeast Region			0.25d
1.4.2.4.3.1	6	Missouri Eastern Correctional Center - 53 ITS & 1 TDD	2 hrs	Field Service Technician 6	2h
1.4.2.4.3.2	6	Eastern Reception & Diagnostic Center- 167 ITS & 1 TDD	2 hrs	Field Service Technician 7	2h
1.4.2.4.3.3	6	South Central Correctional Center -79 ITS & 1 TDD	2 hrs	Field Service Technician 8	2h
1.4.2.4.3.4	6	Ozark Correctional Center - 26 ITS & 1 TDD	2 hrs	Field Service Technician 9	2h
1.4.2.4.3.5	6	Farmington Correctional Center- 135 ITS & 1 TDD	2 hrs	Field Service Technician 1	2h
1.4.2.4.3.6	6	Southeast Correctional Center -88 ITS & 1 TDD	2 hrs	Field Service Technician 2	2h
1.4.2.5	4	Installation Quality Control Checkpoint 4: On Site Customer Acceptance			0.19d
1.4.2.5.1	5	Northwest Region			0.19d
1.4.2.5.1.1	6	Maryville Treatment Center - 23 ITS & 1 TDD	1.5 hrs	Field Service Technician 1,Project Manager	1.5h
1.4.2.5.1.2	6	Crossroads Correctional Center - 93 ITS & 1 TDD	1.5 hrs	Field Service Technician 2,Project Manager	1.5h
1.4.2.5.1.3	6	Western Missouri Correctional Center - 93 ITS & 1 TDD	1.5 hrs	Field Service Technician 3,Project Manager	1.5h
1.4.2.5.1.4	6	Western Reception, Diagnostic & Correctional Center - 111 ITS & 1 TDD	1.5 hrs	Field Service Technician 4,Project Manager	1.5h
1.4.2.5.1.5	6	Chillicothe Correctional Center - 92 ITS & 1 TDD	1.5 hrs	Field Service Technician 5,Project Manager	1.5h
1.4.2.5.2	5	Central Region			0.19d
1.4.2.5.2.1	6	Moberly Correctional Center - 64 ITS & 1 TDD	1.5 hrs	Field Service Technician 6,Project Manager	1.5h
1.4.2.5.2.2	6	Women's Reception, Diagnostic & Correctional Center - 70 ITS & 1 TDD	1.5 hrs	Field Service Technician 7,Project Manager	1.5h
1.4.2.5.2.3	6	Northeast Correctional Center - 127 ITS & 1 TDD	1.5 hrs	Field Service Technician 8,Project Manager	1.5h

WBS	Outline Level	Task Name	Duration	Resource Names	Schedule Duration
1.4.2.5.2.4	6	Boonville Correctional & Treatment Center - 59 ITS & 1 TDD	1.5 hrs	Field Service Technician 9,Project Manager	1.5h
1.4.2.5.2.5	6	Cremer Therapeutic Center - 6 ITS	1.5 hrs	Field Service Technician 1,Project Manager	1.5h
1.4.2.5.2.6	6	Tipton Correctional Center - 58 ITS & 1 TDD	1.5 hrs	Field Service Technician 2,Project Manager	1.5h
1.4.2.5.2.7	6	Fulton Reception & Diagnostic Center - 147 ITS & 1 TDD	1.5 hrs	Field Service Technician 3,Project Manager	1.5h
1.4.2.5.2.8	6	Algoa Correctional Center - 61 ITS & 2 TDD	1.5 hrs	Field Service Technician 4,Project Manager	1.5h
1.4.2.5.2.9	6	Jefferson City Correctional Center - 94 ITS & 1 TDD	1.5 hrs	Field Service Technician 5,Project Manager	1.5h
1.4.2.5.3	5	Southeast Region			0.19d
1.4.2.5.3.1	6	Missouri Eastern Correctional Center - 53 ITS & 1 TDD	1.5 hrs	Field Service Technician 6,Project Manager	1.5h
1.4.2.5.3.2	6	Eastern Reception & Diagnostic Center- 167 ITS & 1 TDD	1.5 hrs	Field Service Technician 7,Project Manager	1.5h
1.4.2.5.3.3	6	South Central Correctional Center -79 ITS & 1 TDD	1.5 hrs	Field Service Technician 8,Project Manager	1.5h
1.4.2.5.3.4	6	Ozark Correctional Center - 26 ITS & 1 TDD	1.5 hrs	Field Service Technician 9,Project Manager	1.5h
1.4.2.5.3.5	6	Farmington Correctional Center- 135 ITS & 1 TDD	1.5 hrs	Field Service Technician 1,Project Manager	1.5h
1.4.2.5.3.6	6	Southeast Correctional Center -88 ITS & 1 TDD	1.5 hrs	Field Service Technician 2,Project Manager	1.5h
1.4.3	3	Installation Quality Control Checkpoint 5: Customer Acceptance	1 day	Project Manager,Account Manager	1d
	0	Account Manager		Account Manager	
1.4.4	3	Installation Quality Control Checkpoint 6: Initiate Post Implementation Site Engineering Monitoring (remote monitoring: 30 days)	1 day	Site Engineer 1	1d
	0	Site Engineer 1		Site Engineer 1	
1.4.5	3	Perform Integrated Change Control			0.5d
1.4.5.1	4	Change control for promoting Huber intergration interface to Production environment	4 hrs	Integration Manager	4h
1.4.5.2	4	Change control for promoting Guarded Exchange intergration interface to Production environment	4 hrs	Integration Manager	4h
1.4.5.3	4	Project Plan updates (risk register, issues log, schedule updates)	2 hrs	Project Coordinator	2h
1.4.5.4	4	Project Plan updates (risk register, issues log, schedule updates)	2 hrs	Project Coordinator	2h
1.4.5.5	4	Project Plan updates (risk register, issues log, schedule updates)	2 hrs	Project Coordinator	2h
1.4.5.6	4	Project Plan updates (risk register, issues log, schedule updates)	2 hrs	Project Coordinator	2h
1.4.5.7	4	Project Plan updates (risk register, issues log, schedule updates)	2 hrs	Project Coordinator	2h
1.4.5.8	4	Project Plan updates (risk register, issues log, schedule updates)	2 hrs	Project Coordinator	2h
1.4.5.9	4	Project Plan updates (risk register, issues log, schedule updates)	2 hrs	Project Coordinator	2h
1.5	2	Project Close			1d
1.5.1	3	Close Project Phase			1d
1.5.1.1	4	Close Project Initiation	1 hr	Project Manager	1h
1.5.1.2	4	Close Project Planning	1 hr	Project Manager	1h
1.5.1.3	4	Close Project Execution	1 hr	Project Manager	1h
1.5.1.4	4	Close Project Monitor & Control	1 hr	Project Manager	1h

WBS	Outline Level	Task Name	Duration	Resource Names	Schedule Duration
1.5.1.5	4	Close Procurements	1 day	Project Manager	1d
1.5.2	3	Securus & Missouri DOC Project Team Meeting - Touch Point : Customer Acceptance & Account Team Transition			0.13d
1.5.2.1	4	Confirm resolution of any open issues on issues log	1 hr	Project Manager	1h
1.5.2.2	4	Technical Support and Field Service Management Review	1 hr	Account Manager	1h
	0	Account Manager		Account Manager	
1.5.2.3	4	Sales Account Team review	1 hr	Account Manager	1h
	0	Account Manager		Account Manager	
1.5.2.4	4	Estbalish ongoing meeting schedules	1 hr	Account Manager	1h
	0	Account Manager		Account Manager	

SECURUS™ TECHNOLOGIES

WBS
Missouri Dept. of Corrections Implementation Project



Document Information				
Rev	2	Description: Work Breakdown Structure (Maximum 6 layer WBS	2/15/2011	Approved by mmcmahon

Appendix D

Provisioning Checklist

SECURUS TECHNOLOGIES	**Site Name:**	**State:**
	AFCE Number:	
	Project Manager:	
	Lead Technician:	

CUSTOMER PROVISIONING CHECKLIST

PROJECT PREPARATION

Preparation – Project Manager-	Create Installation Record within Installation Project Management System: - Build Install Record to include: - Site Name, State - Site ID - Contract ID - Billing ANI - Project Manager - Field Service Manager - Inside Support Technician - Field Service Technician - AFCE Number - AFCE Outlay	☐
Preparation – Project Manager- Create Install Record	Review Contract, Master Service Agreement, and Statement of Work to identify specific project requirements, including: -Installation Scope -Feature Requirements - Installation Process Requirements, including timelines -Service Level Agreements -Recording Policy Requirements	☐
Preparation – Project Manager-	Update Installation Record within Installation Project Management System: -Include: -Installation Scope -Feature Requirements - Installation Process Requirements, including timelines -Service Level Agreements -Recording Policy Requirements	☐
Preparation – Project Manager / Sales Associate-	Output Installation Record and submit to Sales Associate(s) for pre-Installation review.	☐
Preparation – Project Manager / Installation Support Team	Conduct sit-down review of Installation Project, to review: -Installation Scope -Feature Requirements - Installation Process Requirements, including timelines -Service Level Agreements	☐
Preparation – Project Manager	Lock finalized Installation Record within Installation Project Management System:	☐
Close Preparation – Project Manager	X _____ Project Manager	**Signature / Digital Signature Required**

SCN CUSTOMER PROVISIONING		
Provisioning – Installation Support	Access Installation Project Management System and review Installation Record. Before proceeding, ensure all necessary information is contained within the record.	☐
Provisioning – Installation Support	Access the SCN Customer Provisioning System -Create Customer Record, using Customer Name, Customer State, and Contract ID -Select the required call recording and storage profile from drop down menu -Create Sub-Customer Record (Site), using Site Name and State -Select appropriate time-zone from drop down menu -Select the "Home" Data Center from drop down menu	☐
Provisioning – Installation Support	Access the Customer Setup WIZARD within the SCN Customer Provisioning System -Create the MAIN, BOOKING, and DISABLED Management Port Groups (MPG)	☐
Provisioning – Installation Support	Select the desired MPG group from the drop down menu, and select required features and dialing instructions/restrictions from the Entitlements Section of the Customer Setup WIZARD. This includes: -Dialing class of service, such as Collect, Debit, etc. -Site Name Audio Announcement -Enable PINs / PANs and PIN / PAN Length -MPG Call Duration and Time Schedules -Billing ANI Identification	☐
INTEGRATED ACCESS DEVICE (IAD) PROVISIONING		
Provisioning – Installation Support	Generate IAD Config File(s) by accessing IAD Config Generation Utility -Enter Installation Record Number -Enter Site ID -Enter Site Name, State -Choose Circuit Type (MPLS or DSL) -Enter IAD Port Count (8/24) -Enter Internal IP Address (from Internal IP Access list) -Enter LEC Provided External IP -Enter Securus Access Tag Number (from Asset Tag list) -Save Configuration, and Click "GENERATE CONFIG"	☐
Provisioning – Installation Support	E-mail the IAD Config File(s) to the appropriate Field Service Technician(s). Upload IAD Config File(s) to Installation Record within Installation Project Management System. Update Installation Record to include Internal IP, External IP, and Asset Tag for the IAD(s).	☐
Provisioning – Installation Support / Field Service	Work with Field Technician to apply IAD Config file(s) to IAD Device(s) during the Onsite Test and Turn-up (T&T) process.	☐
Provisioning – Installation Support	Link IAD device(s) to Customer Record within SCN Customer Provisioning System. -Select IAD Type -Input IAD Asset Tag -Input IAD IP Address Configuration	

