

Memo

To: Board of Supervisors
From: Shelton Vance
Comptroller
CC:
Date: April 7, 2014
Re: Securus Technologies

For an extended period of time, Madison County has been purchasing phone cards for resale to inmates from Securus Technologies. We have purchased these cards at discounted rates based on terms allowed by the Federal Communications Commission (FCC). The historical discount has been 46%.

Unknown to Madison County, the FCC changed the computation of the allowable discount for transactions after February 1, 2014.

In February, Madison County issued two purchase orders under the historical terms, using a 46% discount. Securus has now informed Madison County that the discount must change to 44.43% on these orders.

Please see the accompanying explanatory memo from the Sheriff's Department.

After conferring with Board Counsel and seeking informal advise from Office of State Auditor, I am requesting that the Board of Supervisors find that Madison County must comply with Federal Law and Regulations and that the invoice in excess of the purchase order be paid to comply with such regulations.

The invoices accompany this memo and are as follows:

<u>PO Number</u>	<u>PO Amount</u>	<u>Invoice</u>	<u>Invoice Amount</u>	<u>Difference</u>
140290	\$4,860.00	126485	\$5,001.30.	\$141.30
140248	\$4,860.00	126320	\$5,001.30	\$141.30

Invoice



Invoice No.	126485
Date	3/11/2014
Page	1

Bill To:

Ship To:

MADISON CO. DETEN. CTR.- MS
 ATTN: JAIL ADMIN
 2935 HIGHWAY 51
 CANTON MS 39046

MADISON CO. DETEN. CTR.- MS
 ATTN: JAIL ADMIN
 2935 HIGHWAY 51
 CANTON MS 39046

Purchase Order No.		Customer ID		HEAT Ticket / PC		Salesperson ID			
140290		01525							
Shipping Method		Shipping Instructions		Payment Terms		Req Ship Date		Master No.	
TAX				NET 30		3/11/2014		255,209	
Ordered	Shipped	Item Number	Description	Discount	Unit Price	Ext. Price			
450	450	TPS2000	CARD, PREPAID, \$20.00, TPS	\$0.00	\$20.00	\$9,000.00			
1	1	TT # 14641299		\$0.00	\$0.00	\$0.00			
1	1	PLASTIC CARDS		\$0.00	\$0.00	\$0.00			

RECEIVED

CLAIM _____

MAR 21 2014

VENDOR# _____

CLAIM# _____

Account #: 402 220 699

Jail Admin: [Signature]

Date: 3-17-14

Sheriff: [Signature]

Date: _____

To insure that your payment is properly applied, please include your account number or invoice number on your check or correspondence. You may also include a copy of the invoice. We will contact you should there be any questions.

Please remit to: P. O. Box 974847, Dallas, TX 75397-4847
 Telephone: 972-277-0300

Subtotal	\$9,000.00
Tax	\$0.00
Misc.	\$0.00
Freight	\$0.00
Trade Discount	(\$3,998.70)
Total	\$5,001.30

0-30 Days	31-60 Days	61-90 Days	91-180 Days	Over 181 Days
\$7,530.30	\$0.00	\$0.00	\$10.00	\$0.00

PURCHASE ORDER
MADISON COUNTY BOARD OF SUPERVISORS
P.O. BOX 608
CANTON, MISSISSIPPI 39046
601-855-5503

: PO No : 140290 :

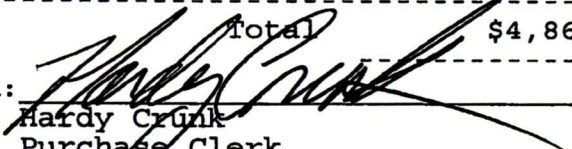
: Req. No 140352
Page 1

: T O:-----
: 15113 : S H I P T O:-----
: SECURUS TECHNOLOGIES, INC : MADISON COUNTY :
: P.O. BOX 974847 : DETENTION CENTER :
: : 2935 HWY 51 :
: : CANTON, MS 39046 :
: DALLAS TX 75397 4847 : :

: Date Ordered : Date Required : Department : Entered by:
: 3/10/2014 : 4/10/2014 : 220 MADISON COUNTY JAIL : HCRUNK :

Quantity:	Item Description	Unit Cost	Extension
450.00:402220699:20	DOLLAR PHONE CARDS	10.80EA:	4860.00:
:	:	:	:
:	:	:	:
:	:	:	:
:	:	:	:
:	:	:	:
:	:	:	:
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00000000
Total \$4,860.00

Signed: 
Hardy Crunk
Purchase Clerk
601-855-5503
hardy@madison-co.com

CORRECT PURCHASE ORDER NUMBER MUST APPEAR ON ALL SHIPMENTS AND INVOICES
INVOICE AMOUNTS GREATER THAN PURCHASE ORDER AMOUNT CANNOT BE PAID

