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LRB098 10893 HLH 41418 r

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HOUSE RESOLUTION

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WHEREAS, Inmate telephone services are provided to inmates of corrections facilities operated by the Illinois Department of Corrections (Department) so inmates can communicate with family members, friends and legal counsel; these services are provided through telephone equipment placed in restricted areas at correctional facilities that are accessible to inmates; inmates are allowed to use the telephone equipment only for pre-paid collect or post-paid collect operator assisted calls with members of the public at telephones located outside the facilities; the family members and friends of inmates are responsible for paying for the calls from their loved ones; and

14

WHEREAS, The Department has no incentive to select the telephone company that offers the lowest rates to allow inmates access to telephone use; rather, the Department has an incentive to reap the most profit by selecting the telephone company that provides the highest commission; and

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WHEREAS, Exorbitant telephone rates are not only bad for incarcerated persons and their families, but are bad for society at large, in that they reduce incarcerated persons' ability to communicate with family, while family contact has been consistently shown to lower recidivism; exclusive

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1 contracts create state-sanctioned monopolies that prey upon
2 people who are least able to select alternative methods of
3 communication and who are least able to sustain additional
4 expenses; and

5 WHEREAS, It is difficult for many families of incarcerated
6 persons to pay for phone calls because people in prison often
7 come from low-income households; a study of people recently
8 released from Illinois prisons found that the price of phone
9 calls from prison was one of the two most significant barriers
10 to maintaining family contact during their incarceration; and

11 WHEREAS, Illinois is one of 42 states in the United States
12 that selects an inmate telephone service vendor based on the
13 percentage of revenue the State will receive from that vendor;
14 and

15 WHEREAS, The Department of Central Management Services, on
16 behalf of the Department of Corrections, posted a solicitation
17 for an Invitation for Bid (#12-67094) for inmate telephone
18 services at all State correctional facilities in early 2012.
19 IFB 12-67094 required each bidder to submit the following:

- 20 1. the rate charged for each call;
- 21 2. the fees or surcharges charged;
- 22 3. the percent of revenues the bidder would pay to the
23 Department of Corrections as a commission; and

1 WHEREAS, The bid evaluation formula was structured to award
2 the highest number of points to the bidder that submitted the
3 highest commission to the Department of Corrections; the
4 commission rate comprised 55% of the points awarded in the
5 solicitation; and

6 WHEREAS, The State has incentive to award the contract to
7 the highest bidder because it receives the largest commission
8 from the highest bidder; and

9 WHEREAS, Three companies responded to IFB #12-67094, and on
10 June 27, 2012, the Department of Central Management Services
11 issued their intent to award the contract to Securus
12 Technologies, a Texas based company; and

13 WHEREAS, Consolidated Communications Public Services, an
14 Illinois based company, is the current provider of inmate
15 telephone services for the Department of Corrections;
16 Consolidated Communication Public Services has provided
17 telephone services to the Department of Corrections since 2002;
18 and

19 WHEREAS, Consolidated Communication Public Services filed
20 a protest on May 31, 2012 with the Chief Procurement Officer of
21 General Services; and

1 WHEREAS, Consolidated Communication Public Services
2 protest alleged that the per call rate contained in the bid
3 response submitted by Securus Technologies was above the
4 Illinois Commerce Commission established caps on rates and
5 charges under 83 Ill Adm. Code Sections 770.40(c) and (e); and

6 WHEREAS, The Chief Procurement Officer denied the protest
7 and the Department of Central Management Services awarded the
8 contract to Securus Technologies. However, in the Chief
9 Procurement Officer's Final Determination letter to the
10 attorney for Consolidated Communication Public Services on
11 June 25, 2012, the Chief Procurement Officer stated the
12 following:

13 "The key inquiry here is whether the services at issue
14 fall within the regulatory jurisdiction of the Illinois
15 Commerce Commission. If they do, and they are not otherwise
16 exempt, then the restrictions of Section 770 apply and the
17 award must be rescinded."

18 Consolidated Communication Public Services also filed a
19 Verified Petition for a Declaratory Ruling with the Illinois
20 Commerce Commission on July 3, 2012; Consolidated
21 Communication Public Services protest alleged that the per call
22 rate submitted by Securus Technologies above the Illinois
23 Commerce Commission established caps on rates and charges under
24 83 Ill Adm. Code Sections 770.40(c) and (e); and

1 WHEREAS, The Illinois Commerce Commission's Administrative
2 Law Judge and Illinois Commerce Commission's Staff issued a
3 recommendation to the Commission and agreed that Securus' per
4 call rate of \$4.10 exceeded the rate caps established by
5 Illinois Commerce Commission rules and regulations. This
6 matter is pending before the Commission; therefore, be it

7 RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE
8 NINETY-EIGHTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that
9 the Auditor General is directed to conduct a management audit
10 of the State's procurement of inmate telephone service vendors
11 for the Department of Corrections' inmate telephone service
12 program; and be it further

13 RESOLVED, That the audit include, but not limited to the
14 following determinations:

15 Whether all aspects of the procurement process were
16 conducted in accordance with applicable laws, rules,
17 regulations and policies;

18 Whether the evaluative criteria guiding the selection
19 by the Department of Central Management Services of vendors
20 were adequate and uniformly applied to competing vendors;

21 Whether decisions concerning the selection of vendors
22 and resolution of protests are adequately supported and
23 documented;

1 Whether the bids submitted by vendors and evaluated by
2 the Department of Central Management Services were in
3 compliance with the terms set forth in the solicitation
4 document; and

5 Whether or not the Department of Central Management
6 Services in the course of the procurement process or
7 resolution of the protests, took into consideration the
8 cost impact the solicitation might place on the family
9 members, friends and general public who are responsible for
10 paying for the calls; and be it further

11 RESOLVED, That the Auditor General commence this audit as
12 soon as possible and report his findings and recommendations
13 upon completion to the General Assembly.