PROVISIONING REVIEW		
Review – Project Manager / Installation *Support Team* Supervisor / Engineer	Review Customer and Site Provisioning within the SCN Customer Provisioning System. Review Installation Record within Installation Project Management System. Validated Feature Requirements listed in the Installation Record match the features and configurations established in the SCN Customer Provisioning System. Validate IP Scheme, IAD Config, and Network	☐
Review – Project Manager / Installation Support Team	Conduct sit-down review of Installation Project, to review: -Installation Scope -Feature Requirements - Installation Process Requirements, including timelines -Service Level Agreements	☐
Review – Project Manager	Lock finalized Installation Record within Installation Project Management System:	☐
Close Review – Project Manager	Finalize and Lock Customer and Site Provisioning	**Signature / Digital Signature Required**

X _____

Project Manager

X _____

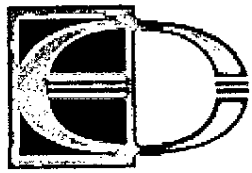
Installation Support Team Supervisor

X _____

Engineer

Appendix E

Field Technician Checklist



SECURUS
TECHNOLOGIES

Facility Name	**Installers Name:**
State:	**Ticket Number**
Main Address:	**Date**
Contact Name	

LEGEND

√ '= Satisfactory/Complete X =Unsatisfactory No Mark = Not Revie

Site Inventory

Review Item	Result	Notes
Does the equipment received match the equipment listed on the Sales Order? Please include equipment receipt checklist with returned survey.		
Was all of the equipment received without damage?		
Is any additional equipment required to complete project? Please include equipment request form for any additional equipment.		

Equipment Location and Security

Review Item	Result	Notes
Is there sufficient HVAC in the phone room?		
he equipment in a secure location?		
he physical condition of the phone room satisfactory?		
Is there evidence of any construction occurring in or around the phone room?		
Is there adequate perimeter space around the phone equipment?		

Electrical

Review Item	Result	Notes
Is a grounded, dedicated circuit being used to power the equipment?		
Is there a secondary power source available in the phone room?		
Is the equipment grounded with a #12 green insulated copper wire?		
Is the equipment utilizing a UPS unit or building UPS?		
Is the UPS plugged into the Towermax KSU?		
Is the Towermax KSU installed correctly, and electrically grounded?		
Is there lightning protection installed on the T1/C.O. side of the system?		
Is there lightning protection installed on the station side of the system?		

Network / Telecom

Review Item	Result	Notes
Have all lines/circuits been identified, tagged, and terminated? *Please include circuit/line inventory.*		
Have all lines/circuits been tested?		
Has the modem line and BTN been installed and tested?		
all routers, channel banks, and IADs installed and visible on the twork? Please include updated network diagram.		
Is all wiring cleanly installed, utilizing wire management systems and recommend best practices? Please include pictures of all phone room wiring.		
Has all network and telecom cabling been tested?		

Telephones		
Review Item	**Result**	**Notes**
Have all inmate phones been installed and securely mounted?		
Are all the conduit, pedestals, and backboards securely fastened?		
Have the new placards been installed in every phone?		
Have all of the phones been tested?		
Have all of the phones been identified with a logical port ID and facility port location?		
Have all of the port assignments been setup in the SCN Customer Record?		
Have the phones been associated with the correct management port groups?		
Are the on-off times and call timers set?		
Are the TDD phones installed and securely mounted?		
Has a successful TDD to TDD call been tested?		
Has a successful TDD to relay station call been tested?		
Data Upload / Migration		
Has PIN information been obtained from previous system and provided to Installation Support Team for import?		
Has blocked/free/privileged calling list information been obtained from previous system and provided to Installation Support team for import?		
Test Plan / Customer Acceptance and Approvals		
Review Item	**Result**	**Notes**
Has the test plan been completed with success?		
Has the Project Manager and Engineer reviewed and accepted?		
Has the customer acceptance form been reviewed and accepted?		

X _____

Facility Installer

X _____

Secondary Reviewer

Appendix F

Text Validation Checklist

SECURUS TECHNOLOGIES

TEST / VALIDATION CHECKLIST

Facility Name	**Installers Name:**
State:	**Ticket Number**
Main Address:	**Date**
Contact Name	

LEGEND

√ '= Satisfactory/Complete **X** =Unsatisfactory **No Mark**

Data Validation		
Test Case		**N**
Verify phone lables are correct.		
Verify phones are associated with correct MPG		
Verify call times are set correctly		
Verify call durations are set correctly		
Verify block/free/privilege numbers have been input into system		
Verify PIN/PAN data has been input into system.		
Verify initial S-Gate user accounts have been created.		

Test Calls		
Test Case		**N**
Go offhook on telephone and check for voice prompts.		
Select English and Spanish languages to validate call flow.		
Perform handset check on telephone		
Perform positive acceptance test call.		
Perform test call and verify correct facility tag line in place.		
Perform test call and verify that system prompts you for your name.		
Perform test call and verify that both parties are notified of monitoring and recording.		
Setup private test call and verify that call is not monitored or recorded.		
Perform local collect test call, select rate quote, and validate the rate.		
Perform domestic LD collect test call, select rate quote, and validate the rate.		
Perform Intrastate Debit test call (NPA-700-4141).		
Perform Interstate Debit test call (700-555-4141)		
Verify global speed dial numbers are input, and test calls complete succesfully.		
Perform test call to blocked number, and verify block call flow.		
Perform test call to free number.		

Not Reviewed

es

es

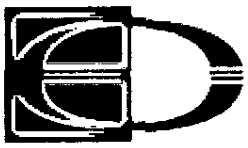
IAD ID

	1	2	3	4	5	6

Appendix G

Customer Acceptance Checklist

CUSTOMER ACCEPTANCE FORM



SECURUS TECHNOLOGIES

Site Name:	St:
AFCE Number:	
Project Manager:	
Customer Contact:	

EQUIPMENT INSTALLATION

Equipment Room All phone equipment is professionally installed within designated areas.	Notes:	☐
Equipment Room All phone equipment is properly labeled,	Notes:	☐
Equipment Room All telecom and electrical wiring is mounted securely, and managed using best practices for wire/cable management.	Notes:	☐
Equipment Room The Equipment Assignment Record has been completed and is attached the equipment rack.	Notes:	☐
Equipment Room All necessary equipment is grounded appropriately and using designated power sources provided by the facility.	Notes:	☐
Equipment Room All excess equipment, trash, or other materials have been removed from the equipment room.	Notes:	☐
Telephone Installation All phones have been installed in the correct locations.	Notes:	☐
Telephone Installation All phones have been securely mounted and inspected.	Notes:	☐
Telephone Installation All phone handsets and keypads have been inspected	Notes:	☐
Telephone Installation All information placards have been installed.	Notes:	☐
Telephone Installation All telephones have been accurately identified, and logically associated with their physical location.	Notes:	☐
Workstation Installation All workstations have been installed in designated locations.	Notes:	☐
Workstation Installation All workstations have been used to access S-Gate UI.	Notes:	☐

EQUIPMENT OPERATION		
Phone System Operation All custom prompts (tag prompts, facility name prompts) have been reviewed and confirmed.	Notes:	☐
Phone System Operation Detainee and called party call flows have been reviewed and confirmed.	Notes:	☐
Phone System Operation Call time limits have been reviewed and confirmed.	Notes:	☐
Phone System Operation Call schedules have been reviewed and confirmed.	Notes:	☐
Phone System Operation Applicable phone system features have been reviewed and verified (further defined as necessary to include all feature requirements)	Notes:	☐
Workstation Operation Workstations have access to S-Gate UI, and user logins have been provided to necessary personnel.	Notes:	☐
Workstation Operation S-Gate UI functionality, including reports, block/unblock, calls schedules, live call monitoring, and audio download/CDRW) have been tested and confirmed	Notes:	☐
Data Verification All PIN/PAN data has been uploaded or input.	Notes:	☐
Data Verification All blocked/free/privileged calling lists have been uploaded or input.	Notes:	☐
Data Verification All phone locations (such as POD B, Left) have been correctly input into system.	Notes:	☐
FORM VERIFICATION		
Field Installation Checklist The Field Installation Checklist has been completed with success, reviewed, and signed by necessary parties.	Notes:	☐
Test / Validation Checklist The Test/Validation Checklist has been completed with success, reviewed, and signed by necessary parties	Notes:	☐
30-Day Support Plan The post-implementation support plan (acceptance criteria, SLAs, support contact, and escalation list) has been completed, and provided to appropriate customer contacts.	Notes:	☐

X X X

Customer Contact | Project Manager | Installation Field Technician

Installation Equipment & Provisioning User Acceptance Signature Form

Site Id: _____

Site Name: _____

By my signature below I acknowledge I have reviewed the installation check list and I hereby confirm completion of the scope of work as required for acceptance approval which includes equipment, system functionality, and provisioning of the inmate phone system installed by Securus Technologies.

Facility Point of Contact Name:

Printed Name: _____

Signature: _____ **Date:** _____

Install Field Technicians assigned to installation:

Printed Name: _____

Printed Name: _____

Appendix H

Securus Certified Financial Statement

10-K 1 form10-k.htm 2009 FORM 10-K

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2009

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number 333-124962

SECURUS TECHNOLOGIES, INC.