Requisition 0140352 Date 3/10/2014 MADISON COUNTY JAIL
MADISON COUNTY JEREMY WILLIAMS
P O BOX 608
CANTON, MS. 39046
(601)859-8241 (601)948-3897 JX
REFER TO PURCHASING OFFICE

Vendor: 15113
SECURUS TECHNOLOGIES, INC
P.O. BOX 974847

Ship To: VIA:
MADISON COUNTY
DETENTION CENTER
2935 HWY 51
CANTON, MS 39046

DALLAS TX 75397 4847

Quantity	Description of Supplies, Equip, Svc:	Unit Cost	Extended
450.00	:402220699 20 DOLLAR PHONE CARDS	: 10.80 EA:	4860.00

Total \$4,860.00

Approved By: _____

J. Williams

Handwritten signature

Securus
Company Name

PURCHASE REQUISITION
Madison County
Canton, Mississippi 39046

Madison County Sheriff's Dept. (Jail)
County Department or Office

03/04/14

Budget to be Charged:
402-220-699

Deliver to:
2935 Hwy 51
Canton, Ms 39046

Quantity Requested	Description of Item	Item Number	Price per	Total
450	\$20 Dollar phone cards		\$10.80	\$4,860.00
			Total	\$4,860.00

Per Mr. Collins we are to request the purchase of the cards from this account. We get 46% of the profits off the top from Securus. We are getting \$5,000.00 dollars worth of cards with this purchase and the money received from the purchase is going back into the countys General Fund.

* Receiving Report Number 140526 *

Vendor # 15113
SECURUS TECHNOLOGIES, INC
P.O. BOX 974847

DALLAS TX 753974847

Date Received 3/14/2014
Department 220
MADISON COUNTY JAIL
Requisition Number 140352
Purchase Order 140290

Quantity
Received Description

450.00 EA 20 DOLLAR PHONE CARDS

Received By:



Agrees With Purchase Order Except As Noted:

Purchase Clerk

Invoice



Invoice No.	126320
Date	3/12/2014
Page	1

Bill To:

Ship To:

MADISON CO. DETEN. CTR.- MS
 ATTN: JAIL ADMIN
 2935 HIGHWAY 51
 CANTON MS 39046

MADISON CO. DETEN. CTR.- MS
 ATTN: JAIL ADMIN
 2935 HIGHWAY 51
 CANTON MS 39046

Purchase Order No.		Customer ID		HEAT Ticket / PC		Salesperson ID			
140248		01525							
Shipping Method		Shipping Instructions		Payment Terms		Req Ship Date		Master No.	
TAX				NET 30		3/12/2014		255,413	
Ordered	Shipped	Item Number	Description	Discount	Unit Price	Ext. Price			
450	450	TPS 2000		\$0.00	\$20.00	\$9,000.00			
1	1	PLASTIC CARDS		\$0.00	\$0.00	\$0.00			
1	1	TKT#14622922		\$0.00	\$0.00	\$0.00			
1	1	GROUND SHIPPING		\$0.00	\$0.00	\$0.00			
1	1	NO FEE CHARGE		\$0.00	\$0.00	\$0.00			
1	1	REBILL FROM INV#125787		\$0.00	\$0.00	\$0.00			

Account#: 402-220-699
 Jail Admin: [Signature]
 Date: 3-12-14
 Sheriff: [Signature]
 Date:

To insure that your payment is properly applied, please include your account number or invoice number on your check or correspondence. You may also include a copy of the invoice. We will contact you should there be any questions.

Please remit to: P. O. Box 974847, Dallas, TX 75397-4847
 Telephone: 972-277-0300

Subtotal	\$9,000.00
Tax	\$0.00
Misc.	\$0.00
Freight	\$0.00
Trade Discount	(\$3,998.70)
Total	\$5,001.30

0-30 Days	31-60 Days	61-90 Days	91-180 Days	Over 181 Days
\$7,559.10	\$0.00	\$0.00	\$10.00	\$0.00

Requisition 0140302 Date 2/18/2014 MADISON COUNTY JAIL
MADISON COUNTY JEREMY WILLIAMS
P O BOX 608
CANTON, MS. 39046
(601)859-8241 (601)948-3897 JX
REFER TO PURCHASING OFFICE

Vendor: 15113
SECURUS TECHNOLOGIES, INC
P.O. BOX 974847

Ship To: VIA:
MADISON COUNTY
DETENTION CENTER
2935 HWY 51
CANTON, MS 39046

DALLAS TX 75397 4847

Quantity	Description of Supplies, Equip, Svc:	Unit Cost	:Extended
450.00	:001220699 20 DOLLAR PHONE CARDS :	10.80 EA:	4860.00

Total \$4,860.00

Approved By: _____

J. Williams

a

Securus
Company Name

PURCHASE REQUISITION
Madison County
Canton, Mississippi 39046

Madison County Sheriff's Dept. (Jail)
County Department or Office

02/14/14

Budget to be Charged:

402-220-699

Deliver to:
2935 Hwy 51
Canton, Ms 39046

Quantity Requested	Description of Item	Item Number	Price per	Total
450	\$20 Dollar phone cards		\$10.80	\$4,860.00
	Per Mr. Collins we are to request the purchase of the cards from this account. We get 46% of the profits off the top from Securus. We are getting \$5,000.00 dollars worth of cards with this purchase and the money received from the purchase is going back into the countys General Fund.			
	Total			\$4,860.00

* Receiving Report Number 140476 *

Vendor # 15113
SECURUS TECHNOLOGIES, INC
P.O. BOX 974847

Date Received 2/26/2014
Department 220
MADISON COUNTY JAIL
Requisition Number 140302
Purchase Order 140248

DALLAS TX 753974847

Quantity
Received Description

450.00 EA 20 DOLLAR PHONE CARDS

Received By:

Laura L Sealers

Agrees With Purchase Order Except As Noted:

Purchase Clerk



Office of the Sheriff

Madison County, Mississippi

2941 Highway 51 • Canton, MS 39046 • Phone: 601-859-2345

Randall Tucker, Sheriff

March 14, 2014

Madison County Board of Supervisors
ATTN: Mr. Shelton Vance, Comptroller
P. O. Box 680
Canton, MS 39046

RE: Securus Technologies, Inc.

Dear Mr. Vance:

The Federal Communication Commission (FCC) has *mandated new rate caps on interstate calls for companies that provide telephone services to prison inmates*, effective February 11, 2014, which changed our trade discount rate from 46% to 44.43%. A copy of letter from Securus Technologies is attached. Here is additional information from Securus: "The adjustment to the current PPCC Discount was calculated as follows:

1. We determined the percentage of all PPCC activity over the past 12 months that was processed as 'Interstate Traffic' to have been 3.41%.
2. To properly weight this percentage against the current discount rate the following formula was applied:

$$(1 - 0.0341) * 0.46 = 0.4443"$$

Currently there are two outstanding invoices where the purchase orders were submitted with the old discount rate. Therefore, the purpose of this letter is to request the Madison County Board of Supervisors to issue a check for the new invoice amount of \$5001.30, a difference of \$131.30. From this date forward, all future purchase orders and Securus invoices will reflect the new invoice amount.

Thank you in advance for your consideration and processing this request.

Yours for a Better Law Enforcement,

Major Chuck McNeal

MCM:lll

Enclosure

February 2, 2014

RE: Billing Impacts of FCC Ruling on Interstate Calls

To Our Valued Customers,

In accordance with Federal Communications Commission 47 CFR Part 64 [WC Docket No. 12-375; FCC 13-113] – Rates for Interstate Calling Services – effective February 11, 2014, the Federal Communications Commission (FCC) has mandated new rate caps on interstate calls for companies that provide telephone services to prison inmates. The FCC's new caps include interstate calls rated at \$0.21 per minute for debit calls and \$0.25 per minute for collect calls. Without limitation, these rates will go into effect without anything required on behalf of our customers. Due to the FCC's Order, Securus no longer will pay site commissions on interstate calls.

This FCC change will go into effect on February 11, 2014. As such, Securus must modify our billing policies as follows:

For Interstate, Traditional Collect and Direct Bill Calling:

- Interstate call rates will be set at \$0.25 per minute

For Interstate, AdvanceConnect and Debit Calling:

- Interstate call rates will be set at \$0.21 per minute

For customer who use Securus SCP Debit:

- Interstate call rates will be set at \$0.21 per minute
- Correctional Facilities' SCP Debit usage invoice will be adjusted to eliminate Facility discount on interstate debit calls beginning on February 11, 2014

Prepaid Calling Cards:

- Beginning February 11, 2014, all Prepaid Calling Card discounts will be reduced by the percent of interstate calling revenue used on prepaid cards over the past 12 months.
 - o Example:
 - Facility Prepaid Calling Card discount (before) = 30%
 - Facility percent of interstate calling revenue = 5%
 - Adjusted Facility Prepaid Calling Card discount = 28.5%

Due to the FCC ruling, Securus will be changing the way in which prepaid cards are invoiced and commissioned. These new changes may include selling cards at face value (vs. net of discount) and subsequently paying commissions on the actual usage, as is typical with other products. These decisions have not been formalized but will begin with additional notice in 2014.

In accordance with Securus' published price list, some fees will continue to apply to interstate calls separate from the new FCC mandated calls rates.



SECURUS

TECHNOLOGIES

Securus appreciates your selecting us as your communications provider and your understanding and support in our implementation of these changes required by law. Securus remains committed to providing industry-leading communication and investigative products and services to our customers and will continue to communicate openly regarding changes required due to FCC rulings. If you have questions regarding the impact of these changes, please contact your Account Manager who will be happy to discuss them with you.