(Exact name of registrant as specified in its charter)

Delaware	**20-0673095**
State or other jurisdiction of incorporation or organization	(I.R.S. Employer Identification Number)

14651 Dallas Parkway, Suite 600
Dallas, Texas 75254-8815
(972) 277-0300
(Address, including zip code, and telephone number, including area code, of Registrant's principal executive offices)

Securities registered pursuant to Section 12(b) of the Act:
None
Securities registered pursuant to Section 12(g) of the Act:
11% Second-priority Senior Secured Notes due 2011

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒
Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒
Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐
Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Website, if any, every Interactive Date File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§229.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☐ No ☐
Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☒
Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.
Large accelerated filer ☐ Accelerated filer ☐ Non-accelerated filer ☒ Smaller reporting company ☐
Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act) Yes ☐ No ☒

No established published trading market exists for either the common stock, par value $0.001 per share, of Securus Technologies, Inc. or the Class B common stock, par value $0.001 per share, of Securus Technologies, Inc.

Shares outstanding of each of the registrant's classes of common stock:

Class	Outstanding at March 1, 2010
Class A Common Stock	14,132 shares
Class B Common Stock	135,221 shares

Documents Incorporated By Reference

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PART I

ITEM 1. BUSINESS

Overview

We are one of the largest independent providers of inmate telecommunications services to correctional facilities operated by city, county, state and federal authorities and other types of confinement facilities, such as juvenile detention centers and private jails, in the United States and Canada. With 66 patents and and approximately 55 patent applications filed or in process, we believe we are the leading technology innovator in the correctional industry. As of December 31, 2009, we provided service to approximately 2,400 correctional facilities in the United States and Canada, and processed over 10 million calls per month during 2009.

Our core business consists of installing, operating, servicing and maintaining sophisticated call processing systems in correctional facilities and providing related services. We enter into multi-year agreements (generally three to five years) directly with the correctional facilities in which we serve as the exclusive provider of telecommunications services to inmates. In exchange for the exclusive service rights, we pay a negotiated commission to the correctional facility based upon revenues generated by actual inmate telephone use. On a limited basis, we may also partner with other telecommunications companies whereby we provide our equipment and, as needed, back office support including validation, billing and collections services, and charge a fee for such services. Based on the particular needs of the corrections industry and the requirements of the individual correctional facility, we also sell platforms and specialized equipment and services such as law enforcement management systems and call activity reporting.

We sell information management systems that work in conjunction with our communications systems and allow facilities managers and law enforcement personnel to analyze and manage data to reduce costs, prevent and solve crimes and facilitate inmate rehabilitation through a single user interface. We also offer investigative tools and bad debt risk management services based on the particular needs of the corrections industry and the requirements of the individual correctional facility.

In addition, we sell offender management systems and related systems and services through our wholly-owned subsidiary Syscon Holdings, Ltd. ("Syscon"). Syscon is an enterprise software development company for the correctional facility industry. Syscon's core product is a sophisticated and comprehensive software system utilized by correctional facilities and law enforcement agencies for complete offender management. Syscon's system provides correctional facilities with the ability to manage and monitor inmate parole and probation activity and development at a sophisticated level. We believe our offender management software represents the leading enterprise solution for the corrections industry. Our offender management software is operating in more than 500 correctional facilities and probation offices maintaining records for over 400,000 offenders in the United States, Canada, the United Kingdom and Australia.

The inmate telecommunications industry requires highly specialized systems and related services in order to address the unique needs of the corrections industry. Security and public safety concerns require that correctional facilities have the ability to control inmate access to telephones and certain telephone numbers and to monitor inmate telephone activity. In addition, concerns regarding fraud and the credit quality of the parties billed for inmate telephone usage have led to the development of billing and validation systems and procedures unique to this industry.

We estimate that the inmate telecommunications market opportunity for city, county, state and federal correctional facilities in the United States is approximately $1.2 billion and the offender management technology market opportunity is approximately $1.0 billion worldwide.

Our business is conducted primarily through our three principal subsidiaries: T-Netix, Inc. ("T-Netix"), acquired in March 2004, Evercom Holdings, Inc. ("Evercom"), acquired in September 2004, and Syscon, acquired in June 2007.

For the year ended December 31, 2009, our revenues were $363.4 million, of which approximately 86% represented direct call provisioning to correctional facilities, 6% represented sales and services related to our offender management software and 8% represented the wholesale service provision of solutions, telecommunications and billing services to our telecommunication carrier partners.

Securus was incorporated in Delaware on January 12, 2004. We maintain a web site with the address www.securustech.net. We are not including the information contained on our web site as a part of, or incorporating it by reference into, this Annual Report on Form 10-K.

Industry Overview

The corrections industry has experienced sustained growth over the last two decades as a result of societal and political trends. Anti-crime legislation, limitations on parole and spending authorizations for crime prevention and construction of additional correctional facilities have contributed to this industry growth.

The United States has one of the highest incarceration rates of any country in the world. The U.S. Department of Justice estimates that as of year end 2008, there were approximately 2.3 million inmates housed in U.S. correctional facilities, or approximately one inmate for every 133 U.S. residents. Of this total, approximately two-thirds were housed in federal and state prisons and approximately one-third were housed in city and county correctional facilities. According to U.S. Department of Justice statistics, the inmate population in federal and state prisons, which generally house inmates for longer terms than city and county facilities, increased from approximately 1.2 million at December 31, 1998 to approximately 1.5 million at December 31, 2008, representing an average annual growth rate of approximately 2.2%. The inmate population in city and county facilities, which generally house inmates for terms of one year or less, increased from approximately 0.6 million at December 31, 1998 to approximately 0.8 million at December 31, 2008, an average annual growth rate of approximately 2.9%. Between December 31, 1998 and December 31, 2008, the overall incarcerated population grew an average of 2.4% annually. Population growth during the 12-month period ending December 31, 2008 was higher in local jails (up 0.7%) than in federal prisons (up 0.6%), and state prisons showed no growth.

The corrections industry requires specialized information technology, telecommunications systems and related services. Security and public safety concerns associated with inmate telephone use require that correctional facilities have the ability to control inmate access to telephones and to certain telephone numbers and to monitor inmate telephone activity. In addition, concerns regarding fraud and the credit quality of the parties billed for inmate telephone usage have also led to the development of systems and procedures unique to this industry. Correctional facilities also have unique information technology requirements relating to managing and monitoring inmate (and probation) activity and development. These include offender management, financial applications, health and activity records as well as predictive tools for future inmate behavior. Facilities are increasingly seeking to utilize enhanced automated systems to offset the challenges of budget cuts, understaffing and prison overpopulation.

Within the inmate telecommunications industry, companies compete for the right to serve as the exclusive provider of inmate calling services within a particular correctional facility. Contracts may be awarded on a facility-by-facility basis, such as for most city or county correctional systems, which generally include small and medium-sized facilities, or system-wide, such as for most state and the federal prison systems. Generally, contracts for federal facilities and state systems are awarded pursuant to a competitive bidding process, while contracts for city and county facilities are awarded both through competitive bidding and negotiations with a single party. Contracts generally have multi-year terms and typically contain renewal options. As part of the service contract, the service provider generally installs, operates and maintains all inmate telecommunications equipment. In exchange for the exclusive contract rights, the service provider pays a commission to the operator of the correctional facility based upon inmate telephone use. These commissions have historically been used by the facilities to support their law enforcement activities.

Historically, offender management systems have been developed independently and internally by government agencies to provide basic information management capabilities to run the business of an incarceration facility. Often, these agencies have outsourced design, or certain aspects thereof, to third party consultants. We are one of a very small group of providers offering a comprehensive off-the-shelf software package for offender management and related activities. The market is highly fragmented and it is our belief that most of the "home-grown" systems may not effectively manage the inmate, parole and probation populations. We believe that only a fraction of the market has been outsourced to firms that develop enterprise inmate systems like we do, and that we have the largest portion of the outsourced market. Our systems currently track over 400,000 of the approximate 10 million people estimated to be incarcerated worldwide. For extremely large projects, we often partner with larger systems integrators, such as IBM and Hewlett Packard (formerly Electronic Data Systems).

Competition

In the inmate telecommunications business, we historically have competed with numerous independent providers of inmate telephone systems such as Global Tel*Link, as well as regional bell operating companies ("RBOCs"), local exchange carriers ("LECs") and interexchange carriers ("IXCs") that include AT&T and Embarq. Unisys also has recently entered the market. We believe that the principal competitive factors in the inmate telecommunications industry are system features and functionality, system reliability and service, the ability to customize inmate call processing systems to the specific needs of the particular correctional facility, relationships with correctional facilities, rates of commissions paid to the correctional facilities, end-user rates, called party and inmate customer satisfaction levels and the ability to identify and manage credit risks and bad debt. We seek to compete for business on local, county, state and federal levels, and in privately managed correctional facilities.

We believe that we are well positioned to expand our market share by offering new and enhanced products to our existing customers, and attracting new facilities with "one stop shopping" for their communications and technology needs at a lower cost than our competitors. We believe we are well positioned relative to our competitors because of our belief that our costs are lower as a result of our packet-based architecture and proprietary bad debt risk management systems. These lower costs coupled with our technological capabilities and robust patent portfolio enable us to make attractive bids to our prospective or existing customers.

In the offender management market, we compete with a small group of offender management software providers, each of whom we believe is smaller than we are. We also compete with large and small software consultant organizations who do not offer off-the-shelf prepackaged software, but who can develop systems from scratch to the client's specifications.

Primary Sources of Revenues

The following chart summarizes the primary sources of our revenues by reportable segment for the year ended December 31, 2009. See Note 5, Segment Information, in the Notes to the Consolidated Financial Statements in Part II of this report for financial information about each of our segments.

Revenue Source	% of Total Revenues	Description
Direct Call Provisioning	86%	Direct call provisioning services through multi-year contracts directly to local correctional facilities as well as large county jails and state departments of corrections facilities. No direct customer accounted for more than 6% of our total direct call provisioning revenues for the year ended December 31, 2009.
Wholesale Services	8%	Wholesale Services include both solutions and billing services (validation, fraud management and billing and collection services to third parties including some of the world's largest communication service providers) and telecommunications services (equipment, security enhanced call processing, validation and customer service and support to corrections facilities through contracts with other inmate telecommunications providers).
Offender Management Software	6%	Software sales and development services for complete offender management, providing correctional facilities with the ability to manage and monitor inmate, parole and probation activity and development at a sophisticated level.

Direct Call Provisioning

We provide inmate telecommunications services directly as a state-certificated telecommunications provider to correctional facilities. In a typical arrangement, we operate under a site-specific, exclusive contract, generally for a period of three to five years. We provide the equipment, security-enhanced call processing, validation, and customer service and support directly to the facility. We bill calls via the called party's local telephone bill, via our own proprietary billing platform or through prepaid products purchased by the inmate or the inmate's called party. Direct call provisioning margins are substantially higher than that of our wholesale services because we receive the entire retail value of the call. In our direct call provisioning business, we are responsible for paying customer commissions, line charges and other operating costs, including billing and bad debt costs. Consequently, our gross profit dollars are higher compared to our wholesale services.

Wholesale Services

Our wholesale services business consists of (1) validation, uncollectible account management and billing services (solutions services), (2) equipment, security enhanced call processing, call validation and service and support through the primary inmate telecommunications providers (telecommunications services) and (3) the sale of equipment to other telecommunications companies as customers or service partners. In 2009, we decided to no longer pursue a wholesale strategy but rather will pursue business on a direct call provisioning basis only.

In our direct call provisioning and wholesale services businesses, we accumulate call activity data from our various installations and bill our revenues related to this call activity against prepaid customer accounts or through direct billing agreements with LEC billing agents, or in some cases through billing aggregators that bill end users. We also receive payment on a prepaid basis for the majority of our services and record deferred revenue until the prepaid balances are used. In each case, we recognize revenue when the calls are completed and record the related telecommunication costs for validating, transmitting, billing and collection, bad debt, and line and long-distance charges, along with commissions payable to the facilities. In our telecommunications services business, our service partner bills the called party and we either share the revenues with our service partner or receive a prescribed fee for each call completed. We also charge fees for additional services such as customer support and advanced validation.

Offender Management Software

We develop enterprise software for the correctional facility industry. We believe that we have the most functionally complete offender management system available on the market. Our core product is a sophisticated and comprehensive software system, "ELITE," utilized by correctional, probation and parole agencies for complete offender management. Our system enables these clients to address the increasing challenge of managing an ever-growing number of offenders in confinement and in the community on a cost-efficient basis.

Our offender management software is the centerpiece for the United Kingdom's National Offender Management Information System for Her Majesty's Prison Service project, with Hewlett Packard (formerly Electronic Data Systems Inc. ("EDS") providing overall project management and certain testing and consulting services. Our offender management software operates in more than 500 correctional facilities and probation and parole offices maintaining records for over 400,000 offenders in the United States, Canada, the United Kingdom and Australia.

Our offender management revenues have four main components:

- License fees: The product purchase cost, providing clients with the license to use the core platform;
- Implementation fees: The revenue associated with the physical installation of the system;
- Consulting fees: Most of this work is done prior to implementation. The primary activities include: planning, design, consultation, debugging, customization, etc.
- Software maintenance and support: These post-sale fees provide a future annuity stream as we continue to generate fees from assistance with new modules, training, version upgrades, etc.

Customers

We have direct contracts with federal, state and local agencies to provide inmate telecommunications services on either an exclusive basis or jointly with another provider to approximately 2,400 correctional facilities ranging in size from small municipal jails to large, state-operated facilities, as well as other types of confinement facilities, including juvenile detention

centers and private jails.

Most of our direct call provisioning contracts have multi-year terms (generally three to five years) and typically contain renewal options. We often seek to negotiate extensions of our contracts before the end of their stated terms. For the year ended December 31, 2009, we retained approximately 84% of our annualized revenue up for renewal. Many of our contracts provide for automatic renewal unless terminated by written notice within a specified period of time before the end of the current term.

In the offender management software segment, our customers consist typically of large national and state or provincial incarceration agencies, including Her Majesty's Prison Service in the United Kingdom via a sub-contracting agreement with Hewlett Packard (formerly EDS), along with several states and provinces in the United States, Canada and Australia. We believe that once a customer has selected us for offender management software and related services, it is less likely to switch systems due to the high cost of switching. As a result, we have a strong growing base of customers for our new versions, modules and ongoing maintenance. We believe that this allows us to derive sustainable revenue from new modules and versions of our software rather than from long-term contracts.

Sales and Marketing

We seek new direct contracts by participating in competitive bidding processes and by negotiating directly with the individuals or entities responsible for operating correctional facilities. We market our inmate telecommunications services through a sales staff largely made up of former law enforcement officials and others with experience in the corrections and telecommunications industries who understand the specialized needs of correctional facilities. Our marketing strategy emphasizes our specialized products and services, our proprietary technology, our knowledge, experience and reputation in the inmate telecommunications industry and our high level of service. We believe we have the largest national sales force dedicated to serving the inmate telecommunications industry, and we rely on the experience and background of this sales staff to effectively communicate our capabilities to both existing and potential customers. In addition to conducting in-person sales calls to the operators of correctional facilities, we participate in trade shows and are active in local law enforcement associations.

Principal Products and Services

We believe that the specialized products and services we offer differentiate us from our competitors. Unlike many of our competitors who specialize in specific segments of the market (such as call management systems, jail management systems, etc.), our strategy is centered on the production and distribution of applications and services focused on the entire operation of a facility. Our applications are designed to streamline the operations of corrections facilities and empower administrators with administrative, investigative and economic capabilities. Additionally, we believe that the timely development of new products and enhancements to existing products is essential to maintain our competitive position. We conduct ongoing development of new products and enhancement of existing products that are complementary to our existing product line. Our principal specialized applications and services include:

SCA Architecture™

Our *SCA Architecture™* is comprised of a robust data repository housing multiple data marts, each holding billions of bytes of stored information gathered from multiple sources. SCA's intelligent retrieval system retrieves all this information and processes all user requests through a cross application, cross data-mart retrieval process. The backbone of our entire system, SCA is expected to result in significantly lower operating and capital costs as its full implementation is realized. We currently operate numerous inmate calling applications that preceded our development of this architecture. We are migrating the majority of our customer installations to our new systems utilizing this architecture as current contracts expire, a process likely to take several years.

SCN Secure Connect Network™

Our *SCN Secure Connect Network™* is a packet-based, digital transmission system for all communications transport. SCN allows our calling platform to provide real-time turn-on/turn-off flexibility for most system features, 24-7 offsite monitoring, immediate system upgrades and repairs from one central location.

Secure Call Platform™

Our *SCP Secure Call Platform™* call management system services correctional facilities as well as detainees and friends and family members. Utilizing SCP allows this fully integrated inmate calling applications manager to offer innovative feature applications that give facilities extensive administrative and investigative control. The system offers networking functions, robust system and application stability and redundancy, heightened security features, user auditing and password-specific utilities.

The Securus User Interface

Access to many of our applications is accomplished through our S-*GATE*™ user interface. This portal provides single point access to programs, applications and services.

Securus Support

We provide support through our own professional, dedicated customer support centers:

- Accessible 24-7
- Independent visibility into customers' account activity and information
- Site status is monitored continuously by support systems and proactive actions are instituted to correct issues before customers are impacted
- Our field support services provides nationwide support by local area responsive technicians

Prepaid Calling Programs

Inmate telecommunications systems historically allowed calls to be placed as collect only, without the involvement of a live operator. Our prepaid calling systems offer a paperless, card-free prepaid calling solution for called parties or inmates. Because prepayment greatly reduces bad debt, fewer calls are blocked and correctional facilities recognize the financial benefits of higher call volumes. Our prepaid products include Advanced Connect, Inmate Debit and Prepaid Calling Cards.

Correctional Billing Services (CBS)

We are one of the few companies in the industry to provide an in-sourced, nationwide customer care and billing center dedicated to the inmate's friends and family members. We offer multiple payment options including prepayment of charges, remittance directly to the local phone company, credit card payments and check by phone.

Intelligent Call and Billing Management Solution (ICBS)

We develop and provide our customers with an Intelligent Call and Billing Management Solution, or ICBS system, which is a proprietary call validation and billing technology that is designed to minimize bad debt expense. ICBS allows us to rapidly identify and block collect calls from being connected to potential non-paying call recipients through a continuously growing and improving database. As an enhancement to revenues, the blocked call recipient is notified that an inmate has attempted contact and, upon request, can receive inmate calls through various prepaid methods. We believe our technology provides us with generally lower bad debt expense as a percentage of revenues, while offering the broadest, most sophisticated suite of payment method alternatives in the industry.

Additional Securus Applications

We also offer a multitude of additional applications and features that provide task-specific solutions designed to satisfy focused areas of a facility's operations. These applications assist correctional facility investigators, administrators, and support personnel with investigative capabilities, recidivism programs, fraud prevention and detainee identifications. In addition, we partner with other companies to offer value-added services that create operational efficiencies within the facilities we serve, including providing two-way interactive voice response capabilities that allow routine questions to be answered without using staff resources, installing jail management software to meet the software needs of smaller sites and adding e-mail, voice mail and video conferencing capabilities to improve security and provide better labor utilization for correctional facilities.

"ELITE" Software

The ELITE system provides correctional facilities with the ability to manage inmates and monitor parole and probation activity and development at a very sophisticated level. The key functions of the system include management of incarcerated prisoners, management and monitoring of offenders on parole and probation, financial applications and electronic health records. The ELITE system has more than 40 different modules and is a "smart" application that not only provides monitoring tools, but has predictive tools for future inmate behavior.

We are continually developing new suites of applications that are designed to provide a wide array of solutions-based, technologically advanced, fully integrated, industry best-practices applications and services for the criminal justice community. These applications and services are focused on providing solutions targeted at the identified needs of the criminal justice community.

Systems and Equipment

We currently utilize automated operator calling systems that consist of third-party and internally developed software applications installed on specialized equipment. We have transitioned the majority of our customer installations from these legacy systems to our Secure Connect Network as existing contracts expire. Our specialized systems limit inmates to collect calls or prepaid calls, validate and verify the payment history of each number dialed for billing purposes, and confirm that the destination number has not been blocked. If the number is valid and has not been blocked, the system automatically requests the inmate's name, records the inmate's response, and waits for the called party to answer. When the call is answered the system informs the called party that there is a collect call, plays back the name of the inmate in the inmate's voice, and instructs the called party to accept or reject the call. The system completes calls that have been accepted by the called party.

The system automatically records the number called and the length of the call and transmits the data to our centralized billing center for bill processing and input into our call activity database. Our database of telephone numbers and call activity allows us to provide extensive call activity reports to correctional facilities and law enforcement authorities, in addition to identifying numbers appropriate for blocking, thus helping to reduce the number of uncollectible calls. These include reports that can further assist law enforcement authorities in connection with ongoing investigations. We believe this database offers competitive advantages, particularly within states in which we have achieved substantial market penetration.

Maintenance, Service and Support Infrastructure

We provide and install telephone systems in correctional facilities at no cost to the facility and generally perform all maintenance activities. We maintain a geographically dispersed staff of trained field service technicians and independent contractors, which allows us to respond quickly to service interruptions and perform on-site repairs and maintenance. In addition, we have the ability to make certain repairs remotely through electronic communication with the installed equipment without the need of an on-site service call. We believe that system reliability and service quality are particularly important in the inmate telecommunications industry because of the potential for disruptions among inmates if telephone service remains unavailable for extended periods.

Billing and Collection

For some services, we use LEC and third-party clearinghouse billing agreements to bill and collect phone charges. Under these agreements, the LEC includes collect call charges for our services on the local telephone bill sent to the recipient of the inmate collect call. We generally receive payment from the LEC for such calls 50 to 60 days after the end of the month in which the call is submitted to the LEC for billing. The payment that we receive is net of a service fee and net of write-offs of uncollectible accounts for which we previously received payment, or net of a reserve for future uncollectible accounts.

Unlike many smaller independent service providers with lower telecommunications traffic, we have been able to enter into direct billing agreements with LECs in most of our markets because of our high market penetration. We believe that direct billing agreements with LECs decrease bad debt expense and billing expenses by eliminating an additional third-party billing entity, while expediting and increasing collectibility. In addition, direct billing agreements help us resolve disputes with billed parties by facilitating direct communication between us and the called party, thereby reducing the number of charge-offs.

In the absence of a LEC direct billing arrangement, we bill and collect our collect calls through third-party billing and collection clearinghouses that have billing and collection agreements with LECs, or through our proprietary direct billing. When we employ third-party billing and collection clearinghouses, the account proceeds are forwarded by the various LECs to the clearinghouses, which then forward the proceeds to us, less a processing fee. With both LEC direct and third-party billing and collection agreements, we reconcile our call records with collections and write-offs on a regular basis. The entire billing and collection cycle (including reconciliation), takes on average, between six to nine months after we submit the call record to the LEC or to third-party billing and collection clearinghouses.

Our specialized billing and bad debt management system integrates our LEC direct billing arrangements with our call blocking, validation and customer inquiry procedures.

Patents and Other Proprietary Rights

We rely on a combination of patents, copyrights and trade secrets to establish and protect our intellectual property rights. We have 66 patents issued and approximately 55 patents pending. We believe that our intellectual property portfolio provides our customers leading edge technology that is recognized as technologically superior within the inmate telecommunications industry. We consider any patents issued or licensed to us to be a significant factor in enabling us to more effectively compete in the inmate calling industry, and we vigorously defend our patents from infringement by other inmate telecommunications providers.

Although we have filed many patent applications and hold several patents related to our internally developed call processing and other technology, such technology and intellectual property rights could be contested or challenged or deemed to infringe on other parties' intellectual property rights. Should our call processor or any material feature of our call processor or other proprietary technology be determined to violate applicable patents, we may be required to cease using these features or to obtain appropriate licenses for the use of that technology, and we could be subject to material damages if our infringement were determined to be lengthy or willful.

Regulation

The inmate telecommunications industry is subject to varying degrees of federal, state and local regulation. Regulatory actions have affected, and are likely to continue to affect, our correctional facility customers, our telecommunications service provider customers, our competitors and us.

The inmate telecommunications market is regulated at the federal level by the Federal Communications Commission ("FCC") and at the state level by public utilities commissions or equivalent agencies ("PUCs") of the various states. In addition, from time to time, Congress or the various state legislatures may enact legislation that affects the telecommunications industry generally and the inmate telecommunications industry specifically. Court decisions interpreting applicable laws and regulations may also have a significant effect on the inmate telecommunications industry. Changes in existing laws and regulations, as well as the adoption of new laws and regulations applicable to our activities or other telecommunications businesses, could have a material adverse effect on us. See "Risk Factors — Regulatory Risks."

Federal Regulation

Prior to 1996, the federal government's role in the regulation of the inmate telecommunications industry was relatively limited. The enactment of the Telecommunications Act of 1996 (the "Telecom Act"), however, marked a significant change in scope of federal regulation of the inmate telecommunications service. Generally, the Telecom Act (i) opened local exchange service to competition and preempted states from imposing barriers preventing such competition, (ii) imposed new unbundling and interconnection requirements on incumbent local exchange carrier networks, (iii) removed prohibitions on inter-local access and transport area services ("LATA") and manufacturing when certain competitive conditions are met, (iv) transferred any remaining requirements of the consent decree governing the 1984 Bell System divestiture (including its nondiscrimination provisions) to the FCC's jurisdiction, (v) imposed requirements to conduct certain competitive activities only through structurally separate affiliates, and (vi) eliminated many of the remaining cable and telephone company cross-ownership restrictions.

This legislation and related rulings significantly changed the competitive landscape of the telecommunications industry as a whole. For the inmate telecommunications industry, the Telecom Act added Section 276 to the principal U.S. federal communications statute, the Communications Act of 1934. Section 276 directed the FCC to implement rules to overhaul the regulation of the provisioning of pay phone service, which Congress defined to include the provisioning of inmate telecommunications service in correctional institutions.

Before the adoption of the Telecom Act, the regulatory landscape allowed the LECs to subsidize their inmate telecommunications operations from regulated revenues. This allowed the LECs to offer commissions to correctional facilities that were often significantly higher than those that independent inmate telecommunications service providers can offer. The Telecom Act directed the FCC to adopt regulations to end the subsidization. Congress also directed the FCC to ensure that the RBOCs could not discriminate in favor of their own operations to the competitive detriment of independent inmate telecommunications service providers.

State Regulation

In most states, inmate telecommunications service providers must obtain prior authorization from, or register with, the PUC and file tariffs or price lists of their rates. The most significant state involvement in the economic regulation of inmate telecommunications service is the limit on the maximum rates that can be charged for intrastate collect calls set by many states, referred to as "rate caps." Since collect calls are the only kind of calls that can be made by inmates at many facilities, such state-imposed rate caps can have a significant effect on our business.

In many states, the rate caps on inmate collect calls are tied to the rates charged by the LEC or "dominant" long distance carrier and subject to state regulatory approval. Thus, where the LEC or dominant long distance carrier chooses not to raise their rates, independent inmate telecommunications service providers are precluded from raising theirs. Prior to the passage of the Telecom Act, the LECs and dominant long distance carriers had less incentive to raise their rates than independent inmate telecommunications service providers because they were able to subsidize their inmate telecommunications service operations and discriminate in their favor, as described above. See "Federal Regulation."

In its rulemaking in implementing the Telecom Act, the FCC declined to address these state rate caps. The FCC ruled that inmate telecommunications providers must first seek relief from the state rate caps at the state level. The outcome of any such proceedings at the state level, if undertaken, is uncertain. Further, despite reserving the right to do so, it is uncertain whether the FCC would intervene or if so, how, in the event a state failed to provide relief.

In addition to imposing rate caps, the states may regulate various other aspects of the inmate telecommunications industry. While the degree of regulatory oversight varies significantly from state to state, state regulations generally establish minimum technical and operating standards to ensure that public interest considerations are met. Among other things, most states have established rules that govern the service provider in the form of postings or verbal announcements, and requirements for rate quotes upon request.

The foregoing discussion does not describe all present and proposed federal, state and local regulations, legislation, and related judicial or administrative proceedings relating to the telecommunications industry, including inmate telecommunications services, and thereby affecting our business. The effect of increased competition on our operations will be influenced by the future actions of regulators and legislators, who are increasingly advocating competition. While we would attempt to modify our customer relationships and our service offerings to meet the challenges resulting from changes in the telecommunications competitive environment, there is no assurance we would be able to do so.

Employees

As of December 31, 2009, we employed 736 full-time equivalent employees, of which 422 are salaried and 314 are hourly employees. None of our employees are represented by a labor union, and we have not experienced any material work stoppages to date. We believe that management has a good relationship with our employees.

FORWARD LOOKING STATEMENTS

This Annual Report on Form 10-K and, in particular, the description of our Business set forth in Item 1 and our Management's Discussion and Analysis of Financial Condition and Results of Operations set forth in Item 7 contain or incorporate a number of forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, including statements regarding:

- projected future sales growth;
- expected future revenues, operations, expenditures and cash needs;
- estimates of the potential for our products and services, including the anticipated drivers for future growth;
- sales and marketing plans; and
- assessment of competitors and potential competitors.

In addition, any statements contained in or incorporated by reference into this report that are not statements of historical fact should be considered forward-looking statements. You can identify these forward-looking statement by use of the words "thinks," "believes," "expects," "anticipates," "plans," "may," "will," "would," "intends," "estimates" and other similar expressions, whether in the negative or affirmative. We cannot guarantee that we actually will achieve the plans, intentions or expectations disclosed in the forward looking statements made. There are a number of important risks and uncertainties that could cause our actual results to differ materially from those indicated by such forward-looking statements. These risks and uncertainties include, without limitation, those set forth below under the heading "Risk Factors." We do not intend to update publicly any forward-looking statements whether as a result of new information, future events or otherwise.

ITEM 1A. RISK FACTORS

You should carefully consider the risks described below, together with all of the other information contained in this Form 10-K, before making an investment decision. The risks described below are not the only ones facing us. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial may also materially and adversely affect our financial condition, results of operations or cash flow. Any of the following risks could materially and adversely affect our financial condition or results of operations.

Risks Related to our Senior Notes

We have a substantial amount of debt outstanding and have significant interest payments.

We have a significant amount of debt outstanding. As of December 31, 2009, we had $287.8 million of long-term debt outstanding (net of $1.6 million of OID for our 11% Second-priority Senior Secured Notes due 2011 and $2.0 million of fair value attributable to warrants) and stockholders' deficit of $148.2 million.

Our substantial debt could have significant consequences. For example, it could:

- require us to dedicate a substantial portion of our cash flow from operations to make payments on our debt, thereby reducing funds available for operations, future business opportunities and other purposes;
- limit our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate;
- make it more difficult for us to satisfy our obligations with respect to our debt obligations;
- limit our ability to borrow additional funds, or to sell assets to raise funds, if needed, for working capital, capital expenditures, acquisitions or other purposes;
- increase our vulnerability to general adverse economic and industry conditions, including changes in interest rates;
- place us at a competitive disadvantage compared to our competitors that have less debt; and
- prevent us from raising the funds necessary to repurchase notes tendered to us if there is a change of control, which would constitute a default under the indenture governing the notes and our revolving credit facility.

We cannot assure you that we will generate sufficient cash flow to service and repay our debt and have sufficient funds left over to achieve or sustain profitability in our operations, meet our working capital and capital expenditure needs or compete successfully in our markets. If we cannot meet our debt service and repayment obligations, we would be in default under the terms of the agreements governing our debt, which would allow the lenders under our revolving credit facility to declare all borrowings outstanding to be due and payable, which would in turn trigger an event of default under the indenture and the agreements governing our senior subordinated debt. In addition, our lenders could compel us to apply all of our available cash to repay our borrowings. If the amounts outstanding under our revolving credit facility or the notes were to be accelerated, we cannot assure you that our assets would be sufficient to repay in full the money owed to the lenders or to our other debt holders. In addition, we may need to refinance our debt, obtain additional financing or sell assets, which we may not be able to do on commercially reasonable terms or at all. Any failure to do so on commercially reasonable terms could have a material adverse effect on our business, operations and financial condition.

We may be able to incur more debt, including secured debt, and some or all of this debt may effectively rank senior to the notes and the guarantees.

Subject to the restrictions in our revolving credit facility, the indenture governing the notes and the senior subordinated debt financing agreements, we may be able to incur additional debt, including secured debt that would effectively rank senior to the notes. As of December 31, 2009, we would have been able to incur approximately $30.0 million of additional secured debt under our revolving credit facility. Although the terms of our revolving credit facility, the indenture and the senior subordinated debt financing agreements contain restrictions on our ability to incur additional debt, these restrictions are subject to a number of important exceptions. If we incur additional debt, the risks associated with our substantial leverage, including our ability to service our debt, would increase.

There may not be sufficient collateral to pay all or any of the notes.

Indebtedness under our revolving credit facility (referred to herein as the "First-Priority Lien Obligations") is secured by a first-priority lien on substantially all of our and our subsidiary guarantors' tangible and intangible assets, except for certain excluded collateral. The notes are secured by a second-priority lien on the assets that secure the First-Priority Lien Obligations, other than our current assets. In the event of a bankruptcy, liquidation, dissolution, reorganization or similar proceeding against us or any future domestic subsidiary, the assets that are pledged as shared collateral securing the First-Priority Lien Obligations and the notes must be used first to pay the First-Priority Lien Obligations, as well as any other obligation secured by a priority lien on the collateral, in full before making any payments on the notes.

At December 31, 2009, we had no outstanding balance under the senior indebtedness (excluding the notes and guarantees); however, as of the same date, we could have borrowed approximately $30.0 million additional First-Priority Lien Obligations under our revolving credit facility.

Certain of our assets, such as our accounts receivable and inventory and any proceeds thereof, are not part of the collateral securing the notes, but do secure the First-Priority Lien Obligations. With respect to those assets that are not part of the collateral securing the notes but that secure other obligations, the notes will be effectively junior to these obligations to the extent of the value of such assets. There is no requirement that the lenders of the First-Priority Lien Obligations first look to these excluded assets before foreclosing, selling or otherwise acting upon the collateral shared with the notes.

The value of the collateral for our indebtedness at any time will depend on market and other economic conditions, including the availability of suitable buyers for the collateral. By their nature, some or all of the pledged assets may be illiquid and may have no readily ascertainable market value. The value of the assets pledged as collateral for the notes could be impaired in the future as a result of changing economic conditions, our failure to implement our business strategy, competition and other future trends. In the event of a foreclosure, liquidation, bankruptcy or similar proceeding, no assurance can be given that the proceeds from any sale or liquidation of the collateral will be sufficient to pay our obligations under the notes, in full or at all, after first satisfying our obligations in full under the First-Priority Lien Obligations and any other obligations secured by a priority lien on the collateral.

Accordingly, there may not be sufficient collateral to pay all or any of the amounts due on the notes. Any claim for the difference between the amount, if any, realized by holders of the notes from the sale of the collateral securing the notes and the obligations under the notes will rank equally in right of payment with all of our other unsecured unsubordinated indebtedness and other obligations, including trade payables.

Holders of notes do not control decisions regarding collateral.

The holders of the First-Priority Lien Obligations control substantially all matters related to the collateral securing the First-Priority Lien Obligations and the notes. The holders of the First-Priority Lien Obligations may cause their administrative agents to dispose of, release or foreclose on, or take other actions with respect to the shared collateral with which holders of the notes may disagree or that may be contrary to the interests of holders of the notes. The security documents generally provide that, so long as the First-Priority Lien Obligations are in effect, the holders of the First-Priority Lien Obligations may change, waive, modify or vary the security documents without the consent of the holders of the notes, provided that any such change, waiver or modification does not disproportionately affect the rights of the holders of the notes relative to the other secured creditors. Furthermore, as long as no event of default under the indenture governing the notes has occurred, the security documents generally allow us and our subsidiaries to remain in possession of, retain exclusive control over, to freely operate, and to collect, invest and dispose of any income from, the collateral securing the notes.

The capital stock securing the notes will automatically be released from the second-priority lien and no longer be deemed to be collateral to the extent the pledge of such capital stock would require the filing of separate financial statements for any of our subsidiaries with the SEC.

The indenture governing the notes and the security documents provide that, to the extent that separate financial statements of any of our subsidiaries would be required by the rules of the SEC (or any other governmental agency) due to the fact that such subsidiary's capital stock or other securities secure the notes, then such capital stock or other securities will automatically be deemed not to be part of the collateral securing the notes to the extent necessary to not be subject to such requirement. As a result, holders of the notes could lose a portion of their security interest in the capital stock or other securities while any such rule is in effect. Currently, the provisions described above would have the effect of limiting the amount of capital stock of T-Netix, Evercom and Syscon that constitutes collateral to, in each case, 19.9% of the outstanding capital stock.

The indenture and revolving credit facility contain covenants that can limit the discretion of our management in operating our business and could prevent us from capitalizing on business opportunities and taking other corporate actions.

The indenture, our revolving credit facility and the senior subordinated debt financing agreements impose significant operating and financial restrictions on us. These restrictions will limit or restrict, among other things, our and most of our subsidiaries' ability to:

- incur additional debt and issue certain types of preferred stock;
- make restricted payments, including paying dividends on, redeeming, repurchasing or retiring our capital stock;
- make investments and prepay or redeem debt;
- enter into agreements restricting our subsidiaries' ability to pay dividends, make loans or transfer assets to us;
- create liens;
- sell or otherwise dispose of assets, including capital stock of subsidiaries;
- engage in transactions with affiliates;
- engage in sale and leaseback transactions;
- make capital expenditures; and
- consolidate or merge.

In addition, the indenture governing the notes, our revolving credit facility and our senior subordinated debt financing agreements require, and any future credit facilities may require, us to comply with specified financial covenants, including, in each case, interest coverage ratios and, in the case of our revolving credit facility, minimum EBITDA levels and capital expenditure limits. Our ability to comply with these covenants may be affected by events beyond our control. Furthermore, the indenture governing the notes may require us to use a significant portion of our cash generated from operations to make an offer to purchase notes on a pro rata basis. The restrictions contained in the indenture, our revolving credit facility and the senior subordinated debt financing agreements could:

- limit our ability to plan for or react to market conditions, meet capital needs or otherwise restrict our activities or business plans; and

- adversely affect our ability to finance our operations, enter into acquisitions or engage in other business activities that would be in our interest.

A breach of any of the covenants contained in our revolving credit facility, debt agreements or any other future credit facilities, or our inability to comply with the financial ratios could result in an event of default, which would allow the lenders to declare all borrowings outstanding to be due and payable, which would in turn trigger an event of default under the indenture. In addition, our lenders could compel us to apply all of our available cash to repay our borrowings. If the amounts outstanding under our revolving credit facility or the notes were to be accelerated, we cannot assure you that our assets would be sufficient to repay in full the money owed to the lenders or to our other debt holders. As of December 31, 2009, we were in compliance with all debt covenants.

We are a holding company and we may not have access to sufficient cash to make payments on the notes. In addition, the notes are effectively subordinated to the liabilities of our subsidiaries.

Securus Technologies, Inc., the issuer of the notes, is a holding company with no direct operations. Its principal assets are the equity interests it holds, directly and indirectly, in its subsidiaries. Since all of our operations are conducted through our subsidiaries, our ability to service our indebtedness, including the notes, will be dependent upon the earnings of our subsidiaries and the distribution of those earnings, or upon loans or other payments of funds, by our subsidiaries to us. Our subsidiaries are legally distinct from us and have no obligation to pay amounts due on our debt or to make funds available to us for such payment. The payment of dividends and the making of loans and advances to us by our subsidiaries may be subject to various restrictions, including restrictions under our revolving credit facility more fully described below. In addition, the ability of our subsidiaries to make such payments or advances to us may be limited by the laws of the relevant jurisdictions in which our subsidiaries are organized or located, including, in some instances, by requirements imposed by regulatory bodies that oversee the telecommunications industry in such jurisdictions. In certain circumstances, the prior or subsequent approval of such payments or advances by our subsidiaries to us is required from such regulatory bodies or other governmental entities. The notes, therefore, without giving effect to any guarantees of the notes, will be effectively subordinated to creditors (including trade creditors) of our subsidiaries. Although the indenture contains limitations on the amount of additional indebtedness that we and our restricted subsidiaries may incur, the amounts of such indebtedness could be substantial and such indebtedness may be First-Priority Lien Obligations. In addition, each of our subsidiaries has other liabilities, including contingent liabilities (including the guarantee obligations under our revolving credit facility and the senior subordinated debt financing) that may be significant.

In addition, our revolving credit facility will restrict all payments from our subsidiaries to us during the continuance of a payment default and will also restrict payments to us for a period of up to 180 days during the continuance of a non-payment default.

Our revolving credit facility is, and future credit facilities may be, guaranteed by our domestic restricted subsidiaries and certain foreign subsidiaries. Although the indenture contains limitations on the amount of additional indebtedness that we and our restricted subsidiaries may incur, the amounts of such indebtedness could be substantial and such indebtedness may be secured. As of December 31, 2009, we would have been able to incur approximately $30.0 million of additional secured debt constituting First-Priority Lien Obligations under our revolving credit facility.

U.S. bankruptcy or fraudulent conveyance law may interfere with the payment of the notes and the guarantees and the enforcement of the security interests.

Our incurrence of debt, such as the notes and the guarantees, as well as the security interests related to the notes and the guarantees, may be subject to review under U.S. federal bankruptcy law or relevant state fraudulent conveyance laws if a bankruptcy proceeding or lawsuit is commenced by us or on behalf of our unpaid creditors. Under these laws, if in such a proceeding or lawsuit a court were to find that, at the time we incurred debt (including debt represented by the notes and the guarantees),

- we incurred such debt with the intent of hindering, delaying or defrauding current or future creditors; or
- we received less than reasonably equivalent value or fair consideration for incurring such debt and we:
- were insolvent or were rendered insolvent by reason of any of the transactions;
- were engaged, or about to engage, in a business or transaction for which our remaining assets constituted unreasonably small capital to carry on our business;
- intended to incur, or believed that we would incur, debts beyond our ability to pay as these debts matured (as all of the foregoing terms are defined in or interpreted under the relevant fraudulent transfer or conveyance statutes); or
- were defendants in an action for money damages or had a judgment for money damages entered against us (if, in either case, after final judgment such judgment is unsatisfied);

then that court could avoid or subordinate the amounts owing under the notes to our presently existing and future debt, void or decline to enforce the security interest and take other actions detrimental to you.

The measure of insolvency for purposes of the foregoing considerations will vary depending upon the law of the jurisdiction that is being applied in any proceeding. Generally, a company would be considered insolvent if, at the time it incurred the debt:

- the sum of its debts (including contingent liabilities) was greater than its assets, at fair valuation;
- the present fair saleable value of its assets was less than the amount required to pay the probable liability on its total existing debts and liabilities (including contingent liabilities) as they became absolute and mature; or
- it could not pay its debts as they became due.

We cannot predict what standards a court would use to determine whether we or our subsidiary guarantors were solvent at the relevant time, or whether the notes, the guarantees or the security interests would be avoided or further subordinated on another of the grounds set forth above.

We may be unable to repurchase the notes upon a change of control as required by the indenture.

Upon the occurrence of a change of control, we will be required to make an offer to repurchase all outstanding notes. In addition, our revolving credit facility contains prohibitions of certain events that would constitute a change of control or require such senior indebtedness to be repurchased or repaid upon a change of control. Moreover, the exercise by the holders of their right to require us to repurchase the notes could cause a default under such agreements, even if the change of control itself does not, due to the financial effect of such repurchase on us. Under any of these circumstances, we cannot assure you that we will have sufficient funds available to repay all of our senior debt and any other debt that would become payable upon a change of control and to repurchase the notes. Our failure to purchase the notes would be a default under the indenture, which would in turn trigger a default under our revolving credit facility. We would need to refinance our revolving credit facility or cure the defaults thereunder before making the change of control offer.

The definition of change of control includes a phrase relating to the sale or other transfer of "all or substantially all" of our assets. There is no precise definition of the phrase under applicable law. Accordingly, in certain circumstances there may be a degree of uncertainty in ascertaining whether a particular transaction would involve a disposition of "all or substantially all" of our assets, and therefore it may be unclear as to whether a change of control has occurred and whether the holders of the notes have the right to require us to repurchase such notes.

Rights of holders of notes in the collateral may be adversely affected by bankruptcy proceedings.

The right of the administrative agent of the First Lien Priority Obligations to repossess and dispose of the collateral securing the notes upon acceleration is likely to be significantly impaired by federal bankruptcy law if bankruptcy proceedings are commenced by or against us or any of our subsidiaries prior to or possibly even after the administrative agent has repossessed and disposed of the collateral. Under the U.S. Bankruptcy Code, a secured creditor, such as the administrative agent, is prohibited from repossessing its security from a debtor in a bankruptcy case, or from disposing of security repossessed from a debtor, without bankruptcy court approval. Moreover, bankruptcy law permits the debtor to continue to retain and to use collateral, and the proceeds, products, rents or profits of the collateral, even though the debtor is in default under the applicable debt instruments, provided that the secured creditor is given "adequate protection." The meaning of the term "adequate protection" may vary according to circumstances, but it is intended in general to protect the value of the secured creditor's interest in the collateral and may include cash payments or the granting of additional security, if and at such time as the court in its discretion determines, for any diminution in the value of the collateral as a result of the stay of repossession or disposition or any use of the collateral by the debtor during the pendency of the bankruptcy case. In view of the broad discretionary powers of a bankruptcy court, it is impossible to predict how long payments under the notes could be delayed following commencement of a bankruptcy case, whether or when the administrative agent would repossess or dispose of the collateral, or whether or to what extent holders of the notes would be compensated for any delay in payment or loss of value of the collateral through the requirements of "adequate protection." Furthermore, in the event the bankruptcy court determines that the value of the collateral is not sufficient to repay all amounts due on the notes, the holders of the notes would have "undersecured claims" as to the difference. Federal bankruptcy laws do not permit the payment or accrual of interest, costs and attorneys' fees for "undersecured claims" during the debtor's bankruptcy case.

Risk Factors Relating to Our Business

Economic conditions, particularly the continued economic slowdown, could adversely impact our financial condition and results of operations.

Our business is directly affected by market conditions, trends in our industry and finance, legislative and regulatory changes, and changes in the economy, all of which are beyond our control. Continued deterioration in economic conditions could result in the following consequences, among others, any of which could have an adverse impact on our business operations, results of operations and financial condition:

- Demand for our products and services may continue to decline, resulting in lower billed calls and minutes, revenues and operating income;
- Our bad debt may rise and we may be required to further limit credit to billed parties, which would reduce our revenues;
- Our existing and prospective software customers may continue to delay or defer spending on software and services;
- Volatile credit markets can impact borrowing availability.

These risks are not the only risks facing us. Additional risks and uncertainties not currently known to us or those we currently view to be immaterial may also materially and adversely affect our business, financial condition, or results of operations.

Our financial results are dependent on the success of our billing and bad debt risk management systems.

The inmate telecommunications business is subject to significant risk of bad debt or uncollectible accounts receivable. In 2009, our direct provisioning bad debt expense was approximately 8% of our direct provisioning revenues. Many calls are collect calls paid by the called or billed party. Historically, such billed party's ability to pay for collect calls has been tied to economic conditions, and unemployment rates in particular, that exist in their community. However, we have developed statistical methods to identify high risk customers who we require to prepay. In 2008, approximately 46% of our direct call provisioning revenue was prepaid, while over 55% of our direct provisioning revenue was prepaid in 2009. Due to current economic conditions in the country and high unemployment rates, it is possible that bad debt results could deteriorate. Because our bad debt visibility is delayed by six to nine months for calls that are placed on LEC bills, risks exists that we will incur future write-offs causing bad debt to increase.

We bill our direct and wholesale services call records through LECs and billing aggregators, which aggregate our charges with other service providers and bill through the applicable LEC. Our agreements with the LECs and the billing aggregators specify that the LECs get paid their portion of a bill prior to ours and we share the remaining risk of nonpayment with other non-LEC service providers. In certain circumstances, LECs are unable to trace the collect call to a proper billed number and the call is unbillable. We are also subject to the risks that the LEC decides not to charge for a call on the basis of billing or service error and that we may be unable to retain our current billing collection agreements with LECs, many of which are terminable at will.

There is a significant lag time (averaging six to nine months) between the time a call is made and the time we learn that the billed party has failed to pay for a call when we bill through LECs and billing aggregators. During this period, we may continue to extend credit to the billed party prior to terminating service and thus increase our exposure to bad debt. Additionally, because of the significant lag time, deteriorating trends in collection rates may not be immediately visible and bad debt may therefore increase prior to our ability to adjust our algorithms and reduce credit limits. This risk is heightened in light of the recent economic downturn. We seek to minimize our bad debt expense by using multi-variable algorithms to adjust our credit policies and billing. We have enhanced our bad debt management systems by reducing the processing time of call records through our back office systems. However, we cannot assure you that these initiatives will always be successful or that our algorithms will remain accurate as circumstances change. Moreover, to the extent we overcompensate for bad debt exposure by limiting credit to billed parties, our revenues and profitability may decline as we allow fewer calls to be made. To the extent our billing and bad debt risk management systems are less than effective or we are otherwise adversely affected by the foregoing factors, our results of operations could be negatively impacted.

We expect significant declines in our wholesale revenues, which if not replaced by direct call provisioning or other revenues, could have an adverse impact on our financial condition.

Our wholesale revenues, which accounted for approximately 8% of our revenues in 2009, are expected to continue to decline over the next few years. Our wholesale customers have historically been comprised of large telecommunications carriers, which began exiting the inmate telecommunications business in early 2005. Since their exit, the larger county and state facilities that they served are increasingly being serviced by independent inmate communications companies. As a result, our wholesale revenues decreased by approximately $1.8 million, or 5.9%, from 2008 to 2009. Global Tel*Link comprised 31% of our wholesale revenue in 2009. Global's master agreement with us expired on March 1, 2008 and we will stop providing services to them as their underlying contracts at the individual facilities expire.

We are dependent on third party vendors for our information, billing and offender management systems.

Sophisticated information and billing systems are vital to our ability to monitor and control costs, bill customers, process customer orders, provide customer service and achieve operating efficiencies. We currently rely on internal systems and third party vendors to provide all of our information and processing systems. Some of our billing, customer service and management information systems have been developed by third parties for us and may not perform as anticipated. In addition, our plans for developing and implementing our information and billing systems rely substantially on the delivery of products and services by third party vendors.

We also license critical third-party software for our offender management products that we incorporate into our own software products and are likely to incorporate additional third-party software into our new product offerings. The operation of our products would be impaired if errors occur in the third-party software that we utilize. It may be more difficult for us to correct any defects in third-party software because the software is not within our control. Accordingly, our business could be adversely affected in the event of any errors in this software. There can be no assurance that these third parties will continue to invest the appropriate levels of resources in their products and services to maintain and enhance the capabilities of their software. If the cost of licensing any of these third-party software products significantly increases, our gross margin levels could significantly decrease.

Our right to use these systems is dependent upon license agreements with third party vendors. Some of these agreements are cancelable by the vendor, and the cancellation or nonrenewable nature of these agreements could impair our ability to process orders, bill our customers or sell our offender management products. Since we rely on third party vendors to provide some of these services or products, any switch in vendors could be costly and could affect operating efficiencies.

Additionally, if our relations with any of our third-party information and offender management systems providers are impaired or the third-party software infringes upon another party's intellectual property rights, our business could be harmed. Although these third party software vendors generally indemnify us against claims that their technology infringes on the proprietary rights of others, such indemnification is not always available for all types of intellectual property. Sometimes software vendors are not well capitalized and may not be able to indemnify us in the event that their technology infringes on the proprietary rights of others. Defending such infringement claims, regardless of their validity, could result in significant cost and diversion of resources. As a result, we may face substantial exposure to liability in the event that technology we license from a third-party infringes on another party's proprietary rights.

We face challenges in growing our offender management software business.

Our future success and our ability to meet forecasted operating results and pay interest and principal on the notes will depend in part on our ability to sustain our market share of the offender management software business. In 2009 and prior years, the majority of these revenues were associated with our ongoing implementation of our software for Her Majesty's Prison Service in the United Kingdom, through a sub-contracting agreement with Hewlett Packard (formerly EDS). We will need to continue to generate new contracts to compensate for the loss of this revenue.

Our offender management software business has been affected by the poor economy as government budgets have been negatively impacted. Corrections agencies have increased the amount of time they take to evaluate proposals, process contracts and change orders, and in some cases have deferred or cancelled orders for the purchase of technology solutions. Agencies are being extremely careful as all purchases are under increased scrutiny and require additional steps before approval. If we are unable to continue to generate new contracts we will face the risk of not meeting our targeted revenue goals for 2010, which could further reduce profitability or operating losses and may materially and adversely affect our business, financial condition and results of operations.

A number of our customers individually account for a large percentage of our revenues, and therefore the loss of one or more of these customers could harm our business.

If we lose existing customers and do not replace them with new customers, our revenues will decrease and may not be sufficient to cover our costs. For the year ended December 31, 2009, our top five customers accounted for approximately 20% of our total revenues. If we lose one or more of these customers our revenues will be adversely affected, which could harm our business.

Our success depends on our ability to protect our proprietary technology and ensure that our systems are not infringing on the proprietary technology of other companies.

Our success depends to a significant degree on our protection of our proprietary technology, particularly in the areas of three-way call prevention, automated operators and call processing technology, bad debt risk management, revenue generation and ancillary products and services. The unauthorized reproduction or other misappropriation of our proprietary technology could enable third parties to benefit from our technology without paying us for it. Although we have taken steps to protect our proprietary technology, these steps may be inadequate. We rely on a combination of patent and copyright law and non-disclosure agreements to establish and protect our proprietary rights in our systems. However, existing trade secret, patent, copyright and trademark laws offer only limited protection. Despite our efforts to protect our proprietary rights, unauthorized parties may attempt to copy aspects of our products or obtain and use trade secrets or other information we regard as proprietary. If we resort to legal proceedings to enforce our intellectual property rights, the proceedings would be burdensome and expensive and could involve a high degree of risk.

We cannot assure you that a third party will not accuse us of infringement on its intellectual property rights. There has been litigation in the telecommunications industry regarding alleged infringement of certain of the technology used in internet telephony services. Although this litigation involves companies unrelated to us, and we believe, technology different from ours, it is possible that similar litigation could be brought against us in the future. Certain parties to such litigation have significantly greater financial and other resources than us. Any claim of infringement could cause us to incur substantial costs defending against the claim, even if the claim is not valid, and could perhaps prevent us from adequately defending the claim. Such a claim would also distract our management from our business. A claim may also result in a judgment involving substantial damages or an injunction or other court order that could prevent us from selling our products and services or operating our network architecture. Any of these events could have a material adverse effect on our business, operating results and financial condition.

We may not be able to adapt successfully to new technologies, to respond effectively to customer requirements or to provide new services.

The communications and software industries, including inmate communications and offender management systems, are subject to rapid and significant changes in technology, frequent new service introductions and evolving industry standards. As a result, it is difficult for us to estimate the life cycles of our products. Technological developments may reduce the competitiveness of our services and require unbudgeted upgrades, significant capital expenditures and the procurement of additional services that could be expensive and time consuming. To the extent our existing or future competitors are successful in developing competitive technologies, including through deployment of the packet based architecture that we believe provides us with a competitive advantage, our competitive position, market share and the price we receive for services may be adversely affected. To be competitive, we must develop and introduce product enhancements and new products. New products and new technology often render existing information services or technology infrastructure obsolete, excessively costly, or otherwise unmarketable. As a result, our success depends on our ability to create and integrate new technologies into our current products and services and to develop new products. If we fail to respond successfully to technological changes or obsolescence or fail to obtain access to important new technologies, we could lose customers and be limited in our ability to attract new customers or sell new services to our existing customers. The failure to adapt to new technologies could have a material adverse effect on our business, financial condition and results of operations.

The successful development of new services, which is an element of our business strategy, is uncertain and dependent on many factors, and we may not generate anticipated revenues from such services. In addition, as communications networks are modernized and evolve from analog-based to digital-based systems, certain features offered by us may diminish in value. We cannot guarantee that we will have sufficient technical, managerial or financial resources to develop or acquire new technology or to introduce new services or products that would meet our customers' needs in a timely manner.

Our business could be adversely affected if our products and services fail to perform or be performed properly.

Products as complex as ours may contain undetected errors or "bugs," which could result in product failures or security breaches and render us unable to satisfy customer expectations. Further, our products must integrate with the many computer systems and software programs of our customers. Any failure of our systems or an inability of our customer to implement or integrate our products could result in a claim for substantial damages against us, regardless of our responsibility for the failure. Although we test our products and maintain general liability insurance, including coverage for errors and omissions, we cannot assure you that we will detect every error or that our existing coverage will continue to be available on reasonable terms or will be available in amounts sufficient to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim. The occurrence of errors could result in a loss of data to us or our customers, which could cause a loss of revenues, failure to achieve acceptance, diversion of development resources, injury to our reputation, or damages to our efforts to build brand awareness, any of which could have a material adverse effect on our market share and, in turn, our operating results and financial condition.

A system failure could cause delays or interruptions of service, which could cause us to lose customers.

To be successful, we will need to continue to provide our customers with reliable service. Some of the events that could adversely affect our ability to deliver reliable service include:

- physical damage to our network operations centers;
- disruptions beyond our control;
- power surges or outages; and
- software defects.

Disruptions may cause interruptions in service or reduced capacity for customers, either of which could cause us to lose customers and incur unexpected expenses.

We are dependent on the communications industry, which subjects our business to risks affecting the communications industry generally.

Although we focus on the inmate communications industry, our business is directly affected by risks facing the communications industry in general. The communications industry has been, and we believe it will continue to be, characterized by several trends, including the following:

- rapid development and introduction of new technologies and services;
- increased competition within established markets from current and new market entrants that may provide competing or alternative services;
- the increase in mergers and strategic alliances that allow one telecommunications provider to offer increased services or access to wider geographic markets; and
- continued changes in the laws and regulations affecting rates for collect and prepaid calls.

The market for communications services is highly competitive. Our ability to compete successfully in our markets will depend on several factors, including the following:

- how well we market our existing services and develop new technologies;
- the quality and reliability of our network and service;
- our ability to anticipate and respond to various competitive factors affecting the communications industry, including a changing regulatory environment that may affect us differently from our competitors, pricing strategies and the introduction of new competitive services by our competitors, changes in consumer preferences, demographic trends and economic conditions; and
- our ability to successfully defend claims against us.

Competition could intensify as a result of new competitors and the development of new technologies, products and services. Some or all of these risks may cause us to have to spend significantly more in capital expenditures than we currently anticipate in order to retain existing and attract new customers.

Some of our competitors have brand recognition and financial, personnel, marketing and other resources that are significantly greater than ours. In addition, due to consolidation and strategic alliances within the communications industry, we cannot predict the number of competitors that will emerge, especially as a result of existing or new federal and state regulatory or legislative actions. Increased competition from existing and new entities could lead to higher commissions paid to correctional facilities, loss of customers, reduced operating margins or loss of market share.

Most of our customers are governmental entities that require us to adhere to certain policies that may limit our ability to attract and retain customers.

Our customers include U.S. and foreign federal, state and local governmental entities responsible for the administration and operation of correctional facilities. We are subject, therefore, to the administrative policies and procedures employed by, and the regulations that govern the activities of, these governmental entities, including policies, procedures, and regulations concerning the procurement and retention of contract rights and the provision of services. Our operations may be adversely affected by the policies and procedures employed by, or the regulations that govern the activities of, these governmental entities and we may be limited in our ability to secure additional customer contracts, renew and retain existing customer contracts, and consummate acquisitions as a result of such policies, procedures and regulations.

Our offender management software's lengthy sales cycle and limited number of large non-recurring licenses sales make it difficult to predict quarterly revenue levels and operating results.

It is difficult for us to forecast the timing and recognition of revenues from sales of our offender management products because our existing and prospective customers often take significant time evaluating our products before licensing them. The sales process for our offender management software products is lengthy and can exceed one year. License and implementation fees for our offender management software products tend to be substantial when they occur. Additionally, the purchasing of our offender management software products is relatively discretionary and the purchasing decision typically involves members of our customers' senior management. Accordingly, the timing of our license revenues is difficult to predict. The delay of an order could cause our quarterly revenues to fall substantially below our expectations and those of public market analysts and investors.

Moreover, to the extent that we succeed in shifting customer purchases away from individual software products and toward more costly integrated suites of software and services, our sales cycle may lengthen, which could increase the likelihood of delays and cause the effect of a delay to become more pronounced. Delays in our offender management software sales could cause significant shortfalls in our revenues and operating results for any particular period and could lead to future impairment of goodwill or long-lived assets. The period between initial customer contact and a purchase by a customer may vary from nine months to more than one year. During the evaluation period, prospective customers may decide not to purchase or may scale down proposed orders of our products for various reasons, including:

- reduced demand for offender management software solutions;
- introduction of products by our competitors;
- lower prices offered by our competitors; and
- reduced need to upgrade existing systems.

Additionally, because our customers and potential customers are federal, state and local government agencies that may have limited funds allocated to information technology, decreases in any of our customers' budgets for information technology could result in order cancellations that could have a significant adverse affect on our revenues and quarterly results.

We may not be successful in convincing potential customers to migrate to our offender management software products.

Many correctional institutions have historically used internally developed software for their offender management systems and to manage other resources. These institutions may not be willing to incur the costs or invest the resources necessary to initially implement our software products or complete upgrades to current or future releases of our products. Consequently, it may be difficult for us to convince these institutions to make substantial capital expenditures to migrate to our products. This may impede our ability to increase our market share in existing markets as well as penetrate other geographic markets or to generate new or recurring revenues.

Our international operations and sales subject us to risks associated with unexpected events.

The international reach of our business could cause us to be subject to unexpected, uncontrollable and rapidly changing events and circumstances. The following factors, among others, could adversely affect our business and earnings: